

Date: 28<sup>th</sup> August, 2018

To,

The Manager

Compliance Department

**BSE Limited**

Corporate Service Department

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400 001.

The Manager

Compliance Department

**National Stock Exchange of India Limited**

Exchange Plaza, Plot No. C/1,

G Block, Bandra-Kurla Complex,

Bandra (East), Mumbai - 400 051.

Dear Sir / Madam,

Re: **Tribhovandas Bhimji Zaveri Limited. Script Code & ID: 534369 / TBZ**

Sub: **Transcript of Conference Call with the Investors/ Analyst**

The Company had organized a conference call with the Investors/ Analysts on Tuesday, 14<sup>th</sup> August, 2018 at 4.30 p.m. (IST). A copy of Transcript of conference call held with the Investors/ Analysts is enclosed herewith and the same has also been put up on the Company's Website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

We request you to kindly take the same on record.

Thanking You.

Yours faithfully,

For **Tribhovandas Bhimji Zaveri Limited**

**Niraj Oza**

**Head - Legal & Company Secretary**



Encl: as above

**tbz**<sup>®</sup>  
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**Tribhovandas Bhimji Zaveri Limited**  
**Q1 FY19 Earnings Conference Call**  
**August 14, 2018**

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**Moderator:** Good evening, ladies and gentlemen. I am Aman, the moderator for this conference. Welcome to Q1 FY19 Earnings Conference Call of Tribhovandas Bhimji Zaveri Limited organized by Dickenson Seagull IR. At this moment all participants are in the listen-only mode, later we will conduct a question and answer session. At that time if you have a question you may please press '\*' and '1' on your telephone keypad. Please note this conference is being recorded. I would now like to turn the conference over to Mr. Nilesh Dalvi. Thank you and over to you, sir.

**Nilesh Dalvi:** Thank you Aman. Good afternoon everyone. On behalf of Dickenson Seagull IR I would like to welcome you all to the First Quarter Earnings Call of Tribhovandas Bhimji Zaveri Limited. Today we have with us from the management represented by Ms. Binaisha Zaveri – The Whole Time Director and Mr. Saurav Banerjee – Chief Financial Officer.

Before we get started I would like to remind you that our remarks today might include forward-looking statements and actual results might differ materially from those contemplated by these statements. Any forward-looking statements that we make on this call today are based on our assumptions as on date and we undertake no obligation to update these statements as a result of new information in future.

I would now invite Ms. Binaisha to make her opening remarks. Thank you and over to you.

**Binaisha Zaveri:** Good evening everyone. I would like to welcome you all to discuss the earnings of Tribhovandas Bhimji Zaveri Limited for the first quarter of financial year 2018-19. We witnessed the softened jewelry demand in the first quarter especially during May and June which is H1 overall muted sales during the quarter. Additionally this de-growth was on a higher base of Quarter 1 FY18 which included the initial inventory sales to franchisee and higher sales in June before the onset of the GST regime. We had selectively launched gold jewelry activation schemes during this quarter and have set-up our advertising and marketing initiative. While there was a modest consumer response during the quarter we believe that these persistent activation efforts will lead to an improved sale in the coming quarter.

Our gross margins improved during the quarter in both gold and diamond jewelry category. However EBITDA margins declined due to higher advertising and marketing spend. We understand that higher marketing spends did not translate to commensurate sales in the first

quarter however we do believe that these efforts are imperative to strengthen the TBZ brand recall and should lead to improved sales in the coming quarters.

With regard to our store expansion plans; we are under signing stages of opening our new store in Noida which we expect to launch in the next week. This will be a large format store and our very first store in the NCR region. Based on our research and observations through various exhibitions conducted before finalizing our store in Noida we believe that there is a lot of latent demand for the TBZ brand and we are hopeful of receiving strong consumer responses to our new store. In addition we will continue to open a mix of our own and franchisee stores in the coming quarters.

I would now like to hand over the call to our CFO Mr. Saurav Banerjee for a quick overview on the financial performance during the quarter. Thank you.

**Saurav Banerjee:** Good evening everybody. This is Saurav here. First, I shall give you a synopsis of the Q1 FY19 key numbers vis-à-vis Q1 FY18 key numbers. Total income from operations for FY19 Q1 410.93 crores vis-à-vis 444.01 crores in FY18, drop of 7.45%, gross profit 61.21 crores vis-à-vis 62.26 crores, drop of 1.67%, gross margins 14.90% for Q1 FY19 vis-à-vis 14.02% for Q1 FY18. EBITDA 13.87 crores vis-à-vis 19.74 crores drop of 29.71%, EBITDA margins 3.38% for FY19 vis-à-vis 4.45% for FY18. PBT 2.04 crores for FY19 vis-à-vis 8.84 crores for FY18, PBT margin 0.50% for FY19 vis-à-vis 1.99% for FY18. PAT 1.31 crores for FY19 vis-à-vis 5.83 for FY18, PAT margin 0.32% to 4 FY19 vis-à-vis 1.31% for FY18.

We can begin the Q&A session now.

**Moderator:** Thank you very much. Ladies and gentlemen we will now begin the question and answer session. The first question is from the line of Keval Shah from Shah & Shah Securities. Please go ahead

**Keval Shah:** My question is specifically for Binaisha ma'am. Titan had done a PAT of around 1100 crores and Mr. Bhaskar Bhatt is drawing around total remuneration including commissioned everything of around 5 crores. Our cumulative profit in last 5 years is around of 85 crores and right now we have given a plan of or drawing salary of around 15 crores in total including you and MD and your brother. What exactly are you planning to do with this kind of huge remuneration?

**Binaisha Zaveri:** So this is as per Section 197 of the Companies Act and the revised Schedule, the total managerial remuneration payable by a public company including the MD and the Whole Time Directors shouldn't exceed 11% as you know and it will be restricted to that and we are just taking the minimum pay as of now. If there is no commensurate profit we will not take that extra profit. It is as of the same as of last year.

**Saurav Banerjee:** In Addition to what Ms. Binaisha Zaveri said this is the minimum remuneration as per the Section 197 of the Companies Act read with revised Schedule V of MCA notification and probably what you're referring to is an enabling resolution. Sometimes we take enabling resolutions for bank's limit just to ensure that when those limits are required we can avail them. Similarly, the resolutions passed in AGMs across the globe are all enabling resolutions which do not necessarily mean that will be the remuneration paid to any director, these are subject to certain kind of profit level and only if an organization or company achieve those profit levels, the resolution will come into effect. Otherwise it's always the minimum remuneration that is being paid.

**Keval Shah:** What kind of profit levels we will achieve considering this kind of remuneration?

**Saurav Banerjee:** I cannot straightaway announce the remuneration.

**Keval Shah:** The ballpark range.

**Saurav Banerjee:** You can do an extrapolation; it's always 10% of the PBT. Again as I said, it's an enabling resolution going forward and it will apply only when those levels of profits are reached by our company. So currently we are paying only a minimum managerial remuneration as allowed by the Companies Act.

**Keval Shah:** So mainly we are not much concerned with the legality which you were trying to explain to us but we are more concerned with the fairness from the minority shareholders point of view. So as you are saying 10% of the PBT so this entire remuneration sums up to about 15 crores so are we expecting a PBT in the range of 150 crores even 120-130 crores?

**Saurav Banerjee:** Anything which is theoretical should be construed as that only so if I say that we shall reach 5000 crores after 5 years, it's an enabling kind of statement. The resolutions need to be passed, there is a language through which a resolution is passed and that's how it has been done.

**Keval Shah:** My second question is regarding our receivables so it is quite lumpy, from 2 crores in March '17 it has gone up to 20 crores in March '18 and right now it is around 11 crores can you just explain the reason for this lumpiness?

**Saurav Banerjee:** I have also spoken about this in the previous quarter. We have franchisee stores made for promoting certain kinds of jewelry and certain kinds of new collections. Franchisees generally have a minimum level of inventory that they need to maintain. If we want them to showcase any additional inventory they have asked or a bit of a time to take and have a credit period which has been given to them. You would have also noticed that actually the receivables have started coming down and it has come down to around 15 crores level currently and we expect it to be completely nullified by the end of Q2.

**Moderator:** We have the next question from the line of Prashant Hazariwala, as an individual investor. Please go ahead.

**Prashant Hazariwala:** What is the minimum remuneration for the management?

**Saurav Banerjee:** It is 10% of the PBT.

**Prashant Hazariwala:** Last year we did profit of 21 crores and altogether they have taken 7.2 crores so it comes to around 34% of profit after tax, we did PBT of 32 crores and taken out 7.2 crores that is again 24%. Even in FY17 we did the PBT of 16.6 crores, taken out was 5.4 crores, it is more than 30% of PAT how will you explain this?

**Saurav Banerjee:** As I have already explained that we are governed by Section 197 and read with The Schedule V, I would request you to read those sections and if still there is a clarification required you can call me later and I shall explain the entire section to you.

**Prashant Hazariwala:** This 7.2 crores at least explain me how it has been calculated. I just wanted to know from profit after tax it comes around 34%, it's too high.

**Saurav Banerjee:** Mr. Prashant this is the minimum remuneration that has been paid to the director and with the rules and regulations of the Companies Act and there is no violation at all. So I again repeat and request that you may wish to read Section 197 of the Act along with the revised Schedule V and you will have a better understanding. At the same time I also offer to help you to understand the Section if you wish to call me on some other day.

**Prashant Hazariwala:** How do we see our finance cost going forward since last year we did reduction in the finance cost?

**Saurav Banerjee:** We have been able to bring down our finance cost substantially over the last several quarters. Going forward as you are aware that all the banks have now started increasing their interest rates across the board because of RBI also increasing some of the rates and hence we expect that the finance cost will go up marginally on a like to like or an apple to apple basis it should go up marginally. However as we all know that we have or huge gold loan component within our debt so our debt comprises of two portions, one is the gold metal loan and other is the normal working capital debt. For a jewelry company like TBZ the gold metal loan is the key to the gold operation and thankfully the gold metal loan rates are very-very reasonable which is being offered to us by the bank. So the blended cost which is currently applicable to TBZ is around 7.1%-7.2% at best we expect that it will go up to about 7.3% or 7.4% on an apple to apple basis.

**Prashant Hazariwala:** So going ahead we are not expecting any reduction in the interest cost or finance cost?

**Saurav Banerjee:** On an overall basis no because the endeavor is to utilize the gold loan limit to the maximum extent possible and as I said that the biggest chunk of our borrowing is through gold metal loan.

**Prashant Hazariwala:** No, I couldn't hear your last sentence.

**Saurav Banerjee:** Gold metal loan component is close to around 60% and as I said that pricing of the gold metal loan is on the lower end. It's around 2%-2.5%, maximum 3% whereas the borrowings on CC limits and WCDL is around 10.25%-10.5% so on blended cost borrowings looking at the type of the debt cost that we have, the blended cost should come to around 7.2%-7.3%, currently it is at around 7%.

**Prashant Hazariwala:** Our average revenue per square feet was at a peak of around 3.3 lakh per square feet, right now in FY18 it has come down to 1.59 lakh so almost half so how do we plan to increase this revenue per square feet?

**Saurav Banerjee:** The company's aim has been to increase the footfalls and that is why we have been doing several advertising campaigns which has impacted the company. The aim is to increase the footfalls substantially since the conversion rate of TBZ has always been a fairly high, one to the extent of about 78% to 80%. It is expected by increasing footfalls we should be able to convert better and then thereby the percentage or the average will start improving further.

**Prashant Hazariwala:** What was the advertisement cost for the quarter Q1 FY19?

**Saurav Banerjee:** Q1 FY19 it was around 15 crores of advertising cost.

**Moderator:** We have the next question from the line of Anil Raika, as an individual investor. Please go ahead.

**Anil Raika:** My follow-up question is regarding the same thing about the directors' remuneration. I am not going to the legality of the matter that how much is right or how much is wrong but from the minority shareholders taking 30% of the profit and the minority shareholders have not got the IPO price till now and again the first quarter is not good and we have passed the enabling resolution so how could the management explain about this thing?

**Saurav Banerjee:** As I had explained short while back that this is an enabling resolution.

**Anil Raika:** I understood that it will be only if you get the profits but in previous years in FY18-FY17 we have already drawing 30% of the profits of the company as directors' remuneration.

**Saurav Banerjee:** That is not exactly how it is calculated. If you look at the remuneration the remuneration has remained virtually the same.

**Anil Raika:** Right sir but it is 7.2 crores for the family.

**Saurav Banerjee:** It is the matter of interpretation.

**Anil Raika:** Just like our previous speaker told that Mr. Bhatt with the profitability of 1500 crores is drawing 5 crores salary so how could you justify to the minority shareholders that this remuneration is right on this profit I want to understand that.

**Saurav Banerjee:** We are not trying to justify anything at all.

**Anil Raika:** I understood all your answers but what is the individual remuneration, you are drawing 7 crores salary even again passed enabling resolution to increase the salary to any X amount so how do you justify it from the point of minority shareholders.

**Saurav Banerjee:** We have declared the dividend which the company thought appropriate. Based on company's better performance which is our endeavor, we shall certainly look at the possibility of declaring a higher dividend in the next year that is how we shall ensure that the minority shareholders are fairly treated through the dividend declaration.

**Anil Raika:** And what about the same sales growth in Q1?

**Saurav Banerjee:** Owned-store sales growth is down by about 3% in the first quarter. Overall market conditions have been rather lukewarm as I explained that there has been a concerted advertising and marketing effort during Q1 which should enable a better a same-store sales growth in the forthcoming quarter.

**Moderator:** We have the next question from the line of Shivam Vashi from Alfa Alternative. Please go ahead.

**Shivam Vashi:** In the presentation you mentioned that company is planning for expansion of 1,10,000 square feet to around 1,50,000 square feet so this expansion will be in which region of India because we are highly skewed towards Western region. So this expansion will be towards northern or southern region?

**Saurav Banerjee:** Currently we are approximately 1,10,000 square feet. The overall aim of the company is to reach 1,50,000 square feet although that will take about couple of financial years to achieve or to reach. Currently we are looking at expansion in other than Western regions, for example you would have just heard that we are likely to open a store in Noida very soon which is in northern India. We also have other stores which are likely to come up in the same region in several other large cities of northern India. So we are trying to establish our footprint very firmly in that part of the country. In addition to that in the recent past we have opened stores through our own store and franchisee stores in the Eastern part of the country. We have stores in Calcutta, we have stores in Jamshedpur, Dhanbad, Patna and Ranchi. We have plans

to open franchisee stores in places like in state capitals like Bhubaneswar and Guwahati going forward. So I think we are fairly well populated in the Eastern part of the country, Western part you've yourself mentioned that we are fairly present there. Although we also endeavor to open couple of more stores in that region and finally in South India we have certain plans in the next quarter probably in Q3 or Q4 where we should be opening stores in some of the large cities in southern India as well in addition to the stores that we already have in Hyderabad and Vijayawada and Kochin. So we are looking at a pan India sort of a footprint, no bias or no leaning towards any particular region.

- Shivam Vashi:** This expansion in the bigger cities, will it be own-store or franchisee?
- Saurav Banerjee:** It will be a mix of both.
- Shivam Vashi:** In the bigger cities specifically, in Tier I cities.
- Saurav Banerjee:** In the mega cities, the metro cities as we know we will prefer to open our own stores. State capitals will be a mix of own and franchisee stores and smaller cities likely will be franchisee stores.
- Shivam Vashi:** So we have at this junction 3 franchisee stores, right?
- Saurav Banerjee:** We have 5 franchisee stores.
- Shivam Vashi:** Excluding franchise what will be our revenue numbers?
- Saurav Banerjee:** For this quarter?
- Shivam Vashi:** Yeah.
- Saurav Banerjee:** The franchisee stores revenues are around 30-35 crores for the quarter, so balance is from the own stores.
- Shivam Vashi:** Is this an outright sale to franchisee?
- Saurav Banerjee:** Yes, it is an outright sale to franchisee against 100% advance.
- Shivam Vashi:** And this conversion of 80% is segregate of all stores or its just for the flagship store of TBZ? What is this working conversion of 80%?
- Saurav Banerjee:** It is the company as a whole.
- Moderator:** We have the next question from the line of Akshay Satija from **NM** Securities. Please go ahead.

**Akshay Satija:** Out of 37-38 stores almost more than 75% of our store network is more than 3 years old so we can call it as a fairly matured store network. So even after having such a good matured store profile our same-store sales growth or our numbers are not really improving so can you just throw some light on what is it that is really not working for us? In the meantime our competitors have really gained a strong foothold so how do we interpret this thing from investor's standpoint?

**Saurav Banerjee:** As I just briefly explained, in terms of actual statistical data there have been some quarters where the same-store sales growth has been negative including Q1. From Q3 and Q4 onwards where we have about 9% to 10% of same-store sales growth which has been positive and the positive same-store sales growth has also happened. So it is not that the stores are not able to achieve the same-store sales growth all the time. It is probably something maybe we can be a little more consistent. The market conditions have been a bit lukewarm in Q1 because of areas external factors and we have seen some impact of that. However we should be able to register same-store sales growth going forward in the next 3 quarters and one of the reasons why we wanted to achieve that is we have done a fairly I would say the decent level of advertising for brand strengthening and recall and we should be able to see results of that in coming quarters. So just to sum up it's not that there have been only quarters having a negative same-store sales growth, there have been quarters in the recent past where we have done pretty well on that front.

**Akshay Satija:** Now since we are planning to expand via franchisee route so what is the return metric for a potential franchise. Basically I'm just trying to understand what is the incentive for the franchise to come on board and do business with TBZ versus others when our growth is not really coming in?

**Saurav Banerjee:** If you look at the way the franchisees have come forward or the way they have partnered with us or the manner in which the selection has taken place, these franchisees are all well to do business houses who have had customer facing experience in various other retail industries for example they have had good experience in either textiles or pharmaceuticals or automobiles or real state or some other industries which are similar in the retail front. They also have a very good local strong network in their own city and they have aspiration to tie up with a brand like TBZ. So that's the reason for them to come forward and join hands. In terms of returns on a business model front subject to certain assumptions, the returns can be in the range of 10% to about 20% to 24% during a span of about 4 years. There are assumptions on debt, equity and various other things so one has to take those things into consideration and that is the kind of returns that they can expect.

**Moderator:** We have the follow up question from the line of Shivam Vash from Alpha Alternatives. Please go ahead.

**Shivam Vashi:** Can you repeat the performance on the gold lease rate?

**Saurav Banerjee:** The borrowings for us are in two parts, one is the gold loan and one is the normal borrowings which is cash credit or WCDL. Gold metal loan on an average the cost of borrowing can range anything between 2% to 3.5% depending on the banks and the manner in which it is constructed.

**Shivam Vashi:** So, yours is about 2% to 3.5% on Gold metal?

**Saurav Banerjee:** Yeah so that's the cost of gold metal loan for us.

**Shivam Vashi:** When you open a new store or even through a franchise route what is the timeline that you expect for the store to get matured? When I say mature is to have inventory turn in line with the companies of around 2.

**Saurav Banerjee:** We expect the inventory turn of around 2 if I say should be possible within a span of about one year.

**Shivam Vashi:** So that goes both for your own store and the new franchise store?

**Saurav Banerjee:** Yes. There is no difference as such between the franchisee store and owned-store. It's absolutely the same. It's just that the ownership of a franchisee store or the investment made by a franchisee store is from somebody else and otherwise it is from the TBZ. The customer experience, the look and feel, the products, the way the sales are done, the range of products everything is virtually the same between a franchisee store and TBZ store. There is really no difference.

**Shivam Vashi:** How much is the inventory turn for gold and diamond?

**Saurav Banerjee:** Diamond ideally the inventory turn is one time and for gold it is between 2.5 to 3. This depends on locations, on stores, on the kind of jewelry that is more preferred in a particular region in the country. But on an overall basis this is the ideal kind of a turn.

**Moderator:** We have the follow up question from the line of Prashant Hazariwala, as an individual investor. Please go ahead.

**Prashant Hazariwala:** How do we plan to improve our inventory turn because our inventory days are almost around more than 200 days while our peers have around 130-140 days so how do you plan to improve our inventory days?

**Saurav Banerjee:** This is a multipronged approach; firstly of course as I said that we are looking at improving our walk-in substantially. Walk-ins leading to conversion leading to sale that itself should improve the inventory turn quite a bit. Secondly is the range of product, they have currently entire range of products from light weight small ticket easy on the pocket kind of jewelry to the heaviest stuff which is the wedding jewelry so what we are saying in other words to the

customers or the uninitiated customers who would want to come into a TBZ store that whoever you may be we have the right piece of jewelry for you which will suit your needs and your budget that kind of communication has gone repeatedly to the customers in India wherever we are present and that itself will contribute to a larger kind of a customer base which will help in turning the inventory around faster. So it's a combination of various efforts, there is an advertising marketing effort, there is a retail effort, there is a training that is given to the sales staff, the incentives that are given to the sales staff and the communication that goes out to customers. So a combination of all these things being done by TBZ will ensure a higher inventory turn.

**Prashant Hazariwala:** What is the internal target for inventory days for next 1 to 2 years?

**Saurav Banerjee:** As I just mentioned that in terms of inventory turn for diamonds we should look at one or little more than one turn and for gold we should look at higher end of 2 which is 2.7-2.8 or at max 3 kind of a ton.

**Moderator:** The next question is from the line of Saket Saraoge, as an individual investor. Please go ahead

**Saket Saraoge:** From last year's presentation, from last 3-4 years the company has failed to growth revenues and before that ,there was a good growth till 2012-13 so what had transpired for this de-growth in sales or stagnant sales in spite of stores being increased in this 3-4 years?

**Saurav Banerjee:** We have discussed in the past but I will briefly touch upon. The environment has not been very conducive for the jewelry industry. There have been several incidents or occasions where some regulatory measures have been taken by the government which have not been very favorable for the jewelry industry and which has probably contributed to slowdown in the industry on an overall basis. So that is one reason. Secondly if you look at TBZ then it's not that we have opened huge number of stores in the recent past, so the revenue gone from additional stores have always been low because we have deliberately not looked at a rapid expansion. It is recently that we have revived our expansion plans through the franchisee routes and also now we have looking at opening some new owned-stores and that will definitely contribute to the incremental revenues that will come in addition to whatever we shall have from a same-store sales growth. If you look at some of the other players in the industry across the board even they have had a fair amount of challenge as far as their same-store sales growth is concerned. But the only thing different is that they have added a more stores mostly through the franchisee route and probably from that point of view their revenues have increased over the same period of time.

**Saket Saraoge:** Advertisement spent this quarter is 15 crores. What was the spent last quarter?

**Saurav Banerjee:** Last Q1 the spent was around 7 crores.

**Saket Saraoge:** Almost doubled the expenses?

**Saurav Banerjee:** Yes.

**Saket Saraoge:** So, you are looking for higher walk-ins and conversion. With effect of this recent program that company has run so as of now like suppose 45 days into this quarter do you see some green shoots on this ground?

**Saurav Banerjee:** Yes we do see a good traction happening. As I said that advertising and marketing spends are never necessarily an instant solution. There is a tendency that it may take a little longer time and that's how the nature of spend is. So if we do a tactical campaign then you will get immediate results but if you do an overall advertising marketing campaign then the result will tend to follow a little bit later which is what we can see now and that's why we are fairly sure that in the coming quarter we will be able to get better traction from the spend.

**Saket Saraoge:** So, so this expenses will go on like this for some time to come or it was just a quarter specific issue?

**Saurav Banerjee:** No, as I said we did a substantial spend in Q1 that does not necessarily mean that we shall have such heavy spends in every single quarter. It's more of a tactic, it's more of a strategy, short-term strategy you can say that what kind of spend is required for that quarter and the forthcoming quarter. So for example in Q3 we may require some kind of advertising spent because it's the festive season or the wedding season which will be in full swing so we have to look at those parameters and then we shall be making the spend. But it is not necessary that every quarter will have a 15 crores that's not going to happen.

**Saket Saraoge:** So Q3 is the main quarter of our company or Q2 is equally big?

**Saurav Banerjee:** Generally, be seen that Q3 is the most productive and the most rewarding quarter for a jewelry company.

**Saket Saraoge:** This advertisement spend which we had done in the first quarter—the major chunk of it—the effect of which can be there for 5-6 months without that kind of spends being continued the minds of people will hold on to that advertisement that we have done?

**Saurav Banerjee:** No, there needs to be some kind of recall. There needs to be some kind of repeat spend. I'm not saying no but it's not required to have heavy spends in every quarter. I am not saying that there will be no spend at all. What I'm saying is that the spends will be more rationalized because it will not be required to spend so much. When an advertising campaign is being done there is a communication that goes out to the customer. It is basically the strength of that communication which needs to be driven into the minds of the customers and that's why sometimes concerted spends are required. But that may not be required in all the quarters.

**Moderator:** Thank you. Ladies and gentlemen that was the last question. I now hand the conference over to Mr. Nilesh Dalvi for closing comments. Thank you and over to you sir.

**Nilesh Dalvi:** Thank you everyone for joining this today's call. For further questions you can write back to us. Our coordinates are provided in the investor presentation. Thank you.

**Moderator:** Ladies and gentleman, on behalf of Dickenson Seagull IR, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.