



VARUN BEVERAGES LIMITED



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August 4, 2025

To,

National Stock Exchange of India Ltd. Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Email: cmlist@nse.co.in Symbol: VBL	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Email: corp.relations@bseindia.com Security Code: 540180
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Sub: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Transcript of Investors & Analysts Conference Call

Dear Sir / Madam,

Transcript of Investors & Analysts Conference Call held on July 29, 2025 i.e. post declaration of Unaudited Financial Results of the Company for the Quarter and Half Year ended June 30, 2025 is enclosed.

The same is also being uploaded on website of the Company at www.varunbeverages.com.

You are requested to take the above on record.

Yours faithfully,
For Varun Beverages Limited

Ravi Batra
Chief Risk Officer & Group Company Secretary

Encl.: As above



Varun Beverages Limited

Q2 & H1 CY2025 Earnings Conference Call Transcript

July 29, 2025

Moderator: Ladies and gentlemen, good day, and welcome to Varun Beverages Limited's Earnings Conference Call.

I now hand the conference over to Mr. Anoop Poojari from CDR India. Thank you, and over to you, sir.

Anoop Poojari: Thank you. Good afternoon, everyone. And thank you for joining us on Varun Beverages' Q2 CY2025 Earnings Conference Call.

We have with us Mr. Ravi Jaipuria, Chairman of the company, Mr. Varun Jaipuria, Executive Vice Chairman and Whole-time Director and Mr. Raj Gandhi, President and Whole-time Director of the company. We will initiate the call with opening remarks from the management following which we will have the forum open for a question-and-answer session.

Before we begin, I would like to point out that some statements made in today's call may be forward looking in nature and a disclaimer to this effect has been included in the results presentation shared with you earlier. I would now request Mr. Ravi Jaipuria to make his opening remarks.

Ravi Jaipuria: Good afternoon, everyone and thank you for joining us on our earnings conference call. I hope you've had a chance to review our results presentation for the second quarter and half year ended June 30th, 2025.

We delivered a resilient performance during a quarter. In spite of unusually early onset of monsoon rains in the peak summer months in India, we could keep our realizations per case and EBITDA margins intact. Due to growth in international markets supported by strong positive currency movement in Africa territories, Company ended the quarter with a positive PAT in spite of 3% decline in consolidated sales volume.

In international markets, Varun Beverages Morocco has commenced commercial production of PepsiCo's snack product 'Cheetos.' This marks another milestone in strengthening our presence in the high-potential snack category, complementing our beverage portfolio and diversifying our revenue streams.

We continue to focus on growth opportunities in South Africa market. We have enhanced our capacity by setting up a can line in Durban, in one of our existing production facilities. We are awaiting approval from Competition Commission of South Africa for land parcel purchase adjoining our production facility in Boksburg to further enhance capacity and backward integration. These are just a few steps in our series of initiatives to revitalize South Africa territory.

Strong currency and our efforts in implementing backward integration last year have resulted in enhanced profitability in all our African territories. We have further strengthened Zambia, DRC and South Africa subsidiary balance sheets and through in-process equity infusion raising our stake in Zambia from 90% to 95%.

In line with our dividend policy, the Board of Directors have approved a second interim dividend of 25% of face value, i.e., Rs. 0.50 per share, resulting in a total cash outflow of approximately Rs. 1,691 million.

Although unseasonal rains have impacted performance during the quarter, we have successfully navigated such challenges in the past and we have emerged stronger. We continue to strengthen our on-ground execution by adding more visi-coolers and ensuring wider product availability across retail touchpoints. With robust capacities now operational, an expanding product portfolio, and a sharply focused distribution network, we are well-positioned to capture emerging opportunities and drive sustainable, long-term value creation for all stakeholders.

I would now like to invite Mr. Gandhi to share the key highlights of our operation and financial performance. Thank you very much.

Raj Gandhi:

Thank you, Mr. Chairman. Good afternoon and a warm welcome to everyone on this call today. I will take you through the financial and operational performance for the second quarter and half year ended 30th June 2025.

Revenue from operations net of excise and GST stood at the level of Rs. 70,173 million in Q2 of 2025, down 2.5% YoY. For the first half of the year, revenue grew by 9.3% to Rs. 125,843 million. The decline in Q2 was primarily due to a 3% drop in consolidated sales volume, which stood at 389.7 million cases.

In India, volumes were impacted by abnormally high and unseasonal rainfall all through the quarter, resulting in a 7.1% decline in India. However, this was partially offset by healthy growth in international markets where volumes grew 15.1% led by a growth of 16.1% in South Africa.

Net realization per case at the consolidated level improved marginally by 0.5% supported by a favorable mix in the international markets per case realization recorded a 6.6% increase. CSD accounted for 75% of the total volumes in Q2 of the CY2025 with packaged drinking water contributing 18% and NCB making up the remaining 7%.

Gross margins remain steady at 54.5% reflecting a balanced product mix and cost discipline. EBITDA stood at Rs. 19,987.7 million with EBITDA margin improving by 82 basis points YoY to 28.5% in Q2 of 2025, driven by operational efficiencies and a strong currency in international operations. This margin expansion is a pleasant development considering the higher fixed overheads from the commissioning of four new Greenfield plants at Prayagraj (UP), Damtal (Himachal Pradesh), Buxar (Bihar), and Mendipathar (Meghalaya).

These plants significantly enhance our production capabilities and supply chain agility, laying a strong foundation to capitalize on long-term growth opportunities in the Indian beverage market. The four newly commissioned plants have been established to reinforce our growth priorities in high potential and under-penetrated regions while improving operational and logistics efficiency.

With multi-line configurations across CSD, JBD and water categories, these large-scale facilities provide the flexibility and scale needed to meet rising demand and capture market share gain over the coming years. As we ramp up volumes, the fixed costs associated with these new facilities will be better absorbed, further supporting margin stability and operational leverage.

PAT grew by 5% to the level of Rs. 13,254.9 million, supported by improved operational efficiencies and lower finance costs. Depreciation increased by 26.3% due to the commissioning of the new plants in India and DRC, along with Brownfield expansion in other geographies. Finance costs have been reduced significantly with the Indian business now net debt-free following the QIP proceeds and the remaining costs largely attributable to South Africa including lease adjustments under the Ind AS 116.

For the first half of the year, EBITDA increased by 9.5% to the level of Rs. 32,627 million and the PAT rose by 13.6% to the level of Rs. 20,568 million. Low or no added sugar products contributed around 55% of the consolidated volumes in H1 2025, reflecting our continued efforts to evolve with consumer preferences.

In H1 2025, we capitalized net assets of approximately 25,000 million, which included investments in the four Greenfield plants across India, Brownfield expansion in Sricity and strategic projects in DRC, Morocco, and South Africa. Additional CAPEX was allocated towards visi-coolers, returnable glass bottles, pallets and logistics infrastructure to strengthen our on-ground execution.

As of June 30th, 2025, capital working progress stood at Rs. 6,000 million, primarily for Phase II of the Greenfield expansion in India and the upcoming snacks facility in Zimbabwe.

Working capital days remained broadly stable at approximately 35 days compared to last year's 33 days, supported by disciplined inventory and receivables management, despite high-capacity additions and an expanded operating footprint across both domestic and international markets.

Looking ahead, we remain focused on driving growth by leveraging our enhanced capacities, diversified portfolio, and strengthened distribution network. The commissioning of new facilities, expansion into high potential markets, and sustained investments in distribution assets like visi-coolers position us well to capture demand recovery in the coming years. We are confident that these strategic initiatives combined with operational discipline, will enable us to deliver consistent growth and create long-term value for our stakeholders.

With that, I conclude my opening remarks and invite the moderator to open the floor for questions. Thank you.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from Abneesh Roy from Nuvama. Please go ahead.

Abneesh Roy:

I have two questions. My first question is on the other cost and general comment on the cost. The cost controls this quarter has been very good. The specific question is

other cost is down around 11% YoY. I think one-third of this component is basically the freight cost, etc. If you could explain how you have controlled this cost and is this sustainable going forward?

Varun Jaipuria:

What we have done in terms of freight cost optimization, we have consolidated a lot of distributors of ours, which has helped us send larger load sizes and has helped us in the freight cost per case.

At the same time, we have opened larger plants as well which are closer to markets. So, that has again helped us in reducing freight costs because the distances have come down. These are two major things what we have done in terms of cost reduction and in terms of freight optimization.

The other thing what we have done is a lot of manpower cost optimization. We have re-looked at all our routes, and rationalised manpower more effectively.

When it comes to power and fuel, we have got newer lines what we have put up. The newer lines' efficiencies are much higher, so your cost to produce is much lower. And of course, we have added more renewable energy as well in-line with our sustainability agenda. I think these 3-4 elements in a larger way have helped us to reduce our cost and will help us going forward as well.

Ravi Jaipuria:

And this is all sustainable and will continue going forward.

Abneesh Roy:

Understood. Second question is on the demand side. Yes, this quarter, April-May-June, all summer categories have suffered. We have seen AC companies report 20%-25% decline. Even in FMCG, cooling summer categories have suffered.

My question is now on the outlook front. You have mentioned one interesting comment that because of these challenging scenarios, you always come out stronger. I wanted to understand now, September quarter, again, the base is favorable at around 5% to 6%, in fact, next two quarters. But September quarter in the scenario of high rain, which currently I think every forecaster is expecting that and till now we have seen high rain. How have you seen the demand till now for the start of the quarter and how do you see in this quarter can you benefit because of the soft base also?

Ravi Jaipuria:

The real answer would depend on the rain gods, which is very difficult to predict. The rainy season has been quite prevalent in July and it's not been the best of the seasons. But overall, we are looking quite positively because last year was not a very good quarter. Hopefully with slight breaks in the weather, we will do well. And otherwise, you know, we are well poised for growth, things are looking good and our products are doing well.

Also, if it rains earlier, things get better in the second half. Our costs are under control, plants are up and running, and everything else is on track. A little bit weather break will do extremely well.

Moderator:

Next question is from Vivek M. from Jefferies. Please go ahead.

Vivek M.:

Hi, good afternoon, team. A couple of things. First, you mentioned about the cost savings in this quarter and India business. And I know every call we are discussing competition quite a bit, but do you think in the context of high competition, there is a merit in plowing back some of the savings in the form of generating consumer demand. I know the quarter was marked by these unseasonal rains, but how do you think about it from a more medium-term perspective?

- Ravi Jaipuria:** Vivek, consumer demand is there and that is not a real challenge for us. We have increased our go-to market as we are adding more chilling equipment, which is visi-coolers, and our routes to go-to-market. The only dampening part in this quarter has been the rains, which is totally unpredictable and was much heavier than it has normally been in this quarter in the past. We don't see any other challenge at this moment. Of course, competition is there, however they will get their share, and we will get ours.
- Vivek M.:** Right. But you know, Mr. Jaipuria, in the context of, let's say, the rising competition and whatever media is talking about significant CAPEX investments by the new player, your margins are, let's say, 1st Quarter are fairly high at operating level. Do you still think that these margins are sustainable, or you see a need to, as you go forward, as the competition further picks up.
- Ravi Jaipuria:** We always have guided consolidated margins at 21% and never guided beyond that. However, we have shown better results. We are quite clear on the margins and the challenges we are going to have, that is why we are becoming more and more nimble. We are cutting costs where it needs to be. We are making sure our plants are more productive. The newer plants are efficient and closer to the distributors, we are saving in efficiencies and freight cost. Plus, the company is totally debt-free, there is no interest cost. Rather we are actually earning interest on the funds which are lying in the bank. In all aspects, we are much more stronger, and we don't see any reason why these margins should come down.
- Vivek M.:** And just a last follow-up to this. I completely understand and respect the part that you have always maintained margins at a level which is lower than where you are at. Do you think that gets reset or the current margins get reset to those levels given the pickup in competition?
- Ravi Jaipuria:** Why do you want us to keep saying what we have been repeating, Vivek. You know, the reality is what we are showing. We are always trying to attain better than what we say, and that is where we want to keep ourselves.
- Vivek M.:** And the second question is, how has been the response to Sting Gold? And where are you in the distribution journey over there?
- Ravi Jaipuria:** Well, these are new products some of them work very well and some don't. Sting Gold has got a mixed reaction, it's not been anywhere close to our Sting Red. But certain markets have accepted it and certain markets have not accepted it.
- Varun Jaipuria:** And just to add Vivek, the last Quarter is the main quarter we have. And looking at the unseasonal rains, we want to keep pushing Sting Gold again for the next two quarters. We think we will have a better and clearer picture in terms of where that stand.
- Moderator:** Next question is from Devanshu Bansal from Emkay Global. Please go ahead.
- Devanshu Bansal:** Sir, this quarter numbers are obviously weak due to unanticipated rain. In some way, it is also shadowing the distribution expansion that we must have done ahead of this season. I just wanted to check if you could throw some light on how many retail outlets are we catering as of now and what is the target ahead of next year's season?
- Varun Jaipuria:** Currently, Devanshu, we are reaching out at about 4 million outlets. This year the goal was to increase it by another 10%, by about 300,000 to 400,000 outlets. Given that when it rains, the rural demand goes down and there are a lot of temporary

outlets which do not open. We hope post-Quarter 2 we will be able to achieve that number.

Devanshu Bansal: So, maybe we may end towards like 4.3 - 4.4, right, by this year's time?

Ravi Jaipuria: Maybe a little less. We might not have been able to achieve exactly what we wanted because of the unseasonal rains.

Varun Jaipuria: But it would be more of industry phenomena at the same time, Devanshu. The temporary outlets in rural which usually open, those might not be there this season. Hence, you will see that gap at the outlet level of the industry as well.

Devanshu Bansal: Fair enough. Thanks, Varun. Sir, the capacity utilization would be currently lower, sir. I wanted to check if you could sort of indicate the CAPEX intensity in the coming 2-3 years. So, that would be helpful.

Ravi Jaipuria: We are close to 70% capacity utilization, and we believe we have enough room for the next 2 years at least. Our CAPEX in Indian markets would be much lower, we don't think our CAPEX would be much except in the international markets,

Devanshu Bansal: Any quantitative number or maybe in percentage of sales or?

Ravi Jaipuria: In India, we are not looking at more than Rs. 600 - 700 crore for next year. In international markets, we do not have the exact numbers, but we are looking to expand in South Africa and some other countries.

Devanshu Bansal: Sir, the last question I have on balance sheet front, there is some Rs. 1,000 crore of additional investments that we have made in overseas operations. I wanted to check by when these international operations will be able to sort of sustain their growth with their own internal accrual. Just some thoughts around that, maybe geography-wise, some geographies will already be doing. But if you could indicate either via geographies or on an overall level, till when do we need to sort of help those geographies sustain their growth?

Raj Gandhi: In fact, the amount reflected as capital was originally extended as loans to DRC, Dubai, Zambia and South Africa operations. These loans have now been converted into equity to strengthen their respective balance sheets. So, it is not that we had to send fresh funds now to sustain their operations. They are doing well already.

Devanshu Bansal: Sir, even if I add back, sorry for continuing on this, but Rs. 3,400 crore was total loan and investment. This time around, it is around Rs. 4,500 crore. So, net-net, it is Rs. 1,000 crore of investment that is spent, right? If I am reading it correctly.

Raj Gandhi: We are currently undertaking three key projects. In DRC backward integration project; in South Africa, we are adding one can line and acquiring a new plot; and for snacks we have already commissioned a plant in Morocco in the last quarter, Zimbabwe snack foods plant is currently under implementation. On the capital account, the broad point is that it was only a conversion of loans into equity and funding of capex of these three projects.

Moderator: Next question is from Jaykumar Doshi from Kotak Institutional Equities. Please go ahead.

Jaykumar Doshi: Could you give us some outlook on 3 or 4 international territories, geographies that you operate in Zimbabwe, Morocco, DRC, and South Africa? And also, I believe that the snacks plant in Morocco has probably started commissioned a little bit ahead of

expectations. So, how should we think about the revenue trajectory from that portfolio and the other two plants in the other two geographies on the snacks side? And especially because Zimbabwe was quite weak over the last 3-4 quarters since introduction of sugar tax. So, is the demand in the beverages portfolio there sort of stabilizing now?

Ravi Jaipuria: Regarding Zimbabwe, the demand has started to stabilize. Our volumes are coming back to original volumes, we hope by the end of this quarter it will start growing. On the snacks side, the plant in Morocco has already started in June last month and the initial response is very good. The plant in Zimbabwe is going to start in October, however we have already started distribution for snacks in Zambia and Zimbabwe markets.

Jaykumar Doshi: And volume growth for beverages portfolio in the other markets, DRC and Morocco, if you could give us some color on how should we think about at a full year level, this calendar year?

Ravi Jaipuria: Morocco, South-Africa, and Zambia are doing quite well. DRC is a new plant, and this is the first year, we need to wait and see. But overall, all the international territories are doing well.

Moderator: Next question is from Percy Panthaki from IIFL Securities. Please go ahead.

Percy Panthaki: I was just looking at the India numbers. So, there is a 7% volume decline and a 9% value decline, which is that the derived ASP is negative by 2%. Any idea why this is happening?

Varun Jaipuria: The reason this has happened in the current quarter is to make sure that the route probability for a distributor comes up and he ends up running the route, which usually does happen during the off-season period. Also, we have consciously pushed water a little bit more. So, that is why our water mix has gone up by 2% as well if you see for this quarter and realization is down a little bit.

Percy Panthaki: And within the CSD portfolio, is it that there is a change YoY in terms of the large pack versus small pack salience? Like when people are stepping out of form less, I would assume that the decline in the small packs would have been larger than the decline in the large packs. And the large packs would also be at a lower ASP. So, is that also one of the reasons why the overall ASP is negative?

Varun Jaipuria: Not really. We think it is the opposite. The smaller packs are still doing well because of the price point at which we are selling. It is the larger pack which have declined, because of unseasonal rains, events, weddings and outdoor functions that have probably happened less. Our small pack continues to do much better than the large pack and that is the industry norm.

Percy Panthaki: And on water, at an end consumer level, would I be right in assuming that the demand for water would be more affected because it is almost an entirely out-of-home consumption product, unlike CSD, which has some in-home portion, and therefore, the increased salience of water is mainly just a pipelining issue which will reverse next quarter?

Ravi Jaipuria: No, it is not a pipeline issue. It is a question of how much we want to push water. So, in water, the overall market is much bigger than what we are selling. It is only how much percentage we want to push water.

Varun Jaipuria: See, water is simply a commodity. The cheaper you go on water, you get into competing with a lot of brands locals and regional. It really depends how much you want to discount on water. It's nothing to do with the reason what you had mentioned.

Percy Panthaki: But given that your margins are not impacted, I am assuming that you have not taken the discounting route, right?

Ravi Jaipuria: We have given a little bit of support to the distributors, which does not overall impact the margins. We normally don't do it in the season, however this quarter because of the weakening of the season, we have supported our distributors.

Raj Gandhi: Percy, in fact in the rainy season the out of home consumption goes up for water, as people prefer to consume clean and hygienic water to avoid infections. Also there is a small realization difference overall and we should not read too much between the lines.

Percy Panthaki: Secondly, just wanted to understand on the international. So, if I derive the international by doing a consol minus standalone, the sales growth is 23% and the EBITDA growth is 45%. So, what is driving? Which region is driving the high 23% kind of sales growth? And also, where is the margin expansion coming from? Because the EBITDA growth is double that of the sales growth.

Raj Gandhi: Percy, one is that backward integration which has started at three locations, Zambia, DRC, and Morocco. We have already done a lot on backward integration in India, internationally it's just the beginning, and the benefits are starting to flow in. Further as volumes continue to grow, they naturally support margin expansion. Additionally the currency stabilization in international markets has also supported us in the current quarter.

Ravi Jaipuria: Also, to add sugar prices were lower in the international market which have helped.

Percy Panthaki: And the 23% sales growth, which geography is driving that mainly?

Ravi Jaipuria: Except Zimbabwe all the geographies are doing well. Zimbabwe has dipped down temporarily because of the sugar tax and increase in prices, however it has already started to bounce back.

Raj Gandhi: Also to add, the growth in South Africa was higher than the average for the international markets.

Percy Panthaki: Basically you are saying 20% plus kind of growth is a normal even going forward for international geography.

Ravi Jaipuria: We are not saying that. But we keep trying.

Moderator: Next question is from Aditya Soman from CLSA. Please go ahead.

Aditya Soman: Sir, two questions from me. Firstly, on this cost reduction, is there any element of reduction in marketing spends in India? And in terms of the volume mix in India, is there any meaningful change other than the increase in water salience that you talked about? Is there any change in the other products?

Varun Jaipuria: See the ATL marketing is done by Pepsi and BTL marketing is what we do. There is no change in terms of what marketing spends we do, because this usually happen by March before the season comes in. The marketing spends are as per what the budget was and there was no reduction.

On the other hand, we are obviously working very closely with PepsiCo to grow categories. The hydration category under Nimbooz has done very well for us, despite the unseasonal rains we have been pushing that. Further we have added new flavors in our value-added dairy category, which is our own brand. We have been building on that brand for the last few years and have added more capacity last year. So, that has done very, very well. Also, the Energy category is holding on and we are not seeing any dips in energy. Overall, all these categories are outshining and doing well for us.

Aditya Soman: Thanks, Varun. Very clear. And just to clarify, on the margin, so there is no reduction in the BTL spend, right?

Varun Jaipuria: No, there isn't.

Moderator: Next question is from Onkar Ghugardare from Shree Investments. Please go ahead.

Onkar Ghugardare: If you look at the newly commissioned four capacities which you are talking about, how much would be the total capacity, if you can quantify, excluding the newly commissioned four capacity plants we are talking about, excluding the capacity.

Ravi Jaipuria: As we just said, we are about 70% utilization of the capacity. So, we have enough headroom for the next couple of years. We don't need any major CAPEX in India.

Onkar Ghugardare: Just wanted to get a sense like how much these new capacities have contributed in Q1.

Ravi Jaipuria: Well, these plants came up by April-May, there is very little it has contributed. These lines are actually now available for next season because this season was not very strong anyway. We have reasonably enough capacity.

Raj Gandhi: Basically, if overall our volume stays the same and new facilities come up, instead of either focusing on everything shifting to new plants or staying with the earlier plants, we have rationalized our freight, other expenses and used these facilities to bring in other savings which is reflected in our P&L.

Onkar Ghugardare: The second question is on the cash, like what would be the utilization of that? Would they be used for adding new markets or acquiring companies? Or like you have already said that not that much of CAPEX will be for the Indian market. So, how they will be used?

Ravi Jaipuria: We are looking for new acquisitions, and we are very actively looking at it and also expansion in the international market.

Onkar Ghugardare: Mostly it will be utilized for the new acquisitions in the overseas markets, right?

Ravi Jaipuria: Acquisition and expansion in the existing markets internationally.

Moderator: Next question is from Sheela Rathi from Morgan Stanley. Please go ahead.

Sheela Rathi: Sir, to the previous participant's question, you said that we will be looking for more international expansions, probably international M&A, and within India, we are not seeking any CAPEX at this point of time.

Ravi Jaipuria: There will be some CAPEX, depending on the location, but major CAPEX will not be there for the next year or two years in India.

- Sheela Rathi:** And the question I have is that are there any opportunities which lie ahead of us in the India market from an investment standpoint? Just trying to get your thoughts here as to what lies ahead within the India business model.
- And my second question is that while we have always believed in building our own capacities, if there is an opportunity to rely on a third-party bottler in certain markets, do we choose that route? So, these are my two questions.
- Ravi Jaipuria:** Well, we have not chosen the route of third-party manufacture as of now. And at this moment we are not looking at it. We are looking at expansion and acquiring new territories or new businesses outside India. In India, there is very little room to expand now, because capacity-wise, we have enough capacity, except that it could be in one region that suddenly we are short and we don't want to pay extra freight. We will continue to expand our renewable energy, where we can further save, but other than that, no.
- Sheela Rathi:** And sir, just one question, because you have talked in detail about how we are working on our GTM strategy. Just on the visi-cooler side, is there a number to keep in mind in terms of what is the kind of expansion we should see in this particular calendar year?
- Ravi Jaipuria:** We have expanded our Visi placements. Our Visi placements have gone up by approx. 15% from last year. And I think we will continue at this pace going forward.
- Raj Gandhi:** Sheela, in fact, you should see that today we made an announcement of forming a JV with Everest cooler for manufacturing of Visi-coolers in-house. If we have such kind of availability, we will definitely try to use that in expansion of our business.
- Sheela Rathi:** And that will be for India as well.
- Ravi Jaipuria:** As we have already announced that we have already taken 50% equity in the Sri Lankan plant of Everest. We are going to start using that facility for our South and West territories.
- Moderator:** Thank you very much. We will take that as the last question. I would now like to hand the conference back to the Management Team for closing comments.
- Raj Gandhi:** Thank you. I hope we have been able to answer all your questions satisfactorily. Should you need any further clarifications or would like to know more about the company, please feel free to contact our Investor Relations team. Thank you once again for your interest and support and for taking the time to join us on this call. Look forward to interacting with you soon. Thank you very much.

Disclaimer: This is a transcription and may contain transcription errors. The transcript has been edited for clarity. The Company takes no responsibility of such errors, although an effort has been made to ensure high level of accuracy.