



“PNC Infratech Limited Q1 FY 2017 Earnings Conference Call”

August 26, 2016



MANAGEMENT: **MR. YOGESH KUMAR JAIN -- MANAGING DIRECTOR, PNC
INFRA TECH LIMITED**
**MR. D. K. AGARWAL -- CHIEF FINANCIAL OFFICER, PNC
INFRA TECH LIMITED**
**MR. D. K. MAHESHWARI -- ASSISTANT VICE PRESIDENT
(FINANCE), PNC INFRA TECH LIMITED**

MODERATOR: **MR. ANUPAM GUPTA – IIFL**

Moderator: Ladies and Gentlemen, Good Day and Welcome to PNC Infratech Limited Q1 FY 2017 Earnings Conference Call hosted by IIFL Capital Limited. As a remainder, 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 telephone. Please note that this conference is being recorded. I now hand the conference over to Mr. Anupam Gupta from IIFL Capital Limited. Thank you and over to you, sir!

Anupam Gupta: Thanks, Jennies. Good afternoon, everyone. On behalf IIFL I welcome you all to the 1Q 2017 Earnings Conference Call for PNC Infratech. Representing the management Mr. Yogesh Kumar Jain -- the Managing Director; Mr. D. K. Agarwal -- the Chief Financial Officer; and Mr. D. K. Maheshwari -- AVP (Finance). I now request the management to take us through the quarterly results and the highlights and then we shall begin the Q&A session. Over to you, sir.

Yogesh Kumar Jain: Good afternoon friends, I Yogesh Jain -- Managing Director of PNC Infratech Limited. welcome you all to participate in our Earnings Conference call to discuss on our performance for the quarter ended June 30, 2016. Along with me I have Mr. D. K. Agarwal – Chief Financial Officer, Mr. D. K. Maheshwari – Assistant Vice President (Finance) and Strategic Growth Advisors, our Investor Relations Advisors.

The sub-division of our equity shares has now been effected on the stock exchanges. Now, outstanding shares are 25.65lakhs (Approximately Twenty Five Crore, Sixty Five Lakh shares) of Face Value of Rs. 2 per share. The Corporate Action of sub division of equity shares was done to increase liquidity.

Now, I move on to the recent developments in the Industry and then to the company updates.

There is a great focus by the Central and State Governments on the development of Roads, which is evident from the fact that there has been increased awarding activities of both State and National Highways.

Till July 2016, NHAI has awarded more than 1,000 kms and over the last 12 months the awarding by NHAI is to the tune of approximately 3,800 kms amounting to an approximate value of Rs. 500 billion.

It is understood that a total of 2,400 kms of Highway projects have been completed by NHAI, MORTH & NHIDCL put together during the period of April to July 2016. This indicates the increase in pace of Roads construction to around 20 Kms per day from 16 kms per day during FY16. The government has set a target for completion of road projects of 15,000 kms length during the current year compared to 6,000 Kms constructed in FY16 which will be a jump of 2.5 times. On the awarding front also the government has increased its target to award projects in current year by 2.5 times to 25,000 kms as compared to 10,000 kms of projects awarded last year. This shows the government’s commitment not only towards awarding of the projects but also on the execution front. To make sure the execution of projects commences and

completes as per the schedule, the government is going for land acquisition at an increased pace by paying higher compensation. Apart from higher payouts, the initiatives taken by the government include setting up dedicated Land Acquisition Cells, higher delegation of authority to officers at functional level and acquiring 80 to 90% of land before declaration of appointed date for commencement of construction have also helped to increase the awarding and construction activities.

Recently CCEA has approved the development of close to 1,100 kms of National Highways in 5 States under Phase-I of the National Highways Interconnectivity Improvement Project (NHIIP) with the assistance of World Bank.

Another major change that has happened in awarding of projects is largely shifting to Hybrid Annuity Model (HAM) from BOT-toll and BOT-annuity models. Since the introduction of HAM model, the Government has so far awarded close to 30 projects totalling to nearly 1,600 km aggregate length. The model is best suited for a company with strong execution skills as well as a strong Balance Sheet. The key to successful implementation of the project is completing it in stipulated time and getting the funding for the project at the lowest possible rate of interest. With the introduction of the new HAM model the government has tried to improve viability of projects on PPP basis. The inherent benefits of HAM is that there is lower capital requirement for the Government as well as for the developer and there is no traffic risk to the developer.

Apart from HAM projects the Government is also coming up with TOT (Toll, Operate, Transfer) model which will help the Government to monetize public funded National Highway projects which are operational and are generating toll revenues for at least two years after COD is achieved. The government has preliminarily identified close to 75 projects for potential monetization under the new TOT Model. The TOT model provides for efficient O&M framework requiring reduced involvement of NHAI in the projects post construction.

Apart from these, there are few other policy changes to expedite completion of these projects. These changes include streamlining of land acquisition & environment clearances, Close coordination with other Ministries and few other financial initiatives like securing Loan to the extent of termination payment, introduction of Infrastructure debt fund for Long term financing at low interest rates, Rescheduling of premium, 100% exit after 2 years of completion in projects awarded before 2009, Fund infusion by NHAI in stalled projects where the physical progress is 50% and the concessionaire is facing shortage of funds etc..

There is recent news that the Government through Niti Aayog is trying to ease arbitration norms and release stalled payments of infra companies. As per the reports government is trying to address norms on disputes that lead to delay in project payments. If arbitration award is in favour of a company, the government should pay up certain portion and in cases of unanimous awards, no appeal should be made further.

All these initiatives would give the much need impetus to the sector.

Now moving on to company and recent updates

Our core expertise is highway construction & development. On the EPC side we have completed 55 major Infrastructure projects across 13 states of India giving us the core experience of working across different geographical conditions. We undertake road projects from key Central & State Government authorities like NHAI, MORTH, MPRDC, State Public Works Departments etc. With the past experience of executing projects from these reputed authorities, we have gathered enough qualification credentials to independently bid for a single project to a tune of over Rs. 3,000 crores. We are also Super Special Class Contractor certified by Military Engineering Services (MES) which qualifies us to independently bid for runway projects of MES. We have also developed a unique Industrial Area re-development project of Narela Industrial Area in Delhi on Annuity Basis.

Currently we are executing 16 projects in roads & airport runway sector.

Moving on to our BOT Projects:

Currently we have 7 operational BOT projects of which 5 are Road BOT projects, 1 is Road OMT project and 1 is Industrial Development project. As a risk mitigation strategy we have a mix of Toll & Annuity Projects and majority of the BOT projects have Grant Component which makes the execution and operation of these projects financially viable and sustainable. We have invested Rs. 561 crores as equity including warrants in these projects and now there is no equity investment pending.

Recently we have bagged our first project on Hybrid Annuity Model in the state of Rajasthan. The project is for 4 laning / 2 laning with paved shoulders of Dausa-Lalsot-Kauthun section of NH-11 A (Extension) in the state of Rajasthan under NHDP IV. The Bid Project Cost quoted by us is Rs. 881 crores and 1st year O&M cost quoted is Rs. 4.10 crores. The concession period is 17 ½ years including construction period of 2 ½ years and the operation period of 15 years from CoD. We have received LOA for this HAM project and we are currently working on achieving financial closure for this project.

The toll & annuity income from the operational projects are as per our expectation and is largely sufficient to meet the financial obligations on their own.

We have seen an average 10% growth in the toll revenues in the Q1 of FY17 as compared to Q4 of FY16.

Now moving on to our order book

The order book in terms of contracts pending execution was over Rs. 5,100 crores as on June 30, 2016. In addition, We have secured 4 new projects in the current year till date totalling to Rs. 1,374 crores. The same have not been included in the unexecuted order book as on June,30 2016. The 4 projects are

1. ADB Funded PWD road project in UP (up-gradation of Nanau-Dodon section in the district of Aligarh) worth Rs. 120 crores
2. Extension and resurfacing of runway at Air Force Station, Bakshi Ka Talab, near Lucknow worth Rs. 140 crores
3. Project of 4 laning / 2 laning with paved shoulders of Dausa-Lalsot-Kauthun section of NH-11 A (Extension) in the state of Rajasthan under NHDP IV, on Hybrid Annuity Model with a Bid Project cost of Rs. 881 crores
4. Project involving 4 laning of Etah to Kasganj road in Uttar Pradesh worth Rs. 233 crores

Letter of Acceptances for three of the projects have been received as on date except the ADB Funded PWD road project in UP worth Rs. 120 crores. The robust order book of over Rs. 6,400 crores as on date gives us the revenue visibility for next 2-3 years in terms of execution.

Now I would now present the results for the period quarter ended June 30, 2016.

Standalone Quarterly Result:

Revenue of Quarter 1 FY17 is Rs. 515 crore which is higher by 19% compared to 1st Quarter of FY16

EBITDA of Quarter 1 FY17 is Rs. 67 crore which is higher by 12% compared to 1st Quarter of FY16

Profit of Quarter 1 FY17 is Rs. 64 crore which is higher by 146% compared to 1st Quarter of FY16.

Cash profit for Quarter 1 FY17 is Rs. 76 crore which is higher by 101% compared to 1st Quarter of FY16

Consolidated Quarterly Result:

Consolidated revenue of Quarter 1 FY17 is Rs. 635 crore as compared to Rs. 677 crore in 1st Quarter of FY16. The decline is attributed to application of Indian Accounting Standards (IND-AS) for the first time. Based on Indian GAAP, or otherwise consolidated revenue was higher by 24%.

Consolidated EBITDA of Quarter 1 FY17 is Rs. 166 crore which is higher by 25% compared to 1st Quarter of FY16

Consolidated profit for Quarter 1 FY17 is Rs. 54 crore which is higher by 145% compared to 1st Quarter of FY16.

Our consolidated cash profit for Quarter 1 FY17 is Rs. 117 crore which is higher by 73% compared to 1st Quarter of FY16

On the balance sheet side our,

Our consolidated networth as on June 30, 2016 is Rs. 1,364 crores where as total debt is Rs. 1,722 crores. Net debt to equity comes at consolidated basis comes at 1.13 times.

On stand-alone basis our net worth is Rs. 1,426 crores. long-term debt of the company is Rs. 8 crores. there is no working capital debt as on June 30, 2016. The total debt on standalone basis as on June 30, 2016 is Rs. 15 crores and we have net cash on standalone basis of Rs. 130 crores as on June 30, 2016.

During this quarter our external rating has been upgraded and now credit ratings on the bank facilities of PNC Raebareli Highways Private Limited which is A(-) for long term facilities (senior debt) and BBB (+) for long term bank facilities (subordinate debt)

With this, we now open the floor for Question-and-Answer Session.

- Moderator:** Thank you. We will now begin with the Question-and-Answer Session. We take the first question from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Sir, firstly other income for this quarter is Rs. 17.04 crores which is significantly high so, is there any one-off?
- D. K. Maheshwari:** In the quarter we have received interest from the subsidiary, around Rs. 14 crores.
- Shravan Shah:** Pardon sir, interest on?
- D. K. Maheshwari:** Interest from subsidiary / associate company, from Ghaziabad – Aligarh Project.
- Shravan Shah:** Okay. So this will continue in the coming quarters also, sir?
- D. K. Maheshwari:** Actually till 30th June, we have given a loan of Rs. 85 crores and we got the interest from April 2015 to June 2016, this has been decided by the board of the associate company in the current quarter that the amount along with interest has been transferred to the warrant presently
- Shravan Shah:** Okay. So this Rs. 14 crores is just an accounting entry or we have get the cash also?
- D. K. Maheshwari:** This is an accounting entry.
- Shravan Shah:** And secondly, sir, if you can give us the standalone revenue break-up project wise?
- D. K. Maheshwari:** Our major projects include Agra Bypass EPC project that is Rs. 58 crores and Agra – Lucknow Rs. 337 crores, Gorakhpur - Sonauli Rs. 65 crores and Barabanki Rs. 28 crores.
- Shravan Shah:** Okay. So, Barabanki has execution has reduced compared to the fourth quarter where it was Rs. 75 crores?
- D. K. Maheshwari:** No it was Rs. 15 crores in the 4th Quarter as against that this Quarter it is Rs. 28 crores.

- Shravan Shah:** Okay. And secondly, sir, in terms of this Koilwar - Bhojpur, Bhojpur - Buxar, which we have got almost in the last July so, more than one year has passed but we have not started the execution, this is mainly because we have not get the appointed date. So is there any penalty from the NHAI or how long we can delay the appointed date?
- Yogesh Kumar Jain:** We are expecting appointed date in October or so, there will be no penalty from both sides.
- Shravan Shah:** Okay. So the delay is because from our side or it is from the NHAI?
- Yogesh Kumar Jain:** The delay is from NHAI side.
- Shravan Shah:** So, is there any land or any other issues?
- Yogesh Kumar Jain:** Yes, there is a condition 80% of land should be there for the appointed date. So, delay in appointed date mainly due to land acquisition problem. Actually earlier NHAI was ready to pay compensation four times at the old circle rates that the old circle rate means the 2012 rate; but farmers are agitating and not accepting these old rates. Now NHAI is ready to give compensation as per the current circle rates. So appointed date is expected in the month of October.
- Shravan Shah:** Okay. And sir, for other projects also the one which we have received recently so, there also in terms of getting the appointed date will it be coming in next one or two months or it will be delayed?
- Yogesh Kumar Jain:** It is expected in October
- Shravan Shah:** So by October for all the projects we have won recently appointed date will be in place?
- Yogesh Kumar Jain:** Yes, definitely.
- Shravan Shah:** So we can see the execution in terms of the revenue booking from the October onwards?
- Yogesh Kumar Jain:** From third and fourth quarters in the current financial year..
- Shravan Shah:** Yes. And sir, in terms of the tax rate if you can help me out for this year and for this quarter also earlier we guided nil tax rate and this time it is 9% so, how do we see FY 2017 tax rate and for FY 2018 also?
- D. K. Maheshwari:** We will take the tax benefit u/s 80-IA in FY 17 but we have to make the payment of tax at maximum marginal rate on the other income.
- Shravan Shah:** Okay. So how do we, can we take a 5% - 7% tax rate for FY 2017 or will it be a nil?
- D. K. Maheshwari :** It will be close to 5% to 7%.

- Shravan Shah:** But for FY 2018 it will be a 30% full tax period?
- D. K. Maheshwari:** No, it will be partly because for the projects which will start before 31st March 2017 we are entitled to get the tax benefit u/ s 80 IA of IT act.
- Shravan Shah:** So there will be around 20%-22% tax rate?
- D. K. Maheshwari:** Yes, on average.
- Shravan Shah:** Okay. And sir, now if you can once again guide us in terms of the revenue and margin and also now the execution will be picking-up so, in terms of the debt also right now definitely we have almost a nil debt so, FY 2017 and FY 2018 how do we see the debt also?
- D. K. Maheshwari:** Actually presently debt is zero on standalone basis and even in the second quarter it will be almost zero and after starting the execution of new projects we are expecting that by end of third quarter or fourth quarter it may be Rs. 100 crores to Rs. 150 crores or maximum Rs. 200 crores by end of this year.
- Shravan Shah:** Okay. And in terms of revenue and margins if you can guide for FY 2017 and FY 2018?
- Yogesh Kumar Jain:** We are expecting growth around 20%.
- Shravan Shah:** Okay, for FY 2017 and 2018?
- Yogesh Kumar Jain:** Yes, for 2017 and 2018.
- Shravan Shah:** So, sir, is it on the conservative side we are saying this 20%?
- Yogesh Kumar Jain:** You can say it is conservative for FY 2018.
- Shravan Shah:** Okay. And sir, this will be my last question, in terms of the CAPEX how much we have done in first quarter and how much it will be for FY 2017 and FY 2018 for the full year?
- D. K. Maheshwari:** In first and second quarter it is hardly Rs. 8 crores to Rs. 10 crores but in complete year of FY 2017, we are expecting to increase by to Rs. 80 crore, there will be around Rs. 500 crores to Rs. 510 crores gross block at the end of this year and there after next year it will be 30-35 crore normal-CAPEX.
- Moderator:** Thank you. We take the next question from the line of Abhijeet Vara from Sundaram Mutual Fund. Please go ahead.
- Abhijeet Vara:** Sir, my first quarter is the new Accounting Standards, could you explain what changes were made to the accounts and going forward what will be its impact?

D. K. Agarwal: Yes, in fact the new Accounting Standards explains about the fair market valuation of the assets. And there are two types of assets – one is the financial asset, another intangible assets. We are running into three type of categories in our SPVs one is the OMT, another is the annuity based and third is the toll based. So, we have carried out the accounting accordingly and we have created the financial asset in case of annuity and for other categories we have created intangible assets. So that impacts is visible in the current financial year and we have restated the account for the first quarter 2015-2016.

Abhijeet Vara: How has the restatement been?

D. K. Agarwal: In fact what has happened because when we are doing a construction in case of the intangible assets earlier these assets were capitalized simply. Now, in the new accounting standards we have to set it as a revenue that is why our revenue increased by a good sum in the first quarter of 2015. Whatever the projects which were running over there in the BOT we have consider as a revenue and as a revenue increased in the first quarter by Rs. 164 crores on account of this change in Accounting Standards (Ind AS).

D. K. Maheshwari: But in bottom-line there is hardly difference of Rs. 2 crores.

Abhijeet Vara: This Rs. 164 crores was because of the OMT is it?

D. K. Maheshwari: No, not OMT because of the three BOT projects which were under construction during last year in first quarter that is Kanpur - Kabrai, Bareilly - Almora and Raebareli - Jaunpur that impact has come in the turnover of about Rs. 164 crores.

Abhijeet Vara: Okay. The toll collected during the construction period?

D. K. Maheshwari: No, sir, because these three projects were under construction and construction part means cost of the project whatever we have incurred during that quarter has increased the revenue.

Abhijeet Vara: Right, okay. And in Q1 what was the order flow?

D. K. Maheshwari: It was 1,374 crores considering the Hybrid Annuity Project of which Bid Project cost is Rs. 881 crores.

Abhijeet Vara: But that is not in Q1, right Hybrid was in Q2 I believe.

Yogesh Kumar Jain: We were the lowest in the first quarter.

D. K. Maheshwari: Yes, you can say till date it is 1,374.

Abhijeet Vara: Okay. The reason why I am asking is your Q4 versus Q1 the order book has gone down by about Rs. 430 crores, execution is Rs. 500 crores and order flow is Rs. 80 crores to Rs. 100 crores not more than that in Q1? But the announced on exchange says it is about Rs. 260 crores

so, it is because you did not receive LoA you are not included or how is the order book calculated?

D. K. Maheshwari: Yes, we have received the LoA after 30th of June that is why unexecuted of 30th June we have only Rs. 5,100 crores but as on date it is around Rs. 6,300 crores.

Abhijeet Vara: Okay. So LoA is about Rs. 1,200 crores?

D. K. Maheshwari: Yes.

Abhijeet Vara: Your L1 position?

D. K. Maheshwari: We have received LOA of all the projects in the July except one project of Rs. 120 crores.

Abhijeet Vara: Okay, fine, sir. And third question is, I was looking at your Q4 order book versus Q1 order book, Q4 of FY 2016 versus Q1 FY 2017 only in the top five projects only one project has been moving Agra - Firozabad in terms of revenue contribution. Rest of the projects what is the status when can you start executing because I think contributes bulk of the order book.

Yogesh Kumar Jain: Yes, Nagina - Kashipur will start in October.

Abhijeet Vara: In November?

Yogesh Kumar Jain: No, in October. It will start in October after this rainy season we will take appointed date of Aligarh - Moradabad and same position with Varanasi - Gorakhpur.

Abhijeet Vara: Varanasi - Gorakhpur also after monsoon?

Yogesh Kumar Jain: Yes. So, we will take appointed date in October.

Abhijeet Vara: So in fourth quarter we will start seeing some revenue contribution from this?

Yogesh Kumar Jain: Definitely we will get revenue in the fourth quarter from this.

Abhijeet Vara: Okay, sure, sir. Just one last question, you gave revenue guidance and what will be order flow guidance as well as margin for the current year?

Yogesh Kumar Jain: In current financial year we are expecting further new orders worth around Rs. 4,000 crores so that, we are expecting our unexecuted order book will be around Rs. 8,000 crores at the end of this current financial year.

Abhijeet Vara: And what about margins, you will maintain 13% EBITDA margin?

D. K. Maheshwari: Yes, will maintain 13% to 14%

- Moderator:** Thank you. We take the next question from the line of Parikshit Kandpal from HDFC Securities. Please go ahead.
- Parikshit Kandpal:** Sir, your earlier projects, in HAM you have done a lot conservative bidding in this Dausa - project and the other project which was there, there was not much difference in L1, L2, L3 but I just wanted to know that your this KUA Package-II so, what is your view on this bid? You quoted Rs. 256 crores premium on this and IRB was Rs. 120 crores so, what is your view on this project? What was your view on this bid basically?
- Yogesh Kumar Jain:** At present we don't want to comment on this project as the same is in the second round bidding stage.
- Parikshit Kandpal:** No, at the time when you have bid for this project, your bid, almost difference is almost more than Rs. 150 crores was there in between you and H3, in Tata Realty it was H1 so, basically I just want to know what is your view in this project that you have bid...
- Yogesh Kumar Jain:** There was some internal calculation which I cannot share at this point of time...
- Parikshit Kandpal:** Means according to you this was a correct bid I wanted to know basically?
- Yogesh Kumar Jain:** As I told that this project is presently in further bidding stage therefore I don't want to comment at this point of time.
- Parikshit Kandpal:** No, sir, I am not saying, I know the bid is fall back. But I am saying do you think according to you have you done this bid correct? Basically because till now you were so conservative so, I found this bid to be very aggressive so just asking your view that do you think this bid was in line with your historical bidding pattern or you were a little bit aggressive here because difference between your and IRB bid because we understand IRB is very much aggressive so, there is a difference of Rs. 150 crores between your and IRB's bid and rest Ashoka and Sadbhav all have quoted premium around Rs. 100 crores and you have quoted Rs. 256 crores. So, average was around Rs. 110 crores - Rs. 115 crores and your bid was Rs. 256 crores. I just wanted to know that we are getting a bit aggressive, our orders flow is less in Q1 and we have been guided the market was Rs. 5,000 crores are we getting a little bit aggressive from here on?
- Yogesh Kumar Jain:** No, it is not like that, there will not be any aggressive bidding by us and according to order book there is no need to be aggressive by us. There are lot of projects are coming, at this time also we are preparing for 17 EPC projects whose costing will be around Rs. 15,000 crores so there is no need of going for aggressive bidding.
- Parikshit Kandpal:** Okay, second round. Okay, hopefully I mean you are not so aggressive this time in second round which you were in first round. Second thing I wanted to ask sir, in this Ghaziabad - Aligarh project at this time I understand that project is completed now and we have completed full length, I guess, right?

- Yogesh Kumar Jain:** Yes, we have completed this project and request letter has been given to NHAI for full COD
- Parikshit Kandpal:** And we have applied for COD. So, in the last two quarters we have been saying that we will be collecting the over loading charges and other things at this time also there is no ramp up in traffic and we have also extended Rs. 85 crores of loans to this associate. So, once COD comes so, I think there is a loss from associate in this quarter in consolidated that we can see.
- D. K. Maheshwari:** Loss of this quarter is mainly on account of the provision of the interest on unsecured loan..
- Parikshit Kandpal:** Okay, provision of the interest. So, sir what will be position of loan year end once the COD comes in so, this is the final loss funding support we are providing or there can be increase in this?
- Yogesh Kumar Jain:** At this time we have applied COD for this project as all the balance kilometers have been completed except at a VUP one place's. We have made VUP over there but there was problem in making its approaches so, NHAI has given letter to construct the road. So, except that we have applied COD and I think within a month its COD should be given.
- Parikshit Kandpal:** So how much our toll collection will increase? For example, we have Rs. 40 lakh per day so, how much...
- Yogesh Kumar Jain:** After COD and starting the collection of over loading, approximately Rs. 15 lakh to Rs. 20 lakh revenue should increase
- Parikshit Kandpal:** Okay. And sir, till year end how will be the debt position for this, Rs. 85 crores debt will come down or you have to do more loss funding in this?
- D. K. Maheshwari:** Initially we have to fund more in this project but after COD we will go for the refinancing under the 5/25 scheme and, after the refinancing is done, our Rs. 85 crores along with interest shall be repaid
- Yogesh Kumar Jain:** At this point of time interest rate is. 12.3% , which rate will also come down on refinancing.
- D. K. Maheshwari:** The impact of interest will be Rs. 30 crore per annum in case ROI reduce by 2%
- Yogesh Kumar Jain:** After this it will be self-sustained project then there will be no problem.
- Parikshit Kandpal:** See, in Kanpur OMT project in this quarter how much revenue was there?
- D. K. Maheshwari:** It was Rs. 70 crores.
- Parikshit Kandpal:** How much growth is there in this? I mean is there anything like in last quarter it was Rs. 64 crores in this quarter it is Rs. 70 crores I mean the revenue growth, the collection have been very good so, is there any specific reason like there is a lot of growth coming in this?



- Yogesh Kumar Jain:** Actually this project highway almost from North, it joins North East. From here onwards it is the main road even for Kolkata, Assam, or the Northeastern states, i.e. for Bihar, Bengal if anyone wants to go from Jammu & Kashmir, Haryana, there is full connectivity through this road. It is a very long route. So, there is a long route traffic is there on this so, that is why heavy truck traffic is here.
- Parikshit Kandpal:** Okay. So in this, how much minimum premium how much we pay in this?
- D. K. Maheshwari:** About Rs. 53 lakhs per day.
- Parikshit Kandpal:** So at this point of time rest is our and whatever growth will be there that will come further.
- D. K. Maheshwari:** Some maintenance expenses are there, rest all is ours.
- Parikshit Kandpal:** Sure, sir. The project is doing very well. This Kanpur Kabrai, I think it is also growing very well.
- Yogesh Kumar Jain:** Yes, Kanpur - Kabrai is also very good.
- Parikshit Kandpal:** Okay, sir that is what I wanted to ask. My only suggestion will be that, do not bid so aggressively because we like the Company for its conservative nature and the bidding so, we are disappointed with this KUA bid which you have done which we found to be very aggressive.
- Moderator:** Thank you. We take the next question from the line of Ashish Shah from IDFC Securities. Please go ahead.
- Ashish Shah:** Sir, in this other income we are seeing that the amount is about Rs. 49 crores. Now, this would be obviously on impact of Ind-AS so, can you explain how the key items like revenue, EBITDA, interest and depreciation have changed because of Ind-AS?
- D. K. Maheshwari:** Earlier in IGAAP annuity income was shown under the head income from operations which has changed now under Ind AS and finance income is recognized on trade receivables created with the present value of annuity. Depreciation on Intangible assets on annuity projects is not available under Ind AS as there is no intangible asset recognized. In case of OMT project Intangible asset is recognized and therefore there is an amortization of intangible and interest is charged on account payables.

- Ashish Shah:** Sorry, Maheshwari Ji but that was for last year. So, I am asking if Q1 FY 2017 how can we if not to the last Rs. 1 crores but broadly how can we reconcile Q1 2017 based on Ind-AS and I GAAP, if that would be on GAAP then how can we reconcile that?
- D. K. Maheshwari:** Q1 of current year?
- Ashish Shah:** This year, current year, sir, basically we understand the GAAP reporting, now you have reported number on Ind-AS but broadly just to reconcile which items have seen the major changes if you can highlight, it will help the estimation process also.
- D. K. Maheshwari:** The turnover has decreased from Rs. 651 crores to Rs. 635 crores as the grant / annuity which has been accounted for in other income instead of revenue or otherwise the turnover should have been Rs. 651 crores.
- Ashish Shah:** Okay. And sir, this has happened because annuity is no longer recognized in the revenue.
- D. K. Maheshwari:** Yes.
- Ashish Shah:** Okay. And this is the Narela project?
- D. K. Maheshwari:** Narela and Raebareli - Jaunpur.
- Ashish Shah:** Right, sir, okay. And in other income sir, what happened? Other is of Rs. 49 crores so, even if you take the standalone other income of about Rs. 17 crores odd so, the difference will be on what account, sir?
- D. K. Maheshwari:** Actually it is due to financial income on annuity/grant with the difference of NPV and the actual amount to be received has been charged to miscellaneous income based on the projected revenue in both the cases.
- Ashish Shah:** So, you are saying the NPV of annuity to be received and grant to be received less of the nominal amount of these annuities and grants?
- D. K. Maheshwari:** Right. the same has been booked under miscellaneous income based on the estimated projected revenue of the concession period.
- Ashish Shah:** So this is like an opening balance adjustment or will this be recurring?
- D. K. Maheshwari :** Every quarter it will be there. In case of the annuity this is a financial asset. When we are collecting the money we are getting certain money which has been discounted as on particular date. The difference of NPV and the actual amount to be received will be emerging as a finance income that is appearing as other income.
- Ashish Shah:** Okay. So this is the difference



- D. K. Maheshwari :** Yes.
- Ashish Shah:** Right. So, in some sense this is recurring entry to the extent that the NPV moves this difference will keep changing a little bit.
- D. K. Maheshwari :** Yes.
- Ashish Shah:** And depreciation or in interest is there a big impact because of Ind-AS?
- D. K. Maheshwari:** In OMT project there will be two components namely amortization on intangible asset created towards concession fee payable at discounted rate and interest which is charged on account payable created at a time of creation of intangible asset, this being the major difference between IGAAP and Ind –AS..In case of annuity projects depreciation expense will not be there as intangible assets have been restated as trade receivables on which finance income would be appearing in other income.
- Ashish Shah:** Okay. The actual amount will now be adjusted straight out of the balance sheet now so, it is a liability which is appearing now in the balance sheet and that still gets netted off from P&L?
- D. K. Maheshwari:** Amount payable will be debited when we are paying the difference will be paid as the financial charges.
- Ashish Shah:** Okay, right. So basically the amount payable is now a liability which sits on your balance sheet?
- D. K. Maheshwari:** And we are creating intangible asset against that.
- Ashish Shah:** Correct. And the difference between this amount actually been paid and the NPV is being charged here in interest so, it is a finance charge sort of a thing.
- D. K. Maheshwari:** Right.
- Ashish Shah:** And is there any big impact on depreciation?
- D. K. Maheshwari:** In depreciation impact is due to creation of intangible asset in case of OMT project as earlier it was not there.
- Ashish Shah:** Okay. So basically this amount which you have taken into the balance sheet the NPV amount on that amount you have created intangible asset and the depreciation on that increased?
- D. K. Maheshwari:** Right.
- Ashish Shah:** Okay. Sir, will it be possible for you to just give the exact count so, depreciation impact is how much, interest impact is how much?

- D. K. Maheshwari:** We will give that separately.
- Ashish Shah:** Okay, sure, sir. Sir, also can you give the project wise toll revenue and for whatever projects Raebareli - Jaunpur...
- D. K. Maheshwari:** Gwalior - Etawah MP Highway is Rs. 15.5 crores; Kanpur - Ayodhya is Rs. 69.8 crores; Kanpur Highway is Rs. 24.7 crores and Bareilly - Almora was Rs. 9.6 crores.
- Ashish Shah:** Yes. And Ghaziabad - Aligarh would have been roughly Rs. 40 lakhs a day?
- D. K. Maheshwari:** Yes, Rs. 37 lakhs - Rs. 38 lakhs per day,
- Ashish Shah:** Sir, last question, this Rs. 14 crores of interest income which you have recognized for the period April 2015 to June 2016 so on a recurring basis this interest income will now come every quarter on a pro-rata quarterly basis, correct?
- D. K. Maheshwari:** It will depend on the decision of the board of SPV because in the first quarter of this year board has taken the decision that they will provide the interest from April 2015 to June 2016 outstanding.
- Ashish Shah:** Okay. So no decision has been taken whether this will continue or not?
- D. K. Maheshwari:** Yes, whether it will continue or not, so far it has not been taken.
- Moderator:** Thank you. We take the next question from the line of Adidev Chattopadhyay from Elara Capital. Please go ahead.
- Adidev Chattopadhyay:** Sir, just wanted to understand on your HAM project, now for financial closures, what is the expected time line and do you have to like to close it in six months or do you have a longer time period for this?
- Yogesh Kumar Jain:** Five months is the closure time after signing of the concession agreement.
- Adidev Chattopadhyay:** Okay, fine, sir. Sir, next question on this Lucknow - Ballia or this Purvanchal Expressway so any movement on that? And I know UP Elections are there in few months, so do you expect this project to get awarded before that?
- Yogesh Kumar Jain:** The date of bid submission is 5th of October. Our bid is under process. The financial bid submission date is 5th of October.
- Adidev Chattopadhyay:** Okay. Sir, just to understand we have been reading that there are problems with acquisition of land because it is a very large stretch, right up to near Bihar border so, let us say the contracts are awarded or whatever but do you expect land to be in place like before the code of conduct comes in or those sort of things in state?



- Yogesh Kumar Jain:** No, almost 80% land will be provided by the UPEIDA so, I think there will be no problem for land acquisition as per the earlier record of UPEIDA.
- Adidev Chattopadhyay:** Okay, fine, sir. Sir, and lastly, this Narela project for the quarter what is the revenue you did?
- D. K. Maheshwari:** It was Rs. 9.35 crores which includes annuity.
- Adidev Chattopadhyay:** Rs. 9.35 crores. Sir, and just Kanpur - Kabrai was Rs. 24.7 crores, right?
- D. K. Maheshwari:** Yes.
- Moderator:** Thank you. We take the next question from the line of Andrey Purushottam from Cogencis. Please go ahead.
- Andrey Purushottam:** Sir, I have one request in that this entire treatment of other income, NPV, there is actual Ind-AS, etc., it is fairly confusing so, is it possible for you to issue to a separate note clarifying all these to us either through your website through a note to investors that is a request.
- D. K. Maheshwari:** Okay, Yes.
- Andrey Purushottam:** Okay. My question is that, I am trying to extrapolate the profit figure for the rest of the year for the standalone so, if I were to simply multiply 64x4 would I be very off and is there a certain seasonality in this that I should take into account and secondly would the other income trend which has been shown as 17.4 in Q1 tend to replicate over the other quarters. Also the interest cost.
- D. K. Maheshwari:** In other income in standalone, this quarter it includes Rs. 14 crores interest from Ghaziabad - Aligarh unsecured loan.
- Andrey Purushottam:** No, my question is if I were to extrapolate the other income by factor of 4, interest by factor of 4 and the PAT for standalone would I be making a mistake or would I be broadly accurate?
- D. K. Maheshwari:** It cannot be a simple extrapolation so it may change from quarter-to-quarter which we will update.
- Sangeeta Purushottam:** Sir, just a clarification on the interest cost if we take it separately, it has dropped dramatically in this quarter. Now you mentioned that the debt levels will go up in the rest of the year as we are executing more projects. So, roughly could you give us an indication of what the interest cost is likely to be for the whole year and also as far as depreciation is concerned, I do not think there should be much change, right because we are not doing too much CAPEX so, there at least we can roughly work out at a level of about Rs. 50 crores for the years?
- D. K. Maheshwari:** Yes, financial cost as against Rs. 33 crores of 2015-2016 this year we are expecting it should be around Rs. 16 crores to Rs. 18 crores.

- Sangeeta Purushottam:** Rs. 16 crores to 18 crores on interest cost?
- D. K. Maheshwari:** Financial cost.
- Sangeeta Purushottam:** Okay. And the depreciation would be roughly about say Rs. 50 crores there about?
- D. K. Maheshwari:** Around Rs. 46 crores.
- Sangeeta Purushottam:** Around Rs. 46 crores, okay. And sir, this other income which is there in the standalone the Rs. 17.4 crores I could not hear your clarification which you gave at the beginning of the call. Now, this Rs. 17.4 crores also includes some of this NPV related treatment that you have done?
- D. K. Maheshwari:** No, in standalone there is no impact in that but Rs. 17.4 crore includes the interest received from Ghaziabad - Aligarh to whom we have given the unsecured loan of Rs. 85 crores.
- Sangeeta Purushottam:** Okay. So, is this therefore largely one-off or is it more skewed in the first quarter and therefore other income in subsequent quarters will be comparatively lower?
- D. K. Maheshwari:** Yes.
- Sangeeta Purushottam:** Okay, fine. So, that will keep varying from quarter-to-quarter.
- D. K. Maheshwari:** Right.
- Sangeeta Purushottam:** Okay. And as far as our top-line is concerned you are guiding to 20% to 25% which means we are roughly looking at about Rs. 2,500 crores is top-line?
- D. K. Maheshwari:** You can consider around 20% that is around Rs. 2,400 crores.
- Moderator:** Thank you. We take the next question from the line of Abhijeet Vara from Sundaram Mutual Fund. Please go ahead.
- Abhijeet Vara:** Yes, sir, in this Bareilly - Almora, is there a disappointment in toll collection?
- D. K. Maheshwari:** Actually so far we have not started collecting additional overloading in this project number one. Secondly, the traffic has not been stabilized as of now which we are expecting to stabilize by October-November.
- Abhijeet Vara:** Okay. What is the expectation sir, what toll collection can you do per day?
- D. K. Maheshwari:** It should be around Rs. 12 lakhs to Rs. 13 lakhs.
- Abhijeet Vara:** Okay. Compared to Rs. 10 lakhs per day now?



- D. K. Maheshwari:** Yes.
- Abhijeet Vara:** Okay. And secondly, is there any pending equity or loss funding required for any of the projects cash flows wise?
- D. K. Maheshwari:** No, we require the equity only in the recent awarded contract of Hybrid but the project which are under operations we do not require.
- Abhijeet Vara:** Sir, in rest of the remaining operational projects you don't require
- D. K. Maheshwari:** No, it is not required.
- Abhijeet Vara:** For debt servicing there is no requirement?
- D. K. Maheshwari:** More or less no requirement.
- Abhijeet Vara:** Ghaziabad might require?
- D. K. Maheshwari:** Yes, a little bit will require in Ghaziabad Aligarh project
- Moderator:** Thank you. We take the next question from the line of Neeta Khilnani from Ventura Securities. Please go ahead.
- Neeta Khilnani:** Sir, actually I just wanted to understand the reason for the sharp jump in consolidated margins, EBITDA margins.
- D. K. Maheshwari:** EBITDA margins has increased in consol because of good growth in all the BOT projects
- Neeta Khilnani:** Okay. So sir, on consolidated basis for this year how much margins could we expect so, you did last year 17%?
- D. K. Maheshwari:** In this year we are expecting EBIDTA margins 22% to 23% on consol.
- Moderator:** Thank you. We take the next question from the line of Devam Modi from Equrius Securities. Please go ahead.
- Devam Modi:** Sir, so Agra - Firozabad has seen a decent execution in this quarter by when do we expect the entire remaining value of Rs. 520 crores to be executed?
- Yogesh Kumar Jain:** We are expecting to complete this project by January of this financial year.
- Devam Modi:** Is there any scope addition that would happen in this project and also what are the changes and also time of getting the bonus over here?

- Yogesh Kumar Jain:** We are going to complete this project around eight to nine months ahead of schedule so, we will definitely get bonus in this project.
- Devam Modi:** Right, so I understand the bonus is around 6% so, two parts – one is whether there would be any other scope addition of the original contract size and whether the bonus would apply on the revised value and how much time generally does it take? What process has to be followed for the bonus to be sort of finalized?
- Yogesh Kumar Jain:** I think it will take three months to four months after completion to get bonus, and the bonus would not apply on the additional work, bonus is payable on original value of the contract.
- Devam Modi:** Original contract price. In the case of this Hybrid Annuity Project sir, what sort of I mean, you mentioned that you would expecting FC within five months of contract signing so, is the contract already been signed?
- Yogesh Kumar Jain:** No, the contract will be signed in September'16.
- D. K. Maheshwari:** We are going to sign the agreement in, September and thereafter we are having five months, so by end of February we have to achieve the financial closure.
- Devam Modi:** We expect the initial work to begin probably in fourth quarter or first quarter of 2018.
- D. K. Maheshwari:** Yes.
- Devam Modi:** And sir here, how would you plan in terms of the EPC and O&M margins I mean the entire EPC margins will be in standalone and what are the margins we can expect over here?
- Yogesh Kumar Jain:** We are expecting EBIDTA margin in this project around 13% to 14%.
- Devam Modi:** And the project will be housed in the BOT holding company, right is that a correct understanding?
- D. K. Maheshwari:** Yes, in case if price will be lowest.
- Devam Modi:** Over there what kind of IRRs can be expected?
- D. K. Maheshwari:** We are expecting 15% equity return on this project.
- Moderator:** Thank you. We take the next question from the line of Jayesh Gandhi from Birla Sun Life. Please go ahead.
- Jayesh Gandhi:** One quick question, Yogesh, this slew of Railway Projects that have been cleared by the Cabinet, are we bidding for any of that? Would that be come under our preview in terms of our ability to attract that business?

- Yogesh Kumar Jain:** We are already qualified in one dedicated freight corridor project of 222 kilometers long Khurja - Pilkhani section. So, we are also actively pursuing this one rail track construction EPC project that is costing around Rs. 1,500 crores.
- Jayesh Gandhi:** Okay. But the total size that was announced I think was close to Rs. 25,000 crores so, any other project or only this one?
- Yogesh Kumar Jain:** These are some more different projects.
- Jayesh Gandhi:** Okay, I understand. So basically for us this Rs. 1,500 is what we can look at.
- Yogesh Kumar Jain:** Yes, we are looking this project.
- Moderator:** Thank you. We take the next question from the line of Abhijeet Vohra from Sundaram Mutual Fund. Please go ahead.
- Abhijeet Vohra:** Sir, you have any claims pending with NHAI?
- Yogesh Kumar Jain:** Yes, we have one claim pending around Rs. 17 crores that is awarded by Arbitral Tribunal
- Abhijeet Vara:** Okay. Apart from three no other claim is it?
- Yogesh Kumar Jain:** No. Arbitration is in process in one of our NHAI project of NH-24, the amount is around Rs. 125 crores.
- Abhijeet Vara:** Okay. Rs. 125 crores is the amount you are disputing?
- Yogesh Kumar Jain:** Yes.
- Abhijeet Vara:** Okay. Sir, I wanted to get your view on the new arbitration law which the cabinet is considering which will help the road developers like PNC. So, have you heard about this and what is your opinion in the sense how will it make it simpler about note goes through?
- Yogesh Kumar Jain:** Not seen in detail but I can say it will be in favor of the industry.
- Abhijeet Vara Vohra:** What are the changes industry is requesting?
- Yogesh Kumar Jain:** After award by arbitral tribunal, the NHAI will not go to the High Court and Supreme Court.
- Abhijeet Vara:** Okay, NHAI should not appeal.
- Yogesh Kumar Jain:** Yes.
- Abhijeet Vara:** Okay, sure, sir, Yes. And what will be the timelines of this thing this New Arbitration Law

- Yogesh Kumar Jain:** You cannot say, this is under process in the government.
- Moderator:** Thank you. We take the next question from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Sir, regarding this our Hybrid Annuity Project what would be rough equity requirement there and what would be the EPC cost that would be part of the order book which the standalone will be doing?
- Yogesh Kumar Jain:** The EPC cost is around Rs. 750 crores and equity will be around Rs. 100 crores.
- Shravan Shah:** Okay. And sir, this EPC cost, Rs. 750 crores if we compared in terms of NHAI EPC cost, how much it would be difference what would be the NHAI EPC cost estimate?
- Yogesh Kumar Jain:** It is higher.
- Shravan Shah:** Okay. And sir, if you can give us as on 30th June, short-term loans and long-term loans and advances actual numbers?
- D. K. Maheshwari:** Actually total long-term debt was Rs. 8 crores standalone.
- Shravan Shah:** No, sir, I am not asking the debt I am asking the short-term and long-term loans and advances asset side.
- D. K. Maheshwari:** Debtor days is 54 days, inventory days is 48 days and net working capital is 87 days.
- Shravan Shah:** Yes, that I got, if you can absolute numbers if you have short-term loans and advances and long-term loans and advances?
- D. K. Maheshwari:** Readily it is not available. I will confirm you.
- Moderator:** Thank you. We take the next question from the line of Parvez Akhtar from Edelweiss. Please go ahead.
- Parvez Akhtar:** Sir, have we received any toll hike in any of our projects in the last couple of quarters?
- Yogesh Jain:** No, toll hike actually happens on 1st of April every year.
- Parvez Akhtar:** Okay. Sir, if you could give us the quantum of toll hike that we got on 1st of April?
- Yogesh Jain:** It is based on cost index so, 3% fixed, remaining is linked to WPI so, it comes around 2.5% hike on the toll rates.
- Parvez Akhtar:** And this was on which of the toll projects?

- Yogesh Jain:** On all toll projects.
- Parvez Akhtar:** So even Ghaziabad - Aligarh we got that?
- Yogesh Jain:** Yes.
- Parvez Akhtar:** Okay. Sir, and also if you could tell us what is the outstanding loans that we have given to our subsidiaries is that Rs. 85 crores or is it more than that?
- D. K. Maheshwari:** In Ghaziabad - Aligarh it was Rs. 85 crores and if we add the interest, it is around Rs. 98 crores now.
- Parvez Akhtar:** And no other loans to any other subsidiaries?
- D. K. Maheshwari:** Yes, there is one loan to Narela Industrial Estate and Rs. 2 crores to Bareilly - Almora.
- Parvez Akhtar:** And sir, what is the loan to Narela?
- D. K. Maheshwari:** It is Rs. 49 crores because annuity is pending, as soon as we will receive annuity it will pay out.
- Parvez Akhtar:** Sir, if you could give us ball park number for the mobilization advance that we have currently?
- D. K. Maheshwari:** On 30th June'16, we are having approx. Rs. 200 crores as mobilization advance received from authorities.
- Moderator:** Thank you. We take the next question from the line of Alok Deora from IIFL. Please go ahead.
- Alok Deora:** Just a couple of questions. One was on the order book front you mentioned about reaching Rs. 8,000 crores by end of the year so, would that be driven by further HAM Projects or EPC?
- Yogesh Kumar Jain:** These will be from HAM, EPC, both
- Alok Deora:** Okay. And any project where we have already bid? I mean, what would be these sizes of those projects roughly?
- Yogesh Kumar Jain:** No project is pending which we have bid; but we are targeting to bid some projects.
- Alok Deora:** Okay. And sir, actually one more thing which we were hearing from the market is whoever have bagged these HAM Projects, I think only one or two have been able to get the financial closure done that is primarily because banks are slightly reluctant to lend considering it is a new business model so, what is your take on that?

- D. K. Maheshwari:** I do not think any problem for us for achieving the financial closure, banks are very comfortable with us, we have already discussed with two - three banks and hopefully we are confident that we will achieve well in time or before time.
- Alok Deora:** Okay. So there is no problem which you are apparently thinking for achieving the financial closure.
- D. K. Maheshwari:** Yes, we are expecting that we will achieve financial closure well before time with good commercial terms.
- Alok Deora:** Right. And just one last question, you are doing around (+13%) EBITDA margins so, with this HAM Projects coming would it go higher or would it be largely at least these range?
- Yogesh Kumar Jain:** More or less it will be in the same lines.
- Moderator:** Thank you. We take the next question from the line of Subramaniam Yadav from Shubhkam Ventures. Please go ahead.
- Subramaniam Yadav:** Sir, this Railway Project you have mentioned when will we bid for this?
- Yogesh Jain:** You have to submit the technical bid in the next two months, the price bids will be before end of this financial year.
- Subramaniam Yadav:** Okay. Sir, is it in the DFC line or the normal Indian Railway?
- Yogesh Kumar Jain:** It is DFC line, Eastern Corridor.
- Subramaniam Yadav:** Sir, in the arbitration, you were talking about Rs. 125 crores, what is the nature of the arbitration and any status on that?
- Yogesh Kumar Jain:** It is going on. It will take I think further one year to decide.
- Subramaniam Yadav:** Okay. And the claims pending of Rs. 17 crores you mentioned, is the arbitration already awarded or we just need to receive?
- Yogesh Kumar Jain:** Arbitration already awarded, we have discussed with NHAI also. So, NHAI also negotiated with us on Rs. 14 crores and we have also agreed. **Subramaniam Yadav:** Okay. And sir, the nature of the arbitration in the Rs. 125 crores project what is the problem in that?
- Yogesh Kumar Jain:** This is Road Project, NH-24 project Garhmukteshwar – Moradabad, there was delay due to land acquisition in the project.
- Subramaniam Yadav:** Okay. So your claim is of Rs. 125 crores and what is the NHAI cost in that?
- Yogesh Kumar Jain:** NHAI has no counter claim in this.



- Subramaniam Yadav:** Okay. Most likely you will get this award.
- Yogesh Kumar Jain:** Yes we are expecting
- Moderator:** Thank you. We take the next question from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Sir, continuing so, in this quarter this Rs. 14 crores when we receive this arbitration award from NHAI, it will be part of other income or will it part of EBITDA, so EBITDA margin for the second quarter to that extent will be higher?
- D. K. Maheshwari:** Yes, it will be part of the EBITDA.
- Moderator:** Thank you. That was the last question. I now hand the conference call over to Mr. Anupam Gupta for his closing comments.
- Anupam Gupta:** On behalf of IIFL I thank everyone for joining this call and special thanks to the management. Sir, if you have any closing comments you can make those.
- Yogesh Kumar Jain:** Thank you everyone for your participation in our earnings call. We have uploaded the presentation of our company's website. In case of further queries you may get in touch with the Strategic Growth Advisors, our Investor Relations Advisors or feel free to get in touch with us.
- Thank you very much for participation.