"Gujarat Fluorochemicals Limited Q3 FY18 Results Conference Call"

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MODERATOR: **MR. FARZAN MADON – AXIS CAPITAL**

Moderator: Ladies and Gentlemen, good day and welcome to the Gujarat Fluorochemicals Limited Q3 FY18 Results Conference Call hosted by Axis Capital Limited. 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 this conference call, please signal the operator by pressing "*" then "0" on your touchtone telephone. I now hand the conference over to Mr. Farzan Madon from Axis Capital. Thank you and over to you.

Farzan Madon: Thank you Keith. Good evening everyone and thank you for standing by. We have with us the management of Gujarat Fluorochemicals Limited represented by Vivek Jain – Managing Director, Mr. Deepak Asher –Director & Group Head (Corporate Finance) and Mr. V. K. Soni – Head of Projects & New Initiatives. Over to you all sir.

Deepak Asher: Thanks very much Farzan. This is Deepak Asher on behalf of the management of Gujarat Fluorochemicals Limited. I like to extend the very warm welcome to all analysts, investors, and other participants on this call.

I am happy to inform you that the Board Meeting of GFL has concluded about a couple of hours ago and the Board is approved the Results for the Quarter ended December '17 which is Q3 FY18, copy of the Results along with the copy of the Earnings Update Presentation has been uploaded on the website of the Company as well as the websites of both the BSE as well as the NSE and I hope you had the opportunity of accessing the information contain in these. Nonetheless what I proposed to do now is to take you through some of the significant highlights of the operations of the Company for the Quarter ended December '17 and the nine-months ended December '17 in comparison with the Quarter ended December '16 and the nine months ended December '16.

So as you know GFL essentially comprises of four segments that is the Chemical business, there is the Wind Turbine Manufacturing business which is conducted by Inox Wind Limited, a subsidiary, there is a Wind Farming business and there is a Film Exhibition business again which is conducted Inox Leisure Limited, a subsidiary. Inox Wind Limited and Inox Leisure Limited are both listed entities.

On the Chemical business:

We have seen in this quarter a significant improvement in the segment led essentially by higher sales in the PTFE and the value-added product segments. Chemical business revenues increased by 51%, EBITDA by 127% and PAT by 273% in Q3 FY18 as compared to Q3 FY17.

The Wind Turbine Manufacturing business as you know since you perhaps followed the results of that company. The results have been impacted by what we think is the temporary down turn in the Indian wind power market which was caused by a transition from the preferential tariff-based regime to an auction-based market regime. However, we expect this to be purely transitory in nature and we anticipate FY19 to be the beginning of a new phase of robust growth, based on auction volume of 6 to 10 gigawatts on a sustainable basis.

On the Wind Farming business revenue is increased by 5%, but again this might be purely academic because we have substantially exited the Wind Farming business by selling 246 out of the 269 megawatts of operational capacity. This transaction is all but over, and we expect it to be concluded in this January to March quarter.

In the Film Exhibition business:

We are now present in 60 cities with 122 properties, 488 screens and about 121 lakhs seats. In this business we saw during the quarter revenues is going up by 9%, EBITDA up by 46%, PAT up by 250% and the improved performance has been despite in different content essentially due to sustained focus on non-box office revenues.

So those are some of the key highlights in each of the business and now take you through the financial numbers. Firstly, the consolidated results for the quarter end the nine months ended December 17:

Revenues fell by 47% from Rs. 1837 crores to Rs. 969 crores, EBITDA fell by 39% from Rs. 303.1 crores to Rs. 185.5 crores. EBITDA margin expanded from 16.5% to 19.1%. PAT fell from Rs. 114.6 crores to Rs. 59.5 crores that is a fall of 48%. PAT margin remained virtually flat at around 6.2%. Those were the figure for the quarter.

For the nine months ended December 17:

Revenues fell by 35% from Rs. 4502.7 crores to Rs. 2929.6 crores. EBITDA fell by 27% from Rs. 805 crores to Rs. 587.9 crores, EBITDA margin expanded from 17.9% to 20.1% and PAT fell by 39% from Rs. 289.6 crores to Rs. 177.9 crores. PAT margin remained virtually flat at around 6.4%.

Now consolidated revenues comprise of as I mentioned four different segments – Chemical business, the Wind Turbine Manufacturing business, the Wind Farming business and the Film Exhibition business, so to give you a breakup of each of these segments:

Revenues from the Chemical business increased by 51% from Rs. 349.5 crores to Rs. 526.8 crores, revenues from the Wind Turbine Manufacturing business fell by 92% from Rs. 1160.6 crores to Rs. 90.9 crores. The Wind Farming business increased by 5% from Rs. 28.7 crores to Rs. 30 crores and revenues from the Cinema Exhibition business increased by 9% from Rs. 298 crores to Rs. 325.9 crores. Those again were the quarterly numbers.

For the nine-months period:

Revenues from the Chemical business increased by 34% from Rs. 1110.7 crores to Rs. 1487.8 crores. The Wind Turbine Manufacturing business revenues fell by 88% from Rs. 2395.8 crores to Rs. 276.4 crores. Revenues from the Wind Farming business increased by 2% from Rs. 168.5 crores to Rs. 172.1 crores and revenues from the Cinema Exhibition business increased by 10% from Rs. 932.2 crores to Rs. 1024.5 crores.

Similarly, the breakup of EBITDA across these different segments has been:

EBITDA from the Chemical business increased by 127% from Rs. 67.3 crores to Rs. 152.8 crores. EBITDA from the Wind Turbine Manufacturing business fell by 110% from Rs. 184.1 crores to Rs. (-18.6) crores. EBITDA from the Wind Farming business fell by 69% from Rs. 20.8 crores to Rs. 6.5 crores and EBITDA from the Cinema Exhibition business increased by 46% from Rs. 31.7 crores to Rs. 46.3 crores. Again, those were the quarterly numbers.

For the nine-months period:

EBITDA from the Chemical business increased by 86% from Rs. 221.4 crores to Rs. 411.7 crores. EBITDA from the Wind Turbine Manufacturing business fell by 116% from Rs. 330.8 crores to Rs. (-51.6) crores. The Wind Farming business fell by 56% from Rs. 143.3 crores to Rs. 63.6 crores and from the Cinema Exhibition business EBITDA increased by 38% from Rs. 121 crores to Rs. 166.6 crores.

The segment wise PAT breakups:

On the Chemical business PAT increased by 273% from Rs. 25.4 crores to Rs. 94.7 crores. From the Wind Farming business, it increased by 96% from Rs. (-23) crores to (-0.9). From the Wind Turbine Manufacturing business, the PAT fell by 143% from Rs. 107.5 to Rs. (-46.1) crores and on the cinema Exhibition business we saw an increase of 250% from Rs. 3.8 crores to Rs. 13.2 crores. Those were the quarterly numbers.

For the nine-months period:

PAT from the Chemical business increased from Rs. 93.9 crores to Rs. 246.7 crores which is an increase of 163%, from the Wind Turbine Manufacturing business the fall was from Rs. 175.7 crores to Rs. (-132) crores that is a drop of 175%, on the Cinema Exhibition business the increase was 88% from Rs. 30.3 crore to Rs. 56.9 crores. So those are the segment-wise breakup.

Focusing now more on the Chemical business:

We saw for the quarter Revenues go up by 51% from Rs. 349.5 crores to Rs. 526.8 crores, EBITDA increased by 127% from Rs. 67.3 crores to Rs. 152.8 crores. As a result of this the EBITDA margin improved from 19.2% to 29%. PAT increased by 273% from Rs. 25.4 crores to Rs. 94.7 crores, PAT margin as a result improved from 7.3% to 18%.

For the nine-months period:

Revenues increased by 34% from Rs. 1110.7 crores to Rs. 1487.8 crores, EBITDA improved by 86% from Rs. 221.4 crores to Rs. 411.7 crores, EBITDA margin therefore improved from 19.9% to 27.7%, PAT increased from Rs. 93.9 crores to Rs. 246.7 crores that is an increase of 163%, PAT margin therefore almost doubled from 8.5% to 16.6%.

Now as you know the Chemical business again comprises of four or five different product lines. So to give you the breakup of the revenues per product for the quarter:

Caustic soda revenues increased by 49% from Rs. 86.2 crores to Rs. 128.4 crores, Chloromethane revenues increased by 26% from Rs. 60.2 crores to Rs. 75.8 crores. Refrigerant gas value revenue is increased by 115% from Rs. 31.6 crores to Rs. 67.6 crores. PTFE revenues increased by 60% from Rs. 119.5 crores to Rs. 191.2 crores. Value-added products increased by 213% from Rs. 13.3 crores to Rs. 41.5 crores and others increased by 65% from Rs. 13.6 crores to Rs. 22.4 crores. Those were the figures for the quarter.

For the nine-months period:

Caustic soda revenues increased by 32% from Rs. 247.5 crores to Rs. 327.4 crores. Chloromethane revenues increased by 6% from Rs. 179.2 crores to Rs. 189.1 crores. Refrigerant gas values increased by 36% from Rs. 159 crores to Rs. 216.9 crores, PTFE revenues increased by 52% from Rs. 361.6 crores to Rs. 549.9 crores. Value-added products increased by 152% from Rs. 46 crores to Rs. 116 crores and others increased by 50% from Rs. 39.7 crores to Rs. 59.6 crores. So, this led to quarterly revenues increasing by 51% and for the nine-months period by 34%.

I won't take you through the detail breakups for the Wind Turbine Manufacturing business, the Wind Farming business and the Cinema Exhibition business because as I mentioned at least of two of these are separated listed entities and I am sure people who would be interested would have followed the results of those companies as well.

So that ladies and gentlemen concludes my opening remarks and I would now like to open this up for any questions that you might have.

Moderator: Thank you very much. Ladies and gentlemen we will now begin the question and answer session. Anyone who wishes to ask a question may press "*" and then "1" on their touchtone telephone if u wish to remove this out of the question queue you may press "*" and "2". Participants are requested to only use handset while asking a question. Ladies and gentlemen we will wait for a few moments while the question queue assembles. Please press "*" and then "1" to ask a question. We have the first question from the line of Ketan Gandhi from Gandhi Securities. Please go ahead.

Ketan Gandhi: I am talking about the standalone result, there is almost 5% dip in the EBITDA margin in the quarterly result quarter-on-quarter comparison. Any specific reason?

Deepak Asher: This would be because of a shut-down expenses that we took in this quarter.

Ketan Gandhi: I am comparing Q2 versus Q3.

Deepak Asher: Yes that is what I am saying so there was a shut-down expense that we took in this quarter.

Ketan Gandhi: So that was around Rs15 crores because other expense was 15%.

Vivek Jain: That is correct.

Ketan Gandhi: I hope our fluorspar mine is going on a full-fledge or still it is getting stabilized.

Vivek Jain: No, it is getting stabilized. Initial commercial tonnages have already been shipped out to India and now are being used in our plants in Ranjitnagar and Dahej. Full capacity will come by another two months and we are also looking at the possibility of expanding that capacity in the next four, five months.

Ketan Gandhi: Realization was higher or neutral compared to the last quarter in terms of PTFE and value-added products?

Vivek Jain: Prices have been better in this quarter which has gone by and we are expecting further improvement in the current quarter.

Ketan Gandhi: We are on the full capacity utilization?

Vivek Jain: From a market point of view we have enough orders because of the shut-down which we are taking because we are debottlenecking in the capacities in both the TFE plants therefore there has been some outage otherwise probably the profitability would have been higher. We lost some quantities because of shut down. Each of these shut down is for almost a month, but that we had to take because we have to do that on yearly basis plus also the fact that we were debottlenecking the capacity of the TFE plant.

Ketan Gandhi: Your views on outlook on PTFE and value-added products going forward?

Vivek Jain: Well, the markets still remain to be quite strong and as we said that we are debottlenecking the TFE capacities. So by April we see significant improvement in availability. We have also increased our PTFE capacity also. So with the expanded Monomers capacity we will be able to produce more PTFE. Markets are strong. Our new products which we have developed in PTFE they are meeting increasing success with customers. The sales volume of those new grades will pick-up and expand in the months to come. There is a very good acceptance from the market. So, in the next 6 to 8 months we will see even our expanded PTFE capacity being fully-utilized. In addition, we are also making some other products made out of TFE, one is getting currently implemented probably by the end of this month and we are further increasing our capacity of R125 which is based on TFE because the market demand is quite strong. So that is an additional product which we will be increasing supplies in the market and there are two more products which are based on TFE which are currently under implementation, but in the next one to three months we will see some sales coming out of those products also.

Ketan Gandhi: Sir Ranjitnagar specialty chemical plant which are supposed to get the environment clearance any update on that?

Vivek Jain: I think it will still take another month or two months for the environment clearance to take place, but we are very hopeful now that should be done.

Ketan Gandhi: Once it starts, how much push in the turnover of the company after they start?

Vivek Jain: They will build up over a period of time. So we are rarely looking at the calendar year '19 where there will be a significant build-up of the specialty Chemical business. So, there are some work which is still to be done in completing those plants. We are waiting for the environment clearance and then we will complete those plants and the additional production of those products will come out.

Ketan Gandhi: I have few more questions. I will join later in the que.

Moderator: Thank you very much ladies and gentlemen. If you like to ask question please press "*" and then "1" on your touchtone telephone. We have the next question is from the line of Shekhar Singh from Excelsior Advisors. Please go ahead.

Shekhar Singh: Sir just on the PTFE, in the previous question you mentioned that capacity is going to be increased and that capacity increase was under number of subheads like R125 plus the new plant and all. So can you give an aggregate picture in the sense like what is the current capacity, how much is the expansion and what is the timeline for the Chemical business?

Vivek Jain: So our capacity for Monomer.

V. K. Soni: We have two Monomer plants and the total capacity is about 50 tons per day which will go to about 90-95 tons per day.

Shekhar Singh: And what is the timeline for it.

V.K.Soni: It would happen by April or May of this year.

Shekhar Singh: And most of the CAPEX for that has already done.

Vivek Jain All the CAPEX will be over by May this year.

Shekhar Singh: Secondly just wanted to know it can be chemical business, we are seeing very strong growth now and you mentioned there are new products which are getting launched. So for the coming 12 months or 18 months or two years what is the sort of work that we should be expecting and secondly in terms of margins with the launch of these products do you think the EBITDA margin can be expanded further?

Vivek Jain: Yes, certainly. One is that the growth of PTFE looks to be very strong and we have built very strong positions in Europe and we are expanding our markets in US even the domestic markets is growing fairly robustly. So we see strong growth for PTFE and all our expanded capacities will get used up in the next 3 to 6 months and as far as the others specialty fluoropolymers are concerned like FKM, PFA, FEP, micro powders these are higher value added items. All the products have been developed, investments have already been made, commercial testing is going on, we have already started some commercial sales. We expect these to get build up over a period of next 12 months, whatever capacity which we have created will get used up by that time, may be by March 19 we will running these plants also at full capacity. These are direct significant contribution to our bottom line.

Shekhar Singh: And in terms of revenue how much will be the fully expanded capacity revenue?

Deepak Asher: Well, we normally do not make quantitative forward-looking statements, but as Mr. Jain said we do expect significant growth going forward both on top line as well as on bottom line.

Shekhar Singh: Lastly, on Inox Wind Limited there was mentioned in the opening remarks that there seems to some stabilization in that business and it should be turning around with 10 to 12 gigawatts on a sustained basis and you expand on it what exactly has changed, why are you now hopeful of it.

Deepak Asher: The market has been transitioning from what was the regulated tariff to an auction-based tariff and based on the announcement made by the regulator in respect of the auctions A) that have already occurred and those which are expected to occur in the foreseeable future. We see the auction-based market research to be around 6 to 8 gigawatts per annum and in addition to this SECI options i.e.central government auctions there would be auctions at the state government level and then there would be some other PSU of the captive demand as well. So this I think most industry experts are of the view that the market for the full year FY19 should be around 8 gigawatts per annum. So that is where the expectation comes from.

Vivek Jain: Which is in a way more than doubling of the market than what it was in the previous year. This year has been a watershed because there has been no business, not only for us or anybody in the wind sector and this was an unfortunate outcome of the transition from feed in tariff to auctions where everybody all the State Government everybody stopped any further procurement of renewable energy based on wind, but now all that has been it has taken about nine long months for the whole thing to be set up. Now the auction scheme is fully in gear and we just mentioned there is almost about 2000 megawatt have already been auctioned and there are two more auctions which have already been announced for February and March which are equivalent to almost 4000 megawatt by the MNRE 4000 megawatt there is a 500-megawatt auction by Maharashtra State Government also. So there is going to be a huge amount of business coming up in the future and we think that this will auger very well for the wind sector in the next year. This year is almost virtually gone, but next year it will be very strong plus also the fact that the PPA will been signed upfront, the risk of PPA is getting reneged will vanish, it will allow a much more orderly operation of the entire business.

Moderator: We have the next question from the line of Jigar Shah from Neugen Capital. Please go ahead.

Jigar Shah: I just wanted to understand how much does the FKM products contributes to the top line of chemical business?

Vivek Jain: What it will contribute I can tell you that because that number is off my hand. Adoptable capacity will add about Rs180 crore this year around 10%.

Jigar Shah: How much percentage sir?

Deepak Asher: Around10% of the current turnover.

Jigar Shah: Sir we have been hearing that anti-dumping duty might get announced on FKM, how will it impact a performance then?

Vivek Jain: You know what outcome of the anti-dumping duty could be.

Jigar Shah: Yes I understand I just wanted to get a ballpark figure?

Vivek Jain: See it is difficult for me to make a judgment just now unless we see what kind of ADD duties are actually imposed, but yes this business is going to be very robust and see what is also happening is that with the BS-IV and BS-VI which have already been announced and there is a very strong move to have these implemented both by the Ministry of Environment in order to abet pollution and for meeting the standards FKM is increasing the yields. So we expect the markets to get a considerable boost in the next one to two years also because of changes which are happening in the automobile and the two wheeler space basing on the control pollution.

Jigar Shah: So do we see percentage wise contribution to the top line going forward much higher than 10%?

Vivek Jain: Well this is something which I am saying at near about full capacities. We have the possibility of further debottlenecking the plant, but that is the decision we will take six months down the line once we see increase in capacity utilization taking place, but those are you know minor CAPEX, which can always be done fairly quickly in a period of three to six months.

Moderator: Thank you very much. We now have a follow up question from Ketan Gandhi from Gandhi Securities. Please go ahead.

Ketan Gandhi: Sir can we have region wise turnover data for PTFE like India, Europe and US?

Deepak Asher: No, we do not have readily available.

Ketan Gandhi: Is it possible to get off line?

Deepak Asher: I will try and see if we can have that can be computed.

Ketan Gandhi: Sir your view on USITC anti-dumping probe.

Vivek Jain: That is continuing we are expecting the outcome in the next two months and we think overall it will not impact our business, maybe there might be advantage which they will accrue all of that

Ketan Gandhi: Sorry I could not hear that.

Vivek Jain: No we do not expect any negative growth in our US business, if at all we expect a positive outcome out of the current probe because it is our understanding that if there is going to be any anti-dumping duties imposed, the duties which are likely to be imposed in China are going to be fairly high and so it is really going to impact the Chinese not us so much and it could possibly open some more business opportunity for us in the US.

Moderator: We have the next question from the line of Amar Maurya from Emkay Global. Please go ahead.

Amar Maurya: Thank you very much for this opportunity and congratulations for a very good set of numbers in chemical business. I wanted to know like in a PTFE business what is the utilization for the value adds and what is the utilization for the regular PTFE business today.

Vivek Jain: About 50-50% just now, but our normal grade of PTFE has also increased the margin and improved substantially. So it now no longer low value add product the margins are pretty good and as we expand further you know our volume ultimately after all our expansion is over and everything we would expect the mix to be about 55%, 45% or around 50-50 between both the two class of products.

Amar Maurya: So regular versus the specialty right and sir what would be the utilization level per se for the regular PTFE versus the specialty PTFE utilization level?

Vivek Jain: Specialty would be well and talk in terms of volume allocated to each the specialty grades will be about 45% and regular grades would be about 55%.

Amar Maurya: Okay in terms of the volumes right.

Vivek Jain: Yes

Amar Maurya: What I am asking here is that if I am correct sir today we have an installed capacity of regular PTFE of around 9900 so if you can give me what was the nine-month production for the regular PTFE and what is the nine-month production for the value-added PTFE or production or sales whatever.

Vivek Jain: We don't have the number off hand and in that something which perhaps you can look at later.

Amar Maurya: Secondly sir now what is the price realization which we are getting in Chloromethane?

Vivek Jain: Chloromethane and MDC is close to around Rs. 40,000.

Amar Maurya: MDC Rs. 40 for kg. So but then sir is their prices come off because couple of new capacities have come up in Chloromethane right.

Vivek Jain: Yes, some additional capacity not significant capacity and the markets are strong. India continues to be a net importer of MDC there is still a gap between demand and supply here. Even if there is some additional capacity which comes in it is not really impacted the market yet.

Amar Maurya: Secondly the specialty chemical business I believe you have five, six molecules today and we have planned to build a bouquet of specialty chemical business so if you can give some understanding about how we are going to take it forward, what would be roadmap and how I should see this business going forward.

Vivek Jain: Just now as far as the Fluoro Specialty Polymers business is concerned products which we wanted to enter into, either been commissioned or are now are in the commercial development stage we have commercial listing is started whether it is PFA, FKM, FEP, PVDF micro powder, it will have a significant impact on our bottom line once we are at full capacity functioning which we are hoping that should happen by March 19 and the value addition here is higher than PTFE.

Amar Maurya: How much CAPEX we have put into this particular plant?

Vivek Jain: Well these CAPEX are as I mentioned most of the CAPEX are over whatever remnant CAPEX which is there is in augmentation of our TFE capacity which is likely to get over by about April end or May.

Amar Maurya: Okay but what do I quantum that it would be helpful say till today what would be the quantum of CAPEX gone into the specialty chemical business and by March how much we will be doing if it is possible to give the figure and what is the kind of asset ratio we will be looking further?

Vivek Jain: Sorry I do not get that question. What was your last part of your question?

Amar Maurya: I mean I am trying to understand what is the total CAPEX allocated or likely to be allocated to this particular business and secondly what is the kind of fixed asset turnover ratio we are looking into this kind of business over a period of three years?

Vivek Jain: You know I think it is difficult for me to give you the number, but I can only tell you that not significant CAPEX have gone in the entire specialty fluoropolymer business and I would say it would have been about may be about close to about Rs100- to Rs125 crore.

Amar Maurya: And what kind of asset ratio it can generate?

Deepak Asher: 4:1., at full capacity utilization.

Amar Maurya: So around four times you are saying. That is helpful sir.

Moderator: Thank you very much. Ladies and gentlemen if you would like to ask a question pleas epress "*" and then "1" on your touch tone telephone. We have the next question from the line of Shekhar Singh from Excelsior Advisor. Please go ahead.

Shekhar Singh: Just want to know what is the gross debt as of the quarter end and what is the net debt**?**

Deepak Asher: You want the gross debt and the net debt in chemical business?

Shekhar Singh: In the present company standalone company.

Vivek Jain: So standalone I think the gross date should be roughly about Rs 500 crores and the net debt should be about Rs 150 crores.

Shekhar Singh: Secondly sir in case of Inox Wind Limited you have equity stake of 85% which needs to be brought down to 75%, what is the timeline for that?

Deepak Asher: We have to do this by first week of April so that three years from the IPO.

Shekhar Singh: So April of 2018 you have to do it.

Vivek Jain: That is correct.

Shekhar Singh: Lastly like the cash from the wind farm sales the subsidiary that you have sold how much of that and when is that accruing to the balance sheet?

Deepak Asher: Well that would probably as I said the transaction is expected to be completely concluded in this quarter, so you will see large part of that cash coming in to the subsidiary which is Inox Renewable Limited within this quarter itself and then of course we will have to see how we can kind of plough it back into the holding company.

Shekhar Singh: And how much is the amount?

Deepak Asher: Net of debt the pure equity would be in the range of about Rs300 to Rs350 crores.

Moderator: We have the next question from the line of Hansal Thakkar from Lalkar Securities. Please go ahead.

Hansal Thakkar: Hi Congratultions sir on great set of numbers on chemical business,. Just a follow up to the previous question asked, we are likely to be complaint with the MPS requirements for Inox Wind Limited, right?

Deepak Asher: That is correct.

Hansal Thakkar: It seems that everything is on track and we won’t be non-complaint with that requirement?

Deepak Asher: Absolutely.

Deepak Asher: If there are not more questions maybe we could wind up.

Moderator: Yes, there are no further questions. Sir would you like to make any closing comments?

Deepak Asher: Well not really except that in a once again I like to thank the participants on this call and look forward to their continued support to this company.

Moderator: Thank you very much on behalf of Axis Capital and Gujarat Fluorochemicals Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.