

Date: November 03, 2021

To, Department of Corporate Services, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 543333	To, Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Scrip Symbol: CARTRADE
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Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Transcript of the CarTrade Tech Q2 FY-22 Earnings Conference Call held on Friday, October 29, 2021

Dear Sir/ Madam,

With reference to our letter dated October 27, 2021 intimating you about the Analyst/ Investor Call with Analysts/Investors, please find enclosed the transcript of the CarTrade Tech Q2 FY-22 Earnings Conference Call held on Friday, October 29, 2021.

The above information will also be available on the website of the Company: www.cartradetech.com.

This is for your information & record.

Thanking You.

for CarTrade Tech Limited

Lalbahadur Pal
Company Secretary and Compliance officer
Mem. No. A40812

Enclose: a/a

CarTrade Tech Limited (formerly known as MXC Solutions India Private Limited)

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“CarTrade Tech Q2 FY-22 Earnings Conference Call”

October 29th, 2021



MANAGEMENT: MR. VINAY VINOD SANGHI – CHAIRMAN, MANAGING DIRECTOR&CEO

MS.ANEESHA MENON – CFO &DIRECTOR

MR. VIKRAM ALVA – CHIEF STRATEGY OFFICER.

MODERATOR: MR. NISHIT JALAN – AXIS CAPITAL LIMITED.

Moderator: Ladies and gentlemen, good day and welcome to the CarTrade Q2 & H1FY22 Results Conference Call hosted by Axis Capital Limited. At this moment all participants are in listen only mode. A question and answer session will be conducted towards the end of the session. At that time, you may click on ask a question tab and type your question. Participants on audio call may enter "*" "1" to ask a question. Please note that this conference is being recorded. I now hand the conference over to Mr.Nishit Jalan. Thank you and over to you sir.

Nishit Jalan: Good morning, everyone. Welcome to Q2& H1FY22 Results Conference Call of CarTrade. From the management team we have Mr. Vinay Vinod Sanghi, Chairman – Managing Director and CEO, Aneesha Menon – CFO and Director and Vikram Alva, Chief Strategy Officer.

I will now hand over the call to Vinay for his opening remarks. And he will take us through the presentation as well, post which we can have Q&A. Over to you Vinay.

Vinay Vinod Sanghi: Thank you, Nishit and thank you for everybody for joining in this morning. For this first investor presentation for the company, we really appreciate you taking the time out and spending the time. Just before we go into the earnings, and of course we've uploaded it yesterday our earnings and the presentation itself. I hope you all have a copy of the presentation, I'll just give you a little bit of a recap, on the strategy and the business itself. Vikram go to the next slide please.

This is something we showed earlier on, and it's also part of our document which we filed prior to the IPO is, what are we looking to build. We are looking to create in India, an automotive digital ecosystem. And then what we've been able to create over the last 10 years is connecting all the stakeholders to one digital platform. So, the top as you can see all our brands, CarTrade, Carwale, Bikewale, where we have millions of customers coming every month and every day, and every year for selling a vehicle or buying a vehicle. You might see from the data that 34 million people per month came to sell the vehicle or buy the vehicle on one of our platforms. That's a huge number, 34 million come and 86% or 87% of them came organically, which means they come without us paying for them. Which is one of the reasons why our company's got a very high adjusted EBITDA margin. So, as I said, part of this ecosystem, which we are creating is the brand of our platforms and the 34 million customers which come, also part of this ecosystem is the technology and software we have created, where we've connected all the stakeholders, connected customers, dealers, manufacturers, banks, insurance companies all on one platform. So, dealers can come in and buy vehicles or sell vehicles, banks can give loans or sell vehicles, manufacturers can sell vehicles and customer can buy or sell vehicles. So, as much as we are a brand where 34 million customers come, we are a technology software company which connects all the stakeholders of the automotive industry onto one platform. But we are also one of India's leading places or destinations for automobile data.

We have auctioned in the last quarter more than 300,000 vehicles, which is almost a 1.2 million run rate. We have these 34 million customers coming; we also have most dealers in India on our platform, and therefore the largest warehouse for automotive dealer data, consumer data as well as vehicle data. So, what are we looking to create? We're looking to create an automotive digital

ecosystem with our core strengths being the customers and the brand, the technology and software which interlinks all the stakeholders and data which we carry in our warehouse.

You can go to the next slide Vikram. And as I said over the last 10 years, the strengths we talk about is the brand, the platforms, the technology, the software, the data science, and the algorithms which we carry. We are a profitable business with adjusted EBITDA margin of 28% and of course, what brings all that together and all the strengths together and the foundation we created in the last 10 years together is the entire team at CarTrade tech. Can we go ahead Vikram?

When we look at, the strengths we have and what we create in the last 10 years and look at the future of the company. This slide is very critical to explain what we want to do over the next 10 years, 15 years. On the left is the consumer group, which carries all our core businesses. The new car business, where you can come and buy a new car, or a used car, where you can come and buy a used car. But we also have India's leading two wheeler platform called Bikewale and we believe that it is a strong growth area for the future for us. As many of you know that the GMV on two wheelers in India is almost equal to GMV of new cars. And we believe that Bikewale, which is one of our leading, one of our fastest growing businesses can be of a certain scale and size over the next two to three, four years. So, really on the consumer group we got the new car side, used car side and the two-wheeler platform but there's also services angle for the future, car servicing, car repairs, insurance. We haven't addressed this yet, but as we go on in the future, obviously we're looking at incubation or investments or acquisitions in the space of car servicing, car repairs, car insurance, so that we can enter the services. All the 34 million customers, we get every month require to repair the car or insure their car. So, we're closely looking at the car services space.

And then the remarketing side of our business, where as you know we auction almost at a run rate of almost over a million vehicles a year, where we have these vehicles which are auctioned supplied by consumers like you and me, businesses, business include banks such as repossessed inventory, insurance companies, dealers, fleet owners, etcetera. So, really the consumer group and the remarketing group is what makes up our revenues and profits today. But we look at the future of the company over the next, 10 years, 15 years, and then we obviously want to go into other areas. Franchising is a big area of expanding into and we'll cover that in the presentation a little later. How are we digitizing the entire journey of buying a used car, and franchising is helping to do that, and we'll talk about it a bit later.

CarTrade Finance, a big initiative I'll talk about it a little later as well, where we're looking at all these 34 million customers getting a loan in a digital form on our platform today. And then the software service angle, all our customers, dealers, manufacturers, banks use our software for some part of that business or the other some of these businesses have taken our software internationally as well. So, for example, BMW has taken our dealer management solution to their dealers in Asia. And then of course, the areas of new areas of investment, electric vehicles, these are all new age businesses, ride sharing, connected vehicles. But if you look at us really

we are a platform where at the core, a current new car, used car, remarketing business that driving all the growth and the profitability, as you look at the future next 10 to 15 years car servicing, car insurance, car financing, two wheelers, software all these become core business the company which will give us just a limitless opportunity to grow. It almost amounts to a \$14 billion TAM for us for the future for the next 10 to 15 years. Can we go to the next slide Vikram, you want to take this?

Vikram Alva:

Yes, I will take this. So, as Vinay spoke to you about what the businesses we are in, the business we are incubating and the business we want to be into, the total revenue pool or the TAM as we call it is about \$14.3 billion. This is not GMV value, but this is the revenue pool available to us. This ranges from vehicle transactions, after sales service, accessories. Ad spends is a \$1.8 billion revenue opportunities or TAM opportunity there. Auto finance is \$1.4 billion opportunity. The reason we are able to address or target this \$14.3 billion opportunity, because of the strong brands we've got and the great amount of traffic they generate for us. Also, India is really poised to grow rapidly, we are poised to be the third largest auto market by 2025. If you look at the projections for new cars, new two wheelers and use cars, they're growing at 10% CAGR for the new car business, new car sales going about 8% CAGR for new two wheelers, about 11% CAGR for used cars. So, huge TAM opportunity, the country is growing, we are supposed to be the third largest auto market in the next few years. A few small highlights about what's happened in the last six months, obviously COVID has hit us in the first quarter of this financial year, between April to June, July there were lock downs and therefore dealerships were mostly closed during these periods. The other big issue is the issue which is there of semiconductor issue and supply side issues right now. What we estimate or what we understand is, these issues on the suppliers of semiconductor, etcetera should taper off by the end of this financial year. The large TAM, growing markets and our strong brands will help take us forward.

Vinay Vinod Sanghi:

As we've talked to the last few slides are really about what we achieved in the last 10 years and then the future of the company for the next 10 to 15 years and how our strategy is based. As Vikram says, with a huge TAM out there and also the industry itself is poised to be the third largest auto industry in the world in the next few years. Coming back to this particular quarter and half one for us how our performance has been, we continue India's leading two wheeler and car automotive portal, only profitable adjusted EBITDA of profitable and as you can see from the FY20 which we have earlier shared as well. Vehicle agnostic, cars, commercial vehicles, average monthly unique visitors 34 million in Q2, this is the highest ever we've ever reached. And it's a massive number 34 million unique visitors per month this is and this is our last quarter average. What is more remarkable 86.68% of these come organically. Organically means we don't pay for it and it shows a brand affinity of the company itself and the platform's we have. Our auction volume is at an annualized volume of 1.2 million which are also highest ever numbers in Q2, which we achieved here. The run rate revenue has come to Rs.3.5 billion or Rs.352 crores which is annualized for Q2, the profitability of the adjusted EBITDA is almost Rs. 97.8 crores on an annualized Q2 number. And the adjusted EBITDA margin is at 28% in Q2. So, all our numbers are, you look at the traffic, you look at the number of users or you look

at the number of vehicles auctioned and our EBITDA margins, our revenues were almost reached our peak in Q2 this year. Can we go into the next slide, Aneesha you want to drill down on this?

Aneesha Menon:

Sure. I will happily take this up. So, as Vinay mentioned, we had an adjusted EBITDA margin at 28% for Q2. And if you look at the growth numbers, which is evident out here, the half year number for FY22 was at Rs.150 crores as against Rs.103 crores of last year, which gives us a 46% growth in revenue. On an adjusted EBITDA, we are at Rs.33 crores as against Rs.16 crores which gave us 104% growth from last year, which is how the. And you can look at the Q2 numbers with an Rs.88 crore of revenue we have Rs.24 crores of an adjusted EBITDA, which gave us this 28% margin. The only exceptional item which is there in this quarter and in this half year is explained by way of a note. It's exceptional, non-recurring and a non-cash adjustment, which is on account of the ESOPs that were granted in this year. These ESOPs were granted with a vesting period of one year, which is an accounting entry which is an entry that we need to pass as per the Ind-AS standards is to park that entry into our cost which is why we've got this large cost which you can see on the table below. There's a Rs.93 crore cost in the half year and a Rs.46 crore cost in Q2, which has resulted in a negative number. But I reiterate at the adjusted EBITDA levels, we are definitely positive. And we have great margins at 28%.

Vikram you want to go ahead to the next slide. These are the numbers which will give you the consistent revenue and adjusted EBITDA growth that we have witnessed. Be it Q2 versus Q1, Q2 versus Q2, or H1 versus H1, we have had 40%, 39%, 46% growth all throughout in revenue and on the adjusted EBITDA margin side, from Q2 to Q1 we had a 186% growth that we witnessed, Q2 to Q2 is 34%. And H1 to H1 is 104%.

Vikram if you could help me with the next slide. And in fact, would you like to take up the next slide?

Vikram Alva:

Yes. So, as Vinay said, in this quarter we've reached the highest average monthly UV's at 34 million. 86.68% of this came organically, that means for 86.68% of our traffic, we don't spend a single rupee. This is a serious and big competitive advantage for us. Our UVs have grown quarter-on-quarter, if you look at from Q2 to Q1, we have grown about 26% and we have grown about 21% in the organic part of it. Our strong traffic and most of it coming organic is a huge competitive strength for us. Google Trends also shows that we are leaders as far as online brand searches go, Google Trends is a really good indicator of how our brands perform vis-à-vis our competitor's brands. This graph is only for about one and a half years, you can do this trend by yourself for the last 10 years and you can see that we are way above our competitors. Even though our competitor spend money and they sometimes inch upwards, as soon as the advertising spends reduce a little we've retain our domination over them. We are about one and a half times the nearest competitor, about seven to eight times more than our second nearest competitor in the Google Trends, that's on the car side. On the bike space, we are a clearly dominant player with our Bikewale portal. The reason we've got such strong brand affinity is because our brands are synonymous to trust, quality, reliability, and consumers love our brands.

If you look at the auction platform, we have reached the highest ever auction listing numbers at 300,671. Our annualized listing run rate is 1.2 million this is based on annualized number of Q2 FY 22. As you can see our auction listing numbers of Q2 versus Q1 has grown by about 41%. The same is with auction listings of Q2 versus Q2 is about 73%. Actually, Aneesha is that the right number?

Aneesha Menon: Yes, absolutely.

Vikram Alva: I couldn't see it very clearly out here. And we've shown consistent growth in our auction listings and auction sales volume.

Vinay Vinod Sanghi: Yes, I want to talk a little bit about some of the key initiatives we've done in the last six months. One of the biggest initiatives going on in the company is digitizing India's auto industry. So, Vikram if you could go to the next slide, please. And this really comes from digitizing the entire journey of buying or selling a car. If you come to Carwale today and what our attempt is, over the next few years is, right from finding your car, selecting your car, choosing your car, we want to be able to get a test drive booked online, we want you to be able to book the car online, get a loan instantly disbursed to you online, get a price for your old car online, is a trade in and get an insurance policy and then have the car delivered to you. So, we want in a way to create the entire journey of you buying a vehicle or selling a vehicle at the click of a button. And we are spending extensive time in digitizing this entire journey along with manufacturers, banks and other stakeholders. So, that the customer experience on buying a car is almost like buying, a cloth item or any other item which we normally do on everyday purchases. So, this is a project which we've undertaken for a few months now. And some parts of it we already had done, some parts are underway, but the attempt here is to make sure that you can get a vehicle, or the journey of buying a vehicle is completely digitalized. So, that the customer gets the best experience possible. Vikram, can we go to the next slide.

As part of the journey, the first thing we've done is really provide a fantastic buying experience for used car customers. So, we've already started putting up Carwale abSure stores. Now there are nine cities, what the stores do is have full certified cars and a certain look and feel for a customer to buy a used car and have a fantastic shopping experience. All the vehicles in the stores are listed on Carwale as certified vehicles, they come with a warranty, and they come with a full peace of mind. And the customers can come online today and get a complete digital buying experience. So, you can come online, you can find the car, you can select the car, you can look at the report and the condition, you can choose the car, you can book the car. So, we are trying at the first attempt to digitize the entire buying journey of the used car business. We have put up these locations and put up a digital store so that you can get a complete peace of mind and buying experience to buying all these high quality used cars. Vikram can you go to the next slide, please.

Yes, this is the promise for the used cars, you have seven day money back so you can buy this car and return it back if you don't like it. Of course, the complete guarantee of it being not tampered or a zero accident vehicle, the cars are completely checked to make sure the condition

is good, and they carry a warranty on it. So, this is a real attempt at digitizing the entire used car business. And as I said, its launched in nine cities so that you can choose a car, select a car, book the car, and use the car with a warranty and with the full peace of mind. And if you for some reason do not feel, you can just return it right. It's a very unique offering in the industry itself. So, this is the first attempt at digitizing the entire buying journey of the new car and used car industry. Let's go ahead Vikram.

What we have also done is digitize the loan experience, so today you can come onto Carwale and once you select a vehicle, a new car or a used car or a two wheeler, you can put in your details and we take out data from the credit bureau, send your data to multiple banks. So, that the banks instantly, a process which is physical in the real world and takes a long time, can instantly give you a loan approval back, This is a product is already live on Carwale and Bikewale and all our platforms and today, it's probably the easiest and most convenient way of getting a digital loan. We believe that this is going to be a big part of our future where all the 34 million customers on our platform need a loan and we're heavily investing in technology with banks and other stakeholders to make sure the customer gets a choice of multiple, multiple loans at the click of a button and instantly. We believe that this could be one of our larger businesses in the next three to four, five years. We can go to the next slide please.

For this, we are looking to create India's largest auto loan marketplace. It is s already one of the largest auto loan marketplaces in the country. Multiple banks, you can see the list of all the partnership banks, all the leading banks in India are partners to us and 1000s of customers today who can come in and get a loan of their choice from any of these banks or finance providers. Let's go ahead Vikram.

This is what we had today. What we'd like to do is now after this preamble of 20, 25 minutes where we've talked a lot about the foundation, we've created, a little bit about our results, a little bit about the future, a little bit about some of the key products we're focused on. We're happy to go into Q&A and answer all the questions of all the participants.

Moderator: Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. First question is from the line of Amit Pirani from JPMorgan. Please go ahead.

Amit Pirani: My question was actually, more on the TAM that you laid out the \$14 billion revenue pool. Quite an interesting slide, and help us to think about. Sorry. So, my question was mostly. So, \$6.5 billion revenue opportunity for vehicle transaction, is this what you can achieve or is this the market opportunity and then you will obviously have a certain high market share within that. And similarly, with the auto finance opportunity, how are you defining it because, auto finance could be a larger number unless I'm mistaken here?

Vinay Vinod Sanghi: Vikram you want to take this up?

- Vikram Alva:** Yes. So, the TAM is actually the overall market size. And within that we will have a share of that market size, it is not completely that we will do, that's a total market which is there and we will have a portion of that. That's the way the TAM is defined. Secondly, on the auto finance part it's a percentage of the loan book, which is part of the revenue opportunity for us, so it's not the GMV value. I think, what you're looking as kind of GMV value, this is a percentage of the auto loan markets, or the existing loans in the market in auto sector, a percentage of that basically, is what the banks and other people will make of it.
- Amit Pirani:** Okay, great that's helpful. And I don't know if you can share this or maybe give us some directional view on how the profitability of the various segments is moving, because auto mall has been profitable for some time now. But, we were seeing an improvement in profitability in the new car, used car space also. So, some sense on how these are moving will be great.
- Vinay Vinod Sanghi:** Aneesha, you want to take that up?
- Aneesha Menon:** Sure Vinay. So, just to clarify, both our businesses have been profitable and for a very long time. So, in fact, the results that we've uploaded will also have this, so I can definitely answer this, if you can look at the March numbers or the current numbers, and you carve out SAMIL, both the entities have given those Adjusted EBITDA margins of 28%. So, it must be 27 and 28, but both have healthy margins. Just it's not only SAMIL which is profitable.
- Moderator:** Thank you. Our next question is from the line of Vimal Gohil from Union AMC. Please go ahead.
- Vimal Gohil:** Sir firstly, if you could just probably highlight, Vinay spoke about a three core businesses, which is the remarketing business, the new car business and the used car business. Can we have some sense as to, how much of these three businesses will be contributing to that Rs.77 crore of revenue in this quarter?
- Vinay Vinod Sanghi:** Sure, let me check and just take that. About 57% odd % comes from our remarketing business, which is helping consumers like me and you sell vehicles, big businesses sell vehicles to fleet owners and dealers, it's a C2B, B2B business, which is 57%, the rest comes from our core new car, used car platforms where consumers like you and me can come and buy a car or sell a car, which is on Carwale, Bikewale, CarTrade, et cetera all are platforms. So, that's just a brief break up of how revenues are structured.
- Vimal Gohil:** So, Vinay, firstly these numbers are for the first half or for the quarter or how is it?
- Vinay Vinod Sanghi:** This is first half right Aneesha?
- Aneesha Menon:** So, the 77 number that he spoke about was Q2, where you are absolutely right 56% is SAMIL. For H1, it is about 54%, but it's always been in the same range. So, both H1 and Q2 to answer

this question would be at the range of 56 and 54 coming from SAMIL business or the remarketing business.

Vimal Gohil: And ma'am would it be possible to break this old car, new car business further, as in how much is contributed by the new car because I just want to understand the potential, the new car business where there is a potential to increasing ad spends by most of these OEMs, they are going to increase their digital ad spends and in line with what is happening globally. So, maybe just wanted to understand how much of that, how much of our revenue is coming from there?

Vinay Vinod Sanghi: So, it may be difficult to split it, but what I can tell you is the larger part is the new car side. What we found over the last eight, ten years is the new car monetization has taken probably the first step, in this whole automotive digital industry. And so the new car part is the larger in it we can't obviously split the new car, used cars side.

Vimal Gohil: Fair enough. So, in the first half of FY22 and did you see OEM sort of pull back some of the ad spend which also impacted you guys, any sense that you can give because what I have been hearing and what we've been reading is that, while ad spends are down there have been cuts on the traditional channels, which is maybe television or newspapers, etcetera. But the ad spends are probably holding up at least as far as the digital mediums are concerned. So, a comment over there will help. Thank you.

Vinay Vinod Sanghi: Sure. So, the revenue growth the company is 46%. So, obviously the answer, and across all businesses there is a significant growth, so the answer that the OEMs have spent with us is obviously correct, because the revenue has grown by 46% of the company. The way to answer this question is that there is generally over a long period of time, a shift from offline media to digital, from car manufacturers and industry at large. That shift, our RHP said it's 30%, 40% of all spends are digital. We believe that, in many other countries in the U.S or other places, it's almost 35% -40%. And there is a trend, the car manufacturers and dealers will spend more money on digital over the next three, four or five years. Like it's in most developed markets, the way we see this in the last few months, some of this has got accelerated because of just the COVID impact and behavioral change of consumers, who now more than ever come or use digital as a first form of any purchase process. And that is driving, if you see our traffic that's driving our highest of traffic as well as quarter so, we've seen those trends. Obviously we as a business would like it to be far more than and more acute, but these trends are, it's a long term secular movement towards digitizing across the board in industry.

Aneesha Menon: Vinay, I was going to say that, I would have loved to say that 46% is after the cut. That the fact is we have not seen any of these cuts, we've seen a healthy growth of 46% in our business.

Moderator: Thank you. Our next question is from the line of Ding Viko from Eastspring Investments. Please go ahead.

- Ding Viko:** Could you give us a bit more clarity on the nature of the inventory of the auction business. I have been to the SAMIL website and it appears that your listed shows at the top of inventory seems to be CVs. I understand, from the auction business, maybe only 25% should be CV so I am wondering where is this, you non-CV inventory being listed?
- Vinay Vinod Sanghi:** I don't think we got the second part of the question. But, just to clarify is, our auction business 1.2 million vehicles got mix of CVs and passenger cars and other products. We are very bullish on the commercial vehicle industry by itself. Even RHP shows that approximately 1 - 1.5 million commercial vehicles or used commercial vehicles are traded every year. In Shriram Automall we have a very unique opportunity, I would say to tap the entire used commercial vehicle market. So, it's something we're very excited about. It's not in percentage terms, it's a smaller part of our total inventory. But something we're trying to invest behind and focus on for the future, where we do believe that we can be a significant used commercial vehicle auction player. We are already probably the leading player but become a used significant player in the next few years. For us an area where beyond passenger cars, it's an area for us to focus on, obviously passenger cars is probably the leading area for us as far as auctions or our B2C businesses. But really when you go forward we like to focus on the used commercial vehicle industry as well. And make sure that the 1.5 million used commercial vehicles is something we can make a big dent in.
- Ding Viko:** Thanks for that, to answer the first question. Second question was that, I have visited the – SAMIL website and it seems that, a lot of the inventory being listed there for CV inventory, such as for Ashok Leyland or Tata CV. So, I'm just wondering where is this non CV inventory coming from, is there some kind of integration with the main Carwale platform?
- Vikram Alva:** One thing is, we have cartrade exchange also as an online platform where vehicles are listed, so it's not only the SAMIL website, Vinay go ahead.
- Vinay Vinod Sanghi:** Was the question that, where does the non CV inventory come from, what is the question?
- Aneesha Menon:** No, he's trying to see it on the site Vinay, on the website he is trying to figure out where the.
- Vinay Vinod Sanghi:** No, it's just in different platforms. But the inventory on Shriram Auto Mall and its subsidiaries comes from, it could come from dealers, it could come from consumers like you and me, it could come from a fleet owners, it could come from banks which are repossessed inventory, come from insurance companies, this is a very long tail of consumers and business sellers.
- Ding Viko:** So, so the non-CV inventory are being listed on another platform or is everything.
- Vinay Vinod Sanghi:** It will be on all platforms. It will be on CarTrade exchange, it will be on Shriram Auto Mall. Both of them,
- Ding Viko:** Okay. And just Shriram Auto Mall alone would it be mainly CV?

- Vinay Vinod Sanghi:** No, it's a mix of all products.
- Ding Viko:** Okay. And the split would be around the same 25% of it would be CVs and the rest of the non-CVs?
- Vinay Vinod Sanghi:** We are not able to give an exact percentage but in the range of that commercial vehicle.
- Ding Viko:** Okay, thanks. And could you comment on the kind of integration and synergies that the auction platform has with the used car, new car, core platform. How does this integrate with the core part of the business?
- Vinay Vinod Sanghi:** So, we have a large number of sellers coming on Carwale to sell their car as you know. And one of the things we're working heavily in terms of synergy projects is, how do we seamlessly get a customer list on Carwale and auction the vehicle on Shriram Auto Mall, the project which is underway and that's one of the reasons why we acquired Shriram Auto Mall couple of years ago and the synergies across the consumer seller on Carwale and the auction systems on Shriram Auto Mall. What we've gone one step further and it's in the RHP as well, is with manufacturers we are targeting and doing the same thing, which is if you look at MG Motors which is one of our partners, what we're looking to do is, any trade-in vehicle which comes in there is also auctioned back on Shriram Auto Mall so we're finding different sources of supply with Shriram Auto Mall, which is the growth of these vehicles of 1.2 million run rate is coming from consumers of Carwale, which is integrated to Shriram Auto Mall that provides for our future growth because that integration is underway. And the second of course is tying up of **33:50** manufacturers and dealers also supplying cars or passenger vehicles into Shriram Auto Mall auctions. But, these are all supply sources for us. For us, people selling on Carwale also have different needs, so somebody selling on Carwale to buy a new car, and has trade-in as well. So, it's possible they might go into a new car dealership, somebody selling on Carwale also wants C2C transaction and sell to another consumer. So the consumer is categorized into various things, but one of the projects we're working on from a synergy standpoint is to make sure if you sell on, or looking to sell on Carwale, and you want the best price from a dealer is how do we seamlessly auction it out on Shriram Auto Mall.
- Ding Viko:** Okay, thank you. Sorry, I just have one more question, which is can you give more clarity on the development of the franchise business, what's the roadmap and timeline in terms of expansion?
- Vinay Vinod Sanghi:** Sure. This is a big part of our future expansion. And it comes from how do we seamlessly make a used car available online for you to buy with all the peace of mind you need to buy the vehicle. So, that involves multiple things, the first part of it is the digital buying experience, which means your ability from a technology standpoint to come online, find the car, select the car, book the car, get a loan online, etcetera, et cetera because large percent of these customers want a digital loan as well. And then once the loan is instantly disbursed, how do you make sure the car is instantly delivered to you can pick it up. And the logistics of that is managed, so it's a seamless

end to end experience of buying a used vehicle online. Part of the physical side of it, which is making the vehicle available to the logistics of being delivered to you or collecting it is about putting up locations across the country. And we're now in nine cities, we put up the locations so that you can seamlessly pick up the vehicle, or vehicle can be delivered to you. And of course, the availability that the vehicle carries a full warranty from Carwale and a guarantee in a way because you can return it if you don't like it. So, this is as far as we are concerned a very critical part of our use car side of our business. The B2C side, big expansion planned over the next few years, as I said already nine cities, but this is rampantly, to the rampant growth and development going on here. It will be one of our fastest growing businesses in the next two to three years, but there's huge focus of the organization making the used car seamlessly online available to you whenever you want to buy it on Carwale.

Moderator: Thanks. I would now hand the conference over to Nishit for the chat questions. Over to you Nishit.

Nishit Jalan: Thank you. So, we have questions on x box, the first one from Rajesh Baidnekar of BNP Paribas. He is asking, could you provide a segmental breakup of website services, commission income and used car sales this quarter and how do you see it pan out for the full year. We have similar question from Shyam Sunder also, who is asking the breakdown of standalone revenues between the new and used car business.

Vinay Vinod Sanghi: We answered this a little earlier. 57% of our revenues come from a C2B, B2B auction business and the rest comes from a B2C side of our business. That's the segmentation breakup. On the B2C side, the larger part is new, but we're not at this point to give a breakup between the new and used cars side of the revenues. Aneesha you want to add on to anything?

Aneesha Menon: Vinay, even the adjusted EBITDA, the composition was similar. So, we have 56% coming from SAMIL, the rest is standalone entity.

Nishit Jalan: Okay. We have another question from Rajesh Baidnekar. How are the unique views calculated, is it based on a page clicks, or is it per visitor regardless of how many pages they click on?

Vinay Vinod Sanghi: Vikram, I can answer that you can just add on if you like. This is actually unique customers, unique visitors per month. If one person clicks five times, then it's counted as one, not five. So, this is unique customers so 34 million is unique. It's not visits as we call, or number of visits or page views, this is just number of unique people, am I right Vikram?

Vikram Alva: Yes, Vinay is correct it's tracked by Google Analytics basically, Google Analytics understands when a customer comes once in a month and tracks them as unique basically. So, it's not page views or it's not hits, it's basically a unique visitor coming to website in a calendar month.

Aneesha Menon: Just to add to that to that another point because 88% is organic. It's not that someone has come to just click for seeing the site, they are the genuine customers who have come on the site.

Nishit Jalan: Sure. So, we have another question from Ashwini Agarwal. His question is on the franchise business regarding abSure what is the business model, are we buying those vehicles from sellers and investing money in it, how does it work for us?

Vinay Vinod Sanghi: Yes, abSure outlets, they are franchise store so dealers buy vehicles, invest in that and refurbish them to our standard and then we certify these vehicles, check the vehicles, put up a warranty and a money back guarantee and then put them up for sale on Carwale.com. So, it's an end digital experience to the customer. We've tried to as a company, stay asset light, where we don't own the store and the infrastructure at all. The dealer puts that up and we of course on sale of the vehicles charge a transaction fee to all dealers, which is very high margin business for us. So, it's a complete, it gives customers a complete digital experience to buy vehicle online and then have it delivered to them with complete peace of mind. It allows our dealer to be, it allows to ramp up fast because we've chosen a franchise way of rolling this out already in nine cities. And also it provides, it's a model where we make high margins and the dealer as well stays profitable, that's the way we thought about it.

Nishit Jalan: Vinay, one related question on franchises business from Garima Misha of Kotak, what targets do you have for the franchisee business in terms of revenue sold, what is your revenue model here and do you offer any kind of financing to dealers opting for franchisee of abSure?

Vinay Vinod Sanghi: Yes, good question. We charge a percentage of the selling price as our revenue. As I said, that's high margin business for us. Our targets in this business are around obviously number of cities, number of locations, and volume of vehicles sold. Is the internal metrics, revenues from the vehicles, these are all our internal metrics. And do we give working capital? in some cases we are starting to explore, if the dealer needs money, whether we should be lending money or giving money for the transaction or buying or selling the vehicle on behalf of the dealership, that process is in the pilot underway. We haven't taken a firm view on it, but in a case where we got a very good dealer who might need working capital, we're exploring the possibility of arranging or giving him the working capital or the working capital required.

Nishit Jalan: Sure. Another question from Garima of Kotak. How long do the vehicles stay on the auction platform, what happens when vehicles fail to get sold?

Vinay Vinod Sanghi: On the auction platform vehicles can differ it can be, a three-hour auction, it can be a three-day auction, it just depends what the seller and the seller type wants. When the vehicle does get bid, it's a binding bid. So, the person who has bid on it needs to pay for the vehicle and lift it, many of us buyers or most of our buyers carry deposits lying in the company. So, if buyers or dealers who are regular buyers on the platform, do not fulfill or do not agree to buy the vehicle they bid on. Of course, there deposits are lying with us which we can forfeit and pass on to the seller.

Moderator: Thank you. Our next question is from the line of Sagar Parekh from Deep Financial Consultants Private Limited. Please go ahead.

- Sagar Parekh:** So, my question earlier was actually on the revenue split only. So, just to understand it more better, so this 57% you are saying is the remarketing business is largely the commission or the broking income, right. Is that a fair understanding and the remaining is all advertisement driven income?
- Vikram Alva:** That is correct, the income in SAMIL is transaction and commission income, that's correct.
- Sagar Parekh:** Okay. And the remaining is all ad driven, so 43% of our revenue.
- Vinay Vinod Sanghi** Is media, from manufacturers and dealers.
- Sagar Parekh:** Okay, understood. And my second question would be on your P&L. So, there is this line item of interest expense of Rs 7-8 crores every quarter. So, is that related to Ind_AS accounting, because I believe we don't have any debt on our books right.
- Vinay Vinod Sanghi:** Yes, that is correct.
- Sagar Parekh:** So, this IndAS accounting, so why would there be an interest. Do we have like any rental charges or anything which goes into interest or how should we look at it looking to this interest?
- Aneesha Menon:** Sure. So, you're absolutely right, the office premise and the auto malls that are on rent, both put together form part of these leasing contracts. And under Ind-AS the leasing contract needs to be accounted in a way that we create an asset, which is the right to use that asset and on that we have to charge the interest, which is the finance cost, so it is just an accounting treatment.
- Sagar Parekh:** Okay. So, if I have to just that the entire seven, eight crores goes into other expense. So, then the EBITDA is lower to that extent?
- Aneesha Menon:** Correct. You could do that, but the Ind_AS classifies it as a finance cost, which is why it's lying over there.
- Moderator:** Thank you. Our next question is from the line of Jeetu Panjabi from EM Capital Advisors. Please go ahead.
- Jeetu Panjabi:** So, Vinay, thanks so much for your explanation on how the last quarter has gone. So, couple of questions, if we were to kind of seen the current new car market has been pretty slow and chips shortages on the other regions. If you want to see a normalization of that and the normative growth that you've seen in the Indian car market, what do you think the five year growth trajectory for the space you're in will look like and not necessarily asking for guidance what you will grow at, I'm just saying what do you think if you were to extrapolate what other people have done intentionally at the digital sharing, we have gain share and all the other trends have play out concurrently. How do you see the growth in the opportunity?

- Vinay Vinod Sanghi:** Let me try and give a broad answer. One is that, India's car industry or the automotive industry, as we showed earlier in the presentation is likely to be the third largest auto market in the world, in the next three to four, five years. India has 22 cars per 1000 people, the penetration is extremely low. So, obviously, there's a huge belief that the penetration of cars per 1000 people will go up and obviously in the next five to six years you will see a massive growth continuously over a long period of time in the automotive industry. And similarly, India is the largest two wheeler market in the world. So, that's one part of the answer. The other part of the answer is that, the digitalization of the auto industry, which is the second big driver for businesses like ours, India's at a very early stage of digitalization, in the auto industry and digitized, actually what's happened in the last two to three years, consumer behavior has changed, where consumers have come online to shop, or look for their cars, or find their cars or buy a loan, et cetera, et cetera. But monetization of the industry, or distribution of spends in the industry have not kept pace. Today, barely 12%, 13% of all money spent by manufacturers, dealers, and stakeholders is on digital. The bulk is still on offline media and offline transactions. And that in most, lot of developed countries is probably three times or four times, 35% - 40% range we've seen. We feel over the next five years, two big trends, one is of course the auto industry is bound to grow. And the second thing with the digital allocations of spends by dealers, manufacturers towards transactions, or other stakeholders, banks, etc will go up and these two are the big driving forces naturally for all businesses like ours, because when you have a combination of digitalization and spent on digital and the industry growing, those are the drivers for the industry as a whole.
- Jeetu Panjabi:** And do you put a number to it, do you think that this can grow at 30%, the opportunity size?
- Vinay Vinod Sanghi:** I don't know whether RedSeer has laid that out Vikram? , the layout at what the digitalization pace of growth is in the industry report?
- Vikram Alva:** Not really Vinay.
- Vinay Vinod Sanghi:** They've just said that, India 12, 13% the US is at 35, 40%and Europe is 35, 40%. So, if you look at India at 12, and they are at 35, just the pace of growth, it should be reasonably strong.
- Jeetu Panjabi:** Okay. The second question is more a technical one the ESOP charge that came in which is a non-cash charge is that going to recur next year as well or just a?
- Vinay Vinod Sanghi:** It's till March 31st.
- Aneesha Menon:** It's only this financial year.
- Jeetu Panjabi:** Correct. And so it's not like they'll keep coming every year in such quantum?
- Aneesha Menon:** No.

Jeetu Panjabi: The third question is in the used car business, is there a rollout plan that's substantially larger than where we are running at right now and do you think that in three or five years could be a significant part of the business?

Vinay Vinod Sanghi: So, let me answer that, the used car business is already a significant part of our business. 57% of our revenues come from a C2B, B2B business which is completely used vehicles, which is the auction business where consumer and you like you and me and big business sell to dealers and fleet owners, it's a completely used vehicle platform, where 57% of our revenue comes. The balance comes from Carwale and CarTrade, our consumer platform where you can buy a new car or a used car. And even that has a significant used car element in it, the larger part is new cars, but used cars is significant. So, if you look at our revenues, obviously we are mostly a used car revenue business, number one. Then look at the future, we believe the same source of revenue today, the next two to three years will be significant for us or significant parts of our revenue for the next two to three years. But if you look at the long period of time, maybe three years to 10 years, there are multiples not only the used car revenue growing or a new car revenue going to grow, but other similar revenues which we are working on, whether it's financing, insurance, transactions, et cetera, et cetera will become significant for us. Our attempt is, as I said, organically keep growing our businesses like we have been, if you have seen the organic growth of 46% in the first six months, but inorganically look at opportunities around, value added service like financing insurance or car servicing, repairs, accessories. And really factor of our next three, four, five years or longer term is a factor of not only organic growth, but in organic growth through value added services and other services and new age businesses which we might want to invest or acquire.

Moderator: Thank you. Our next question is from the line of Vijit Jain from Citi. Please go ahead.

Vijit Jain: Just a couple of questions from my side, on the new vehicles business. Can you talk a little bit about, two things one, the new product development initiatives that may be underway. And second, we recently seen OEMs, like Mercedes Benz try out direct to consumer type of direct retail model. Do you see that increasing and does that benefit you, impact you in any way. That's my first question. On the new vehicles side, and the other question on new vehicle side is do you think the new OEMs that are working especially in EV side, etcetera we've seen this in China with the marketing spend allocated by the new OEMs is much higher, versus legacy OEMs do you see that trend in India, in your businesses as well. And I have another question on used car, which I'll just follow up after this.

Vinay Vinod Sanghi: Sure. The first part is the new product initiatives and on the new car side. So, as we talk in the presentation, we are working hard on really digitize the entire journey of buying a car, which is include new cars. Our whole objective here is, Vijit if you come online, is how do you find a car, select the inventory, you want any type of car, get a loan instantly disbursed to you from any bank you like or any bank preferred customer to. How do you trade in your old car and get instant price and how do you get the new car delivered to you within an hour. And obviously, part of this is about integration deeply with banks and building technologies with them, part is

about booking online, part of it is about in the future even getting registration done online, because there's a government or regulatory angle here as well. But we are working heavily on digitizing the entire journey of buying a new car. And we are working closely with all stakeholders and building technologies. And for some of these stakeholders, as I have said we're building technologies for them as well. So, that's a big part where we're saying, listen, not only can you select which car you want or not only you can choose which car you want to buy online, but you can complete the entire journey of owning or buying the car, whether it's a loan or a booking, or an offer on the car online which is almost like creating a complete shopping site for a new car. That's a project which is close to us and been working on for a few months. And we'll continue to work on continuously.

The second part is what is Mercedes and some of the other manufacturers who are selling directly or now invoicing directly. Mercedes Benz to my knowledge is doing is invoicing the vehicle to the customer directly and controlling the inventory. But really, the dealer is the place which controls the entire experience of selecting the car, finding the car or delivering the car to you, although the vehicle is directly billed by Mercedes Benz. So, it's an attempt to make sure that the inventory is centrally controlled by Mercedes Benz. To us, whether it's Mercedes Benz model, or a more traditional distribution model to dealerships, I don't think it matters too much. We are really in a platform where all our 34 million customers, we want to integrate Mercedes Benz so that they get the vehicle online and booked online, or we want to integrate with a dealer or even integrate any stake or a bank. But it doesn't change how we think as a business. Clearly, the more digitized a process, by any manufacturer or dealer the greater the benefit to platforms like ours because the customers offering becomes better and better. Our attempt is to push every manufacturer, every dealer to digitize the entire journey, so that we can incorporate that for all our 34 million customers. And I think this is underway, COVID is accelerated behavioral change of all stakeholders. So, this is getting accelerated in India and everywhere in the world, on digitalization.

And last part was, newer manufacturer spend more money. Generally, you would find that manufacturers who are looking to build a brand spend money, whether it's newer or older, I don't think it really matters. So, it's really, really about who's spending money on how much they believe in digital, how much they believe in getting a digital brand, how much they believe in spending on brand at all. So, all these factors matter I don't think new or old matters.

Vijit Jain:

Got it. My next question is, could you give me a sense of within the B2C business, what part of it will come from dealers versus from OEMs, I know you have answered a big part of the revenue split question earlier but if you can help understand, are new vehicle dealers a big part of your business at all or should we think about that business as #A, OEM ad spend and second used car dealer ad spends?

Vinay Vinod Sanghi:

No, dealer is a significant part of our new car business the manufacturers are larger out of the B2C side, but dealer is significant too. We've seen that in some other markets as well that it starts with manufacturer spend and dealers is significant but over periods of time dealers

percentage of their total spend to digital is much higher because really, if you look at the market by itself, if you are a dealer in India to spend money, digital is probably the easiest way to spend money just because it's transaction driven, it is more direct your direct customer and more specific. Also offline advertising, channels are not easy for dealers, television is very hard for them, print is expensive. So, digital tends to be with the dealers accelerate their spends and we feel the next four, five years, although manufacturer are a larger part, dealers will keep up pace and catch up there right or maybe go higher than manufacturers spend. That's how the breakup is doing.

Vijit Jain:

Okay. My next question is, just a few more questions. So, one is within the use car business have you seen any higher interest from a consumer point of view in the last six months especially since the capacity constraints on the new car side have been high and we've seen this in U.S and in other geographies where a non-availability of new cars is kind of taking these car pricing up. And a lot of interesting, these cars have also gone up. So, that's part one. Have you seen that from a customer point of view, from a traffic point of view towards the used car categories? And the second question is, on the abSure model that you have, do you think your marketing spend is necessarily have to go up from here given that you would be pushing the pedal on this used car transactions process and how should we think about marketing spends on a going forward basis. And I will just add my final question to it, could you give me your current dealer count on the used car business?

Vinay Vinod Sanghi:

Sure. So, the first two parts is around marketing spend and used car market itself. The demand for car generally post this lockdown seems to be strongly back, 34 million customers a month come whether it's new cars or use cars. There is a new car general supply constraint, it's been in September at least we can see visibly. The demand for new cars, and used cars in my mind, both, in the last quarter has been reasonably strong. Supply has been an issue for new cars. Do we need to spend more money on marketing or abSure marketing? Carwale abSure, is Carwale is a primary brand and abSureas is a piece of mind brand. 34 million customers a month come to these platforms, that's 3.4 crores. I'm not sure whether we spend more money, how many more customers can we bring, but 34 million a month 87% organic, it shows the affinity. So, we don't feel of course, we continue to do our digital advertising to bring 13% of our traffic and we continue to do that. We don't see any significant change in Ad spends, coming in, and we don't need to address because 34 million customers still come every month we need to serve them. As you know, as you've seen the traffic over last six quarters in the presentation, the highest ever traffic with our current spends. If you look at the traffic over long periods of time, it's growing rapidly. If you look at the organic part of our traffic that is growing, if you look at the Google Trends scores, we are strong. So, whether brand affinity, whether it is traffic growth, whether it is absolute traffic, all of it seems to be in line. So, we don't see any significant need to increase abSure spends, number one. The number of breakup of used car dealer is not a metric currently, which we are able to give out am I right Aneesha is that correct, was that the question, is it? The number of used car dealers what we can say is the abSure outlets are in 9 cities. Is it that's what we are saying?

- Moderator:** Thank you. We'll take our last question from the line of Prateek Kumar from Antique Stock Broking. Please go ahead.
- Prateek Kumar:** My first question is on, just a clarification on the abSure franchise business. Is it the extension of C2B, B2B business or the consumer driven piece, and what is the size of such showrooms and who bears the cost income vehicles don't get sold to such franchise?
- Vinay Vinod Sanghi:** So, this is an extension of the consumer's side of the businesses, where consumers can come to Carwale and book a car online and select a car and find a car. So, it's an extension of really our B2C, new car used car businesses primarily B2C used car business. It's really digitizing the entire journey of buying a car online and making sure you can get the car with complete peace of mind. And the second question was sorry, I just didn't hear the second question clearly, could you just repeat the second question?
- Prateek Kumar:** What are the size of such showrooms, how much they accommodate in terms of number of vehicles?
- Vinay Vinod Sanghi:** It differs, I am not sure Vikram would the Bangalore one versus it could differ from maybe 500, 1000 square feet to 5000 square feet, I'm not sure. You want to answer the question Vikram.
- Vikram Alva:** Yes Vinay, it differs depending on the city, depending on the kind of dealer, depending on the location, it differs from dealer to dealer. But these are high quality dealers delivering high quality vehicles to our consumers.
- Prateek Kumar:** Related question on who bears the cost when the vehicles are not so sold on some such?
- Vinay Vinod Sanghi:** I forgot to answer that, the dealer is responsible really for making sure that the vehicle is purchased and sold.
- Prateek Kumar:** Okay. My second question is on, would you be sharing data on like sort leads for a consumer related business on the number of lead generation for sellers, or the number of dealers using your tech-based products, tech-based services. Some of it was mentioned in RHP indicatively but could you be giving this data in future?
- Vinay Vinod Sanghi:** We normally, the key metrics in the company is the number of the traffic or number of users, which is 34 million unique customers a month, or number of vehicles auction or revenues and EBITDA. So, those are the kind of data we've been bringing out in the RHP and the quarterly earnings also been very consistent with the metrics which are the key drivers of the business in relation to the RHP.
- Prateek Kumar:** Do you come to know the transaction you did?
- Aneesha Menon:** Sorry, I was just going to add to your question where you asked, how many of the dealers are using the software, the fact is that it's all integrated. So, we've created the back-end software.

So, whenever we transfer or share a lead with the dealer, it's not over an excel or an email, it is pushed from our system to their system which is built by us. So, everybody uses the system, software that is built. So, we are connected to every dealer through a system that has been built for them.

Prateek Kumar: No, we mentioned some data of we have some 5000 dealers Pan India and some of them are penetrated for us and some of them are not. So, from that perspective I was asking.

Vikram Alva: I think you're referring to the industry report on what RedSeer wrote of how many used car dealers are using online services. It's not kind of from our section of that. It's an industry report section actually.

Prateek Kumar: Okay. And do we come to know how many of these 34 million customers like do transaction on the platform?

Vinay Vinod Sanghi: We do track on our systems, from the 34 million how many put in leads to dealerships and how many, so some estimation of how many would buy, because it does to get recorded in our systems, that's correct, it's a funnel.

Prateek Kumar: Okay. And my last question, you may choose to not answer. Why do you think like some of your non listed peers are getting valued much higher than our current valuations, anything which they are doing, which we're missing?

Vinay Vinod Sanghi: Hard to answer as I said, I don't know the reason.

Aneesha Menon: Honestly, there's a question in our mind, because what they are doing is part of what we are doing, our ecosystem carries exactly what they do. So, we have C2B, B2B, all of it. So, it's a question for us. We should be, again, I'm not sure whether we can say this, but we should be 3x of the valuation for sure. So, it's a question that is there in our mind too.

Prateek Kumar: The business model, might be different, like an inventory model, or the model which we have, is this something which is very different and perceived very differently?

Vinay Vinod Sanghi: I think the way to answer that, we are building out an automotive ecosystem where we really are saying this, customer can come and sell a vehicle, buy a vehicle, and buy a loan, all of it on one platform. I think some of them are building one part of their business, not the entire ecosystem. And that's where we are different, if you look at brand affinity scores, you've seen the differences, between the traffic scores, you've seen the differences but you look at the profitability metrics, adjusted EBITDA or there is difference there as well. So, what we've tried to do is stay focus on our business, focus on the ecosystem. As you know we are the only listed company as well, with all the metrics we have reported and we are the only listed business among all these competitors and that may be some idea of why we've been able to list versus others. That may be also a question mark, but our focus is ready to stick to our core business grown in

a healthy manner 28% adjusted EBITDA margin. So, just stay focus on our business and grow and build over long periods of time, what we want to create, really building this automotive digital ecosystem, that's the way to think about it and not worry about valuation at this point, it's really about and definitely not competitive valuations, is really about creating a certain customer experience for us. And really making sure, we achieve our goals of giving the customer the best experience in the journey of buying a car or selling a car.

Moderator: Thank you. Ladies and gentlemen that would be our last question for today. I now hand the conference over to the management for their closing comments. Thank you, and over to you.

Vinay Vinod Sanghi: Thanks, everybody for joining in. And it's our real first earnings call. I hope we were able to answer as many questions as we can and transparently come across and explain our business to you. We are really excited about the business going forward. Even in the last quarter or the last six months, we've achieved a 46% revenue growth, 104% adjusted EBITDA growth and we feel in the next long period of the time India is at a cusp of digitalization, we are really trying to contribute in the auto industry to get it digitized and make sure our customer, who's coming to buy or sell a vehicle, benefits from getting a fantastic shopping experience. So, that's all I want to say and thanks again for joining in.

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