"Star Cement Q4 FY'20 & FY'20 Earnings Conference Call hosted by PhillipCapital (India) Private Limited"

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Moderator: Ladies and gentlemen, good day and welcome to the Star Cement Q4 FY'20 & FY'20 Conference Call hosted by PhillipCapital (India) Private Limited. 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.. I now hand the conference over to Mr. Vaibhav Agarwal from PhillipCapital (India) Private Limited. Thank you. And over to you, sir.

Vaibhav Agarwal: Thank you Stanford. Good evening, everyone. On behalf of PhillipCapital (India) Private Limited, we welcome you to the Q4 FY'20 and FY'20 Earnings Call of Star Cement.

On the call we have with us Mr. Sanjay Kumar Gupta – CEO and Mr. Manoj Agarwal – CFO of the company.

At this point of time, I will hand over the floor to the management of Star Cement for the "Opening Remarks" which will be followed by "Interactive Q&A." Thank you. And over to you, sir.

Management: Good evening, everyone. I am Sanjay Kumar Gupta, CEO of Star Cement. I would like to welcome you all to this earning call for the fourth quarter of FY'20. I have with me Mr. Manoj Agarwal who is CFO of the company. He will take you through the quarterly numbers and after that we will open the floor for an interactive session where you will be able to ask questions and we will be happy to reply to your queries. Now, I hand over the floor to Manoj Agarwal to give you Q4 numbers and the yearly numbers. Thank you.

Management: Hi, Friends. Very good evening. I on behalf of Star Cement Limited welcome you all to the concall for discussing our "Q4 Number and also the "Full Financial Year '20 Number."

I would like to clarify that we will be discussing about the historical numbers and there is no invitation to invest. Having said that now, I will just take you through the Q4 number followed by the yearly number. Starting from clinker production during the quarter ended March 2020 we have produced 6.14 lakh tons of clinker as against 5.43 lakh tons same quarter last year, that is a growth of around 13%.

So far as cement production is concerned, we have produced 7.78 lakh tons this quarter as against 7.35 lakh tons same quarter last year, that is a growth of around 6%.

During FY'20 in a whole year, we have produced 22.15 lakh tons of clinker as against 20.37 lakh tons last year of clinker, that is a growth of around 9%.

So far as our own cement production is concerned, we have produced 26.47 lakh tons in FY'20 as against 24.58 lakh tons last year. That means an increase of more than 7%.

Now I will take you through the "Sales Volume:" During the quarter, we have sold 8.43 lakh tons of cement and 0.31 lakh tons of clinker as against 8.05 lakh tons of cement and 0.34 lakh tons of clinker same quarter last year. There is a growth of more than 4% this year as far as cement and clinker volume is concerned.

As far as yearly number is concerned, we have sold 28.80 lakh tons of cement and 0.76 lakh tons of clinker as against 27.06 lakh tons of cement and 1.52 lakh tons of clinker last year. There is a growth of around 76% in cement and some degrowth in clinker.

As far as geographical distribution of cement is concerned, in Northeast we have sold around 6.40 lakh tons as against 6.14 lakh tons during same quarter last year with a growth of more than 4%. And as far as the outside Northeast is concerned, we have sold 2.02 lakh tons of cement this quarter as against 1.92 lakh tons same quarter last year, there is a growth of more than 5%.

If we talk about the whole year number, in Northeast we have sold around 21.64 lakh tons as against 20.44 lakh tons last year with the growth of around 6%. And as far as outside Northeast is concerned, we have sold 7.16 lakh tons of cement this year as against 6.61 lakh tons last year, a growth of more than 8%.

In terms of blend mix for the entire year, 15% is OPC, 2% is PAC and the rest is PPC. These are all the quantity numbers.

Now, I will take you through the "Financials." The total revenue figure this quarter is around Rs.549 crores as against Rs.532 crores same period last year. As far as EBITDA figure is concerned, this quarter we have done an EBITDA of around Rs.132 crores as against Rs.130 crores last year. PAT after minority interest is approximately Rs.86 crores as against Rs.90 crores in the same period last year. On per ton EBITDA front, it is Rs.1509 during this quarter as against Rs.1551 same quarter last year. These are the quarterly numbers are.

We need to remind that we have lost around 10-days of production due to COVID thing lockdown. We lost around 1 lakh tons of production as well as sales. So if we could not have lost it, then our EBITDA will be increased by maybe Rs.18-20 crores, that is I need to highlight that.

Now, total revenue figure for the FY'20 is around Rs.1,841 crores as against Rs.1,826 crores in FY'19. As far as EBITDA figure is concerned, during FY'20, we have done an EBITDA of around Rs.424 crores as against Rs.455 crores in last year. PAT after minority interest is around Rs.286 crores as against Rs.299 crores in the last financial year. On per ton EBITDA front, it is Rs.1434 in FY'20 as against Rs.1591 in FY'19. These are the quantities and full year numbers are.

Moderator: Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. The first question is from the line of Keshav Lahoti from Angel Broking. Please go ahead.

Keshav Lahoti: Can you give us some idea about how have been the sales in April, May and June for you?

Management: April was a washout month. We did some maintenance work towards the end of April and early part of May and the activities in Northeast have actually started in the month of May. So we must have sold around 22,000 tons of cement in April. But I think May we have done almost 90% of corresponding month last year. And June we are almost on track to at least do maybe a little bit better than the corresponding month last year. So I think the things are actually slowly coming back on track. Overall, it looks that these two months we are largely looking at some kind of a pent up demand which is coming from. May was largely on account of I will say the dealer godowns actually not having much of cement, that demand which was coming in. And June also we are seeing the continuation of the same pent up demand. It will be very hard to at least pin point towards what kind of demand we are going to see in the coming months. But I think once this Q1 is over, we will definitely see some demand trend emerging in Q2.

Keshav Lahoti: Can you please pinpoint where the demand is strong – whether it is in infrastructure, real estate?

Management: Our reading is largely most of the demand is actually coming from the rural areas. Urban areas are actually disappointing. I think that is understandable also because most of the COVID impact which we all have is largely on the urban centers. So rural demand is more or less intact I will say. Whatever our feeling is infra projects are not driving the kind of demand which they should have started it. Yes, there are certain critical projects have already been started, but overall infra demand is not that great. The government spending is also not happening to the extent which we would have liked. Real estate projects which are we can say affordable housing and those projects have still not started working in that extent. So, I will tell largely it is rural which is at least keeping the demand clock ticking.

Keshav Lahoti: Is my understanding correct is the Star Cement almost roughly 70% sales happening in Northeast part of India and probably due to COVID, Northeast is not so badly hit, so the cement sale should not be badly hit in the Northeastern part of India.

Management: I will tend to agree with you because we are largely a Northeast dependent company. And the impact of COVID is not that great, I think initially till May very miniscule impact. But once these migrant labors have started going, there is some impact, but it is still less than likes of Kolkata, Bombay or any other state. So yes, that is why as I said, right, the demand has quickly come back and in the month of May we had around 90% of sales which we had compared to last corresponding month last year. June looks to be pretty okay to me. We hope that in Northeast the impact will not be that severe.

Moderator: Thank you. The next question is from the line of Ritesh Sheth from Edelweiss. Please go ahead.

Ritesh Sheth: Firstly, can you just give out power, fuel and freight cost number for this quarter?

Management: Power, fuel this quarter is Rs.105.20 crores and freight is Rs.107.65 crores.

Ritesh Sheth: On both the regions you cater to, be it Northeast and Eastern markets, even on the full year basis year-over-year you have reported a volume growth and as far as my understanding is concerned, I do not think the industry had reported a growth at least for FY'20… it might be flattish around. So what has led to this growth?

Management: There is not much to read in this number. If you look at on full year basis, I think we have reported around 4%, 5%. So if the lockdown would not have started from say 20th and people already started talking about lockdown and all, so I think the impact was for around 12, 15-days, if I take that into account, we would have definitely reported a double-digit kind of a growth. So that one is in line with the demand scenario which was there in Northeast and outside Northeast till that point of time. Even after this lockdown, the Northeast growth is still at 6.5%, 7% on full year basis. But I do not think that even Eastern region has not reported that same kind of a number. I think Eastern region last year at best was flat, it was not negative, in the first two quarters of last year they were negative and last two quarters have actually made up for the ground lost in first two quarters. There was a flat growth on that. And we have been able to report a meager growth of around 3%, 4% in outside Northeast also. I think East and Northeast has been growing and if we return back to pre-COVID level, we think that in Northeast we will be able to report back 8-10% volume growth and the similar kind of volume growth for us because we have a very small market share as far as the East is concerned. And once the Siliguri plant comes up, definitely our volume growth will be better. So, we are looking forward to that kind of demand growth coming back.

Ritesh Sheth: My next question is with regard to the Siliguri plant. Where are we, any delay in terms of commissioning?

Management: Yeah, there is a delay in Siliguri because the labors are not available, a lot of migrant labors which have already gone back to their home towns. So we are finding it difficult to actually go to the same level of construction activity which we were having. We were earlier planning to start this plant in the month of April. But now I do not think that we will be able to start it before August or September because the laborers are still not coming back to the work. We are finding difficult to again ask them to come back to the job. So we are facing labor issues in Siliguri. And the construction activity is actually moving at a very slow pace.

Ritesh Sheth: How much time do you expect it to ramp up at your comfortable capacity? I know it all depends…

Management: Taking that into consideration, I am giving you a timeline of starting the plant in the month of August or September.

Ritesh Sheth: How much have the prices increased in both your markets – Northeast and East?

Management: Northeast has seen flat prices, there is no increase in Northeast. East, there was increase in the prices in the month of May. I think the overall price increase was around Rs.30, 35. But I think last quarter that has already been given away in the month of June. The net impact as of now will be around anything between Rs.5 and Rs.10 depending on various markets.

Ritesh Sheth: You mean to say that Rs.20, 25 of those price hikes have already been rolled back in June?

Management: Yeah.

Ritesh Sheth: That relates to the price differential between the Northeast market and the Western market which the players from West Bengal market easily supply to Northeast market if the price differential is high which is the case right now if I am not wrong. So how do you see that competitive intensity and because of that do you see any rollback in Northeastern market as well?

Management: I think price is really dynamic. There is some increase in supplies. But that were largely in the month of April and May when the lockdown was opened. So the price difference at which this market operate is not great; it will be around Rs.20, 30 a bag. So, if that is the kind of situation the freight cost itself will nullify that kind of advantage. So we do not see that due to price differential there will be a flow of materials from Eastern India to Northeast, but yes, each market will have its own dynamics. I do not find that because of the price differential there will be some correction in prices. We still see a stable price scenario in Northeast.

Moderator: Thank you. The next question is from the line of Prateek Kumar from Antique. Please go ahead.

Prateek Kumar: Sir, my first question is on your other CAPEX plan of Meghalaya clinker expansion. So I think there was some clearance in the last quarter. So what is the status on that and we are looking at start that project soon as well?

Management: Unfortunately, all activities are at standstill. All the government departments are also not working. So we still have not received the clearance…government clearance is still awaited. The process of presentation and all that are yet to start to that extent because the problem of this COVID is that you have to maintain social distance, there is no personal meeting, so all this is delaying the process, right. It will be difficult for me to put a timeline at this point of time. We are hoping that by Q2 we will be able to get the clearance from the ministry.

Prateek Kumar: And regarding the subsidy which was Rs.50 crores was pending, that would also be still pending because government departments are not operational?

Management: There is no movement on that also. And whatever I think permission we are going get there is going to be some amount of cut in the overall expenditure from the government side. There will be some deduction. All these talks which we are hearing now. But we do not have any communication from the government as of now. We are continuing to pursue. Hopefully, we will be able to get this in next two quarters. That is the only thing which I can share with you.

Prateek Kumar: Due to floods there are some lockdowns in Guwahati, Assam and several markets. Has that started to impact already or are these normal in current period?

Management: In terms of floods it is quite normal. Last year, I think we had seen floods in 30-districts out of 33-districts in Assam. So these flood situations are I will say normal for Assam. As far as the new lockdown which just got imposed today… there is a 14-day lockdown… I think till 12th of July, but that is there only in Kamrup Metropolitan district which is largely Guwahati so to say. Rest of Assam is open. So there is no restriction on movement of material. And all the container process plants and everything are open. This is only in station on Kamrup metropolitan. Yes, there will be some impact, but I am not saying there is going to be much impact on the overall cement supply.

Prateek Kumar: One question on your fuel mix. So how would that be? We have been shifting to imported coal now.

Management: Yeah, we have largely shifted to imported coal and the ECL options, right. That is the combination we are working on. I will say that ECL and imported constitutes almost 100% at this point of time.

Prateek Kumar: What would be the mix among those?

Management: ECL auction will be around 60% and imported will be only 40%. I think at this point of time, landed price of the auctions are lower than the import prices.

Prateek Kumar: So all the major increase will be in part of FY'20 results?

Management: Yeah, I think whatever impact was supposed to come, that has already come in this year and we do not see any further impact of the coal price differences in the coming quarters.

Moderator: Thank you. The next question is from the line of Dhiral Shah from PhillipCapital. Please go ahead.

Dhiral Shah: So, what would be our revenue mix between urban and rural?

Management: We have not monitored the market in that sense. We have not decided as yet which are the rural markets, semi-urban and all that. But going by overall thought, Northeast and the Eastern market where we operate, our view is that we will be somewhere around 60%, 65% on rural and balance will be urban.

Dhiral Shah: Sir, next year Assam and West Bengal, both the states are going into elections, so do we expect any kind of a demand boost before that?

Management: We are definitely expecting a demand boost to come from both the governments. That was our basic premise when we were saying that in FY'21 onwards we will be doing a 15% plus kind of a volume growth. But I think in this COVID problem it is very difficult to at least say any kind of value as guidance. The problem is even if the government want to spend, do they have that kind of money to spend to complete the infrastructure projects and all? I will say we are still in wait and watch. Both the elections are there in month of May, less than a year is left. And we are not seeing much of government spending happening on ground as of now.

Dhiral Shah: Sir, we were also planning to install WHRS, right?

Management: Yes, definitely.

Dhiral Shah: How is the CAPEX for FY'21 then?

Management: I think FY'21 the CAPEX are a little slow not because that there is any change in the mindset of the management that is not to do the CAPEX. Definitely, in terms of our plans for CAPEX, that are all intact, there is no rethink on that. But yes, definitely the execution is moving at a slow pace because the problems which we are having in terms of lockdown and then once overall clearance is there, we are supposed to do, the winter discussions and all, are actually progressing because they are all happening online. So it is moving at a slow pace but all the targeted CAPEX are on track.

Moderator: Thank you. The next question is from the line of Milind Raginwar from Centrum Broking. Please go ahead.

Milind Raginwar: Sir, if you can share the detail of clinker sales external as well as all these units?

Management: For this quarter, outside clinker sale is 0.31 lakh tons and this unit is 0.54 lakh tons.

Milind Raginwar: What will be the number for March '19?

Management: March '19 third-party, outside sale is 0.34 lakh tons and unit is 0.37 lakh tons.

Milind Raginwar: Overall, when we are looking at our certain cost per ton basis, we have done probably some kind of savings in logistics cost. So any specific reason other than the fuel, the overall sales mix has changed or we are more back to the Northeast rather than to the East, something of that sort?

Management: Overall if you see, Northeast percentage this quarter we are lower if you compare YoY basis. Overall yearly basis it is 0.47 higher than we have achieved in last year as far as Northeast sale is concerned. As we have already told that power cost has gone up a bit because of use of the outside coal. Suddenly we shift attention in the logistics planning and our own railways siding last year, 31st March we have commissioned. So we have got the benefit of that railway siding this entire year. So that is the saving in freight cost in the whole year was around Rs.75, 80. So that is the one thing. Then there is some short of efficiency as far as raw material usage and all these things, so we have been able to save certain in raw material cost.

Milind Raginwar: On the revenue number, do we still have any inbuilt number for the incentives there?

Management: No, only the GST is there, you can have Rs.150-200 a ton, in plant it is up to 23, another plant is up to 27.

Milind Raginwar: This was the number built in March ’19 also?

Management: Yeah.

Milind Raginwar: So that is about Rs.150, 200 per ton?

Management: Yes.

Milind Raginwar: Sanjay sir, in the opening remarks you said that May demand probably was largely pent up demand because of the 30, 40-days shutdown prior to that. So in June did we see the overall demand other than the pent up demand or it was still the carryon of the demand that was suppressed in the previous months?

Management: In last 1.5, 2-months’ time, we have been talking to all my dealers on one-to-one conference calls with these guys. Now the ground checks are actually suggesting that the demand is largely from rural India but people are not starting the new work. That means somebody wants to build a new house, he is not starting the new house. Somebody was in the mid of building his house, he is completing the house. So, that is not a very good sign as far as the cement demand goes. I think overall once this COVID hangover actually goes down, probably the people will also start the new houses, right. So that is our expectation. And largely in Assam, Northeast and Eastern India because of heavy rainfall and monsoon season, most of the starting work is largely from the third quarter onwards. So we are still hoping that it will pick up going forward, but there is a demand other than the pent up demand which is there mostly from the rural areas in the month of June.

Milind Raginwar: With the Meghalaya clinker slightly getting now delayed, will our mix for the East and the Northeast change because on one side we are getting the grinding unit probably commissioned in Siliguri and the Meghalaya clinker getting postponed, so is it pointing towards something in the mix of sale?

Management: I do not think so because the impact is equivalent in both the sides. Even the grinding unit has got postponed from April to September and even the clinker will also get postponed. I do not see that has a major challenge which we are going to have. So we will be looking at maybe FY'23 to commission at least the clinkerization plant to support the grinding unit. If there is some mismatch, we will definitely look at that point of time.

Milind Raginwar: So this is the grinding unit linked to Lumshnong right. I am saying Siliguri grinding will come in time or that is also getting postponed?

Management: For the Siliguri grinding unit, without the COVID, we should have started in the month of April. Now, with the kind of labor situation which we have, I do not think that we will be able to commission it before August or September. So that is already delayed by six months.

Milind Raginwar: My question was if the Bengal grinding unit gets commissioned and as per the original plans, Meghalaya unit gets postponed for some time, then in this interim time we will see the mix changing from Northeast to East, is that what we should read?

Management: We still have a lot of surplus clinker This year only we have done 2.9 mt, right and I have got clinker capacity is 3 mt itself and we are making around more than 80%, 85% at the PPC, right. So clinker is not a problem at this point of time and I do not think that is a major challenge coming in. There is hardly any shift also. See, if we are thinking that, there is going to be a shift, as soon as the grinding starts in Siliguri, definitely East will grow faster than the Northeast because Northeast will continue to grow at a market level and since we are having very low market share in East, definitely the growth in East will be faster.

Milind Raginwar: Will we see some moderation of realization?

Management: We have been looking at a margin of around Rs.1,000 to Rs.1,200 in our Eastern working. So, yes, there will be some moderation in margin. Today, we are having our Northeast and East mix as around 75:25 and we have been seeing it to grow up to 60:40 kind of a ratio.

Moderator: Thank you. The next question is from the line of Rajesh Ravi from HDFC Securities. Please go ahead.

Rajesh Ravi: I have a few questions. First, for FY'21, we were supposed to debottleneck the clinker. So is that clinker debottlenecking exercising is already completed?

Management: See, we have almost completed it. I think we have done some work in this lockdown also. There will be a small work which is still left I will say, but that is not going to impact. Again, we will definitely be taking some shutdowns for 10, 15-days. Largely, our shutdowns are around 30, 35-days. Part of work we have already done. So we will be only going to have around 10, 15-days shutdown maybe somewhere at the end of August, September. So by that time we will be able to complete the entire bottlenecking.

Rajesh Ravi: For the WHRS project, would you be going ahead this year or it could be deferred into next year?

Management: I think whatever delay has been caused due to COVID thing, that is going to get built into all the project timelines. But beyond that there is no rethink on the project itself and we will be definitely going ahead with the work which we have been doing in this year and trying to complete it in next year.

Rajesh Ravi: What is the WHRS size we are looking at currently?

Management: For the existing plant, we were looking at around 15 MW. I think finally it will come to around 12, 13 MW.

Rajesh Ravi: But all in one go?

Management: Yes.

Rajesh Ravi: For that if you start somewhere in September, October, by when this project would get commissioned?

Management: It will take around 18-to-24-months' time to complete it. I think by end of FY'22 or early part of FY'23 we will be able to commission.

Rajesh Ravi: Because EC itself is delayed, so do you see any CAPEX towards the new clinker Brownfield expansion in this financial year?

Management: There will be some clinker work which is at the ground level which we are already doing. We are hoping that in this particular financial year, we will be spending around Rs.100 crores on the CAPEX as far as the clinker expansion is concerned.

Rajesh Ravi: This is due to COVID impact you still see Rs.100 crores outgo for the clinker project, the rest would be on account of WHRS and whatever has been done on the clinker debottlenecking?

Management: Yeah.

Rajesh Ravi: For the Siliguri plant, have we tied up our fly ash security?

Management: We have already been working on it and we have I think final agreement with the suppliers are to get signed in July and August.

Rajesh Ravi: Any ballpark cost number you have worked out for you for this plant on landed basis?

Management: Somewhere around Rs.1,000 a ton on landed basis. I am giving you a ballpark number. I am not having exact.

Rajesh Ravi: I am trying to understand that Rs.1,000 a ton what you will be incurring here and the current structure where you take this fly ash to Meghalaya, Assam, then you make cement and bring it back into West Bengal and Bihar markets, what is the saving on a like-to-like basis that you are building into?

Management: At this point of time, Guwahati, our landed cost will be somewhere around Rs.1800 a ton. In Lumshnong, my landed cost of fly ash will be somewhere around Rs.2,500 a ton.

Rajesh Ravi: So significant difference is purely on account of this fly ash only?

Management: Yeah.

Rajesh Ravi: And on the auction which the Supreme Court has talked about, anything you are expecting this financial year or it is still in a policy-making phase?

Management: I think there is some policy which has got finalized for 3, 4 lakh tons but I am not expecting anything to come in this year because again the meetings are not happening, government is pretty slow on this.

Rajesh Ravi: If at all anything, it will only be in FY'22 or even that would be unrealistic expectation?

Management: I think FY'22 is a fair assessment.

Moderator: Thank you. The next question is from the line of Gaurav Rateria from Morgan Stanley. Please go ahead.

Gaurav Rateria: On the new plant which is coming in Siliguri, how big is the overall market opportunity? And at what rate for you to achieve the steady state utilization?

Management: We are targeting two markets largely; Bengal and Bihar. If you look at it, Bengal today is a 22 mt market, Bihar is a 19 mt market. The target is around 41 mt market. We are only selling 6 lakh tons of cement. So it is about 5% of the overall market which we are targeting and with the 5% of market share we will be able to sell the entire materials. Definitely, we will be not distributing the entire cement to all parts of Bengal. We have our own target segments where we will be doing it. So North Bengal will be most important area and then the Eastern Bihar. So there are two most important segments where we will be focusing and there will be some presence also in South Bengal and also in Western Bihar.

Gaurav Rateria: What would be the total CAPEX for FY'21?

Management: I think Siliguri is almost complete. So around Rs.70, 80 crores is still left in Siliguri. Rs.100 crores we are going to spend in the new clinker facility which we are planning at Lumshnong and around Rs.75 crores on the WHRS. It will be around Rs.250 crores of CAPEX we are looking at in FY'21.

Gaurav Rateria: Any M&A opportunity which you are sensing right now?

Management: Our main core focus is on Eastern India. Anything which comes up to us, we are definitely going to have a look at it.

Moderator: Thank you. The next question is from the line of Keshav Lahoti from Angel Broking. Please go ahead.

Keshav Lahoti: Sir, what should be the tax rate for FY'21?

Management: Effective tax rate is around 12%.

Keshav Lahoti: Till when you have the tax holiday for your plant?

Management: It is up to '23.

Keshav Lahoti: The CAPEX number you told Rs.250 crores for FY'21, is it correct?

Management: Yeah.

Moderator: Thank you. Ladies and gentlemen, we will take the last question from the line of Rajesh Ravi from HDFC Securities. Please go ahead.

Rajesh Ravi: When the Siliguri is fully capitalized, how would our employee cost number change and similarly our other expenses number on a quarterly or annual basis?

Management: I do not think there is going to change significantly on a per ton basis. Since the volume numbers for this plant will be around 1.2, 1.3 mt and ramping up to 2 mt, presently our per ton cost of employee is somewhere around Rs.400 kind of a thing. So we think that it will definitely come at least get moderated to somewhere around Rs.325-350 a ton.

Rajesh Ravi: I am saying on an absolute basis because employees will be mostly at plant and which will get added. So for this financial year '20, our employee cost number is around Rs.176, 177 crores. So …

Management: Specific number we do not have at this point of time. You can ask this question offline. We will be able to share it.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to Mr. Vaibhav Agarwal for closing comments.

Vaibhav Agarwal: Thank you. On behalf of PhillipCapital (India) Private Limited, I would like to thank the management of Star Cement for the call and also many thanks to the participants for joining the call.

Moderator: Thank you. Ladies and gentlemen, on behalf of PhillipCapital (India) Private Limited,, that concludes this conference. Thank you for joining us and you may now disconnect your lines.