



# **“V-MART 1QFY15 Results Conference Call”**

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**Moderator:** Good afternoon ladies and gentlemen. Welcome to the V-Mart Q1 FY 2015 conference call, hosted by Nirmal Bang Securities Private Limited. As a reminder all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing “\*” and then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Jignesh Kamani of Nirmal Bang Equities. Thank you and over to you Mr. Kamani!

**Jignesh Kamani:** Many thanks Mallika. Ladies and gentlemen on behalf of Nirmal Bang Equities, I welcome you all and also thanks to Mr. Lalit Agarwal – Chairman and Managing Director of V-Mart Retail and Deepak Sharma – CFO V-Mart Retail for taking time out of their schedule and to participate the call. A warm welcome to you also Sir! I would request Mr. Lalit and Mr. Deepak to share some highlight about the Q1 FY 2015 number and the key highlights about the future prospects and open the floor for Q&A. Over to you Sir!

**Lalit Agarwal:** Good evening Ladies and gentlemen, this is Lalit Agarwal. Thank you once again for participating in the call. We are delighted our numbers for the Q1 and first of all let me give very good news to all the investors that who are participating we have today opened up two new stores in Uttar Pradesh, one is in Bareilly and other one is in Hathras. So as of now our tally of stores goes up to 95. We are there with 95 stores in 82 cities, 12 States out of which 34 stores are composite store with Kirana, 61 stores are standalone fashion stores. Uttar Pradesh has a biggest tally of 45 stores in 37 cities. Total area square footage is around 7.62 lakhs square feet as on today.

So the sales what we are witnessing as of now is looking little weaker in some part due to late arrival of monsoon and still a weak monsoon. I mean almost 70% of the cities where we have stores have received a weaker monsoon and typically the sentiments are related to the agricultural income and rains play an important part in the overall purchasing power and the spending capacity, but yes the confidence in the consumers in these kind of towns and cities is very good, post the elections post the new government the confidence on their earning potential, the capacity, the future of their children, the society in general, the administration, the expectation from the government is very high. Similarly the expectation of their own earnings is very high which tends to bring in more consumption and we are expecting a better consumption in the coming days.

In the last quarter ,the first two months as everybody knows the election fever was on so in those days we saw a slight fall in our sales but we made it up in June ending with 9% same stores sales growth. We would expect the Q2 to be stable and slightly on a the better note because we are seeing festivals, which are preponed this time so we have Durga Pooja festivals coming up 10 days earlier. So we would expect better sales in this quarter and then we would also open up new stores to capitalise on the occasion.

We opened four stores last quarter. We plan to open six stores in this quarter. We have already opened two today and we would meet our expected guideline number of approximately 25 stores in this year, so this is what we are working towards. There are certain delays in the execution of the project as there are some delays due to the handing over of the site from the landlords but these are all routine affairs.

I would just like to give you a brief about the current new initiatives that we are taking up. As we had informed you earlier we had already taken on lease a distribution center space which is operationalized and it is almost handling 70% of the total dispatches. The 3PL service that we are tied up with APL Logistics we had informed you is also working and they are putting in their processes, system and people so things are improving. We hope we would be able to see a better result in the Q2 and Q3 numbers from the efficient handling of the Supply Chain Management.

Simultaneously we have done lot of work towards capability building especially in the leadership team at the corporate office and the regional manager or the store manager at the store end. We are working hard to bring in a lot of new initiatives, try to give them a better training so that they can manage their stores and their zone very well. We have done a lot of work in product development, merchandizing, and understanding of the fashion. We recently recruited a VP (Merchandising) from Trent so this would be a very good source of capability improvement. The whole leadership team is very much aggressive to improve their own processes and systems and have commitment to meet the expected numbers.

On the technology front we are doing many initiatives. We understand that as the size grows, it is very difficult for us to manage the operation, the merchandize or number of people so we are trying to bring in new technology. So recently we have tied up with some technology provider who has given us a very good communication tool so wherein all our stores can be linked in live, which other than the data part, the administration side and the VM side, merchandizing or the promotion the communication can be handled live, so there is a particular technology developer by some IITM and so we have acquired them and we are trying to bring in them in place and start implementing those.

We are trying to look at every angle of the biz so that the operational hazard of getting a little bigger size does not come into the picture so we are actually focusing more and more on the processes, on the KRAs of individual people, trying to build in new designations, trying to work towards the organizational stability so that is the core fundamental thought process that we had and I think the numbers looking forward going forward will give us a better view of the situation. I will give the call to Mr. Deepak Sharma who would give you a guide on the numbers part.

**Deepak Sharma:**

Thank you Lalit Ji and good afternoon ladies and gentlemen. I will run you quickly through the numbers so that we can go on to the question and answer thereafter. To highlight some of the key points of the Q1 results is sales which has grown by 39%, gross profit has gone up by 36%, EBITDA by 34% and PAT by 26%.

As is usual in the past calls, I will focus on some of the fundamental aspects of our business and would like to highlight some of them as they are the drivers of my sales. Footfalls are up 29%, same store sales growth has gone up 9% on an aggregate and on a volume base it has gone up by 4.4%. Transaction size is up 14% and sales per square feet are up 8%.

A couple of other points that I would like to highlight is that even though these numbers I highlighted earlier in terms of gross profit, EBITDA and PAT there are couple of points, which would put these numbers in a better perspective. We have already highlighted in the past that our key focus is to ensure that the fundamentals of our business remains strong, the numbers I have highlighted earlier highlight the strength of our business fundamentals. We always use GP – Gross Profit as a lever to ensure that fundamentals remain intact.

This time also a GP is more or less in line with our expectations though slightly lower than what was there earlier. A small point to put it in perspective is that this year in Q1 we had done stock audits for about 30 stores last year for the same quarter we had 12 stores. So there is roughly 120% increase in terms of the numbers of stores covered during this quarter. Primarily coming from the fact that last year in the same quarter we had implemented a new software and we could not rollout the normal number of stores, so this year is somewhat more or less the normal number of stores that we would be covering on a regular basis.

Expenses are down as a percentage of our sales, primarily one major fact on the expense side has been due to the new accounting policy that we introduced during the last quarter about the rent streamlining other than that more or less, EBITDA it is normal.

One major impact we have had in this particular quarter is on account of the New Company Law coming in place which has new method for depreciation calculation. The impact of the change in depreciation policy is to bring it in line with the requirements of the New Companies Act the impact on our depreciation for additional impact on account of that is about Rs.2 Crores and that has led to a slight reduction in our PAT percentage for the quarter.

A couple of other points primarily, this is the first quarter result after the implementation of New Company Law requirements. Our board has been very aggressive and has been demanding from the management, the new corporate governance initiatives, the management is taking to ensure that when we report the financial results for the whole year, the requirements or the onus, which has been placed on the board and the audit committee in terms of internal financial controls, risk management compliances, fraud management these are all in place and they will have a very good reason to give us a clean chit.

Also other than pushing the management to ensure that we strengthen our internal controls and processes for all these requirements they had also demanded us that we hire the best in class audit firm for the internal audit assignment so that all the undertakings being provided by the management are ratified by people who have sufficient amount of experience domestic as well as international experience and the board has finally ratified as that we hire E&Y, Ernst & Young for the internal audit assignment and they would be commencing their assignment shortly.

In addition to that, we had briefed our board about some of those CSR activities, which the company is undertaking such as blood donation camps or eye care camps. In addition to that, the CSR committee has recommended to the board certain other initiatives that the company should take up which will stand it in good light. We have also had some initiatives on account of the prevention of sexual harassment at the workplace. We have a committee in place and the committee has been fairly active. We have had two or three orientations in the past quarter and the next quarter is also going to be fairly active.

Last point that I would like to emphasize is since this was the first quarter of the new Companies Act there were a number of changes. I would like to particularly thank our audit team from Grant Thornton (GT) that they worked very hard to ensure that we closed our books on time. My sincere thanks and commendations on your great effort to the entire team from GT. I would now like to open the floor for question and answers. Thank you so much.

- Moderator:** Thank you very much Sir. Ladies and gentlemen, we will now begin the question and answer session. The first question is from the line of Abhijit Kundu from Antique. Please go ahead.
- Abhijit Kundu:** You explained the gross profit margin was slightly lower this quarter due to stock audits that you are taken. I just missed that. Could you just elaborate why the gross profit margins were lower because on one side you have seen improvement in the sales mix? So fashion as the business has gone up for you and Kirana as business has come down, so what is the reason just that you elaborate, sorry I missed that?
- Deepak Sharma:** The main impact that I wanted to emphasize is there has been a drop in the gross margins, but this has to be seen in the light that our shrinkage as a percentage of sales for this particular quarter being reported as 1.5% of topline. Last quarter it was 1%, but you must also keep in perspective the fact that this year we have covered 30 stores during this quarter whereas last year it was 12, so there is more than 100% increase in the coverage that we have had in addition we have also covered some of warehouse inventory that we have had during the quarter, so the overall impact in terms of the gross profit is coming on account of this enhanced coverage for the shrinkage number one and also the company has consciously in the past also been emphasizing that our main focus is to ensure fundamentals of the business remains intact. I emphasized at the beginning of the call some of the parameters which really give us good insight in terms of the fundamentals of our business which are all showing strong numbers. These are coming as a consequence of some giveaways also that the company has taken up by way of promos and discounts that they have offered during the season to attract customers into our shop.
- Abhijit Kundu:** So going ahead, how you see the consumer sentiment panning out because Lalit Ji at start of the call he had spoken about it, but how do you see the festive season I mean at the ground level, are you seeing any improvement in sentiment because post elections and post budget there has been some amount of improvement in sentiment that is there despite the delayed monsoon, lack of monsoon whatever, so do you see any improvement in same store growth from the current levels of 9%, is there a scope for the same store growth growing in double digits?
- Lalit Agarwal:** I understand that the consumer sentiments as I spoke post the election we aspire for the consumer confidence to increase, their consumption pattern to increase, but as of now on the ground level we have not been able to witness those. We are looking at a stable way of buying from the customers, people have not ended themselves with a better set of numbers in their pocket, so they continue to have similar kind of incomes as of now and then yes obviously looking at the future, we can expect some better results out of those but monsoon being a major threat I mean till now it has improved a little but still there is a lot of deficit which is there, so which really brings in lot of lower sentiments or low mood in the buying behavior, so I mean still we keep our fingers crossed we still feel there is more to do with internal betterment rather than the customer betterment and then we expect the customer also to bring in more money to the store.
- Abhijit Kundu:** Just two questions, one is on your expenses. When I look at advertisement expense as a percentage of sales it has come down substantially. This has been purely because of the growth in sales or on absolute basis also you have tried to contain the advertisement expenditure given the relatively lower growth in topline, I mean same store growth?

- Lalit Agarwal:** Typically advertisement expenses have gone down so because in the first two months you had this election fever on the ground so relatively you spend less during those times typically as we do lot of outdoor advertisements, so in those times all those political parties used to have those billboards, so you did not have access to billboard, so we actually saved some part of money, it might not be very intentional, but yes some part is also coming from the kind of size or the number of stores that we are increasing in the same state that the cluster-based philosophy that we recently had so that would always bring in more results at the same cost.
- Abhijit Kundu:** The increase as percentage of rent is because of the scale up in stores, right?
- Lalit Agarwal:** That is also because of the scale up in stores and we undertook that policy of straight lining of rentals from the last quarter. So that also has an impact even this time.
- Abhijit Kundu:** When I look at the inventory days of sales, there has been slight increase in overall inventory days of sales. So which I believe is to an extent because of the increase in inventory in case of apparels. What would be the reason for the increase in inventory in case of apparels or it just build up for the festive season?
- Lalit Agarwal:** Basically very minute and it is almost 3% to 4% which is a phenomena of the festival days coming in, so Eid is approaching in July, so Eid is now on the door and we had couple of stores, which we wanted to open up immediately, so we had inventory piled up even for those products, so typically these 2% to 3% that would go on so that is not something very high and you have to understand that some new stores as we open up do not give the total quarters sales also.
- Abhijit Kundu:** Thanks a lot.
- Moderator:** Thank you. The next question is from the line of Ruchita Maheshwari from Nirmal Bang Securities. Please go ahead.
- Ruchita Maheshwari:** Sir I just wanted to know your other income has come Rs.1.34 Crores during this quarter, so this is an exceptional jump, so can you tell me the reason behind this?
- Deepak Sharma:** Yes, this is exceptional in nature because when we had got the proceeds from the IPO, this was in end of February, we had invested the surplus, I mean the IPO proceeds were to be deployed over a period of three financial years, so whatever we felt was adequate enough for the coming couple of months. We had kept that as a part of our CC accounts and the balance we had invested in FMP that is Fixed Maturity Plans and the other income that we are reporting in this quarter is primarily on account of the maturity of some of those fixed maturity plans that we have had.
- Ruchita Maheshwari:** This exceptional amount will recur in the next few quarters as well, right?
- Deepak Sharma:** This is primarily coming on account of maturity and the funds which are coming on maturity are going too deployed for the opening of new stores.
- Ruchita Maheshwari:** Sir your depreciation has witnessed 133% jump year-on-year so I believe it is because of change in Company's Act, so for the full year what will be the impact in the increase in the depreciation account on this?

- Lalit Agarwal:** I think it is going to be probably into 4 at least because assets, which we are already existing the impact is going to continue for all coming quarters ahead plus new store additions also which will come in.
- Ruchita Maheshwari:** I am just asking what will be the quantum of that numbers if you can tell me.
- Lalit Agarwal:** That will be rather difficult to quantify at this point of time.
- Ruchita Maheshwari:** Thank you Sir.
- Moderator:** Thank you. The next question is from the line of Sageraj Baria from East India Securities. Please go ahead.
- Sageraj Baria:** Continuing with depreciation probably if you can give us let us assume that your depreciation was 10%. How much it would be under the new Act New Company Policy?
- Deepak Sharma:** Actually is dependent on the useful life of the assets. Earlier plant and machinery which we were writing up over a period of 20 years based on the earlier provisions of the Company's Act now that have been cut down to 15 years for furniture and fixtures also it is the same from 15 to 10 years and the main impact has come on account of office equipment where it has been brought down to five years. So there is huge impact coming on account of drastic reduction in the useful life of office equipments and as you know that in our case we are an asset like company. We do not have too much of substantial assets in terms of plant and machinery. The main assets we have is office equipment, which is really that contributed itself about 50% of the total amount that we are writing up in this particular quarter.
- Sageraj Baria:** In terms of store number current total is 95 right?
- Deepak Sharma:** As of today but when we close the quarter it was 93.
- Sageraj Baria:** Okay 7.62 lakhs.
- Deepak Sharma:** That is correct.
- Sageraj Baria:** So what is the typical size of your store life?
- Deepak Sharma:** It is about 8000 square feet.
- Sageraj Baria:** How many do you plan to open for the balance nine months?
- Deepak Sharma:** Our initial target was which we defined as a part of our objects to the issue when we raised the funds was 25 stores in this year.
- Sageraj Baria:** Of this 25 you already opened.
- Deepak Sharma:** Six.

- Sageraj Baria:** The balance 19 remaining for space how much has been acquired?
- Deepak Sharma:** We are already finalized or very close to finalizing about 10 stores.
- Sageraj Baria:** Does this basically looking and what is the average rental thing for this?
- Deepak Sharma:** Our corporate wide average is about Rs.27 per square feet.
- Sageraj Baria:** Per month.
- Deepak Sharma:** Yes per month.
- Sageraj Baria:** What is the typical capex per store?
- Deepak Sharma:** Around 1400 to Rs.1450 a square feet.
- Sageraj Baria:** Breakeven time as per you or payback time?
- Deepak Sharma:** Initial investment that we planned roughly is about 2.5 to 3 years that is on a conservative basis.
- Sageraj Baria:** So typical cities target if you can give some idea what kind of cities your market would target or the population area or income area or something if you can give some color on that?
- Deepak Sharma:** Can I make a small suggestion these are all subjects, which are already been covered in the past conference call. I would request if you could refer to the earlier transcripts for the benefit of the others who are present on the call.
- Sageraj Baria:** Thank you.
- Moderator:** Thank you. The next question is from the line of Shilpi Taparia from Anand Rathi. Please go ahead.
- Shilpi Taparia:** Sir I have two questions first is regarding capex plan so basically what are all basic capex plans for coming fiscal year?
- Deepak Sharma:** Like we mentioned earlier we are targeting to open 25 stores and we have already opened six as of today. So I mean if you work out on an estimate of about Rs.1400 per store of 8000 square feet that comes to about 1.2 Crores per store. So I am sure the figures are pretty to easy arrive at. I mean we are targeting about 28 to 29 Crores of capex for the year.
- Shilpi Taparia:** Second is regarding tax rate. So what will be the effective tax rates for the company or how are we looking at it in the coming year?
- Lalit Agarwal:** It is going to be in the marginal rate tax as well, because the government fairly does not give you too many incentives for operating in retail sector. So I guess we will be have that borderline itself and until and unless Mr. Modi does the magic wand and comes out with something new during the year.



**Shilpi Taparia:** Thank you.

**Moderator:** Thank you. The next question is from the line of Jignesh Kamani from Nirmal Bang. Please go ahead.

**Jignesh Kamani:** Sir you mentioned about the new software you install which allows all the store managers to interact with each other. So can you elaborate more it will help only on inventory management or it will help a lot more in terms of done in particular store which can be replicated in other stores and in terms of productivity wise?

**Deepak Sharma:** Jignesh, I will take that question. The new software which Lalit Ji mentioned a couple of minutes ago is primarily to facilitate better communication from the corporate office to the stores. That communication can be utilized for new trainings, communication from the head office to the stores, from the stores to a head office and the most important aspect is you will be in a position to monitor the effectiveness of the communication. Like for example if you have notice using that particular mode of communication we can also keep a track that how many people have actually reviewed that particular training and how much time they have spent on that training as well as how much effort they are taking in terms of understanding those aspects. So it is not just something like a telephone or it is more to do with data analytics in terms of the outcomes which are really happening by way of that.

**Jignesh Kamani:** So it will help in minimizing leakage and other area also or is only you can say has been the training perspective?

**Deepak Sharma:** In terms of shrinkage I would like to add that we are taking other initiatives but this particular communication software is not really going to be a technology tool for containing the pilferage on an active basis but yes we would be providing trainings to staff to curtail shrinkage. What should be the outlook of the staff on the floor, the security personnel and what should they be doing to keep a track of people who really are involved in such kind of activities.

**Jignesh Kamani:** It will allow us to stay in one location to interact with the store in another location or will come from store to headquarter and vice versa only?

**Deepak Sharma:** Basically Jignesh you have to understand this is basically a communication tool and not data centric. If you want to park a SOP and if you are introducing SOP and they need to understand the SOP so, somebody who has read the SOP so there can be certain questions in the SOP under that page and those guys has to answer the SOP. We understand whether they have understood well or not. If they have certain problem they can convey, we have certain promotions, schemes. We can upload those promotional schemes. They can then revert that what they have done, they can also revert with photographs, they can revert with details. So they can have some physical analysis. We can have some survey done. We can have some details about the merchandised launch or a product launch. We can pre-inform them, we can give the qualitative input about the product information. We can get the feedback of the product so lot of activities of these kinds which are actually very difficult now because there is lots of number of stores. It is not possible for everybody to connect on the stores and also document the same. So it is a platform, which is provided wherein whatever you want to use it with you can use it.

**Jignesh Kamani:** So it will actually improve the customers experience will be very smooth?

**Deepak Sharma:** Correct.

- Jignesh Kamani:** In terms of the ERP system right now ERP is entirely installed which your warehouse and the stores and they are interacting fully or there is some problem on the ERP system?
- Deepak Sharma:** The ERP is there right from Day 1 from the inception of the business. We have the ERP right from 2004. So we have this ERP working and we have the complete business on this single platform.
- Jignesh Kamani:** I am talking about one is the ERP on the warehousing system and second is the ERP at your store location and how is the communication addressing between your ERP warehouse, which vendor and your retail outlet?
- Deepak Sharma:** So far as the ERP is concerned Jignesh, it is a tool which the company uses to facilitate data accumulation from the front end as well as communication or data from the backend also and we use it for all practical purposes starting from the planning stage of the merchandise to inventory management to financial management also for other purposes a normal corporate would require and it is one of main tools the company is using to improve its efficiencies and as of now I would like to very categorically say we do not have any problems with this. We are scaling up the outputs or the benefits that we can avail of from the ERP system and we are looking forward to improving our productivity using this as a tool.
- Jignesh Kamani:** So as of now for example we have close to around 100 outlets and if you want to grow with continuous similar runrate of 25 outlets each year are we able to take and the scale up on the all the infrastructure or we need to you can say improve our muscle power in few of the area where they need to be corrected. I am mainly working on the backend and infrastructure price?
- Lalit Agarwal:** Jignesh we are very well equipped with all the necessary requirement that we have and whatever we want and we would continuously update the technology that is required and whatever we get wherein the productivity of individuals can be increased and the management can be bettered. So we would continuously look forward towards bettering all the facilities that we have but we as of now still have a sufficient amount of strength at the backend, which can fulfill almost double the size that we have right now.
- Jignesh Kamani:** So we already planned for that?
- Lalit Agarwal:** Yes.
- Jignesh Kamani:** Thanks a lot.
- Moderator:** Thank you. We have the next question from the line of Ruchita Maheshwari from Nirmal Bang Securities. Please go ahead.
- Ruchita Maheshwari:** Sir is it possible to give the segmental revenue breakup for this quarter for the last quarter?
- Lalit Agarwal:** Madam I think it is part of our presentation. Have you received the copy of the presentation?
- Ruchita Maheshwari:** Yes I have received okay I will check it on that.

- Deepak Sharma:** It is there in the second page.
- Moderator:** Thank you. The next question is from the line of Rajat Budhiraja from Span Capital. Please go ahead.
- Rajat Budhiraja:** Thanks for taking my question. I want to understand your strategy over a long period of time basically three to five years. In terms of your number of stores in terms of your geographical spread basically you are more incline to note but I think in the next three to five years and also within the category of Tier I, Tier II, Tier III sales growth, retail space and other important parameter?
- Lalit Agarwal:** Our philosophy is very simple on that account. We are fairly happy with the business model that we have in place right now. We do not wish to experiment or defocus ourselves from where we stand today. That is number one. Number two in terms of the growth trends as a part of business model, we have two very important aspects that the criteria which we would always be meeting. One is that any new store will not be more than 150 kilometers from an existing store. So that will give us the scope of expansion that we can do that is number one. The constraint on our growth will come in terms of two parameters. One that we will not be funding our expansion through debt and it will have to be completely through internal accruals and the second aspect is that we would be targeting our growth rate of about 30% plus CAGR on the PL parameters, which is topline and the margins. So that sums of our entire philosophy and strategy going forward for the next three to five years.
- Rajat Budhiraja:** Okay and in terms of spread according to Tier I, Tier II, Tier III because in Tier I cities also you have a scope to grow more?
- Lalit Agarwal:** Current study as well as the experience we thought this Tier II and Tier III are giving us extremely good results and we are happy to continue our growth along those lines; however, if you get opportunities in Tier I where the business potential is really good. We would not mind opening up stores in the bigger cities also, but that will be very few. It is not going to be those are going to be on an exception basis rather than the trend. Our trend is more towards Tier II and Tier III and particularly more towards Tier III.
- Rajat Budhiraja:** How do we see the mix of session and grocery over a long period of time three years I would say?
- Lalit Agarwal:** Since April 1, 2012 the company has been following a policy not putting up the FMCG or the Kirana line of merchandise in the new stores, so all other new stores which are opening since April 1, 2012 are only fashion stores. So as a normal if the new stores are going to be fashion stores the fashion as a percentage of our sales mix will continue to increase.
- Rajat Budhiraja:** My next question is basically on the software we have been talking about. I am not very close to the situation but just want to understand in terms of costing. So what is the cost of acquiring this software and what is the affect like in terms of accounting the P&L?
- Lalit Agarwal:** It is more of usage based kind of fee. It is not we are not purchase license or ERP software. It is based on usage. It is not going to be in Crores I can assure that.
- Rajat Budhiraja:** That it is from my side.

- Moderator:** Thank you. The next question is from the line of Jimit Seth from Emkay Global. Please go ahead.
- Jimit Seth:** I just have single question. Basically in fashion stores I just want to know what is the percentage breakup of revenue from private label and third party labels?
- Lalit Agarwal:** Normally we have three mixes of labels private labels, exclusive labels and market labels. The proportion of private label is about 17% to 20%, the proportion of exclusive label is another 20% to 25% and the balances all market labels.
- Jimit Seth:** Thank you Sir.
- Moderator:** Thank you. Ladies and gentlemen as there are no further questions, I now hand the conference over to Mr. Jignesh Kamani for his closing comments.
- Jignesh Kamani:** Many thanks Mallika. Many thanks participants for participating in the conference call and I would like to thank the management for participating the call and taking timeout of their busy schedule.
- Lalit Agarwal:** Thank you Jignesh. Thank you Mallika. Have a nice day.
- Moderator:** Thank you very much sir. Ladies and gentlemen, on behalf of Nirmal Bang Equity that concludes this conference. Thank you for joining us. You may now disconnect your lines.