Transcript of the Webinar held on May 12, 2022 for discuss HCC Q4 FY22 Results

Santosh Rai: Good evening, everyone; welcome to the analyst meeting of HCC. Before I begin the call, let me express our sincere regrets on behalf of HCC for this abnormal delay. The call is being attended by our CEO, Mr Jaspreet Bhullar, and CFO, Rahul Rao. We have the CEO of our Concessions business Mr Atul Kumar, followed by members from our Finance team, Mr Girish Gangal, Mr Rahul Shukla, CHRO of HCC, Mr Anirudh Singh, and I am Santosh Rai, heading the Business Development and Investors Relations. Our Vice-Chairman, Mr Arjun Dhawan, will join the call in the next 10 minutes, as he is just finishing an interview, and by that time, I will take you through the presentation.

As of March 31, 2022, we have nearly Rs 16,000 crore of order backlog, mainly governed by the transport sector in line with the market conditions, followed by the hydro and water business. The order book remains similar geographically to what we discussed last time. The majority of the composition is in 3 states: Uttarkand, Jammu Kashmir, and Maharashtra. This year we submitted bids of around Rs 12,500 crore, and of them, we bagged orders around Rs 3,100 crore: (HCC's share is Rs 1,558 crore), and we have bids under evaluation close to Rs 4,000 crore. The Company's strategy remains the same in terms of bidding that we will continue to focus on some high-value jobs in urban infra, underground and hydro space in line with what the market is offering now.

The key highlights for this financial year are the consolidated group revenue increased to Rs 10,669 crore compared to Rs 8,248 crore last year. So is the change, this year we have a net profit compared to a loss of 610 crores in the previous year. HCC's E&C standalone revenue was around Rs 4,666 crore vs Rs 2,589 crores last year. The same situation on the EBITDA margin, so we have almost a 17% EBITDA margin this year compared to 11.6% last year. The standalone loss has reduced to Rs 153 crore compared to Rs 566 crore last year. You know what is happening to the market regarding the material price increase, which poses a challenge for the business due to abnormal price hikes in the steel, cement and HSD. So we can see for the standalone part that there is a strong operational performance despite all the COVID challenges and delays in the Lender Resolution Plan. We have completed the Bogibeel Road Bridge plus another of our water supply project. The update on the RPs: we have 100% Lender-approval in place for the Resolution Plan, and we are expecting to achieve the final closure shortly.

On the Concessions front, the Company has signed the Binding term sheet with Cube, which will generate liquidity to the tune of Rs 900 crore for the group. And of course, in this year, we also provided an exit to our private equity partner from the HCON and made the SPV level company debt-free.

Operationally the Company has been performing on many projects, and one of the parameters is how safe our workplaces are. These are a few safety awards we have received for different work sites, including the Mumbai Metro, Delhi Metro and Tehri Pump Storage project. The noticeable thing is that it has achieved 17 mn safe working hours, it's a very large number, so are our Atomic power plants. The Company also got awarded for its outstanding contribution to Railways for its achievement on the Bogibeel Bridge.

Talking about operations - we have achieved the breakthrough for our Tunnel T49A, for which we have completed excavation of around 10.2 Km of the main and escape tunnels.

In the Anjikhad Bridge, after completing the pylon, almost 200 m of the Deck slab has been finished. Now the work for installation of stay cables will start.

We have also received all work completion certificates for important projects like the Sainj HEP and Bhama Askhed project, with almost 16.2 km of water pipeline.

On the Debt resolution plan that we have gone through, the most important thing is that 100% of the Lender's approval is in place. The Key finalized terms are given herein, in terms of the coverage and everything. With the Debt restructured with final maturity in 2019, there is no requirement for Debt servicing, including interest, till March 2023. Lavasa debt has been restructured with final maturity in FY31, with no debt service requirement, including interest, till March 2023. And the Carved-out SPV Debt is restructured, payable from September 2026 onwards. HCC shareholders' approval has been obtained. That's all, and we will move ahead.

The results are uploaded on the NSE and BSE, and we can discuss these numbers as we go ahead. Financial Performance for the full year.

In the concession business, for the NH34 Pkg 3, there is a decline in the revenue largely on account of the restrictions due to Covid and some of the other restrictions imposed by the State Government in terms of loading of vehicles and other things. For the asset, as explained earlier, HCON has executed a binding term sheet for 100% sale in this highway at an enterprise value of Rs 1279 crore. And, you know, we also can securitize the future revenue against a loan of Rs 300 crore as a part of this transaction. In terms of RDHL, we have received two arbitration awards aggregating to Rs 873 crores regarding termination payment and delay cost claims.

Steiner AG: the closing order backlog of the Company as of March 30, 2022, is Rs 8041 crores. This year, the Company undertook orders of Rs 4,432 crore and the comparable financials for this year vs last year are shown. We can see an increase in the turnover from Rs 5,655 crore to Rs 6,015 crore and in PAT from Rs 30 crore to Rs 312 crore.

Thank you very much, and we can start taking the questions.

Jigar Shah: I have seen your Debt resolution plan. In that also mentioned 100% creditor also approved the same and as shareholder approval has been taken, so now how much time will it take to finalize the same.

Santosh Rai: Now we are into the logistical and documentation stage, so we expect this to take around 60 to 90 days for us to complete this exercise now with everything being in place.

Jigar Shah: And 100% of the creditors agree on the same right.

Santosh Rai: Yes

Jigar Shah: OK. What is the update on the Lavasa plan?

Santosh Rai: As explained earlier, the Company is just watching and getting news from the market as you all are getting, so we are not involved in the process.

Jigar Shah: OK, thank you

Saurabh Agrawal: Debt resolution has been one of the long-awaited milestones, and in some of the previous calls, you did say that while you are awaiting the board approvals, you are doing some documentation so that when you have the approvals, we can move quickly. Is it still another 60-90 days you would need to close this before it sees the light of day. Is there something you can do to fast-track this activity, given that it has been there since January 2020, when it was first announced? And I think it is eating a lot in terms of our financial strength. Isn't there something else you can do to speed it up further?

Santosh Rai: Saurabh, I think that's a fair ask, and we are making all efforts, but there will be some regulatory procedures, and we will have to fulfil those procedures. Because we have 100% Lenders' approval and everything in place, whatever documentation and regulatory paperwork we have to do is expected to take that much time. As an organization, we are making efforts to achieve this at the earliest possible time.

Saurabh Agrawal: We can expect the benefits to accrue from Q2 onwards?

Santosh Rai: Yes, hopefully, yes

Saurabh Agrawal: OK

Sandeep Sawant: Anybody else, please raise your hand! Fair Value Capital, please go ahead.

Fair Value Capital: Hi, now that there seems to be some visibility in terms of the debt resolution and hopefully now that the lender approvals are all tied up, could you spend some time giving us a macro and a micro perspective on where can we expect the standalone business and Steiner over the next 12 to 18 months. Please provide as many details as possible. Thank you.

Santosh Rai: So look, if you ask us in terms of the micro view, the Company right now would be aligned on two things that are growth and profitability. That's where our majority of the focus would be, and once the requisite ingredients are in place, we will continue to focus on the areas where we have our established trends. So if you are watching the Infra market, we can very clearly see there are a lot of opportunities emanating in the areas of renewables. And by renewables, I mean hydroelectric plants and nuclear power, which has the component and structures where the Company has a lot of strength. So we will continue to focus on those areas, and we believe that that will help us secure some decent business in the coming years. That's where our focus would be. So would be our focus on Urban infrastructure. I won't be talking in terms of numbers, but I think the year revenue is already there before you, where we have come up to. We expect to grow this with some decent growth rates by acquiring orders in these specific urban infrastructure and renewables fields. That's where we will be focusing the maximum.

Fair Value Capital: What about Steiner? What plans for Steiner going forward? Any plans, any sort of monetization

Santosh Rai: I think Steiner, we are evaluating all options before us, and it would be too early to say about capital raising or something for that. We are in the process of looking into all those aspects.

Fair Value Capital: Any time frame, 12 months, 24 months, 36 months?

Santosh Rai: We can say 12 to 24 months.

Fair Value Capital: 12 to 24 months, great, thank you

Kenil Omkara: Why are we entering into a joint venture with KEC? Is it due to our balance sheet being weak? That's why our capability to bid on big orders is getting hampered?

Santosh Rai: Our relationship with KEC is strategic and, let's say, opportunities where HCC's technical expertise and the execution abilities of KEC could be combined to secure orders. These are valuable proportions for both organizations' how we structured that whole arrangement. We are largely participating in elevated metros as an area of focus because they have some very enhanced trends in that area. We have high technical strengths in engineering and project management in those jobs. So our arrangement is in those sectors with that kind of understanding of the case.

Kenil Omkara: Have we got the arbitration money, Rs 873 crores which you have done with NHAI.

Santosh Rai: That's an arbitration award received, so you know there is a process. These are the arbitration awards received, and to get the money, the clients have to agree to release it without challenging it. But if they choose to challenge, which they will, we will have to look at other options of realizing this money.

Kenil Omkara: OK. What is the total award pending as of March 31, which the government is challenging, NHAI?

Santosh Rai: I will have to check that, Girish, can you get that number?

Girish Gangal: We have got the arbitration awards worth Rs 6,200 crore. All are under challenge except a few, which have been second for a value less than Rs 1000 crore, so you can say roughly around Rs 5000 crore which is under challenge.

Kenil Omkara: Are we are talking with the NHAI? Are they ready for a settlement of a 50% cut on our total arbitration? Because Rs 3000 crores out of Rs 5000 crores if we get even Rs 2500 crores, it is a considerable amount. It can release our working capital and reduce our Debt, leading to higher bidding for more valuable projects with high margins.

Girish Gangal: As far as awards are concerned, we have a strong case wherein we are entitled to receive the entire 100%. Your point is well taken that if we can settle for a lesser amount and have it useful in cash flows, it will be beneficial for the Company. However, the decisions have to be taken on a case-to-case basis, and the proposal we get from NHAI, whoever the other party is. So like last year, we have settled with NHAI for West Bengal road projects. So that is taken on a case to case basis, and we don't want to apply any straight-jacket formula for the entire awards that will be available.

Arjun Dhawan: Gentlemen, my apologies to our shareholders and stakeholders; this is Arjun Dhawan; I am sorry I had to join a little late and that we uploaded our earnings a little on the late side; I am happy to answer questions.

Kenil Omkara: Yes sir, the arbitration thing you were telling.

Girish Gangal: I think I completed my statement. I'll repeat once again. We will go on a case-to-case basis depending on the cash flow working capital requirement, and we don't want to commit ourselves to the entire arbitration award being settled together and so on and so forth. And as I have said, in the past, we have also settled wherever we could see the opportunity to use it for working capital. So we will accordingly take a call as and when based on our opportunities.

Kenil Omkara: Sir, I also want to know the technical difference between us and L&T in bidding the bullet train project. Because from what I see, HCC has a vast history of building world-class infrastructure in India.

Santosh Rai: Kenil, HCC did not participate in the high-speed rail projects of that magnitude because size-wise, these jobs are like Rs 25,000 crore. So, looking at our appetite and market position, we had not participated in that job.

Kenil Omkara: What would be the range in the project value you would participate in, 2000 to 5000 crore.

Santosh Rai: Yes, we are looking at 2 to 5 or maybe a little above 5**.**

Kenil Omkara: So it will be a joint venture or solely us? Based on our balance sheet.

Santosh Rai: It's case to case

Kenil Omkara: OK, no questions going forward, and I hope, sir, that by 2023 that resolution process is resolved quickly because that's the main story for us in making a turnaround.

A Nahata: My first question is on the Debt recast, I understand it will happen in the next 60-90 days as you go through the procedural issues; my question around that is first what will be the cost of the restructured debt, and interest costs?

Rahul Rao: We have different kinds of lenders, but on average, it will be anywhere between 12% to 13%. In some cases, it is much lower than 9.5% or 10%.

A Nahata: and we would have the option of prepaying the loans if things were to go well

Rahul Rao: Yes, we have this mechanism put it in the RP

A Nahata: So I take a blended rate of around 12% to be the cost of interest, right?

Rahul Rao: Yes

A Nahata: The second question is, given the kind of scenario that we see on the raw material prices right now, what is the kind of gross margins we can target for FY 23 with the projects that are already in hand and being executed.

Rahul Rao: Basically, some of the projects which we already have, they have this increase in the cost based on steel or cement, whereas, in some projects, this possibility is not there. So we are still discussing, and in some of the cases, we are going to the highest level with the customer to explain these sudden extraordinary changes. And based on our current forecast, we are still expecting anywhere between 17 to 16%. But, generally, we don't give these forward-looking statements. So I would like to avoid giving any statement.

A Nahata: No, that's OK; I mean, just an understanding is required. I mean, it may not be precise or anything. I mean, you sort of believe that you would be able to hold on to the gross margins that we are seeing right now, something like that.

Rahul Rao: Yes

A Nahata: The third question is being partially answered regarding the kind of projects that we are going to be bidding on, so the kind of projects that I heard would be on the renewable side as well as the urban infrastructure and so on forth. Now what kind of profitability criteria or margin criteria are we looking at when we are bidding for these new projects?

Santosh Rai: I think again, there is no fixed kind of guidance for this, but we would like to see that whatever we are bidding allows us to maintain the EBITDA levels, and given the market competitiveness, I believe we can expect something like that because expecting either anything different could either outbid us or it could be a bit risky. So our guidance would remain similar to what we have been seeing throughout till now, similar numbers.

A Nahata: Thank you, point well taken. Just a final point on this, are we seeing the competitive industry in the industry coming down as a result of these global challenges or are we thinking that it will be the same.

Santosh Rai: Indian market, you can say, it is very sector-specific. So, if we talk, for example, roads and some of the lower end urban infrastructure projects, the competitive intensity has not reduced at all. We foresee that it will continue to remain the same. Whereas, if you look at the high-value design and built jobs with some complexity like underground works, the competition gets limited with mature players. We value risk and opportunity fairly, so there it will be remaining within a group of like 4 to 5 competitors.

A Nahata: OK. Thank you

Arjun Dhawan: I want to jump in here to clarify something so that there is no miscommunication. The Debt that is being reorganized in the SPV will carry a yield of 12%. But the Debt that will remain in HCC is going to be as far as our OCD Debentures are concerned. That is 11.5%, and the Lavasa debt, which will be converted there, will carry a rate of 9.5%. So the blended rate as far as HCC is concerned is probably going to be in the range of around 10.5, 11ish on a blended basis.

Fair Value Capital: Hi Arjun, this is Rakshit Sethi from Fair Value Capital, I had asked this question earlier, and Santosh was kind enough to answer. But I would love to hear your views as well. So internally, what do you see HCC as a company evolving into going forward? Is it going to be similar? Do you have plans for the three businesses standalone? Any plans to reenter concessions? Of course, I had asked this earlier as well about Steiner. So how do you picture, if I were to ask you, where you or how you picture HCC to be positioned in a 3-year perspective? Please give some colour on that, thanks.

Arjun Dhawan: So we are a heavy construction major, a heavy civil construction major, and that's first of all our core business, that will continue to be our core business and so as far as the growth that in the last 4 to 5 years, we have much to catch up on and there is a substantial amount of opportunity that we see in India itself for us to be able to regain a lot of lost ground. In the next 3 to 5 years, we want to be one of the largest companies in this space that does heavy complex projects and builds landmarks for the country. That's our core focus. Having developed and completed, and monetized most of our now Rs 7000 crore concessions portfolio, we certainly basically see that as a complement to our core business. In the past, when we developed our concession business, it was probably more of a pure concession business in that we were investing the equity in all our projects ourselves. There was a limitation to how much we did that, even after diluting a stake and bringing in a private equity partner. So we intend to restart the concession business. We made a bid this past quarter. We will do that largely in partnership with financial partners as the EPC partner.

So to the extent that we will actually put equity into concessions, it would be limited. It will be strategically viewed as working capital until the project is completed, and we can exit that. So the real driver for the concessions strategy will be driven by our core parent expertise and focus. As far as Steiner is concerned, any major player in the construction, if you take our larger competitor L&T, a substantial amount of the revenue comes from their building construction arm. It happens to come from building construction outside of the government. L&T has had very little competition, frankly speaking, in that space. Steiner, for us, is certainly an extension of our core civil values. It has that top class building construction expertise that we can actually leverage and scale up in a country like India. Had we been frankly successful in doing that in the past number of years, for various reasons, we have not. Do we have the opportunity to do that in the future? We certainly do. The priority for HCC is monetization and adequate return of capital from our concessions portfolio. So therefore, we will continue to evaluate ways to structure our subsidiaries such that we retain our core strengths, our qualifications, and our know-how and, at the same time, return capital. The question has been asked to me before regarding Steiner; we have a considerable investment in that business. As far as shareholders are concerned, I am very clear that be it through the return of capital or substantial dividends or a bottom line as far as HCC is concerned; obviously, we need to realize the value of the businesses that we operate and own.

Fair Value Capital: Thank you and all the very best.

Arjun Dhawan: Thank you

Saurabh Agrawal: I have a few questions, 1) Can you give some updates on the Mumbai Coastal project? 2) There has been a government guideline for releasing 75% of arbitration awards under challenge, so HCC has been able to realize this 75% release? If you can throw some colour on this, that would help.

Arjun Dhawan: So let me address the last question first, and then Santosh can talk about the coastal road. For some time, the government has tried to accelerate dispute resolution. We have seen the impact of the arbitration conciliation act, the amendments to the act making arbitrations time-bound, and then the CCS circular to release 75% of the monies against a bank guarantee. These initiatives came in because govt recognized the huge pain the construction sector was facing as a function of inevitable delays. You know infrastructure projects are prone to delays. As the function of those delays, there are cost overruns, and if swift decision making is not made to pay those dues, they end up in multiyear delays causing distress across the supplier chain. The Supreme Court has struck down section 87, which impeded the execution of arbitration awards. So one doesn't necessarily need to go down the path of this CCS circular. If you have an arbitration award, you can file an execution petition in court, have that money deposited in the court and now take it out. And obviously, the court will stipulate the kind of security if required on a case to case basis. So that is undoubtedly a step in the right direction to actually provide relief, but as far as I am concerned, the real relief to the sector is going to be when court capacity is increased multifold. We are very confident that the government has taken steps to build infrastructure more expansively and swiftly in the country. Our lenders also appreciate that this is a mechanism by which a substantial amount of our claims and awards can come and bring liquidity to the Company. We will certainly evaluate from time to time when to utilize this. Santosh to you on the Coastal road.

Santosh Rai: The Company is making good progress in the available scope on the coastal road. We have completed the majority of the reclamation works, the bridge works for the marine portion, and the land portion is in progress. There are certain disruptions due to protests by fishermen, but we are hoping to get that resolved. Clients are making all the efforts. We hope to see a resolution for that coming in 2 to 3 months. We are looking to complete this project by the May 2024 timeline with all that into the picture. So it's going well. Thank you.

Mohit: This is Mohit from BM Capital. I joined the call a little late. If you don't mind, can you let me know the status of the debt carve out? Have all the banks approved the carve-outs, and when do we expect it to happen? That was my first question. The second question is that I have seen the HCC concession bidding participating in the HAM, so again participating in the HAM and BOT is the right way of understanding.

Santosh Rai: Mohit, I'll ask my two colleagues to answer your questions separately. For the first question, I'll request our CFO, Rahul Rao, to answer, and for the second question Atul from concessions will answer. So Rahul, please take up the first question regarding the resolution plan.

Rahul Rao: We already have 100% of the approvals received regarding the resolution plan. There are still some regulatory works to be done, which can be started only after getting the approvals. So all these processes we expect may take up to 60-90 days. But, of course, we will try to do it as early as possible, and we are getting support from lenders to ensure these can be completed fast. So we do expect within Q2 it will be completed.

Mohit: Understood

Atul Kumar: Hi Mohit, this is Atul. On the concessions front, as you rightly said, we have bid for a project in the last quarter and going forward, we want to bid for new HAM projects in partnership, where we have limited equity exposure. We primarily act as an EPC contractor to the financial partner, and at the right time, we would like to dispose of our 26% equity as well to return capital to the group. So that is the way forward.

Mohit: Understood**.** One more question: I saw an order of hydro projects in Sawalkot. I think it is around Rs 12,000 crore. Will we be in a position to bid for this project? As far as I remember, I think the bidding is due in June, so it is very early. So is it possible for us to bid?

Santosh Rai: Mohit, actually, as a policy, we don't comment on opportunities specific.

Mohit: But that very phrase.

Santosh Rai: But let me tell you that the hydro sector is something of interest to the Company, and that's where our strength lies. You rightly said it is a substantial order, and also, it is a very large bid. I mean, the timelines are very tight right now. So it will be a result of our standing and our evaluation of what we do at this point.

Mohit: Is it possible to comment on general the order outlook in the sub-segment where we are in? Where do we intend to participate in FY23?

Santosh Rai: Yes, so as I said a couple of minutes ago, the sector and as Mr Dhawan also said, we are a heavy civil engineering company, and our focus will remain on projects where we have our established capabilities. That means hydropower, underground structure, underground urban infrastructure, and complex urban infrastructure. So we will continue to focus on those structures that have value and some complexity where we foresee the competition also to be of a similar nature, so that's how we will look into the opportunities for FY 23 and onwards.

Mohit: OK, thank you, sir and best of luck.

Santosh Rai: Thank you, Mohit

Mayank: Hi, good evening all, this is Mayank Agarwal, I have a question regarding the results on page number 14, point no: 10, the investments made in HICL are aggregating to Rs 1,564 crore. Again it mentions that it substantially rotates; what does this mean and what is the impact?

Santosh Rai: I will request Mr Gangal to take this question.

Girish Gangal: Mayank this note has been appearing for quite some time. This only states that whatever ICDs or inter-corporate deposits have been provided by HCC to infrastructure companies, which is the underlying amount which is outstanding to be received. And simultaneously, also states that HICL because they have a net worth of HICL being negative that's why there could be a risk that's what auditors have indicated OK. However, if you say there is further if you read that note also says that based on the present projection, the underlying evaluations done by a third party, so on and so forth, Company feels that this entire investment in the form of ICDs fully recoverable. This is the basic note that is appearing.

Mayank: So there is no impact currently

Girish Gangal: No there is no impact currently

Mayank: And one more thing, there is one more question I have like I see like cost of materials and expenses are getting on a higher side on quarter and quarter so is there anything you are doing to arrest that or is there something temporary in nature as we see that now inflation is going to be high and we are also seeing the contest rates are also going up, so how do you see the impact of this going further.

Girish Gangal: See as far as the cost of material is concerned as you may be aware the basic ingredients what we require in the construction industry, steel, cement, etc., are at an all-time high. We have seen last 3 to 6 months the prices have gone more than 30 to 40%. OK. So, including of course the petrol and diesel prices. So this is a risk element as far as the cost is concerned. At the same time, we have an escalation clause in all our contracts or most of the contracts. So we will be able to recover most of the parts. And from that point of view, the risk is not to the extent of the actual increase in price. It gets mitigated with the help of escalation formulas embedded in the contract. But, of course, few contracts may not have a similar provision, and it depends on the indexers which are available. Going further, I think these steel and cement prices need to get settled shortly because this phenomenon has been happening for quite a long time. And we expect that the steel and cement prices will eventually settle down in the next 3 to 6 months.

Mayank: OK do you see like, because there is a substantial decrease in profit in the consolidated profit for this quarter, so where do you see the impact, is it only due to the cost or is it something like, what are the other factors.

Girish Gangal: you are referring to consolidated results or

Mayank: consolidate results

Girish Gangal: So where did you find the increase

Mayank: I see quarter-on-quarter, like the cost of materials consumed which was Rs 200 crore last year, it is something like Rs 317 crore this year. So it's like almost a 100 crore hike.

Girish Gangal: To that extent the turnover also you will find the substantial increase. If you compare instead of quarter-on-quarter to year-on-year basis. The turnover is higher by 25%. So naturally, if you consider the absolute value of the cost of material and subcontracting expenses will also look higher. So I don't think that should be a worrying thing.

Mayank: So is there any specific reason that the profit has impacted this quarter

Girish Gangal: If you see on an annual basis, I am again repeating consolidated; last year we had a loss, whereas this year we have a profit.

Mayank: No, I don't think that is appearing, but this quarter, I mean is facing multiple reasons like because the cost is getting impacted so.

Girish Gangal: Yes, so in case of the construction industry, it is better to refer to the annual results or a little longer period results, because depending on the cost to be incurred and the revenue to be coming later, so on and so forth, you may not get the exact idea on quarter to quarter basis.

Mayank: OK

Girish Gangal: Better to compare on a longer period, say 6 months to a year to get a better idea on that.

Mayank: OK, thank you

Riddhi Shah: Hello, I just wanted to ask, there are intangible assets worth some Rs 600-700 crore in the June balance sheet and they do not appear in the March balance sheet. So I just wanted you to explain what that is and how is that zero now.

Santosh Rai: Mr Gangal please take this question.

Girish Gangal: Allow me; if you can skip for a moment, I will answer in 2 minutes.

Riddhi Shah: OK surely and just a request that if you could give the results, I mean if there is some good amount of time between the results in the con call, so it would be better for us to try to understand the results. Maybe the next day, you hold the con call or at least give some time.

Santosh Rai: Riddhi suggestion noted, we will revert with that

Riddhi Shah: Thank you

Santosh Rai: Thank you

Santosh Rai: Riddhi do you mind if we come back to your question in person to you because I think if there are no more questions, I would like to close the call and we can get back to you separately

Riddhi Shah: OK, surely, I think I will have to share my email id over here so.

Santosh Rai: Yes, Sandeep Sawant from our team will be in touch.

Sandeep Sawant: you can put your query on the investorrelations@hccindia.com or my email id sandeep.sawant@hccindia.com, and we will get back to you.

Riddhi Shah: OK thank you

Santosh Rai: Thank you, everyone, for attending the call and patiently hearing us and also, again, our deepest regret for the delays. So with this we would like to close the call. Thank you, everyone.