



“Alkem Laboratories Q1 FY2018
Earnings Conference Call”

August 11, 2017



ANALYST: MR. KUMAR SAURABH – MOTILAL OSWAL SECURITIES

MANAGEMENT: MR. PRABHAT AGRAWAL - CHIEF EXECUTIVE OFFICER - ALKEM LABORATORIES LIMITED
MR. RAJESH DUBEY – CHIEF FINANCIAL OFFICER - ALKEM LABORATORIES LIMITED
MR. AMIT GHARE – PRESIDENT INTERNATIONAL BUSINESS - ALKEM LABORATORIES LIMITED
MR. SATYEN MANIKANI, VICE PRESIDENT BUSINESS DEVELOPMENT AND STRATEGY - ALKEM LABORATORIES LIMITED
MR. NITIN AGRAWAL – AVP, FINANCE - ALKEM LABORATORIES LIMITED
MR. GAGAN BORANA – DGM, INVESTOR RELATIONS - ALKEM LABORATORIES LIMITED



*Alkem Laboratories Limited
August 11, 2017*

Moderator: Ladies and gentlemen good day and welcome to the Alkem Laboratories Q1 FY2018 Earnings conference call, hosted by Motilal Oswal Securities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Mr. Kumar Saurabh from Motilal Oswal Securities. Thank you and over to you Sir!

Kumar Saurabh: Hi every one. I welcome you all on behalf of Motilal Oswal Securities Limited. From the Senior Management team of Alkem we have today Mr. Prabhat Agrawal - Chief Executive Officer, Mr. Rajesh Dubey – Chief Financial Officer, Mr. Amit Ghare – President International Business, Mr. Satyen Manikani, Vice President Business Development and Strategy, Mr. Nitin Agrawal – AVP, Finance, Mr. Gagan Borana – DGM, Investor Relations. Over to you Gagan!

Gagan Borana: Thank you Saurabh. Good evening every body and thank you for taking out time and joining us for the Alkem Laboratories Q1 FY2018 Earnings Call. Today in this call, we have our senior management team of Alkem to discuss the business performance and outlook going forward. So we understand that today is a business day and with more than six pharma companies declaring the results and having the investor call. So we will try to keep our presentation short to allow more time for Q&A. Before we proceed to the presentation, I would like to remind everybody that this call is being recorded and the call transcript will be made available on our website as well. Further the safe-harbour statement included in the presentation also pertains to this call. With this I would like to handover the call to Mr. Prabhat Agrawal. Over to you Sir!

Prabhat Agrawal: Thank you Gagan and welcome back all of you to this conference call of Alkem Laboratories. I hope you have been able to go through our presentation, which has been posted on our website post declaration of results. I will take you through this presentation. If go to the slide 1 where we are presenting key highlights for the quarter, I would like to say that this quarter has been a very different quarter than what we have seen in the earlier times. This quarter was severely impacted by the preparation for the GST roll out on July 1, 2017 and during this period, there was a severe destocking that happened at the stockist and trade partner level who were preparing for the GST roll out on July 1, 2017 and they were trying to go into the GST regime with as minimum stock as possible. If you look at the AIOCD data, also the IPM, Indian Pharmaceutical Market overall inventory levels declined from 40 days in May and to close to 17 days towards end of June and that impacted every pharma company including Alkem primary sales in the month of June specifically. Of course that kind of revenue declined cost by GST let destocking had an impact on the EBITDA margin of the company, lot of cost being fixed, there was a significant negative operating leverage that came into the play and reduced our EBITDA margins. However on the good side one of benefit of diversification for the company came into play and our international market delivered a strong and healthy growth. The growth was negatively impacted partially by the strengthening of the Indian rupees, so in local currency terms the growth was even better.



Alkem Laboratories Limited
August 11, 2017

R&D, we continued with our strong emphasis on R&D investment, which was 5.5% of revenues for the quarter and during this quarter, we filed two ANDAs and received two final approvals. We also successfully closed USFD inspection at our bioequivalence facility at Taloja without any form 483 observations, which we are very proud of.

If you go to the next slide, if you look at our overall total revenue from operations that declined by 12.5% during the quarter which was primarily led by the strong decline in the domestic business, which degrew 21.4% during the quarter and this was mainly on account of destocking that happened at a very severe level during the month of May, more so in the month of June at the stockist and retailer level. Our international sales during this quarter grew by 13% from 3.5 billion rupees to 4.057 billion Indian rupees.

If you look at gross margins, on paper it looks that there is a decline in the gross margin but not so much. Our gross margins remain more or less steady as compared to the last year, the decline is because of the regrouping of excise duty worth Rs. 519 million, which was removed from inventory evaluation to other receivables and that has led to a decline in gross margins. If you adjust for that, the gross margins more or less remain steady vis-à-vis last year. EBITDA declined about 65.2% from 18.3% last year to 7.3% during this quarter and as we said before it is primarily on account of severe drop in the sales, led by GST preparation and roll out. Same for profit before tax which went down from 2.6 billion Indian rupees to 807 million Indian rupees during the quarter and profit after tax declined by 70% from 2.3 billion to 716 million. Our effective tax rate during the quarter was higher as we had guided before the effective tax rate was 21% as compared to 9% for the entire year last year and this is in line with what we had said before that one of our fiscal benefit plants is going out of income tax benefit this year and we are gradually moving to the a new plant in the next year when we will come back to the normal effective tax rate level.

India business, the story is severely impacted by the GST-led de-stocking, our India sales degrew by 21.4% during the quarter. India sales contributed 68.1% of the total for first quarter. GST-led sharp decline in inventory levels at the stockists and other trade partners impacted the growth of the domestic business. Company's emerging therapy areas of neuro, CNS, cardiac, antidiabetes, and derma registered healthy growth rates outperforming the market growth rates in their respective segments, the source is IMS TSA MAT and company's established therapy areas of anti-infective, gastro, vitamins, minerals, nutrients reported, muted growth rate specifically for the anti-infective largely on account of the regulatory price cuts taken during the financial year 2017, which pulled down the overall growth rate. If you separate value growth into volume and price, we significantly outperformed the volume growth on the anti-infective level but it was impacted more so because of the price DPCO led price cut, which got reflected in the value growth. Also on the bottom of the table, you can see how the IPM and Alkem inventory levels went down week on week as we prepared for the GST roll out.



Alkem Laboratories Limited
August 11, 2017

In the next slide, we will talk about our secondary sales performance. On anti-infective, we maintained rank 1, but you look at the growth side which was minus 7.4 against the industry growth of negative 2.1 and that is what I wanted to break this growth into volume and price. On the volume growth, we had done significantly better in the market. The market grew something around minus 2% on volume while we grew close to 5%, but the value growth was impacted severely by minus 12% price degrowth as against the flat price for anti-infective. Gastro pain, and in a few other segments we grew higher than the market growth rate and on the emerging therapy areas that we have been focusing a lot and investing a lot, everywhere we increased our ranks and market positioning in each of these therapy areas which gives us lot of confidence to drive the growth in these areas going forward. I will handover to Amit to take you through international business.

Amit Ghare:

Thank you Prabhat. Good evening. So quickly on the international business, for the quarter, our sales number stood at 4 billion Indian Rupee, which witnessed 13% year-on-year growth over the first quarter FY2017 and as Prabhat mentioned earlier, in local currency terms, the growth was even stronger but because of the strengthening of rupee, ultimately this is the number that we were able to deliver. Talking specifically about our largest market on the International Business side US, so US sales for the quarter have contributed higher so far within the overall Alkem sales at 23.3% for this quarter. During the quarter, we filled two ANDAs, bringing our total cumulative number to 93 and also during the quarter, we received two final approvals bringing our total approvals to 40 including the six tentative approvals. The other international markets obviously grew much stronger in local currency and also finally in rupee terms and they contributed 8.6% to the overall Alkem business for the first quarter and our key markets Australia, Philippines, Kazakhstan, Chile, others continued to growth quite strong, so we are well positioned and well placed there. Back to Prabhat!

Prabhat Agrawal:

On the next slide is the strategy level that we have presented many times before, our strategy remains consistent, our focus has been more on stronger execution on each of these strategy levels and overall share holding pattern more or less remained the same with promoter and promoter group holding 67%, institution of 6.6% and non-institution share holding of 26%. So I think we will open the floor for Q&A.

Moderator:

Thank you. Ladies and gentlemen, we will now begin with the question and answer session. We will take the next question from the line of Saion Mukherjee from Nomura Securities. Please go ahead.

Saion Mukherjee:

Hi. Good evening. Prabhat, the impact of GST if you can take up through like what is the top line impact and there is also some impact on cost of goods sold, if you can elaborate on that. Is there any impact on other expense, line item, discounts, etc.? So I am just trying to work out what should be the net impact and how should we think about next quarter then?



Alkem Laboratories Limited
August 11, 2017

- Prabhat Agrawal:** Yes. On the top line, as we said some time before we were preparing for a growth in this quarter on domestic business specifically and unfortunately due to heavy destocking instead of the growth, we had a negative growth on the top line in the domestic business. In terms of discounting like many other companies we did not do any significant discounting on our sales otherwise probably we could have post sales higher than what we reported. We only paid the stockists the compensation for the input duty loss for moving in to the GST regime for the stocks that they held on June 30th, which was not a very material figure for us. It was around Rs.15-16 Crores.
- Saion Mukherjee:** What is the 15-16 Crores?
- Prabhat Agrawal:** The provisions that we made for compensation paid to the stockists for input credit loss.
- Saion Mukherjee:** And also there would be reduction in promotion sales expenses in line with revenues or that got...arethey unimpacted?
- Prabhat Agrawal:** They were unimpacted, we remained focused on our domestic business and we have not cut down on any investments or anything like that because we are very optimistic about Indian market and we will continue to push our strategy for growth in the domestic market, so we are not in anyway comprising our investments.
- Saion Mukherjee:** Okay, so that how should we think about growth now for the next quarter? So whatever the loss we had will that everything would get recovered in this quarter?
- Moderator:** Ladies and gentleman thank you for patiently holding the line. We have the line for the management now connected. Over to you all Sir!
- Gagan Borana:** Sorry for the interruption. So Saion, are you there?
- Prabhat Agrawal:** Yes Saion I do not know what time and at what point of call we got cut, do you hear me out?
- Saion Mukherjee:** Yes. So actually I was just asking on the, how should we think about growth in the next quarter, so if I look at, there is a 20% decline and generally you grow like 10%, so should we expect in the line of 30% growth in Q2?
- Prabhat Agrawal:** It is very difficult to give exactly the growth guidance for the quarter, but on an annual basis we have always guided for around mid-teens kind of growth rate, could be a little bit muted in terms of mid-teens, but I do not see a significant difference between our earlier guidance.
- Saion Mukherjee:** And just one question on the US market, we are hearing a lot of pricing environment getting loss, so what is your thought on that market, as anything changed for you or are you relooking at your options there?



*Alkem Laboratories Limited
August 11, 2017*

- Amit Ghare:** No we are not relooking at our options, obviously the consolidation and the pricing pressure we have witnessed, some have witnessed more and some have witnessed less. We still have delivered a growth in the market in the quarter as you will see. So we should be evaluating the opportunity that is part of our every day exercise.
- Saion Mukherjee:** No I mean for you the growth expectation would have come down quite significantly right, I mean, some of the large opportunities the price erosion is very significant, now you are investing 5-7% on the R&D and there would be other expenses as well, is that an exciting market I mean is there an option to really defocus on that or do you very selectively work on that?
- Amit Ghare:** We are still excited, we are still focused, we still have lot of opportunities, less than 50% of our portfolio is approved, I mean the filed portfolio, we still have plenty of opportunities, our base is still small compared other peers and we still have lot of growth opportunities in the US.
- Saion Mukherjee:** So any growth expectation you have in terms of how much should we factor in for the next two to three years?
- Prabhat Agrawal:** We do not give guidance generally Saion, but whatever we have talked about in the past in terms of trying and maintaining our ANDA average, per ANDA average that is in terms of dollar, we are staying with that.
- Saion Mukherjee:** Per year, how many approvals you are expecting?
- Amit Ghare:** Yes, so this year we are certainly expecting higher single digit launches. We have already launched two products in the first quarter and we certainly seem to be on track to achieve our overall annual target.
- Saion Mukherjee:** Okay. Thank you very much.
- Moderator:** Thank you. We will take the next question from the line of Prakash Agrawal from Axis Capital. Please go ahead.
- Prakash Agrawal:** Thanks for the opportunity. Sir, I am just trying to understand on presentation, one of the slides where you explained about while volume you would have grown faster in the industry, my question is on the anti-infective line where we are seeing our growth minus 7.4, whereas the industry growth is minus 2.1 and obviously you are rank number 1 industry leader there, so what has gone wrong there?
- Amit Ghare:** So that is what I tried to explain Prakash before. If you break this minus 2.1 of industry and minus 7.4 of Alkem in anti-infective into two components of price and volume and on the volume front, we grew 4.5% as against minus 2% of anti-infective while on the price side, we



*Alkem Laboratories Limited
August 11, 2017*

had minus 12% vis-à-vis minus 0.1% of IPM on the anti-infective, so the value growth was not led by volume decline, it was led mainly by price.

Prakash Agrawal: Sir our portfolio had seen a higher pricing versus the industry anti-infective is what you are saying.

Amit Ghare: That is what I am saying.

Prakash Agrawal: Okay. I understood. Thank for that and one more clarification on the gross margin that you made about this Rs. 52 Crores of regrouping, so it goes out from cost of, it gets added at a cost of goods sold or it goes off to other expenses, not very clear Sir, if could help again.

Prabhat Agrawal: It goes to other expenses.

Prakash Agrawal: It goes to other expenses, on EBIDTA front, it does not make a difference, but on the gross margin, it would continue to be lower is what you are saying.

Prabhat Agrawal: It was reclassified from closing inventory. When your closing inventory value goes down of course your cost of goods sold goes up and it was reclassified into other expenses, so at an EBIDTA level, it had no impact, it depleted the gross margins and decreased the other expenses.

Prakash Agrawal: Okay.

Prabhat Agrawal: Which as a percentage of sale has come off and gross margin did not come off. Are u clear Prakash?

Prakash Agrawal: Yes, so it has been added to the other expenses.

Prabhat Agrawal: It was reduced from other expenses.

Prakash Agrawal: Reduced from other expenses and added to the cost of goods sold.

Prabhat Agrawal: Correct.

Prakash Agrawal: Perfect. Thanks very much and Sir how is the inventory levels for us on the domestic side I mean inventory and receivable side, has there been any major change?

Prabhat Agrawal: In our books?

Prakash Agrawal: Yes.



*Alkem Laboratories Limited
August 11, 2017*

- Prabhat Agrawal:** Yes of course, the inventory levels are higher than normal because of the lower sales that we have had. We had produced based on the targeted sales and of course our sales were much below our expectation and hence the inventory levels got built up.
- Prakash Agrawal:** And it would be fair as you said you would still look at the mid-teens or little lower than the mid-teen, so we are getting the confidence in the July month sale that we have got, so we are able to partly recoup more than the average sales that we do and that gives us that confidence.
- Prabhat Agrawal:** The July was very good for us.
- Prakash Agrawal:** Perfect. I have more questions, I will join back the queue.
- Moderator:** Thank you. We will take the next question from the line of Neha Manpuria from JP Morgan. Please go ahead.
- Neha Manpuria:** Thanks for taking my question Sir. Sir just to understand are we expecting inventory levels to go back to what they were before this entire destocking?
- Prabhat Agrawal:** At the stockist level you are saying?
- Neha Manpuria:** Yes.
- Prabhat Agrawal:** It might be little difficult to go exactly to the same levels pre-GST.
- Neha Manpuria:** Would it be significantly lower than what we saw historically?
- Prabhat Agrawal:** I am not able to give a very accurate estimate or at what level we will end up post GST but of course it is not going to be exactly at the same level as it was before GST.
- Neha Manpuria:** Okay and Sir secondly on the non-NLEM portfolio, given the impact from the higher tax because of GST, how much of it in our view based on your calculation will be able to pass through by additional price hike or do you think that will be in additional loss that will be borne by us from this quarter.
- Prabhat Agrawal:** For the scheduled products for the NLEM products, we got an opportunity to increase the price by 2.4% from July 1st, which of course is not going to have any immediate impact because we have already have inventory of the old price in our book, so that will be liquidated and the new price stock will start having impact after one or two months and for the non-NLEM products of course within the 10% overall limit we had to manage the impact of GST and we had been a little more aggressive on pricing this year as compared to our earlier years to recover as much as we can on the GST impact on the pricing front.



Alkem Laboratories Limited
August 11, 2017

- Neha Manpuria:** So this pricing we have taken after the GST implementation, would that be correct? You said we have been a little more aggressive in pricing that is after GST. This is not included in the first quarter any pricing change.
- Prabhat Agrawal:** Once you make a pricing change you cannot make another pricing change within 12 month, right? So depending on when we took the last pricing change in any of the particular molecule category whenever we get the next opportunity to increase the prices, we are taking a price increase so that we can also recover the impact of GST price.
- Neha Manpuria:** Okay. Got it and you said July was the good month, how much of the loss sale because the second quarter seasonally is very important quarter for us. Do you see second quarter being double digit growth quarter for us in mid-teen or again it would be because your restocking is slow, you will probably see a single digit sort of growth especially given we are coming of a high base from last year.
- Prabhat Agrawal:** Whatever destocking that happened in the first quarter, we might not be able to get back the entire thing, but partially we would definitely recover in Q2.
- Neha Manpuria:** Okay. Got it. Thank you Sir.
- Moderator:** Thank you. We will take the next question from the line of Damayanti Kerai from HSBC. Please go ahead.
- Damayanti Kerai:** Hi. Thanks for taking my questions. My question is regarding R&D, so last quarter we have filed 13 and obviously that what you have said that our R&D is lumpy in nature and most of the filing will happen towards the year end, so after two filings in this quarter are we expecting similar trend like most of the filings will be seen towards the fiscal end?
- Amit Ghare:** No, this year I think it will be in terms of evenness of R&D filing it will be better than last year.
- Damayanti Kerai:** So we are expecting better, like last year we did 40, we are expecting better number of filings this year?
- Amit Ghare:** I mean, the filing we had earlier added about 12 to 15 filings per year, so more or less we are going to be there, it will be more even as compared to last year.
- Damayanti Kerai:** Okay, thanks, and second question on US, we have maintained our improved market share in all of the key products like silver sulfadiazine or benzonatate. Also we are seeing market share increasing in some smaller products like rizatriptan or sumatriptan, so I just want to understand whether these volume market share gain is coming so what like we are giving lots of price discount, that is helping us in gaining market share or how it is being out there?



*Alkem Laboratories Limited
August 11, 2017*

- Amit Ghare:** Giving discounts to gain market share is never our strategy, what we are witnessing here is these products were launched only last year, last fiscal, so it is a natural gain on market share for us.
- Damayanti Kerai:** So, it is nothing related to price discounts to channels or something?
- Amit Ghare:** That is not our strategy, no we do not do that.
- Damayanti Kerai:** Sir, overall like how we should look at US in the next two to three years, I know like you have discussed earlier but in terms of approvals and new launches?
- Amit Ghare:** We are certainly more positive this year in terms of approvals and launches, so first quarter we have launched two products and therefore we are certainly on target for our higher single digit approvals and launches during the year.
- Damayanti Kerai:** That is all from my side, thank you.
- Moderator:** Thank you. We take the next question from the line of Mohit Hans from Esta Capital. Please go ahead.
- Mohit Hans:** Good evening Sir. Can we expect other departments to show in the sales performance such as pediatrics and nephrology, for example can we expect vaccines going forward?
- Prabhat Agrawal:** We do not have vaccine portfolio
- Mohit Hans:** Can we expect in the future?
- Prabhat Agrawal:** We have already invested in certain key therapeutic areas and there are therapeutic areas that we are evaluating for entry, I cannot give you specific response on whether we would enter vaccine or not.
- Mohit Hans:** One more question Sir, how the partnership with CleanMax Solar proving to be?
- Prabhat Agrawal:** We do not have such partnership.
- Mohit Hans:** You do not have partnership with them?
- Prabhat Agrawal:** No.
- Mohit Hans:** Okay Sir, thank you.
- Moderator:** Thank you. We take the next question from the line of Yash Kapoor from Kapoor & Company. Please go ahead.



*Alkem Laboratories Limited
August 11, 2017*

- Yash Kapoor:** Good evening. Thank you for giving this opportunity. Sir, as per page number 4 of investor presentation, you have 18 subsidiaries in 14 countries. Sir, many of them are profit making subsidiaries and are the accounts of the subsidiaries available on your website?
- Prabhat Agrawal:** Yes, it is there on the website.
- Yash Kapoor:** Sir, How many of them are profit making subsidiaries?
- Rajesh Dubey:** We have to see end-to-end profit. It is not only at...but most of our operational subsidiary either they are making profit or they are in breakeven.
- Yash Kapoor:** Sir, I would like draw your kind attention to page number 2 of the auditors remarks wherein it has given that we do not reveal the entry and financials of two subsidiaries they are telling they are making losses of total loss after tax of Rs. 17 Crores so that is why I asked this question and then gain they are mentioning a loss of Rs. 13.95 Crores, if you can clarify?
- Prabhat Agrawal:** You are referring what, you are referring the annual report?
- Yash Kapoor:** No Sir, the investor presentation you have just loaded on the website, there it has been mentioned in page number 2 of that auditors remark regarding this loss that subsidiaries have made that is why I was trying to draw your kind attention that if you can be kind enough to clarify that how many subsidiary are making profits?
- Rajesh Dubey:** No, these are not our foreign subsidiaries. These are our domestic subsidiaries and they had similar issue what parent company is having in this quarter and these are what domestic company where our specific auditor they are not carrying out a limited review in fact limited review is carried out by BSR statutory auditor that is the reason why they have mentioned.
- Yash Kapoor:** No, the auditor BSR itself had made that remark that is why I was asking, which subsidiary?
- Rajesh Dubey:** Actually these two subsidiaries they have different statutory auditor and they are carrying out limited review of those subsidiaries.
- Yash Kapoor:** Sir, how much of your turnover has contributed from the Indian and on the consolidated basis I want to ask this question, how much of your sales is from Indian market and how much sales is from foreign market that is apart from India?
- Prabhat Agrawal:** You are talking for this quarter?
- Yash Kapoor:** No Sir, you can give on this quarter also as well as on the annual basis?
- Rajesh Dubey:** Generally it is 70:30.



*Alkem Laboratories Limited
August 11, 2017*

- Yash Kapoor:** Sir, could I draw a kind attention to page number 17 that 22 presented which you have given, here in you have mentioned that about this antiinfective, gastrointestinal, vitamins you have mentioned that which all largely on account of regulatory prices cut taken during FY2017, which pulled down the overall year-on-year growth of the company, can you please through some light on it that the regulatory pressure what you want to say?
- Prabhat Agrawal:** Sorry, are you referring to the investor presentation for Q1 or are you referring to an annual report because this call is for Q1 results discussion.
- Yash Kapoor:** Sir, I am referring to Q1 financial 2018 results....?
- Prabhat Agrawal:** So I will explain, I do not know whether you were in the call before
- Yash Kapoor:** I got problem and the line got disconnected.
- Prabhat Agrawal:** We are answering your question. So you know on the antiinfective portfolio as I explained before the value degrowth was higher than the industry, but if you separate this value growth, degrowth into two factors of volume and price, on the volume part we did significantly better than the market, our value is more impacted because of price erosion on our portfolio, which was driven by the regulatory price cuts.
- Yash Kapoor:** I mean whether the Government of India is exerting pressure on you that the cost be less, can we take this as the meaning of it?
- Prabhat Agrawal:** It does mean in India there is a NPPA, National Pharmaceutical Pricing Authority, they decide the price of all the molecules, which are part of national list of essential medicine, so all the molecules is all part of NLEM?
- Yash Kapoor:** Compulsory licensing has to be given or what?
- Prabhat Agrawal:** No it is not compulsory licensing. There is a law in the country where they give the power to NPPA to decide the pricing on the molecules which are included under NLEM, so they decide the ceiling price that the maximum price that any company can sell those particular molecules and every year those gets revised based on the wholesale price index. I think Yash we can take your call offline, you can talk to Gagan separately on this.
- Moderator:** Thank you. Next question is from the line of Mohit Hans from Esta Capital. Please go ahead.
- Mohit Hans:** Sir what kind sales growth can expect five years into the future?
- Prabhat Agrawal:** Are you talking overall, Alkem, domestic...?
- Mohit Hans:** No, overall, annual sales growth what can we expect in the coming five years?



Alkem Laboratories Limited
August 11, 2017

Prabhat Agrawal: We will definitely grow better than the market, whatever the market is poised to grow in the next five year.

Mohit Hans: So your plan is just to maybe go along with the market right?

Prabhat Agrawal: Better in the market.

Mohit Hans: Okay Sir. Thank you.

Moderator: Thank you. That was the last question. I now hand the floor over to the management for their closing comments. Over to you all.

Prabhat Agrawal: Thank you everyone for listening in, if there are any question still remain unanswered, please feel free to contact our investor relations department Mr. Gagan Borana. Thank you so much for joining in.

Moderator: Thank you. Ladies and gentlemen, on behalf of Motilal Oswal Securities that concludes this conference. Thank you for joining us. You may now disconnect your lines.