06th February, 2023

To
The Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla Complex, Bandra-East
Mumbai-400 051
Stock code: STARCEMENT

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001
Stock code: 540575

Dear Sir(s),

Sub: **Transcript of the Conference call for Unaudited Financial Results for the Quarter ended 31st December, 2022**

In terms of Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we forward herewith the Transcript of the conference call with Investors and Analysts held on Friday, 03rd February, 2023 for Unaudited Financial Results for the quarter ended 31st December, 2022.

The same shall also be available in website of the Company at https://www.starcement.co.in/investor/earnings-call

This is for your information and record.

Thanking you,
For Star Cement Limited

06-02-2023

X

Debabrata Thakurta
Company Secretary
Signed by: DEBABRATA THAKURTA

STAR CEMENT LIMITED KOLKATA

Debabrata Thakurta
(Company Secretary)

STAR CEMENT LIMITED
Century House, P-15/1 CPT Colony, Taratala Road, Kolkata -700088. Email: kolkata@starcement.co.in
Registered Office & Works: Village & PO – Lumshnong, P.S. Khliehriat, District – East Jaintia Hills, Meghalaya – 793210. Phone: 03655-278215/16/18. Fax Number: 03655-278217.
Email: lumshnong@starcement.co.in. Website: www.starcement.co.in
ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 CERTIFIED COMPANY.
CIN : L26942ML2001PLC006663

“Star Cement Limited Q3 and 9 Months FY23 Earnings Conference Call”

February 03, 2023

MANAGEMENT: MR. TUSHAR BHAJANKA – EXECUTIVE DIRECTOR, STAR CEMENT LIMITED
MR. MANOJ AGARWAL – CHIEF FINANCIAL OFFICER, STAR CEMENT LIMITED

MODERATOR: MR. VAIBHAV AGARWAL – PHILLIPCAPITAL (INDIA) PRIVATE LIMITED

Moderator: Ladies and Gentlemen, Good day and welcome to Q3 and 9 Months FY23 Earnings Conference Call of Star Cement Limited hosted by PhillipCapital (India) Private 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 the conference call, please signal an operator by pressing '*' and then '0' on your touchtone phone. Please not that this conference is being recorded. I now hand the conference over to Mr. Vaibhav Agarwal from PhillipCapital (India) Private Limited. Thank you and over to you.

Vaibhav Agarwal: Thank you Yashashree. Good evening everyone. On behalf of PhillipCapital (India) Private Limited we welcome you to the Q3 FY23 Call of Star Cement Limited. On the call we have with us Mr. Tushar Bhajanka – Executive Director and Mr. Manoj Agarwal – CFO of Star Cement.

I would like to mention on behalf of Star Cement and its management that certain statements that may be made or discussed on this conference call may be forward-looking statements related to future developments and the current performance. These statements are subject to a number of risks, uncertainties and other important factors that may cause the actual developments and the results to differ materially from the statements made. Star Cement Limited and the management of the company assumes no obligations to publicly alter or update these forward-looking statements whether as a result of new information or future events or otherwise.

I will now hand over the floor to the management of the company for their opening remarks which will be followed by an interactive Q&A. Thank you and over to you, Tushar.

Management: Good afternoon all. My name is Tushar Bhajanka. I am the Executive Director of Star Cement. I would like to welcome you all to the Earnings Call of Quarter 3. I have Mr. Manoj Agarwal with me who is the CFO of the company. He and his colleagues will give out the numbers for Quarter 3 and then we can have the Q&A session. Thank you.

Management: Hello friends, very good evening. We on behalf of Star Cement Limited welcome you all to our conference call for discussing our numbers for Quarter 3 Financial Year 2023 and the 9 months ended December 22. We would just like to take you through the Q3 numbers followed by the year-to-date numbers. Starting from the clinker production during the quarter ended December 22 we have produced 7.39 lakh tons of clinker as against 5.24 lakh tons same quarter last year. So, far as cement production is concerned we have produced 9.21 lakh tons this quarter as against 8.75 lakh tons same quarter last year.

Now, I would like to take you through the sales volume. During the quarter we have sold 9.08 lakh tons of cement and no clinker as against 8.62 lakh tons of cement and 0.12 lakh tons of clinker same quarter last year. This is as far as cement and clinker sales are concerned. As far as the geographical distribution of cement is concerned in North East we have sold around 6.62 lakh tons as against 6.35 lakh tons during the same quarter last year and as far as North East is concerned we have sold 2.46 lakh tons of cement this quarter as against 2.29 lakhs same quarter last year.

In terms of blend cement, it is almost 5% is OPC and the rest is PPC. These are the quantitative numbers of the quarter. Now, I would like to take you through the financials:

The total revenue figures this quarter is around 617 crores as against 554 crores same period last year. As far as EBITDA figure is concerned this quarter we have done an EBITDA of 120 crores as against 75 crores last year. PAT is Rs. 53 crores as against 44 crores in the same period last year. This is on account of increased tax expense due to the sunset of tax exemption period with respect of company Guwahati unit and its subsidiaries Star Cement Meghalaya Limited. However, cash flow will be MAT only.

On the per ton EBITDA front it is Rs. 1,324 during this quarter against 853 same quarter last year this is what our quarterly numbers for the third quarter are. The total revenue figures for the 9 months ended December 22 is around 1,875 crores as against 1,471 crores same period last year. As far as EBITDA figure is concerned during the 9 months ended December 22 we have done an EBITDA of around 342 crores as against 256 crores last year. PAT is Rs. 151 crore against 158 crores same period last year. PAT is down due to the increase income tax as explained before.

On the per ton EBITDA front it is Rs. 1,229 during the 9-month ended December 22 as against 1,337 per ton same period last year. These are the quarterly and 9 months numbers.

Now I request all of you that if you have any query you can ask the same and I will request Vaibhav to moderate the query wherever it is suffice. Thank you.

Moderator: Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. We have a question from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah: So, my first question is couple of data points trade share, premium share and the lead distance for this quarter?

Management: So, our trade share was about 92% and nontrade was 8%. I mean YoY we have reduced like we discussed in the last call as well that we have been reducing our nontrade shares compared to last year same quarter we have reduced it from 11% to 8% whereas the premium share has remained about 4.5%. So, our premium products which is ARC we have sold 4.5% of our overall and your last question regarding the lead distance, lead distance has come down from 224 to 211 kilometers.

Shravan Shah: So, now first coming on the volume front so last time we mentioned we are looking at close to 4 million ton volume for this year so till now we have done 2.78 to achieve this number we need close to 1.22 million ton in fourth quarter, so are we able to do that or maybe slightly lower 3.9 million ton that we are looking at and for FY24 we were looking at double digit growth, so is there any change in stance there?

Management: So, I think we are in line with achieving the targets so we should be achieving about 4 million almost this financial year and for the next I think the estimate remains the same we are looking for double digit growth number for the next financial year.

Shravan Shah: In terms of pricing how we have seen in this quarter and now in January to till today, is there any price in North East and East that we have seen or likely to see a further price increase?

Management: I mean you know in October, November. October mainly because of the festivals the demand was very poor. So, because of that there could not be a very significant price increase which normally takes place in Quarter 3, but December was good in terms of pricing and we do see by end of Quarter 3 the prices are generally increasing by about Rs. 10 and that impact of course will be sustained in Quarter 4 and will reflect in Quarter 4 profits.

Shravan Shah: So, you mean Rs. 10 increase from the exit of December will continue for the fourth quarter?

Management: Because the prices in October and November did not increase. In December mid in the second, third we can increase. So, basically Quarter 3 did not really see the effect of the increase in prices that much. So, I think that the entire effect will be reflected in Quarter 2.

Shravan Shah: But in January until now nothing no price hike neither in East?

Management: Yes so January again in terms of demand was alright there was not very strong demand in the market in general. So, the Eastern prices have not really increased in general, it has been very sluggish. So, there was no increase in prices in January, there may be some increase in prices in debt, but we cannot really comment about it because we do not have enough data point with us.

Shravan Shah: Now on the costing front so two things first in terms of the fuel mix for this quarter what was spot, FSA, Nagaland coal and have AFR and on the per Kcal basis what was the number?

Management: Our Nagaland coal was about 25% and the FSA was about 5% to 6% and then the imported or auction coal was about 50%.

Shravan Shah: And on per Kcal basis what was the number last Q2 was 2.1 so this quarter was what is the number and how do we see in the fourth quarter, so currently what is the number running because we were looking at significant increase because our change in inventory is also a number though power and fuel power pure has declined in this quarter QoQ, but change in inventory has increased, so just wanted to understand in that front?

Management: So, I think the average cost that we had in Q3 was about Rs. 2.09 per GCV. So, it was almost the same as what it was the same as Quarter 2 and this quarter we are expecting that it is going to reduce by little by about 10%.

Shravan Shah: Lastly on the expansion just to recheck is there any change in terms of the timeline so 3 million clinker ton in Meghalaya we were looking at December 23, January 24 was the starting date and 2 million ton each in Silchar and Goa and Guwahati by June and October, so is there any change and also the CAPEX how much we have spent out of 2,100 crore and how much more likely to be spent in this fourth quarter and for 24 we were looking at 1,000 odd crores, so I wanted to recheck on this numbers?

Management: Basically, we are looking to get the clinker plant by Jan 2024 like how we discussed in the last call. The grinding unit in Guwahati should be coming in between October and November and the grinding unit in Silchar may be little delayed it may not come in June it may come in August of next year.

Shravan Shah: And in terms of CAPEX so out of total 2,100 crore how much till now we have spent and how much more to be spent in fourth quarter so last time we told around 700 crore total CAPEX in FY23 and 1,000 crore in FY24?

Management: So, we have till now spent about 200 crores of the 2,100 crores and 2,200 crores CAPEX that we have given in company and in Quarter 4 we expect to spend about 300 to 350 crore.

Shravan Shah: And next year sir?

Management: Next year of course if the plant is coming in Jan then I think from the initial quarters Quarter 1 and Quarter 2 of next year the most of the payments will start going.

Shravan Shah: So, out of 2,100 crore as you mentioned 200 crore spent another maybe 300, 350 so 550 so close to 1,500, 1,600 crore would be the CAPEX in FY24?

Management: Yes so I mean Silchar would be of course in the next financial year like I said the Silchar will be delayed. So, out of the 2,200 crores, 500 crores is for Silchar. So, we can kind of subtract that so the CAPEX that we will really see ramping up till Jan next year could be about 1,500 out of the 1,500 we have already spent about 200 and 350 would be in Quarter 4. So, the remaining would be divided in the three quarters till Jan next year.

Shravan Shah: And last what is the net cash numbers as on December?

Management: It is 548 crores.

Shravan Shah: And what was the gross debt?

Management: We do not have any debt as of now.

Shravan Shah: I mean even the current debt also, short term debt also?

Management: No nothing of that sort.

Moderator: Thank you. We have a next question from the line of Shyam from Franklin Templeton. Please go ahead.

Shyam: Sir my question is the demand somewhat plateau to stabilizing and cost coming down, do we see the industry prices when prices going down from here or how to think of prices because we are seeing the cost production due to commodity tailwinds, so do we look to pass through some of these cost benefits in an effort to gain market share per se how do we think about it?

Management: I mean right now for cement it is a Quarter first of the season so I mean the season demand is very strong right now and we do expect that in Quarter 4 the demand remains down because it is just a best time, best quarter for the cement industry. So, I think because of the seasonal demand I do not think the prices will start falling in at least Quarter 4. I think if there would be any impact of cost reduction on the prices that could be in Quarter 1 next year. So, I think that is the estimate what I think the demand would be like and I think the demand going forward is strong. So, if the demand remains strong in North East and outside North East then I think we may not see a very steep fall in the prices.

Shyam: I mean ideally industry would look to share some of the cost benefits with the end customers, is that assumption right?

Management: I think it really depends on how the competition shapes up and how much scope there is to share. So, right now for most of the cement companies besides this quarter they were not earning very well. So, I think it just depends on how much there is to share I think in some ways and I think in Quarter 4 at least that is not going to happen just because of the demand so I am not saying that price may increase very drastically so it will definitely not reduce in Quarter 4. Quarter 1, it is a bit unsure it is really depends on how the demand plans out.

Moderator: Thank you. We have a question from the line of Chandresh Malpani from Niveshaay. Please go ahead.

Chandresh Malpani: First sir can you give the breakup of sales growth into volumes and realization quarter-on-quarter basis?

Management: So, I think in Quarter 3 the volume was 9,07,000 roughly and in Quarter 2 the volume 8,91,000 and what was the second part of your question?

Chandresh Malpani: In terms of volumes and realization growth was my question?

Management: I mean in terms of realization I will have to get back to you with that number it is not really in terms of new you mean NCR realization per ton. It is in Quarter 2 it was 6,642 and Quarter 3 it was 6,797.

Chandresh Malpani: Sir you mentioned that on Quarter 4 your GCV value will reduce by 10%, so is it after considering the waste heat recovery system in place?

Management: Sorry can you repeat the question please.

Chandresh Malpani: So, sir you mentioned on power cost Quarter 4 GCV value will reduce by 10%, so is it after considering the waste heat recovery system?

Management: Yes it is considering the waste heat recovery system. We were expecting a waste heat recovery system to be commissioned in Jan, but it is going to be commissioned in Feb. So, this month we will be commissioning the waste heat recovery and we can see the entire benefit from March onwards.

Chandresh Malpani: Lastly you mentioned price hike of Rs. 10 so you can breakup in North East and outside North East, what was the price hike?

Management: So, I mean roughly it was broadly the same. So, it happened in different times of the quarter, but at the end of it I think by December the board markets have roughly increased by about Rs. 10.

Moderator: Thank you. We have our next question from the line of Harsh Kayan from Kayan Securities. Please go ahead.

Harsh Kayan: My question regarding the promoted shares for this quarter we see that the promoters have sold some shares 0.4% this is surprising to me given that last year we did a buyback in aggressive CAPEX so even for little amount of shares, so could you throw some light why there has been a share say from the promoters?

Management: I think in Star Cement as well there are about three to four promoters and sometimes I mean most of them are actually buying it if you see the list and there is one particular family which may be selling. So, I think that is mainly because we may require it for some other purpose, for the personal purpose, but there is nothing which I think the other promoters are buying this.

Moderator: Thank you. We have a question from the line of Mahek Talati from Yellow Jersey Investment Advisors. Please go ahead.

Mahek Talati: I just wanted to ask what can a price hike can we expect in Quarter 4?

Management: Right now, in January we do not have a price hike. In Feb I do not see a price hike happening in the next one week or 10 days. It just really depends on how the demand picks up right now the demand is pretty average. If the demand really picks up by the end of Feb then I think we can expect a hike otherwise I think the price may remain stable as it is.

Mahek Talati: And I wanted to know what is the fuel mix.

Management: So, I mean it is broadly about 25% is coming from Nagaland so it is all coal. So, I think it is basically majorly coal and then we are using some bamboo as well. So, we use about 15% of biomass and then rest of it is coal and the coal are coming from different sources.

Moderator: Thank you. We have our next question from the line of Uttam Kumar Srimal from Axis Securities. Please go ahead.

Uttam Kumar Srimal: So, my questions pertains to our Siliguri unit so what has been current capacity utilization and what kind of capacity utilization we are seeing in Quarter 4 from Siliguri unit?

Management: So, I mean you know the capacity utilization has basically been about 55% for Quarter 3 and it was very similar YoY last year as well. So, I think in Siliguri in terms of production we have not been producing more from Siliguri and there is a reason for that as well because we have tried to cut down on markets which were not giving us good contribution and where we did not see the contribution potential to preserve the unit margin and because of that even though in the market that we serve we have seen a good growth for the overall in Siliguri the utilization is not improved because we have cut down some markets.

Uttam Kumar Srimal: You mean to say utilization will remain around 55% in Quarter 4 only?

Management: No, so I think because Quarter 4 is always in terms of volume much better than Quarter 3. So, we can expect about 55% in Quarter 4.

Uttam Kumar Srimal: In terms of your premium cement, it is around 4% and which was what was in previous quarter also, so have we did something more to increase our premium brands?

Management: So, I think you are completely so we are about 4.5% right now and we are focusing to increase it to 7%, 8% that is the target that the marketing team is following and we should achieve that.

Uttam Kumar Srimal: And sir in terms of WHRS which you just said will be commissioned by this month only?

Management: So, by 7 we should be commissioning.

Uttam Kumar Srimal: So, what kind of savings we are expecting in FY24 from WHRS plant?

Management: You know savings we are expecting of about 4 crores per month savings so that would be about 45 crores to 48 crores a year.

Moderator: Thank you. We have our next question from the line of Parth Bhavsar from Investec India. Please go ahead.

Parth Bhavsar: I just wanted to understand that this petcoke viable had all our plants can we like switch to petcoke?

Management: I mean petcoke is definitely viable to a certain fuel mix and we could, but I think the price of petcoke is just very expensive at the moment. So, we would really be looking for petcoke price to come down otherwise there is no real benefit of using petcoke.

Parth Bhavsar: On a Kcal basis I look at petcoke right now on current prices based on RIL's number so it comes to around Rs. 2.3 per Kcal, so is it more viable like more cheaper than your coal?

Management: I think it also depends on what is close to your plant. I think the coal sources are closer to a plant than the blended cost of fuel is decided right. So, I think that is why petcoke is little more expensive than coal landed to a plant.

Parth Bhavsar: Have we ever tried on landed basis you are saying that it is more expensive than coal that is the conclusion?

Management: Yes.

Parth Bhavsar: And sir the coal you said that 25% is Nagaland coal FSA is 5% to 6%, floated or auction coal is 50% rest is biomass right?

Management: Yes.

Parth Bhavsar: And WHRS once it commissions for what share of green energy do you expect from WHRS maybe after a year of operation?

Management: I mean in our clinker plant we have about 26-megawatt RO consumption for power. So, out of that I think we expect about 40 to be substituted by WHRS and 25% to be substituted with bamboo. So, we expect that of the clinker power utilization it would be about 65 and overall utilization it could be about 50%.

Parth Bhavsar: So, 40 was WHRS and 25 you said was what?

Management: Bamboo so we are running our cement plant using bamboo so that is also green.

Parth Bhavsar: And also, sir just one clarification this change in inventory this number, so is it like all fuel high cost fuel I guess the number is around 34 crores the change in inventory number so if you could like throw some light because I did not guess like what it is?

Management: The fuel touches in inventory so that is not really a high cost it is the average GCV of the fuel I the inventory is the same as what the average was for Quarter 3.

Moderator: Thank you. We have the next question from the line of Rajesh Kumar Ravi from HDFC Securities. Please go ahead.

Rajesh Kumar Ravi: What was the per Kilocal fuel cost in Q3 and what was it in Q2?

Management: Again, I cannot hear you very properly.

Rajesh Kumar Ravi: I wanted to know what is the per kilocal costing you incurred in Q3 fuel cost?

Management: It is Rs. 2.1 per GCV.

Rajesh Kumar Ravi: If I look at on a net basis how would that be this is blended you are talking about?

Management: Yes this is blended.

Rajesh Kumar Ravi: So, net would be how much different?

Management: I did not get the question really.

Rajesh Kumar Ravi: On consumption basis what was the fuel cost on per kilocal basis?

Management: That is Rs. 2.1 per GCV.

Rajesh Kumar Ravi: And what was this number in Q2?

Management: Q2 was roughly the same 2.1

Rajesh Kumar Ravi: So, you are already on the lower side compared to other players in the industry right because most of the other players who have so far declared results could be North of 2.3 and anything between Rs. 2.3 to Rs. 3 and when you said that you are running part of your power plant on bamboo so what would be the per kilocal costing over there per unit electricity cost?

Management: So, it is about Rs. 1.2 per GCV for the bamboo and the landed cost of power would be of about Rs. 4.5, Rs. 4.8.

Rajesh Kumar Ravi: And this WHR because of you the landed electricity cost would be on the higher side if I it would be North of 7 or maybe closer to Rs. 10 per unit for you?

Management: I think the weighted average of power would be about Rs. 6.5 to Rs. 6.

Rajesh Kumar Ravi: So, it is in normal range only because I am just thinking would you have additional savings?

Management: No.

Moderator: Thank you. We have a next question from the line of J. Radhakrishnan from Jefferies. Please go ahead.

J. Radhakrishnan: Sir I missed the commencement date of WHR can you please repeat it?

Management: So, we are planning to commission it to the WHR by the end of this month.

Moderator: Thank you. We will take a last question from the line of Shravan Shah from Dolat Capital. Please go ahea.

Shravan Shah: Sir, just wanted to understand last September we were having a net cash of 746 crore now we said around 548 so close to 200 crore net cash has reduced CAPEX from H1 to 9 month 100 crore extra in this quarter we have done so 100 crore went there also we should have generated a cash during the quarter so why the net cash has declined is it the working capital has increased further because our EBITDA even if I exclude the other income also then also 108 crore, so at least we should be having the same net cash so does that mean that 200 crore extra went into the working capital?

Management: Yes so I think 200 crores extra went in the working capital and of course we were also coming up with other expansion as well even the WHRS payment has gone from there. So, I think it is a function of mainly the working capital and the WHRS.

Shravan Shah: So, just wanted to further understand what extra in terms of the working capital why it has increased significantly 200 crore in the quarter is slightly on higher side?

Management: So, I think basically there are two main reasons I think one is that the stock of clinker has increased and the second one is that our advance payments for coal is also one reasons so there are two mains reasons for this.

Shravan Shah: But do we think that by the end of March will it come back to the normal of working capital or will it remain at this level?

Management: I mean it should definitely reduce from where it is right now mainly because we will be able to consume the stock of clinker that we have and at the same time we should receive the coal that we have already paid for. So, I do respect the working capital numbers to come down and I do not know if it is going to come down to the level

Shravan Shah: Just wanted to clarify in terms of the first is on the premium share I think last quarter we mentioned that our premium share was 7% and now we are seeing 4.5% and last quarter we said that we are targeting to increase the premium share to 11% by end of this year and now we are seeing 7% to 8%, so can re verify this thing?

Management: I mean right now in terms of sales focus we are focusing more on pushing our value for our PPC and in the market that we want to gain a higher market which we are in. So, we are not necessarily trying to only focus on the premium products. So, I think because of resifting our focus elsewhere is probably the reason why numbers have been revised for the premium category.

Shravan Shah: Secondly broadly last time we said that we definitely this quarter we are good in terms of the EBITDA per ton, so if I exclude the other income so close to 1,200, 1,194 EBITDA per ton and we were looking at 1,200 to 1,250 to maintain the EBITDA per ton so depends on the coal, but now as we are seeing that likely to decline 10%. So, this EBITDA per ton 1,200 to 1,200 plus is manageable?

Management: So, this time also we managed to get around that much. So, I think we should maintain our margins to a 1,200 to 1,250.

Shravan Shah: And broadly sir how much is the total WHRS definitely 12.3 will be adding this month WHRS, so apart from that how much WHRS capacity we have and do we have any solar capacity?

Management: No so we do not have any WHRS capacity besides this. We are of course going to be coming to WHRS for the new clinker plant that you are going to fit by next Jan and we do not have a solar capacity because in North East it is not really very profitable to have solar.

Moderator: Thank you. So, we have one question from Mr. Chandresh Malpani from Niveshaay. Please go ahead.

Chandresh Malpani: We have sir particularly with respect to North East regions any other players coming with new capacities I believe Dalmia Bharat is coming in and any other?

Management: I think from what I know Dalmia is of course coming up with the capacity I do not know what the timelines are and I do not know of any other players which is coming after the capacity in North East at the moment. So, I do not have any information of any other player going ahead.

Moderator: Thank you. We have a question from the line of Rajesh Kumar Ravi from HDFC Securities. Please go ahead.

Rajesh Kumar Ravi: Sir can you repeat what is the total CAPEX outlay for FY23 and FY24 please?

Management: So, I think it is about 1,200 to 1,300.

Rajesh Kumar Ravi: So, can you break it up between '23 and '24 please?

Management: In Quarter 4 this financial year we will be spending about 350 crores and we will be doing roughly about 1,100 to 1,200 crores in the next financial year.

Rajesh Kumar Ravi: And rest would come in FY25 or this project would be taken of with this expenditure till FY24?

Management: No so rest of it would be coming in FY25.

Moderator: Thank you. I now hand over the call to Mr. Vaibhav Agarwal from PhillipCapital (India) for closing comments. Over to you.

Vaibhav Agarwal: Thank you. On behalf of PhillipCapital we like to thank the management of Star Cement for the call and many thanks to the participants joining the call. Thank you very much Tushar and Manoj sir. Thank you for joining this call and to all the participants. We may now conclude the call.

Moderator: Thank you. On behalf of PhillipCapital (India) Private Limited that concludes the conference call. Thank you for joining us and you may now disconnect your lines.