

08.11.2023

To,

**The Manager
Listing Department
National Stock Exchange of India Limited
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051**

Dear Sir/ Ma'am,

Sub.: Transcript of Q2 FY24 Earnings Conference Call

Symbol: JASH

We are enclosing herewith the transcript of Q2 FY24 Earnings conference call with the Investors held on Friday, 03rd November 2023.

You are requested to take the aforementioned information on records.

Thanking You,
Yours Faithfully,
For JASH Engineering Limited

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Tushar Kharpade
Company Secretary & Compliance Officer
Encl.: A/a





“Jash Engineering Limited
Q2 FY24 Earnings Conference Call”

November 3, 2023

**MANAGEMENT: MR. PRATIK PATEL - CHAIRMAN AND MANAGING
DIRECTOR**

MR. DHARMENDRA JAIN – CHIEF FINANCIAL OFFICER

Siddesh Chawan:

Good evening, everyone, I am Siddesh Chawan from Ernst & Young Investor Relations and I would like to welcome you all to the Jash Engineering call for Q2 FY24. I would like to indicate that all participant lines will be in listen only mode. And there will be an opportunity to ask questions after the opening remarks conclude. So, you need to ask the question, let's select the raise hand option under the reaction type of the Zoom application. We will call out your name and then request you to unmute yourself to ask the question. While asking please begin with your name and your organization. Please note that this conference is being recorded. The recording will be made available on the website within a day and the transcript of the calls have been made available subsequently.

To take us through the results and answer your questions today we have the top management of Jash Engineering Limited represented by Mr. Pratik Patel - Chairman and Managing Director and Mr. Dharmendra Jain – Chief Financial officer.

Before we begin, I want to remind everyone about the safe harbor related to today's earnings call. Comments made during the call back contains forward looking statements that may involve known or unknown risk uncertainties and other factors. It must be viewed in conjunction with our business risks that will cause future results performance or achievements to differ significantly from what it is expressed or implied by such forward looking statements. After the end of this call, if you need any further information or clarification, please do get in touch with us.

With that said, I will now hand over the call to Mr. Pratik Patel. Over to you Sir.

Pratik Patel:

Good afternoon, everyone once again. To new investors I would just like a brief little bit about the company and would than directly move on the results. For your information this is a manufacturing company and we are not an EPC contractor. We manufacture for water and wastewater industry which is our main business. Equipment for water, wastewater treatment, conveyance, pumping, etc. We have 5 manufacturing plants and around 950 employees and our consolidated sales last year was Rs.415 crores. We do business worldwide and as of now more than 50% of our revenue comes from exports out of India.

The company has grown over the period of time by going for technical collaboration as well as acquisition. We have acquired various companies in the last many years with the view to expand of the market or bringing products to our product portfolio. In the recently time we have acquired Waterfront, the acquisition is under progress and we expect to complete this acquisition by the end of this financial year.

This shows the company which we have acquired over a period of time. We started with Sureseal, continued with Shivpad than Mahr, Rodney Hunt and recently in 2023 we signed the deal to acquire Waterfront. As you can see the latest 3 acquisition have been all out of

India and the purpose for that is to get brand recognition as well as entry into the export market.

Today, we have got 5 plants and the total capability of these 5 plants is in excess of Rs.600 crores. If we have timely orders and the dispatches takes place on time with these manufacturing facility, we can easily produce between Rs.600-700 crore worth of equipment. We take pride in investing in facilities which none has, today we have capabilities which are not easy to acquire by most of the companies. Over a period of time, we have got the best of facilities in house, allowing us to do most complex projects within.

Coming to the products which the company manufacturers, our main business is water wastewater treatment and pumping and conveyance and most of the products which we make our for that. We make the whole range of product for water intake systems, heavy fabricated gates, coarse screening equipment, fine screening equipment. We also do screening conveying equipment, knife gate valves, special purpose valves, bulk solid handling valves and process equipment along with hydro powers, screws and screw pumps. Recently we have started new product line which focuses on secondary and tertiary treatment and for that we make filtering machines as well as aeration and mixing equipment and also turbo blowers. Our equipment has a range of application in addition to the water and wastewater treatments plants, we are also doing for industrial plants and most of the big industrial plant needing water for cooling or process requirement use our products.

Our principle revenue come from water control gates, screens and valves. We also produce hydropower and pumping and process equipment which presently contribute 8% of our revenue but this business is also growing fast and as a result we are quite hopeful that other than water control gates, all the other products will be bringing close to 40% of revenue in time to come.

Today we export everywhere. We have divided our markets into Europe, Africa, USA, Middle East and Southeast Asia.as well as Far East Asia. And as you can see out of total revenue more than 50% is coming from outside India and that is what the company strategy has been to be more export base keeping our markets intact in India.

We are approved by most of the consultant and clients within India as well as outside India, and these are the big clients and consultants who ensure that we are in the reckoning in most of the projects worldwide.

Coming to the financial performance of the company, presently this is the standalone performance of 3 principal companies which are contributing major revenue to the group. In case of Jash Engineering vis-à-vis last year we have increased our revenue from Rs.150 crores, however our profit after taxes has gone down as result of more competitive orders that gets executed. In case of Shivpad the revenue has gone down because the process of approval of designs has gone delayed and in spite of having a lot of orders we simply could

not execute projects because approved documents were not available. In view of this Shivpad profit also has come down. However, in case of America we have got significant growth in the first half of this year and this growth is in excess of 69-70%. As a result of this growth our half yearly losses have significantly reduced from \$1.8 billion to \$0.4 million. As a result of this on a consolidated basis we have seen marked improvement in overall key parameters of the company. Our revenues have significantly grown, our gross profit also is on an average very near to what we had last year, our EBITDA is also nearly same as last year but profit before tax has grown significantly and accordingly profit after tax has also grown significant in comparison to last year. If you review quarter to quarter and H1 FY24 versus H1 23 you will see we have marked improvement on all the parameters pertaining to our operation. And we are quite confident that the same we will be able to carry forward in Q3 and Q4 also.

It is the consolidated balance sheet, which provides results for H1 FY24. Coming to our consolidated order book you can see that we have a strong order position. Our combined order book as of now stands at Rs.837 crores, this is after the orders which have already been executed till now. So, this is the current order book position on Rs.837 crores. As you can see, we have a very strong order book position in America now and America is turning out to be a very good market for us and we are going good with strength in America. Overall, if you see from the order book more than 60% of our orders are outside India today. So out of Rs.837 crores Rs.597 crores worth of supply would be for projects outside India. And these augurs well for the company because this means that we have on the fast-track projects. Export projects are mostly faster not only we are on fast-track projects but also more profitable orders.

Our consolidated order pipeline also is reasonably strong. We have already negotiated orders as on 1st November of Rs.29 crores and we have got further order of close to Rs.24 crores that are under intense negotiation and we expect to receive quite soon.

Regarding our sales outlook, in the beginning of the year we have projected that we would be able to do combined sales of Rs.515 crores this year versus Rs.420 crores we did last year. As of now that we should be able to achieve these projected sales as well as all the projected profitability which we had indicated in the earlier investors meeting. Out of Rs.515 crores we have projected for Rs.345 crores for Jash Engineering, Rs.100 crores for Rodney Hunt and Rs.30 crores for Shivpad and we are confident of meeting the standalone sales at Jash Engineering and Rodney Hunt. It is possible that because of slow off take in Shivpad we may not be able to touch Rs.30 crores projected however, we are confident because of growth at Rodney Hunt we will be able to see earning the projects require consolidated revenue Rs.515 crores for the year.

In September the new SS Fabricated products plant and this is going on in progress. We would be able to commission this full-fledged in November and once it is commissioned, we will be able to significantly enhance our capability. We also added one more floor to our

head office building and this should be able to take care of our space requirement for next 5 years. Last time we have announced Jash Invent and this company is finally operationalized and I am pleased to announce that we also received our first major order for Invent products in the beginning of October.

As our CSR activity we have done a project in form of public canteen for industrial workers and staffs other than our company. And also, for recharging of water for the industrial area by making a pond or lake and dense forest. This is nearly done now and post elections we are going to get inaugurated by collector of district.

Today as most of our investors must be knowing we are constantly investing and upgrading our facilities. We are now investing in new cranes in the old unit II bay 2,3 and 4 with the view to enhance the efficiency and output in unit II and all of this should be done in this quarter that is from October, November to December and this will significantly help us in meeting our turnover projections for this year.

We also commenced the construction of plant in Chennai and this plant also is expected to be ready by next year. This will ensure that every year we are having facility that we can significantly scale up in time to come. We are also setting up a plant in Houston, the preliminary drawing etc. are ready and we are now approaching the city for approval in year end. For this as well as for our bonding requirements and for acquisition of Waterfront, we intend to raise fund to tune of Rs.80 crores this is quite tentative as of now. We are working on the best way to raise the funds and once this is decided in the coming week, either by issue of preferential shares or QIP.

In the end would like to say that we have had quite a good first half of this year with growth in income on the consolidated basis at 31% and in case of our US business we have close to 70% growth in income and our losses in years have come down significantly. The type of revenue we are seeing in the US, we expect this year to have annualize growth in excess of 20% in US and with that we also expect reasonably strong profitability in the US business. We believe most of our problems in the US concerning image is gone. We have also been able to successful dealing with the banks and get the bonding facility issue to us, though we are looking for 45% advance for trading this issue or bond, but at least we had nothing before and now we have 10 million bond facility available so this would look strong for us when we bid for big projects in time to come. Our US order book also is touching close to \$50 million which is quite remarkable. This year our projection in revenue is \$26 million for America. We already have \$50 million order book position in America, which shows that we are now a dominant force in the American market. Overall, our order book is quite strong with Rs.837 crores order book and as already explained to you more than 16% of this is for global market and so we have now been considered as the one the key player in world market for these products. This is helping us open new doors. Overall, the execution of Waterfront in UK and our new joint venture with Invent will give us a range of products which should

help us strongly in the future and consolidating our position as a fast-growing profitable company in the time to come. Thank you

Siddesh Chawan: Thank you. We will now begin with a Q&A session. A gentle reminder to all the participants to ask question please select the raise hand option. we will now wait for a moment until question que assembles. First question is from Dillip Kumar Sahu. Please unmute yourself and go ahead

Dillip Kumar Sahu: Good afternoon, Sir. Two questions sir. One is with the acquisition in UK and US we have now a substantial market opened for us. My question is with the current line of products, which is mostly gates, screens and valves, is it a complete product range that we think will take us to maybe beyond Rs.1000 crores in next 3-5years or is there a gap in product line you see which need to be filled. if I remember correctly, sometimes back we were thinking of acquisition in India, which didn't materialize because of valuation issues but do you have any plan in terms of the product line extension, that is first question.

Pratik Patel: So, if you consider our business it comprises of 2 main segments, one is water wastewater treatment and the other segment is conveyance. In the water treatment segment, I would say we have got mechanical and electrical, M&A equipment close to 65-70%. Those which we do not have the balance, the 30% which we do not have are very high-end equipment and going into process and that is something which we are not geared for currently. However, when we talk about conveyance, in the conveyance when we get in product because we do not have the pipeline valves, we do not have the commercial valves for pipeline. So, the acquisition which you are talking of in India was pertaining to that product line which did not went because of valuation issue. However, even as one week back we have visited by a leading French manufacturer who had come to India visit for the purpose of using us as a manufacturer for their equipment. And during this visit we also talked about whether they would be interested that we make their line of product for the Indian market and they were quite enthusiastic about it. So, the opportunity for that type of Ventures still exists. We are talking to people but we have to carefully review because even though this is a very huge market, but this is a very competitive market also at the same time and so we are looking at a situation where we not only produce for the Indian market, but we get someone who is also willing to buy from us for their own market and this would give us better profitability. So, yes we are on it and the gaps remain conveyance side and we are working on it to see if we get our best partner to ensure that we can produce and at the same time we can maintain our profitability in

Dillip Kumar Sahu: Great, the second question is regarding Waterfront. It has been like 4-5 months since we have started the discussion and I think by now you would have got a deeper view into UK market. There is a lot of news about UK economy, recession inflation and etc. So, how is the UK market looking from next year perspective. I think we used to supply to UK market

through Waterfront, so with the new registrations in our name at least in the subsidiary name will that open a large market for us and what is the size going to be.

Pratik Patel:

The principle purpose behind acquisition of Waterfront was closer of Hambaker. Hambaker was a company which was doing independently around 13-14 million pounds worth of water control gates alone, which is like close to Rs.130-140 crore worth of water control gates. Waterfront as of now is doing Rs.27 crore out of which Jash contribution is only Rs.10 crore. So, from Rs.10 crore I can scale up to Rs.130-140 crore and I can do most of the business what Hambaker is used to do, and it is easily possible if we live play our cards right, that is possible. However, we are not limiting ourselves to water control gates now in UK, we are trying to use our knife gate valves as well as our screens in the UK market and we have already started talking for framework agreement along with Waterfront with other water authorities in UK. So, I see a very exciting future in UK, I think of a great possibility to scale up Waterfront from Rs.27 crores that they do now to close to Rs.150 crores in 4-5 years time. So, I am quite bullish about UK market. As far as recession is concerned, I have not heard that any recession anywhere in the world has reduced people from drinking water or doing shit. So, this is a business which is dependent on people, the more the number of people the more you need water and so on. Recession generally does not affect our type of industry. Our type of industry is affected if an investment cycle is over. Suppose a country has invested on all the sewage treatment and wastewater treatment plant then it will not need for a few years until the population grows again. So, we are not that prone to inflation or that prone to restriction in an economy and so on. So that does not worry me and is not cause of worry for our growth.

Dillip Kumar Sahu:

Thank you. The last question is our current mix of product is basically 60% gates and 35% screens and valves. So, in the order book that you see Rs.850 crores is the mix remaining same or is there a change in mix and is that going to change the profitability of this Rs.850 crore order book compared to the current order book

Pratik Patel:

The mix is nearly the same, plus minus 5-10% not much. As I am telling from the beginning we are more into custom built product, so of irrespective of the mix the type of profitability that we strive for remains the same only sometimes we get very profitable jobs and then the profitability may shoot up but when we take very profitable jobs then we also sometimes try to become very competitive and take some jobs that are lower margins so as to build up a strong order book position. So, I would say profitability, mix of product etc. is a decision on how we want to grow and what type of profitability we seek to achieve. Our target has always been to incrementally improve profitability to achieve PAT of at least 14% in time to come. And there has been no digression in our strategy or policy from this.

Dillip Kumar Sahu:

So, we are in November it looks like our existing book to be built as well as what we have done so far is around Rs.1000 crores out of which we will say consume Rs.515 crores will

leave with another Rs.500 crores as we speak today. So, any guidance on the next year Pratik bhai.

Pratik Patel: We expect in the next 5 months to move around Rs.500 crores worth of orders. Now that would mean that when we start the year we would have close to Rs.800-1000 crores of order book. However, that doesn't mean that we will be able to achieve that type of revenue because some of the projects need late delivery as well. I am conservatively saying that from Rs. 515 crores which we are projecting we may go next year to Rs.600-625 crores. It's not only turnover, to get people today is a big problem in India. If I am letting more than 50 engineers, it is becoming so difficult to get good competent people in India. So, even if we have order it means nothing if we don't have the right team and our efforts are on to build it.

Dillip Kumar Sahu: Sure. All the best.

Siddesh Chawan: Thank you. The next question is from Mr. Navin. Please unmute yourself and go ahead.

Navin: Good evening, Pratik Sir. So, like you spoke about Waterfront you are planning to introduce other products like screens and valves there. So, any similar plans in Rodney Hunt since now it's been close to 5 years.

Pratik Patel: Rodney Hunt we have already started with knife gate valves and screens. We are not doing it aggressively because it will involve investment in manpower but yes, here the overall plan is to roll out these products knife gate valves and screens in America as well as the UK for a simple reason that these products already have a very strong branding in America and UK. Mahr is a very well-known brand in the UK as well as in America. So, it's not very difficult for us to roll out of these products there.

Navin: And how is the competitive landscape for these products there.

Pratik Patel: The competition is always there. Mahr as you may be aware, was one of the first in the world to come out with this product in 1927 and it's enjoyed a very enviable reputation. So, we need to be right with our marketing and service etc. other thing is not difficult for us.

Navin: And in most of the markets which we are present, we have an array of 5-6 products. So, at some point say 2-3 years down the line, will we be able to cater to all these products in these markets

Pratik Patel: I would say not all products but most of the products we already export. So, for your information screw pumps we have now supplied 7 screw pumps to Malaysia and we are looking for very big order from Malaysia. Recently we have even provided screw turbine in Philippines. So, yes all the products which we make, we are already submitting offers as well as meeting client because they are allied products basically and they these products also. So yes, as our infrastructure improve, our team improve, we will be selling all these products.

Navin: My second question is when I look at the standalone quarterly numbers, you spoke about some pressure on gross margins because you had to execute some low cost orders. So, anything more you would like to add is it because of competition you took up these orders.

Pratik Patel: I would put it like this, if you recall have some orders which are legacy orders, some orders which are new orders, some are competitive some are very profitable. So, in a given quarter sometimes we may be executing more of a certain type of orders and that is why that happened. However, on the yearly basis, we still are quite confident of the projections which we have given and Rs.515 crores consolidated revenue, with back of close to Rs.65 crores.

Navin: When I look at the half yearly balance sheet, inventory is seen a significant jump. So, is there any finished goods that customer has not taken delivery of which is already ready and could you quantify the same.

Pratik Patel: So, for your information in our revenues, we have already built in last 4-5 days of the month of September Rs.35 crores worth of material which is shown as goods in transit. It is not coming in our revenue because the Deloitte does not agree until it reaches the site. At the same time, we are doing a very big project for Kudankulm atomic power plan with Tata projects and lot of items for that project was inspected but could not be delivered and that is coming into inventory.

Navin: Understood and we were expecting a large order, any color on the same.

Pratik Patel: So, we got \$10.5 million order in America last month and this order is one of the biggest orders in our history in America.. I was in Hong Kong yesterday and we are expecting a very big order in Hong Kong, worth more than \$15 million and in America worth more than \$25 million but they are under negotiation and decision. So, we keep our finger cross, and we are quite hopeful for getting these orders.

Navin: My last question is regarding Invent. In your presentation you spoke about we already got an order. So, I just want to know how has been the response from a customer.

Pratik Patel: So, this is very beginning. This is a new product and India is not accustomed to such hi-tech products. So, it is more of a technical sale. We have started doing it, the response is good. Only problem is everyone expect best products at cheapest prices in India and for that we have to start manufacturing in India and this takes time but this is the main objective of the JV company and so in time to come once we are able to offer part manufacturers in India, we expect very good growth in this product line as well.

Navin: Are you speaking about agitators

Pratik Patel: Agitator, mixer, turbo blower, everything.

Navin: And how are we price compared to the competition in this particular product.

- Pratik Patel:** Turbo blowers most of the companies are importing, so we are also going to import from South Korea. Other than that the big players in the market are Sulzer, Xylem etc. these are all international companies. So, we are competing against international companies. We are at the same price levels and when we produce in India, we expect to ensure that our margins are better.
- Navin:** Thank you Pratik Sir. That is all from my side.
- Siddesh Chawan:** Thank you. The next question is from Mr. Yogansh. Please unmute yourself and go ahead.
- Yogansh:** Thanks for the opportunity. Firstly, congratulations to you and your team for a fantastic execution and not just on this current year but for last several years and the kind of setup that we have created is amazing. So, most of the questions have been covered in your presentation so just a couple of clarifications. So, the Invent business that we have started out now, the secondary equipment that you mentioned in your slide are all these from Invent JV only.
- Pratik Patel:** Yes
- Yogansh:** Is this the entire product portfolio that we want to bring in on or is there more in the pipeline.
- Pratik Patel:** There are more products with Invent, but we are addressing those products which have immediate market potential.
- Yogansh:** Okay. As per you what is the potential of these products in Indian market and are we also exploring to export these through the JV.
- Pratik Patel:** So, first talk about Indian market, Indian market is developing and evolving. These products we have brought in are at a very fancy stage in the Indian market. In time to come these products will become mainstream and so we are bought them at an appropriate time, so that when in become normal by that time we have established the brand and so forth. So, we see these products have a potential of atleast Rs.75-100 crores and when we manufacture some of these in India, which have good chance in the market also. Also, understand that we make not only make one product, we make most of the products in the water treatment and wastewater treatment and so we would be able to offer a very nice package to our clients and this should also help us. As far as export back to Invent is concerned, we already have started exporting components to Invent, last year we must have done more than Rs.5 crores worth of components export to invent. As the collaboration becomes stronger and better and if we are able to give good quality then I don't see any reason why Invent will not buy from us. Invent is already facing problem as we are facing problem of people, Invent also is facing the same problem. I understand from France they are facing the same problem, in Hong Kong they are facing the same problem, everyone is running after people and they are just not available. So, Invent has already offered that they want to close down their manufacturing facility in Germany and we do it. So, if we are able to do it why will they not

buy from if we are able to give at economical price compared to what they are producing it at. So, option is always on the table and it all depends upon how soon we are able to meet their expectation of quality, pricing and delivery.

Yogansh: Alright, so that was really helpful. So secondly, just a little more clarity. So, with the current capacity you mentioned that we can do Rs.600-650 crore kind of maximum revenue and now we are in process of setting up a couple of more units both in US, Chennai and again in your main plant as well. So, keeping the capacity constrained and the timelines by which it will come up is it safe to assume that now the focus for next 1-2 years would not be so much on order booking. It will stay between the range of Rs.800-1000 crore and once we have the capacity ready is when we will start actively pursuing for a larger order book.

Pratik Patel: I will do reverse, I will pursue order book first and based on order book we will pursue investments.

Yogansh: Okay, that was very reassuring. So that's it from my side. Thank you. All the best to you.

Siddesh Chawan: Thank you. The next question is from Alisha Mahawla. Please unmute yourself and go ahead.

Alisha Mahawla: Sir good evening. So, most questions have been answered, just want to understand you have did mentioned in your opening commentary that there was some execution of competitive orders because of the Jash India standalone has seen some margin pressure and Shivpad also there was dealing some designs getting approved. So, two parts question, one is there more of these competitive orders which would continue to impact our margins in India business for the rest of the year. And delay in approval of designs for Shivpad, is that now going to get done in Q3, already done or a delay continue.

Pratik Patel: Let me address Shivpad issue, Shivpad I already informed that it mainly was not possible for us to do Rs.30 crores revenue as projected because of delay, whatever time loss we had was hard to recover. So, in case of Shivpad we may be falling short of our projection because of that. As far as Jash Engineering is concerned, I explained before you to the other people also that it is not always only one order, it is mix of orders. So, some time in your execution you get mix of orders which is very old order at old pricing, some very competitive order and some very profitable order. However, its in first half of this year, we have executed many of the old orders and as a result of that, this has happened but on the yearly basis we are still maintaining the overall growth of Rs.515 crores overall revenue and also profitability projections between Rs.60-65 crores we are maintaining it because we don't see that it is something like systematic issue. It is something which is happening based on what orders come into production at a given point of time.

Alisha Mahawla: Sure, just a clarification for Shivpad we won't be able to meet the revenue aspiration that we have choked out. Are we expecting Rodney Hunt

- Pratik Patel:** Rodney Hunt will overshoot their targets. For Rodney Hunt we have considered \$25-26 million as our revenue target. However, we expect it to be above that.
- Alisha Mahawla:** Okay, any update on the NPCIL orders have we completed it and is there delay.
- Pratik Patel:** It is not completed. NPCIL is very slow in execution because of a number of stages of inspection. Since it is going to a nuclear power plant there is a lot of inspection stages and that is not in our control. So, we are quite advanced, we have manufactured a lot of equipment but new to the process of inspection of raw material then welding, then assembly, then final product etc. The things are not getting delivered as fast as we would like them.
- Alisha Mahawla:** Okay. So, by when do we have to complete this order.
- Pratik Patel:** Within this year
- Alisha Mahawla:** And is it possible to quantify how large this order is.
- Pratik Patel:** For this order Rs.48 crores was the order value and we have delivered around Rs.8-10 crores and of which most of the dispatch has been done in October
- Alisha Mahawla:** In October okay. And last time we were also saying that it was delay in some Tata project. Is that a different project or the same one
- Pratik Patel:** Same one.
- Alisha Mahawla:** Okay. Thank you.
- Siddesh Chawan:** Thank you. Jayesh Shah has dropped the question in the chat box; “Am I right on assuming that you bid orders with gross margin at 60% but EBITDA are only 15%? Any reason what can help bring down overheads.
- Pratik Patel:** EITDA is not 15%. You cannot consider EBITDA on quarter basis the reason for that is in the first half we are generally doing 30-35% of total revenue, in the second half we are doing 65% of our total revenue. So obviously, average EBITDA at the end of this full year is going to be much higher. Last year it was like 19-20%, this year we expect EBITDA to be close to 21-22%. So, we cannot consider EBITDA on quarterly basis. Second, the question was whether we are focused more on export? Yes, we are focused more on export. Our order history has shown the same thing out of Rs.830 crores close to Rs.540-550 crores is exports. So, yes we are focused more on exports.
- Siddesh Chawan:** It was the last question Sir. I would request you for closing comments.
- Pratik Patel:** So as already I said during the presentation, we are firm that are on a sound footing, things are going as planned. We are confident of achieving the projected revenue as well as projected profitability. Rodney Hunt for all investors was a point of concern for years and I always used to say that once Rodney Hunt starts growing it will take care of all the things, all the problems and that started happening. This month we have already touched more than \$50 million order book position and I am pleased to inform that every week or week we are



getting orders of \$0.5-1 million easily in America. So, the crisis of confidence with the American market had been Jash running Rodney Hunt, I think is gone and now it provides us an opportunity for rapid growth in the future. I am quite confident that we will bring Rodney Hunt to number one position with revenue of more than \$50 million in a very short time.

Siddesh Chawan:

Thank you for joining us today if you have any additional question, you can reach out to us anytime. We wish you a good health and look forward seeing you again in the next quarter. Have a good day.