



**“Strides Arcolab Earnings
Call (Q5&15 Month Period Ended March 2014)”**

May 23, 2014



**MANAGEMENT: MR. ARUN KUMAR – FOUNDER & GROUP CEO
MR. BADREE KOMANDUR – CFO**



Moderator:

Good day, ladies and gentlemen. I am Sourodip Sarkar, your conference coordinator for today. Thank you for standing by and welcome to the Strides Arcolab Q5&15 Month Period ended March 2014 earnings conference call. For the duration of presentation, all participants' line will be in listen-only mode. And post that, we will have a Q&A session. And now without further delay, I would like to hand over the proceedings to our panelist for today, Mr. Abhishek Singhal from Macquarie Capital Securities. Thank you and over to you.

Abhishek Singhal:

Yeah. Good evening all. Thank you very much for joining the call. We have with us the senior management at Strides. We have Mr. Arun Kumar who is the Founder and Group CEO and Mr. Badree Komandur who is the CFO. I will hand over the call to Mr. Arun for his opening comments and then possibly we can take some questions. Arun, over to you.

Arun Kumar:

Thank you. Abhishek, and Macquarie for hosting us. It's a pleasure working with you guys. My name is Arun and I am the Founder and the Group CEO of Strides and I have my colleague, Badree, who is our CFO and I have Vikesh who handles Investor Relations and other colleagues to support this call. I thank everybody participating in today's call and appreciate your time. And before I start, I'd like to highlight that we have moved our financial year from January to December as we had for many years to an April-March financial year to comply with the recently notified company law. Due to this, our financial year and numbers announced today are for a 15-month period, as most of you would know, and as such is not comparable with the corresponding period. The consolidated pharma covers our continuing business post the Agila divestment. However, Agila's businesses for the time that we owned that business is reported as part of our discontinued operations.

As far as the year that's gone by and post our exiting the Agila business to Mylan, I am actually very pleased that we have met our guidance despite no significant product approvals from the US, in fact, no products at all. Also, we recently received our approvals for manufacturing plant. We do believe that the anticipated approvals should be on



its way soon. I am delighted with the quality of our business inspite of this setback and the higher quality of our EBITDA margins and improved cash flows.

In terms of a few highlights, the global pharmaceutical's revenues for the year was Rs. 1375 crores with an EBITDA of Rs. 261 crores. This has been impacted by an exchange loss of Rs. 27 crores. However, inspite of this, we have exceeded the revenue guidance and we are in the top end of the EBITDA guidance. So I am very delighted at this performance in spite of no product approvals. Adjusted for the exchange loss, our EBITDAs are closer to Rs. 290 crores with a margin of 21%. This is a significant improvement from our previous year on the continued business. As most of you would know that the board had recommended, I mean, the company had paid out a special dividend of Rs. 500/share in December 2013 and we are now pleased to add another dividend of 50%, that's a Rs. 5 per share based on the performances what we thought was very robust.

The company had Rs. 632 crores of cash in the reporting period and it's completely debt free as we speak. In terms of a few highlights, the regulated markets business grew from Rs. 356 crores to Rs. 506 crores for the 15-month period in spite of delayed approvals in the US market. Growth momentum was predominantly from Europe and Australia. Emerging markets business has been very steady. The Africa business is tracking well and had grown significantly from Rs. 218 crores to Rs. 335 crores with a strong expansion in new markets and we now cover 27 countries in the continent with over 350 employees. And we've added 100 new field staff, as we build a brand business in Africa. Consequent to our approval of the anti-malarial product, the institutional business has obviously grown significant from Rs. 352 crores to Rs. 534 crores in the last year. And we believe that this would be a business that will continue to grow.

One of the new emerging businesses is that the company has invested is in the Biotech space. We've now have a carved out business called Stelis which is wholly owned by Strides. We have now commenced our R&D activities in a new R&D centre in Bangalore. However, our greenfield



site in Malaysia has been deferred by at least two quarters because of significant delays in getting approvals to start construction in Malaysia, although the project is fully funded and is ready to go. We had an EBITDA negative of Rs. 4 crores which reflects our early cost and R&D in this space.

The guidance is something which the company has decided to defer for this year temporarily until at least H1 of this current financial year. And there are two significant reasons for that. We do have some important product approvals which could be very material and very significant upsides. We are hoping that now that the plant has been approved, we are hoping to receive these approvals anytime soon and that will be a good time for the company to come back and guide the market on its EBITDA numbers. More importantly, the anti-malarial business which used to be previously a marketing effort by the company that we could go to countries which were being funded and procured contracts and they were then reimbursed by the procurement agency, this has changed through a global tendering process and which is ongoing and we do not expect the tendering process to complete until the end of this quarter. This would mean that there would be a dip in sales in the anti-malarial business which will not be unique to Strides, but to all players in the space and we therefore thought it will be more appropriate for us to guide the market at that time. So we will revisit our guidance policy at the end of H1 or earlier, if we can, and therefore we do not intend to provide at this time numbers both in terms of revenue and in terms of bottom line for the year. All I can tell is that there's a significant activity in the R&D space and the company is now focused on delivering 20 to 25 filings per year for pharmaceutical products which followed the niche pharmaceutical's filing strategy that the company has.

Just to add on Vancomycin, which has been a product that we've been selling for the last two years, we continue to have the number one market position in the US with continued strong profit generation on that product. There have been no generic approvals for the last two years, so this has been a good product for us to have stayed focused. And we believe that some of our new products that would



receive approvals soon will compliment the Vancomycin strategy. Additionally, it's also important for me to state that we have over time managed to get out of most of our partnering businesses in our pharma business and we are front-ending our business starting this year in the US. So it obviously is going to be a small business, but as more and more products get approved, we believe that we will build an important business from a bottom line perspective rather than a top line perspective. And that's my opening comments. I and my colleagues are more than happy to take questions that you may have. Thank you.

Hitesh:
(Antique Stock Broking)

Yeah. Thanks for taking my question. First question is on the ANDA, which are pending approval, how many of these ANDA are softgel and can you throw some light on how many ANDAs you have filed from the Italian facility?

Arun Kumar:

Well, the Italian facility has only one filing. We expect an approval on that product within this year. And there are many more filings that are expected during the course of this year, I think, another four or five will be filed this year. We have 17 pending approvals. We have approximately four products which are softgels.

Hitesh:

And how many approvals we can expect this year of this pending 17 ANDAs?

Arun Kumar:

Between 5 and 7.

Hitesh:

Between 5 and 7. Okay. And, sir, I mean, if I were to look at our emerging market business, I mean, the press release says that the Africa business has grown at a healthy pace. So what has been our strategy in the region and any plans for the Indian market, I mean, how well are we doing in the Indian formulation business?

Arun Kumar:

So let me take your second question. Indian formulation business is very small. We do only Rs. 85 crores of sales. We became EBITDA positive this year, so that's positive in terms of the business. We believe the business is growing at 30-40%, but the base obviously is very small. Africa is our focus – by end of this financial year, we would end up with about 200 plus medical reps. It's a pure branded strategy in French Africa and in West Africa. So it's a high



focused business for Strides. We have invested heavily in creating new portfolio specifically for the African market and we believe the momentum will be very significant in that market.

Hitesh: And can you throw some light, sir, what sort of changes are we doing in our anti-malarial business and how much does it contribute right now to our overall sales?

Arun Kumar: We don't give as a policy specific product distribution or sales distribution on any of our divisions, but anti-malarial is now becoming a major portfolio for us. But like I mentioned in my opening statement, there is a shift in the procurement strategy which is being centralized from being de-centralized and that could have a significant positive impact or a negative impact if we don't get qualified from a price point or whatever for that matter. So it's too early to say. I suggest you wait for at least couple of weeks before we clearly understand where we are with that business. Our next quarter guidance will give you a better guidance rather.

Hitesh: Okay. And, sir...

Arun Kumar: I think in terms of a process, we typically take two calls. So to ask questions, so please feel free to write to the company if you want to ask more questions.

Hitesh: Okay, sir. Thank you.

Anil Shah:
(Birla Sun Life) Yeah. Many congratulations. As you rightly said, you've met your guidance for the quarter and for the year as well both on the top line as well as EBITDA. Congratulations to the team. Sir, specifically, two questions in mind. One, you know, you talked about the anti-malarial business going through a change in terms of procurement, and now it's going to be more of a global tendering business. I just wanted to know this global tender business. Would it be the same players who would be allowed to participate which would be limited to five players as you are right now?

Arun Kumar: Yes. It's still limited to the same players, but earlier, you could procure business from local markets and then the local partner would co-pay between 10 and 15% and the



rest is funded by the global agency. So you still have to be WHO qualified. So it's still going to be the five players. I am not sure if the tendering agency is going to distribute the business to all five players, but that's something which will evolve in the next couple of weeks.

Anil Shah:

But, in which case it could be a bit of a margin squeeze given the fact that it's going to be more on tendering and, you know, primarily it's going to be more pricing/ volume related?

Arun Kumar:

I think you are right. But, you know, because these products are the main ingredient on this product is plant-based. I do not think companies would be in a position to take aggressive positions on an agricultural commodity – the plant-based commodity which requires large acres to cultivate. So I think it will still be a very profitable business for all the players, but we are not sure if the tendering agency is going to place the orders with everybody or it's only going to be placed in orders with the few people and what is the criteria it all implied or it's more than that.

Anil Shah:

And with the first tender you said is – the detail of the tender have already been given out and end of this month you mentioned, right?

Arun Kumar:

Yes, the qualifying process is ongoing, so by end of this quarter we should have results on who's getting what.

Anil Shah:

Okay. And this will be one tender for the year?

Arun Kumar:

It will be actually a tender for two years.

Anil Shah:

Right. So the visibility, whichever what it would be based on this round for two years on anti-malarials?

Arun Kumar:

Yes, correct.

Anil Shah:

Right. My second question is more related to, you know, I appreciate the fact that it's difficult to give guidance as we stand because we just got a plant approved and many congratulations for that as well and, you know, we continued to await products approvals to come through. But I thought typically assuming the status quo remaining,



could we have some kind of, you know, all the continued products that we already have in the market place what kind of numbers can we look at, you know, I am just saying assuming, let's say, just a steady year with no changes in the US and product approvals, you know, coming at the fag end of the financial year, we've done an EBITDA of Rs. 260 crores or so, what kind of EBITDA on a steady state can one expect? Is that something out of base business could you give some kind of a number there?

Arun Kumar:

The problem to give an answer for this question is that it's not only the US situation; it's also is the malarial situation which is making it very complicated to give a baseline guidance because the malarial business is profitable for all players and it does significantly contribute to EBITDAs as it has for us too. So I think end of Q1 when we have the next earnings call, we should be able to give little more colour on at least on the baseline EBITDA.

Anil Shah:

Okay. Right. And coming back to the anti-malarial part, just wanted to, you know, most players do you think even while we speak, you know, while process is changed, are working at optimum in terms of what they can in terms of supplying malarial or you think this between the five players you had overcapacity as such?

Arun Kumar:

I think that's a plus point, I think, everybody needs to be servicing this business, otherwise, capacity constraints would be very dominant and it will have big challenges for the buying agencies.

Anil Shah:

Right. And this tender where you said the process has begun have they indicated the kind of size over these two years in terms of what is the size of supply that they are looking at and are we seeing from an industry perspective for anti-malaria that to be a decent size as far as growth over the last couple of years would have been?

Arun Kumar:

Yes. I mean, it hasn't changed. So if you know the number, it ranges between \$160 to 200 million and the tender volume continues to be in that range.



Anil Shah: It continues to be in that range? Okay. Thank you so much. Thank you. I will come back again in the queue if I have any questions. Thank you.

Arun Kumar: Right.

Prakash:
(CIMB) Yeah. Thanks for taking the question. Question on the R&D side given the fact that you are scaling up businesses in biotech area plus your filing rate is also expected to move up, what kind of R&D do you expect for this year and how much did you finish up last year?

Arun Kumar: Last year was a very different situation because we had an R&D spend to include Agila. So the continuing business R&D for this year is expected to be in the range of Rs. 35 to Rs. 50 crores depending upon how well we succeed with our clinical strategy given all the challenges that we have in India. So if we are doing some of our clinicals in India to about Rs. 35 odd crores. If it's going outside, it can go as high as Rs. 50 crores.

Prakash: Okay. And you factored in the 20 plus filings that you are talking about?

Arun Kumar: That's right.

Prakash: Okay. And followup on this is once you say, you know, in the anti-malarial business the thought process was that, you know, there would be some spend on the development, I mean, how does this actually work because you are saying from an earlier co-pay and the global funding it is going to move just one person doing all the funding, is that correct understanding?

Arun Kumar: So, earlier, the local buyer in the qualified countries was paying between 10 and 20% of the total procurement cost – the local distributor and 80% was funded by the agency. Now, what happens is that you could always go and do a deal with a local partner at any price, I mean, in a range and then you can still get the 20% or 80% co-pay the agency is reimbursing on the co-pay was not equally reimbursing for PAT for each company. You understood what I am saying, so I could probably go into a deal at \$1, somebody else could do another deal at 80 cents and 20% was paid by the



local distributor and 80% of it, as long as you are qualified, was paid by the reimbursement procurement agency. Now they are going to standardize that so that everybody/ all the markets get the product at the same price.

Prakash: Right. And earlier it was a function of relationship with the local buyer; now, I think it would be more centralized?

Arun Kumar: And also the local buyers get qualified by the procurement agency in the same way as the suppliers are.

Prakash: Okay. And why do you term this as an undergoing change in procurement mechanism because more of funding...?

Arun Kumar: I could go and generate a demand of \$20 million in a market and I will probably get funded for half of it or ¼ of that. Now, I do not have a role to play in generating the demand.

Prakash: Okay. And second question is on your backend on the anti-malarial side, so I understand you have some agreement with your one of the companies. So would that agreement helps in having better pricing and competing in the standard business?

Arun Kumar: Well, one is that it secures what is otherwise the scarce material. It secures supply chain. Two, it does offer because the contracts are written in such a way that the company has to meet and equally qualified vendor price. So we are never out of price in view of that contract, but we get 100% of the capacity, so which is what is very important in terms of supply chain commitments when we are able to go and tell procurement agencies that we can service 30% or 40% of your contract without problem because we have both the API integration and the formulation integration.

Prakash: Yeah. But in terms of pricing, does it help or it's more from a supply chain?

Arun Kumar: It's a combination; it's both because our pricing is in arms' length and therefore the contracts are done in such a way that we are always competitive.



- Prakash:** Right. Right. Right. Right. And is it fair to assume that you do the newer products like, you know, the synthetic ones and injectables you would also be in that space?
- Arun Kumar:** It's fair to assume.
- Prakash:** Yeah. Great. Thanks. I will join at the queue..
- Hitesh:**
(Antique Stock Broking) Yes, sir. In the opening comment you mentioned that the regulated market growth was driven by Europe and Australia, so just wanted to know what's actually driving the growth in these regions. And second question is delay in construction of Malaysian facility, so when will it be fully ready and start commercialization?
- Arun Kumar:** Okay. So when we develop a product for the US which is niche like Vancomycin where we have a leading position in the US. We also have Vancomycin filed globally in other markets because it's a difficult product to develop and since we have already done it we have extended, I mean, extended the development and filing in various markets. So some of these products like Vancomycin are now becoming global products, so they do add new margins in Europe and Australia. And there are few other products that we are working on and we have already filed and getting approvals. So that's what is driving momentum. New filings, we do have a fairly robust filing even for these markets. And your second question was – We are now expecting a six-month delay on the Biotech startup of the facility, so we are now looking more towards middle of June 2016 when the plant will be commercial. We had hoped that it would be ready by December of 2015 earlier. So we are now talking more of June 2016.
- Hitesh:** Okay, sir. Thank you.
- Neil Tanna:**
(USD Capital) Thank you. Any update on the, you know on the FDA warning letters or the FDA kind of approvals that Mylan that you been talking about of late?
- Arun Kumar:** Any updates on the? Sorry? Can you just repeat your question?



Neil Tanna: Sorry. The FDA warning letters with the Mylan and Agila facilities?

Arun Kumar: Yeah. So if you'd have probably followed the Mylan transcripts, three plants have since received the FDA approvals, so we have just one pending which Mylan is expecting the FDA to inspect that facility. So we think that it's likely guided earlier. We think by end of Q3 this year, not financial year, the calendar year we should have some news around that facility, but things are going well. Obviously though it stays as a warning letter, Mylan is exporting product from that facility. So we think everything is under control on that.

Neil Tanna: Okay. Sounds great. And then I guess you will update the margin on the capital return at that point too?

Arun Kumar: Absolutely. At that time we will discuss that.

Neil Tanna: Thank you guys. Congrats on a great quarter.

Arun Kumar: Thank you.

Nishit Sanghvi:
(CIMB) Yeah. Hi, sir. Thanks for taking my question. Just a followup on the – Probably, can you throw some light on how are the prices of Artemisinin is behaving the raw material that goes in? How are the prices because there were lot of fluctuations, so how are they behaving right now?

Arun Kumar: At the moment, they are quite healthy. But it's prone to high fluctuations, hence very dependent on weather. So at this time, it's okay; it's steady state for the last couple of quarters.

Nishit Sanghvi: Great. And, sir, basically you said that the market size is maybe in the range of around, you know, 160-200 mio odd dollars. Now, I think this has been largely stable, so basically with the additional products, you know, additional anti-malarial coming in don't you see this market expanding?

Arun Kumar: Sure. Yes.



- Nishit Sanghvi:** Okay. Okay. And, sir, the second question pertains to the African market the branded generic. So basically how is the growth rate? Can you throw some light there?
- Management:** Our growth has been very good. As is mentioned in our business highlights, business has grown from Rs. 218 crores to Rs. 335 crores. So that's, you know, fairly solid growth. We had almost a 30 odd percent growth in the African business predominantly driven by branded business, significant improvement in EBITDAs in that business 400 basis points over the last year. Yeah, it's doing well and we are continuously investing in people, more field staff and we believe that we will be a dominant player soon.
- Nishit Sanghvi:** And, sir, basically you have – Sir, the market is also growing significantly high or how is it? How is the South African market?
- Arun Kumar:** We don't operate in South Africa. Our African business is outside of South Africa.
- Nishit Sanghvi:** Okay, sir. Thank you very much, sir. Thank you.
- Vishwanathan:**
(Unified Capital) Yeah. Good evening, sir. Thanks for taking my question. Excluding Agila-related CapEx, what will be the CapEx for the remaining entity for the FY15?
- Arun Kumar:** It's between Rs. 40 and Rs. 50 crores because we are building a new capability for the topics. Although we have creams and ointments in Italy, we are building an additional side in our FDA approved facility for creams, ointments and liquids because some of our portfolios are under three categories. So it's a little high this year; it's almost close to Rs. 50 crores.
- Vishwanathan:** Okay. And in terms of taxation, can any guidance be provided?
- Arun Kumar:** I'll let Badree, my colleague, to speak on that question.
- Badree Komandur:** Yeah. Generally, the taxes was based on the past trend. It's been ranging between 15 to 20%. So once we finalize on



the guidance, we will come up with the guidance on that also.

Vishwanathan:

Okay. Thank you.

Anil Shah:
(Birla Sun Life)

Yeah. Hi, sir, once again. While I understand and appreciate that fact that you will not give segment-wise numbers that somebody asked in the malarial part and you mentioned it's a major part of the portfolio, just wanted to get a sense in terms of margins out there. Would they be in line with the company average margins of 21% that we've seen this year or would there be significantly higher, lower some ballpark if you could kind of help us with?

Arun Kumar:

It will be slightly higher than the company average on the malarial. The institutional business has got an important part of the businesses from the anti-retrovirals which is not so profitable. So the blended average looks above the company average and malaria, in specific, is greater than the company average.

Anil Shah:

Right. And, you know, just as an after-thought, is this something that, you know, what could have triggered this change as far as the procurement policy is concerned?

Arun Kumar:

Well, these things do happen in our business. I mean, every two-three years, the donor countries try to impact on how the money has been spent. And if they see that a local distributor can actually influence or control a large part of the supply, then they would want to be sure that distribution is equal, it was in a rural area. So there's a lot of factors that cause procurement agencies to reassess their buying methodology and I guess it's just that this is the first time when a local distributor could play a very dominant role in the decision making process by paying only 10% of the total value of the product. I think it's more to do with disciplining the supply access and potential misuse also of the product because, you know, if 85% is funded, they want to be sure that patients are only paying 10% of the product. So there are various reasons, I mean, I guess that's my understanding of this particular shift.

Anil Shah:

So, you know, you rightly said in your opening remark it could be an upside, it could be a risk on the down side. But



between getting a larger volume or pricing, what worries you today for the tender process really gets concluded? Are you more worried on the pricing front or you are more worried on the volume front?

Arun Kumar:

Well, you see post the Agila transaction, Strides has a very focused approach to business and that's about profitability. Top line will come over time, but we are very focused to move significant notches in terms of our EBITDA percentages. And that reflects, if you go back in history, continuing business had 11% EBITDA two years. We have brought it close to 21% adjusted for exchange loss in the last two years. So contrary to what people were thinking that we were focused on Agila, we were very focused on capital allocation and also on profitability. That is the focus of the company. So if you don't get to business we will be tendered at a low margin. The answer is no.

Anil Shah:

Okay. I got the answer. Thank you so much, sir. Best of luck.

Dhires Pathak:
(Goldman Sachs)

Hi. Yeah. Thanks for the opportunity. This is Dhires Pathak from Goldman Sachs. Sir, I joined late, so if you could – I don't know whether you shared, if you can give a broad break up of this \$234 million, you know, whichever way you have been explaining to the other investors, you know, what is the broad revenue mix of this full-year revenue?

Arun Kumar:

It's part of our press release, you know, obviously I already did all that in my opening comment. It will be unfair on the other participants for me to take you through that again.

Dhires Pathak:

No problem. I will take it later. The other thing I was asking was, you know, how over time we've seen that we had this ARV tender business which was earlier good for companies and then later became less profitable and then we have this anti-malarial tender business which was good so far and now is going through some change as you were explaining. So what is it, you know, that differentiates the way the tendering is done or will be done in anti-malaria versus the ARV?



Arun Kumar:

Well, I think the peaks and valleys of profitability on the institutional business is not so much to do with the market conditions; it's more to do with how Indian companies who play large roles in this business behave. I think in the last one year, there's been a lot of realization that the cost of compliance is high, people are more focused on profitability to maintain a significantly higher OpEx cost to run facilities in a compliant manner. We are seeing improvements in the anti-retroviral business. We do not believe there will be a slump in margins. We just think that earlier the business was distributed between three or four players in malaria that chance of a bit only being distributed to three players as high where all the five approved vendors get the product we are not very sure about it. So I don't think – I actually believe if the institutional business is looking a lot better than what it used to be two years not only from the malarial perspective, but also on the anti-retrovirals for all companies.

Dhires Pathak:

The ARV tender business what caused the margin decline in the ARV tender business over time? Can that also happen to anti-malaria? Was it just because of competition or was this some tendering-related issue that caused that?

Arun Kumar:

Well, I was trying to tell you that the ARV business there is profits in the last one year, not only for us, for most companies. So we are seeing some new behaviours in pricing from companies and they are not always chasing top line. So that's a good situation to be in. Will malaria go down because of a new tendering policy? It's too early for me to say and I suggest that we should connect only after we hear on the results, which will be known publicly by June to all companies and the universe we cover.

Dhires Pathak:

Okay. Thank you. All the best.

Neil Tanna:
(US Capital)

Yeah. Sorry to jump again. Arun, just one last quick question. Are you more positive about the business now than you were previously just given that, you know, you haven't been able to provide detailed guidance, I guess, like just qualitatively how you feel about the business right now?



Arun Kumar:

We are very bullish about our business. It's just that this is going to be a significant year if we get those five products that are approved and therefore I didn't want to just give a number. But we are extremely bullish on what we think the business will get to the next level. Will it happen in the next quarter, it will happen two quarters from now that's a call we can't take because regulatory approvals is not unique – delays are not unique to Strides. Every company is suffering. So we are hoping that we are very close to finish line and if those products come through the numbers would be very significantly different. And it will be unfair for us to give a guidance, which at this time is very ambiguous, so that's the only reason. But answering your question, yes, I am very bullish and I feel very confident and lot more comfortable about our continuing business than what it used to be a couple of years ago.

Neil Tanna:

Yeah. So you basically see more upside in the future?

Arun Kumar:

Correct.

Neil Tanna:

Okay. Thank you.

Arun Kumar:

Thank you. Thank you, Abhishek. I guess, we are done.

Abhishek Singhal:

Sure. Thanks, sir. Thank you very much.

Arun Kumar:

Thank you all. Thank you so much for your time and I appreciate your calling in for today's earnings call. Thank you. Bye.

Abhishek Singhal:

Thank you. Bye-bye.

Moderator:

Thank you so much, sir. Thank you investors for joining us. Hope you all have spent a useful time. With this, we conclude the conference call for today. Wish you all a great evening ahead. Thank you so much for joining.