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Dear Sir/Madam,

**Sub: Transcript of investors' call**

This is to inform you that the transcript of the investors' call held on August 16, 2022, on the Quarterly financial results for the quarter ended on June 30, 2022, is attached herewith and same will be available in our website i.e. [www.vsttractors.com](http://www.vsttractors.com)

We request you take this on record.

Thanking you,

Yours truly,  
For V.S.T Tillers Tractors Ltd.,

Chinmaya Khatua  
Company Secretary



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# “VST Tillers Tractors Limited Q1 FY2023 Results Conference Call”

**August 16, 2022**



**ANALYST:**

**MR. ANNAMALAI JAYARAJ – BATLIVALA & KARANI  
SECURITIES INDIA PRIVATE LIMITED**

**MANAGEMENT:**

**MR. V.T. RAVINDRA - MANAGING DIRECTOR – VST  
TILLERS TRACTORS LIMITED  
MR. ANTONY CHERUKARA – CHIEF EXECUTIVE  
OFFICER – VST TILLERS TRACTORS LIMITED  
MR. PANKAJ KHEMKA – CHIEF FINANCIAL OFFICER -  
VST TILLERS TRACTORS LIMITED**

- Moderator:** Ladies and gentlemen, good day and welcome to the Q1 FY2023 conference call of VST Tillers Tractors Limited hosted by Batlivala & Karani Securities 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. Please note that this conference is being recorded. I now hand the conference over to Mr. Annamalai Jayaraj from Batlivala & Karani Securities India Private Limited. Thank you and over to you Sir!
- Annamalai Jayaraj:** Thank you. On behalf of B&K Securities welcome to VST Tillers Tractors Limited Q1 FY2023 post results conference call. From the management team, we have with us today, Mr. V.T. Ravindra, Managing Director, Mr. Antony Cherukara, Chief Executive Officer, and Mr. Pankaj Khemka, Chief Financial Officer. I will now hand over the call to the management for opening remarks to be followed by question and answer session. Over to you Sir!
- Pankaj Khemka:** Good evening everyone. This is Pankaj Khemka, CFO, VST Tillers Tractors Limited. VST Tillers Tractors Limited has done revenue of 235.98 Crores, a growth of 21.89% year-on-year. Overall EBITDA stood at 19.3 Crores, which is 8.1% against 18.11% year-on-year. Operational EBITDA stood at 23.73 Crores, operational EBITDA by percentage is 10.06% compared to 13.11% previous year same quarter. Profit before tax stood at 12.68 Crores compared to 31.2 Crores previous year same quarter. PAT stood at 10.05 Crores, which is compared to 24.01 Crores previous year same quarter. Tillers volume for Q1 was 9161 numbers compared to 6729 numbers previous year same quarter. Tractors volume was 1687 numbers compared to 2048 numbers previous year same quarter. That is from the opening remarks. Now you can start asking the questions.
- Moderator:** Thank you. We will now begin the question and answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We have a question from the line of Noel Vaz from Asian Market Securities. Please go ahead.
- Noel Vaz:** I just had a query regarding the upcoming TREM regulation is that expected to be any impact on the tractor retail sales?
- Company Speaker:** There is no impact on us from the regulation.
- Noel Vaz:** Thank you so much and secondly is that actually wanting that we have seen a very strong traction for power tillers, so going forward are you expecting this momentum to pick up even further or the strong growth will continue at this rate?
- Company Speaker:** The rate of growth in small farm mechanization will continue because there is a large scope for small machine considering labour is not available so we expect this growth momentum to continue.
- Noel Vaz:** Thank you.

- Moderator:** Thank you. We have the next question from the line of Arjun Khanna from Kotak Mahindra Asset Management. Please go ahead.
- Arjun Khanna:** Thank you for taking my question. My first question is with respect to the tiller business, so if you look at our company margins they have been on the lower side, so just want to know that the contracted B2B power tiller was it a fixed price contract and could that price be revised, if you could explain that?
- Company Speaker:** To specifically answer this is not a fixed price contract, pricing is revisable and in fact in the month of July we have had a price revision, in the first quarter we did not take a price revision for power tillers and that is why you would see that the operational EBITDA was affected by roughly about 3%, but now we have taken the price correction.
- Arjun Khanna:** Sure and what would be the quantum of price increase both for the retail market to the customer and to the B2B, is the price revision similar?
- Company Speaker:** Similar.
- Arjun Khanna:** What would be the quantum as a percentage?
- Company Speaker:** Roughly about 1.5% to 2%.
- Arjun Khanna:** Sure, that is helpful. Thank you. My second question is in terms of the tractor piece you did mention that the new TREM regulation would not impact us since it is for 50 horsepower and above, but I would assume that the new Zetor range possibly could have been with new products in that range, was that a wrong understanding Sir?
- Company Speaker:** We have the first phase of products which is coming in 45 horsepower and 49 horsepower category from Zetor so it will also be below the 50 HP, in the sense two combined products will be above 50 HP at that point in time we are ready for the Stage V regulations.
- Arjun Khanna:** Perfect, that is helpful. In terms of the Zetor range, so if you look at the last few quarters in terms of tractor sales the numbers have been slightly underwhelming given that we were looking at adding a lot of dealerships and expanding the scope of business, I just wanted your comments on that Sir?
- Company Speaker:** We will continue to add dealerships in Q1 as well; however, our key markets would be in Maharashtra and Gujarat, the retail sales were low and as I said before we go by in the retail sales and hence our billing reflects the retail sales in the market, so due to these key predominant markets in the industry has slowed down you will see a slight decline in our tractor volume, but we expect with the coming of the festival season that should pickup.
- Arjun Khanna:** Sure, that is heartening to hear, in terms of other units if you could give us revenue of the power weeders and brush cutters what volumes did we do?

- Company Speaker:** Weeders 891 numbers, brush cutters is about 365 numbers.
- Arjun Khanna:** We were earlier talking of possibly exponential growth in these lower price products over the power tillers we have not quite seen that ramp up, so where is it that possibly?
- Company Speaker:** The whole of last year we did lesser than 2000 numbers, so in the first quarter it will be close to about 900 numbers and we are quite confident that we will be growing exponentially this year, we are looking at upwards of 5000 numbers this year in power weeders, which we will be achieving.
- Arjun Khanna:** Sure and just to understand in terms of margins would margins be similar to our projected or our ambition of 13% to 14% for the company?
- Company Speaker:** Yes, it will be in that range.
- Arjun Khanna:** Sure, the last just a bookkeeping question if you could give us the revenues for tillers and tractors and other businesses?
- Company Speaker:** For Q1 the revenue for the small farm mechanization is 135.13 Crores and tractors is about 67 Crores.
- Arjun Khanna:** Sure, thank you.
- Moderator:** Thank you. We have the next question from the line of Bharat Sheth from Quest Invest. Please go ahead.
- Bharat Sheth:** Sir, thanks for the opportunity. Sir, can you give some colour on, first on the subsidy from the state government on the tiller how it will play, whether new subsidy has been announced or it is the same old rate?
- Company Speaker:** There is very little influence of subsidy on the tiller business as I had shared before also that the customer is now buying, the basis of the decision of purchase is not based on subsidy anymore; however, we expect the subsidies to continue this year as well, we do not see any drastic decline neither we see any drastic growth in terms of the subsidy, so it will be more or less the same level as last year.
- Bharat Sheth:** Can you give some more colour on particularly tiller side on the competitive scenario as well as our tractor where some of the large players have started launching small tractor, so how it is really overall playing out?
- Company Speaker:** Tiller is all about creating the industry, so if you see in Q1 the tiller business has grown by almost 40% and that I think I do not know whether 40% will continue or not but definitely like I had said before 15% to 20% is expected growth in the power tiller business this year as well, so the growth momentum will continue in the tiller business and as I said earlier it will be guided

based on the scarcity in labour that is there in the small farm operations, so that will drive demand for small farm mechanization. Coming to tractors predominantly two states are the key for compact tractor industry which is Maharashtra and Gujarat. This year the Maharashtra and Gujarat industry has slowed down in terms of compact four wheel drive tractors hence it affected our retail sales; however, with the monsoon going out reasonably well and coming of the festival season we expect the demand to pickup in these two markets and the retail should be back to normal, so that should help our compact tractor sales. Apart from this we are also getting into the higher horsepower segment in the later part of this year with the launch of the VST-Zetor range of tractors and all the product launches we are coming out with two to three new compact tractors in the next two quarters, in Q3 and Q4 we will be launching about three compact products which is in line with the best offering that is available in the market and we expect to recapture the volumes in these markets.

**Bharat Sheth:** Can you also give more colour on competitive landscape?

**Company Speaker:** The competition continues to grow in the segment, the number of products that is what as I told you some of the new players especially MNC players who have come in have launched specific products for which we did not have an answer till now, now we have that answer and we will be launching those products in the coming two quarters, so the competitive scenario in the tractor industry will continue to be intensive; however, we are well equipped to fight that intensity in competition especially in the compact tractor space with our new launches that is expected in the next two quarters.

**Bharat Sheth:** If you can give more on tiller also like Kirloskar also has launched tiller a couple of years back so how this competitive landscape in tiller is playing out?

**Company Speaker:** We are trying small farm mechanization industry like I said the growth that is being brought in the small farm mechanization industry is primarily driven by VST, so we have seen a 40% growth in the tiller volume this year in Q1 and that drive will continue, we have to launch several products in this segment, which we are continuing to do so, which will serve various crops in various geographies of the country, we are also looking at innovations in this area, which we will be talking to you in the next quarter.

**Bharat Sheth:** Pan India if you can give like say penetration of the dealer which states are having a high vis-à-vis which states are still low and are we looking for geographical expansion within India?

**Company Speaker:** Absolutely, south, east and west are more or less reasonably covered by the tiller industry; however, the power weeder industry is across the country so we are expanding the network across the country.

**Bharat Sheth:** So, on tiller side do you think I mean northwest and northeast still not penetrated full?

**Company Speaker:** North is not penetrated full, north is the area where we have not been able to penetrate and we are working on it.

- Bharat Sheth:** Thank you very much Sir.
- Moderator:** Thank you. We have the next question from the line of Nikhil Rungta from Nippon India Mutual Fund. Please go ahead.
- Nikhil Rungta:** Thanks for the opportunity. Sir, most of my questions have been answered, there is just a couple of them more, now we are already 12 to 15 months in the system post giving our guidance of 3000 Crores of revenue by FY2025 so now as on date will that guidance stand at 3000 Crores odd or it would be revised?
- Company Speaker:** Definitely 3000 Crore milestone stands; however, I should also say that the day after we declared the vision of 2025 i.e. 3000 Crores we have not had a single normal year, we got hit by COVID two years, supply disruptions after that, so there could be a delay of at least an year or so, we are working on it, we are also buoyed by the fact that the primary intention of getting VST to a growth part has been achieved by the statement of this vision. I am very happy to say in the last three years the CAGR has been more than 25% which the company has never done historically, so primary objective of stating in a very aggressive vision has been achieved, but at the same time it is important that we achieve that milestone, so we are working on it.
- Nikhil Rungta:** Sir, just quickly on the MTM losses so what could be the book of investment as on date and is it primarily the equity part or the debt part we are investing into it?
- Company Speaker:** The investments are a mix of both equity and debt.
- Nikhil Rungta:** What would be the size of investment?
- Company Speaker:** Are you talking about our treasury investments right?
- Nikhil Rungta:** Right, wherein we have booked MTM losses of around 67 million in this quarter compared to around 73 million compared to last year?
- Company Speaker:** Yes.
- Nikhil Rungta:** You mentioned the book size is around 50 Crores odd?
- Company Speaker:** 450 Crores odd.
- Nikhil Rungta:** Sir, last thing on the land parcel which we have what have we decided there now?
- Company Speaker:** There is no decision yet, as I said earlier we will be unleashing its value definitely we will let you know.
- Nikhil Rungta:** Sure Sir. That is all from my side. Thank you and all the best.

- Moderator:** Thank you. We have the next question from the line of Sonal Gupta from L&T Mutual Fund. Please go ahead.
- Sonal Gupta:** Good afternoon, Sir and thanks for taking my question. You said small farm revenues of 175 Crores this quarter?
- Company Speaker:** Exactly 135.13 Crores.
- Sonal Gupta:** 135 and the parts revenue would be?
- Company Speaker:** Parts revenue is around 26 Crores.
- Sonal Gupta:** Parts would be 26 and the tractors were 64?
- Company Speaker:** 67 crore tractor revenue.
- Sonal Gupta:** Again coming back to the strategy on tractors given that where we have a small base and you are expecting new launches to come in, but you are coming post the festive season so is that the right time to be coming into the market and then what I understand that you are coming up with new products and the Zetor range, but still just trying to understand like given the intense competition in the space what we are hearing is that there has been discounting pressure also in the tractor space, how are you looking to compete in the space and how will you sort of differentiate yourself?
- Company Speaker:** So what I was saying is, we do not go by building inventory or discounting we have been following a strict regime of, one is cash and carry and second is driven by a retail sales, the focus is on the dealer profitability in dealing more operations for him and the second aspect is to give unique value proportion in terms of the functionality of the tractor wherein we are focused, which is a four wheel drive compact tractor space so that is where we have been focused on and I am very happy to say that in that particular segment per se we have not lost market share, now certain new offerings have come from competition for which we have answers going into the festival season for the compact tractor revenue. In the higher horsepower series the launch will be in Q4 of this financial year that is as per plan..
- Sonal Gupta:** Got it, Sir. Is this going to again be launched in these key markets that you have?
- Company Speaker:** The higher horsepower will be launched across India, especially the northern market where we were not operating.
- Sonal Gupta:** Got it and in terms of just coming back to the question on the parts business right like that was one of the key pillars that we are looking at and I think given that the synergies with your tiller business it seems to work quite well, so just could you sort of guide us on what sort of next steps because it seems the part revenues have not really grown year-on-year, so just trying to understand what are you planning to do here and what will be the next step?



- Company Speaker:** Let me clarify, a couple of years back our revenue in the parts business used to be roughly in the region of 50 Crores, last financial year we had revenue from the parts business of about 91.37 Crores so definitely there has been very good progress. Now like I have said before this is one of the key pillars of the business we are building in terms of rural distribution. so we have digitized this entire network and very happy to say that we have also got into the business of electric pumps, in two markets only, which is in UP and Bihar and this is a completely new digitized way of doing business wherein the feet under street also uses a mobile phone which is connected to the distributor, which is connected to the warehouse, so the entire digital distribution network is being good and in the future we expect this business to grow multiple times.
- Sonal Gupta:** Got it, so then electric pump is a sort of slightly different business, right, so then it is not linked to?
- Company Speaker:** It is a distribution business, serving the same segment of customers which is farmers.
- Sonal Gupta:** Sure, but then would you be using the same channel as your power weeders, etc.?
- Company Speaker:** No, this is a totally different distribution network which is a digital network that we are building.
- Sonal Gupta:** Got it, but then I thought that this would sort of ride on the synergies that we have in terms of tillers?
- Company Speaker:** There will be some synergies definitely from distributable product like the small power weeders 2 HP, 3 HP might also get sold in the distribution network, we have not started that as yet, but I will see that happening in the near future.
- Sonal Gupta:** Got it and just to clarify then the strategy for like these other components like power weeders and brush cutters and other components that will still be through the tiller channel right?
- Company Speaker:** some of the products will also be taken up by the distribution for example a classic products that can be distributed is the brush cutter because brush cutter is available in almost every counter so wherever it is over the counter kind of sale those products will be taken into the distribution network also that will also be available in the tiller network. Wherever the intensity of service is there, installation is there, parts availability those kind of products will continue specifically in the tiller and tractor segment.
- Sonal Gupta:** Got it and just lastly with the sort of price increases that we have taken and given the fact that the steel prices are now showing a moderation do we see like gross margins getting back to the previous levels like EBITDA margins improving back to the 12% to 13% range?
- Company Speaker:** Yes, we will do that like I said to the previous question we will be able to meet our margin guidelines of 12% to 13%.
- Sonal Gupta:** Got it. Great Sir. Thank you so much.

- Moderator:** Thank you. We have the next question from the line of Arjun Khanna from Kotak Mahindra Asset Management. Please go ahead.
- Arjun Khanna:** Thank you for taking my question again. Sir I just wanted to understand how has been the performance of this Branson Tractors, which we had launched from the market we have understanding it has not quite taken off, so what are the key learnings we have got for that before launching Zetor if you could help us?
- Company Speaker:** These are two very different segments, the Branson is a compact higher horsepower tractor and it is a very different tractor compared to VST Zetor, which is a higher horsepower utility tractor, so as far as the Branson is concerned we have seeded about 30 to 40 tractors across India in various markets and there is good feedback on the performance of the product and we expect to launch a series of products in the coming future based on the Branson trends.
- Arjun Khanna:** Would this be indigenised?
- Company Speaker:** It will be indigenised.
- Arjun Khanna:** Sure, so we could see a significant price reduction?
- Company Speaker:** Yes, compared to the important product there will be a significant price reduction.
- Arjun Khanna:** Sure, and for the Zetor also while launching it in terms of pricing with competitors would it be at a significant discount from the leader or what is the key plan with which we would be launching the product?
- Company Speaker:** See, this will be a premium product like I have said before the VST Zetor will be a premium range, which will compete with the multinational products or the high-end products from the large manufacturers, so it will be a premium positioning product.
- Arjun Khanna:** Sure, my final question is in terms of volumes for our plant given that we are not quite seeing the scale up, so generally if one looks at EBITDA margin so what do you believe for us to be in that band of 12% to 14% should probably be the operating volumes for the tractor business?
- Company Speaker:** The operating volume from the current volume we will be at 12% to 14%.
- Arjun Khanna:** 500 to 600 a quarter?
- Company Speaker:** Not 500 to 600 a quarter it is about anywhere between 1600 and 2000 tractors a quarter.
- Arjun Khanna:** Right, around 600 a month, perfect, even if we do around 8000 units you believe we could be in that range?
- Company Speaker:** Yes, margins are protected like I had said before there are various projects that we have undertaken, the strength of the company is in its frugal engineering, its frugal manufacturing and

philosophy which is being applied in the small farm mechanization especially the power tiller where the company is always being constrained in terms of pricing that frugal mindset is applied to the tractor business as well, so that is the strength of the company.

**Arjun Khanna:** Sure and like we have taken a price hike of 2% in the tiller piece is there has been any price hike taken in the tractor piece also?

**Company Speaker:** Yes, roughly about 1.5% we have taken in the tractor.

**Arjun Khanna:** Sure, and if raw materials do possibly come down do you think that would be passed on with a lag?

**Company Speaker:** Yes, so there is a cooling of effects as we can see, but it is still volatile, for example in Q2 so far there has been a cool down, but we can said that in Q3 the commodity pressures will be there; however, like I said we are focused on ensuring that our guidance of margins will be maintained.

**Arjun Khanna:** Sure, just carrying forward from here maybe you could help us, so on the existing business if you look at the tiller volumes have been strong, tractors if it does ramp up say maybe not this year, next year maybe move closer to 10000 to 12000 units as we had envisaged for growth should margins possibly be at the higher end of that range then?

**Company Speaker:** We will be investing more of those margins into our growth, which we are continuing to do, we are getting ready for the transition of technology to electric, we are getting ready to launch more new products, we are getting ready with innovative products, so we will hear a lot from VST in the coming quarters, so all these we have been adding so we would be like I had said before the 12% to 14% margin is what we are saying will be maintained and the rest of it we will be using it for growth.

**Arjun Khanna:** Sure, just to understand that the fair way of looking at it would be our existing products that we have margins of maybe 16% to 17% EBITDA and we would be deploying 200% to 300% for the incremental growth projects such as prototyping, R&D, etc., is that the right understanding?

**Company Speaker:** Absolutely.

**Arjun Khanna:** Sure and how much would the growth capex so as to speak would have been done in FY2022?

**Company Speaker:** FY2022 was 50 Crores roughly.

**Arjun Khanna:** Sure, so of the topline of what we see in FY2022 of almost 854 Crores we are saying we spent roughly 50 Crores and would all of that be written off from the P&L or would that be largely capitalized?

**Company Speaker:** most of them have got capitalized, 11 Crores remaining WIP as of March 31, 2022.

**Arjun Khanna:** So, that is from the capex front, so a lot of the R&D prototyping would not that go through the P&L also?

**Company Speaker:** You are asking the split between the revenue spend and the capex?

**Arjun Khanna:** Right.

**Company Speaker:** So, roughly what we told you is the capex there will be some amount of revenue spend also in terms of product development especially where our large parts of product development which cannot be capitalized for example product validation is a large amount of expense which is not capitalized, I do not have the exact numbers now, but there is a significant spend on the revenues as well.

**Moderator:** Thank you. We have the next question from the line of Devanshu Sampat from Yes Securities. Please go ahead.

**Devanshu Sampat:** Sir, I have two questions, firstly can you elaborate a bit more on your comment on us focusing on dealer profitability so you must be working with an ROI number or you must have done a study internal so how does that work for VST tractor dealers and as per your internal study how does that compare to peers?

**Company Speaker:** So, what we are focused on is rotating the inventory, rotating the assets for the business, which means the TOC supply thing we have built over the last two years it is tuned to supply to the dealer only if the consumption happens at the dealer end, so for example a dealer has a 30-day or 45-day inventory, which is maintained with his dealership and then let us say that is 10 tractors, now if two tractors are retailed only then two tractors get built to it so in a sense he does not have to worry about working capital management, he does not have to worry about the cost of capital, he does not have to worry about carrying huge inventory that is point number one. Point number two what we are assuring the dealers is you can join VST and get an assured ROI of 30% to 40%, they focus on building and getting more customers rather than worrying about their cost of capital.

**Devanshu Sampat:** Sure and there was very conscious strategy of separating the tiller which eventually became the implements distribution and the tractor business right, but then at some level these do also go hand-in-hand so are we rethinking that or this is something that is still working for us?

**Company Speaker:** No, there is no rethinking the tractor channel remains separate, the tiller channel remains separate, the distribution network remains separate, all these three network remains separate, only thing is some of the small farm mechanization products, which are distributable in the sense these are over the counter kind of products that will be sold in the distribution network also, as of now we have not started it, but going forward it is likely that will happen.

- Devanshu Sampat:** So, what all comes under distribution channels right now, you said pump and?
- Company Speaker:** It is spare parts, oil and pumps at the moment.
- Devanshu Sampat:** Sir, can you give a dealer count as of today and what is the target we have for the year end for all these three?
- Company Speaker:** Yes, the tractor dealer count at the end of Q1 is 357, the tiller dealer count is 577, and these are the deal counts.
- Devanshu Sampat:** Are we on track to achieve that?
- Company Speaker:** Yes, we should be able to further accelerate with the launch of the higher horsepower tractor especially in north; we are not really aggressively expanded in the north which we will be doing in the later half of this year.
- Devanshu Sampat:** The focus that we have on penetration of financial services especially across so we did this with certain products, but has it had a rub-off effect on the other categories as well, can you give a sense on how that has shaped up over time?
- Company Speaker:** Yes financing is a key aspect especially the retail financing products to the end consumer, so we have created several tie-ups with Bank and NBFC and many of the banks we have now tie-ups for selling our tractors and also the small farm machines, so it will be the key aspect and we are making this progress in that area.
- Devanshu Sampat:** So, in the previous quarter if I am not mistaken the number was 5% right, can you share that number for this quarter?
- Company Speaker:** Which one 5%, I did not get you?
- Devanshu Sampat:** I might be mistaken that you have given a figure in terms of how many of our products are getting financed or maybe about the tiller products you are talking about that does not increase in financing availability, so can you just share that number as of this quarter?
- Company Speaker:** The percentage finance of tillers is about 4% to 5% only, it has moved to 2% to 3%, now it has slowly moved to 4% to 5%.
- Devanshu Sampat:** Got it. Sir, final question on capital allocation and thoughts on returning cash to shareholders, right , so you said we have about 450 Crores of cash, we are generating roughly about 100 Crores of free cash annually and our cash flow position is definitely very stronger than before and from your comments earlier you mentioned that this is how it is likely to be going ahead so any thoughts on something you like to comment on returning cash to shareholders or on the overall valuation that the company and the capital allocation?

**Company Speaker:** I think the focus of the company as well as the promoters has been to grow the company, so in terms of investment we are looking at opportunities of growth both organic as well as inorganic, so we would like to utilize this cash for growth and definitely in the near future you will hear more about it.

**Devanshu Sampat:** You are talking about possible acquisition sometime this year?

**Company Speaker:** Yes, we are exploring those opportunities.

**Devanshu Sampat:** Sure. That is it from my side. Thank you and all the best.

**Moderator:** Thank you. As there are no more questions I would now like to hand over the call to the management team for closing comments. Over to you Sir!

**Company Speaker:** Thank you everyone for coming out for the call today. We look forward to interacting with you after the closure of Q2. Until then thank you and goodbye.

**Moderator:** On behalf of Batlivala & Karani Securities India Limited that concludes this conference. Thank you for joining us. You may now disconnect your lines.

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