

21st February, 2022

BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001. Scrip Code: 532782	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No. C/1, G-Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051. Scrip Code: SUTLEJTEX
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Dear Sir / Madam,

Subject: Transcript of quarter and nine months ended 31st December, 2021 earnings conference call held on 03rd February, 2022

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed a transcript of the earnings conference call for the quarter and nine months ended 31st December, 2021 which was held on Thursday, 03rd February, 2022. The same is also available on the website of the Company i.e., www.sutlejtextiles.com.

The conference call held on 03rd February, 2022, as per the Transcript enclosed incorporates mainly the highlights of financial results upto 31st December, 2021, and other related information which is already in public domain and / or made available / uploaded on the Company's website.

Please take the same on record.

Thanking you

Yours faithfully
For **Sutlej Textiles and Industries Limited**



Manoj Contractor
Company Secretary and Compliance Officer

Encl: a/a





“Sutlej Textiles & Industries Limited
Q3 FY2022 Earnings Conference Call”

February 03, 2022



MANAGEMENT: MR. BIPEEN VALAME - WTD & CFO

MR. UPDEEP SINGH - PRESIDENT & CEO

Moderator: Ladies and gentlemen, good day and welcome to the Q3 FY2022 earnings conference call of Sutlej Textiles & Industries 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. Bipeen Valame, Whole Time Director & CFO. Thank you and over to you Sir!

Bipeen Valame: Thank you and good afternoon everyone. I welcome you all to earning conference call of Sutlej Textiles & Industries Limited for quarter-ended on December 31, 2021 and under nine months ended on December 31, 2021. I hope all of you and your families continue to remain safe. I have with me Mr. Updeep Singh Ji, President and CEO of Sutlej Textiles and Industries Limited and Stellar Advisors, our investment relationship team. The result presentation has been uploaded on the exchanges and I hope everyone had an opportunity to look at it.

I will take you through financial performance highlights followed by industry and business insight by Mr. Updeep Singh Ji. After seeing more than a year full of challenges we have started to witness revival in economy when the third wave of COVID-19 pandemic hit us. As you are aware the textile industry had already started witnessing sharp recovery and we saw that impact of third wave of COVID-19 was much less than anticipated on the sector and on Sutlej in particular. We witnessed good traction in domestic as well as export markets both in terms of realization and volume growth during the quarter. Yarn business exports during the quarter contributed around 42% to sales compared to 32% in Q3 FY2021. The capacity utilization level continued to be at around 94% in yarn business, which have reached to pre-COVID low levels and around 69% in home textile business. During the quarter ended December 2021, the company reported consolidated total income of Rs.823 Crores against Rs.557 Crores in Q3 FY2021 witnessing a strong growth of 48% year-on-year basis and growth of 3% sequentially. We believe that sequential growth was somehow muted due to impact of third wave of COVID-19, which we believe should get over in next quarter. For nine months FY2022 the consolidated total income stood at Rs.2,211 Crores against Rs.1,227 Crores in nine months FY2021 showing a growth of 80% year-on-year basis. The consolidated EBITDA during the quarter was Rs.99 Crores as against Rs.52 Crores in Q3 FY2021 a growth of 93% and we saw some marginal decline compared to Q2 FY2022. The EBITDA margin stood at 12.05% in Q3 FY2022 compared to 9.25% in Q3 FY2021 and 13.38% in Q2 FY2022. The consolidated EBITDA during Q3 FY2022 was lowered compared to Q2 FY2022 by around Rs.7.5 Crores in spite of increase in total revenue mainly on account of some one-time changes. First RoDTEP benefit of Rs.6.71 Crores pertains to January to June 2021 recognizes the income from operation in

Q2 FY2022. There was a discount going on in RoDTEP e-scrips so company has taken the discounting provision of Rs.2.74 Crores on e-script recognizing Q3 FY2022 and we saw a one-time benefit of PPP loan waiver in our US subsidiary, which is around Rs.3.83 Crores recognized in Q2 FY2022, which is not there in Q3 FY2022. The above impact is also visible on PBT and PAT for Q3 FY2022. Reported consolidated PAT for the quarter stood at Rs.37 Crores as against loss of Rs.12 Crores in Q3 FY2021 and Rs.42 Crores in Q2 FY2022. During nine months ended FY2022 PAT stood at Rs.99 Crores against loss of Rs.31 Crores in nine months FY2021.

I would also like to highlight that on the balance sheet side we have been consistently trying to contain the overall debt and maintain the overall gearing below one. There has been marginal increase in total debt of around Rs.35 Crores to Rs.942 Crores during nine months ended December 2021. This is mainly on account of debottlenecking and maintenance capex up to nine months and increase in working capital which is mainly due to increasing number of days cotton inventory and also significant increase in cotton prices during this period. We are closely monitoring the inventory levels and we are confident that we will be able to bring it to the normalcy by the end of this fiscal. Lastly we would like to highlight that presently around 30% plus of working capital limits have been unutilized thereby providing the company adequate liquidity. That is all from my side. Now I would request Mr. Updeep Singh Ji to share business outlook and industry scenario and then we can open the floor for question and answer. Thank you and over to UpdeepJi!

Updeep Singh:

Thank you very much Bipeen Ji and good afternoon to you ladies and gentlemen. I thank you very much for taking time off to attend this investor conference call for our company. I would like to introduce a couple of my colleagues who are with me. Mr. Oscar Reig-Plaza who is the Business Head for our home textile division and Mr. Jitender Kumar who is the Vice President for raw materials-fibres, means all type of fibres manmade as well as cotton. So I got them in because these are two important areas for any textile group like us, so they are here. Oscar is here in India so I thought to join as well.

The COVID pandemic has altered the global textile and apparel supply chain with several apparel brands preferring more than one sourcing destination. Further the US cotton trade wars and the subsequent imposition of additional duties on Chinese textile and apparel imports have led to importers in US scouting for other destinations such as India. It is observed that made up sale in India has been a huge beneficiary of this trend and has witnessed robust offtake over the past 18 months. Bangladesh, Vietnam have been benefited in readymade garments space on account of importers looking for alternative sources beyond China. Additional optimism is emerging with Government of India becoming benevolent towards textile sector. Several incentives such as RoSCTL, MITRA and PLI for manmade fibre segments have been announced over the past 8 to 12 months and further the

stance of government on free trade agreements is also welcome policy change for T&A players. We see government being more open to FTAs with textile ministry confirming that several of them are under negotiation and could be signed in FY2022. Even as the risk of subsequent pandemic wave remains it is expected that domestic spinners and textile industry will sustain healthy volume in FY2023 as well amid a shift in preference away from Xinjiang cotton. Improved capacity utilization, greater financial flexibility have led to pick up even in capex activity in spinning segment particularly in recent months. This follows muted capex activity in recent years; several spinners particularly in mid scale and large scale have already announced some of their capex plan . In addition to this, capacity enhancements, plans include capex towards debottlenecking, modernization as well as margin accretive or efficiency improvement projects such as machinery accreditation and renewable power capacity additions. The current scenario in the market as you are aware that spinning is doing good so even in home textile domestic market segment is improving since there were no travel restrictions, the major wholesalers are looking to make new product introductions this year after two years of almost nil. During the festive season, domestic market experienced a spike in orders at the retail which reinforces Indian consumers quick to bounce back mindset. The third wave of COVID was fear to affect deeply, the third and fourth quarter; however, we see some positivity with COVID restrictions being revoked completely by UK and Germany and other European countries expected to follow the trend. We continue to see growth in UK. The third wave of COVID may have some impact on local exports essentially in retail, trade shows such as FGS in India and Germany have been deferred to latter part of the year, these trade shows are integral part of this trade, home textile trade as you are aware of and we hope to see this happen to give boost to new sales. Europe declaration of non-seriousness of this type of COVID will assist to boost market segment. Markets in South East Asia are projected to open up in coming months, North America continues to be wide open for businesses and the reorders are on a steady rise. Home textile trends indicate a preference for sustainability.

Now coming to outlook for the raw material. The fresh polyester prices have remained volatile and higher on back of the robust demand, steep increase in prices of cotton as the natural fibre and crude oil, which recently touched a decade high and expected to touch I would say about 100 a barrel, higher international prices, ocean freights and volatile currencies. The prices are likely to remain firm in future, the prices of recycled polyester fibre will keep following the price trend of fresh fibre with increased volatility and higher price of pet bottles, the fibre prices are expected to remain stable to higher. Indian cotton prices for the current season 2021-2022 have registered significant gain as a result of lower areas on the cotton by about almost 7.2% it was 12.07 million hectares, crop damage due to erratic weathers, extended monsoons, unseasonal rains and insect attack with current trade estimates dragging the crop at about 340 to 348 lakh bales as projected by CAI. By the

cotton balance sheet I think this robust demand as well of the large raw cotton from India and mills during the 2021-2022 and the opening stock of cotton during the season 2021-2022 significantly lower, so what we see that cotton prices we feel that will remain a little firm although these may not grow beyond this point, we will come to that later, so we strongly believe that strong yarn business and upstream home textile business will lead Sutlej to deliver robust performance and continue to add value to stakeholders. Thank you very much. Now I open the floor for question and answer session.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Ritesh Poladia from Girik Capital. Please go ahead.

Ritesh Poladia: Thanks for the opportunity. Sir this quarter we have seen a good jump in the realization Y-o-Y basis, what is the value-added mix in this quarter sales?

Updeep Singh: When we say value added I would say that in a yarn business we have almost 25% to 30% of the value addition both for export as well as domestic.

Ritesh Poladia: At the COVID times there was a period where grey yarn was going more than the colored and value added yarns, so is the mix now optimal or still there is a room for improvement or to go for the value added yarn?

Updeep Singh: I think there is still room for improvement because when I say value added yarn this could also be dyed and the grey both put together it is a blend of various fibres also which add value, so I still feel that there is a scope for value-added yarns in dye segment as well going forward.

Ritesh Poladia: Secondly if we see now our volume is coming in the range of 25000 to 28000 tonnes and your utilization is also 94% I guess last you have put up the capacity in terms of spindles was in 2017 is there any now plans to increase the capacity or would you like to remain at the same levels?

Updeep Singh: The point is that yes we may think of but then at the moment we do not have any plan to increase immediately because if you look at even the deliveries of spinning machines are ranging between two years to three years, so which we expect that would come down in about six months' time because once this settles down so their deliveries they will be started quoting in the range of two years by next six to eight months. I think at that point of time we would think of that if we can look at the capacity increase; however, we need to improve our own efficiencies; we would like to get better there, so we will improve our margin till such time.

Bipeen Valame: Just to add here Ritesh, what has happened is that; one you are considering a capacity and a tonnage what you are seeing as a number, but what majorly happening is that the product mix changes what we have done internally as you ask the first question shifting on the more of a value-added, spindle is shifting on more value-added going coarser, going finer so that is also add a significant value to the customer, what my point is that keeping the production level same still one can have a room to go for a better EBITDA margin and also better growth in terms of sales.

Ritesh Poladia: Coming back to value added, if any quantitative information is given it would be much better to analyze even on the index level say last year it was 100, this year it is 100 plus and then we can go in a year down the line?

Bipeen Valame: Currently if you really see we are having almost 35% to 40% of our spindleage on melange I would say the entire melange which is on value added almost significant portion of it. Now part of it even on the synthetic side is also on a value added since what happens in our case as you know that we are actually made to sell company we generally do not create the inventories, so what happens we do a lot of sampling, so giving you a fixed number becomes very hard for us because we are having a lot of SKUs and lot of dyeing capacity with a variety, so when we typically say that in black we may have 100 varieties of black so what I am trying to say is that we are having a significant value added position but giving a specific number in terms of spindleage is very difficult.

Updeep Singh: It is not only in terms of spindleage, in terms of what we have made new products in this time, in this quarter or in this year over the last two years during COVID I think we have grew our sales more almost by 20% in terms of value added that is all we can share at this point of time.

Bipeen Valame: Just to add here that if you see the export side that what we have seen is that as we say that value added means that the export also has increased significantly in terms of the value and in terms of the volume also and with new territories also, so customer world over as the markets are opening we saw a good amount of traction in export which also I would say largely a value added business.

Ritesh Poladia: Sure and in terms of home textile definitely there are a lot of developments, when do we see the break even actually?

Updeep Singh: I think we expect that FY2023 should go very well for us and we not only see break even but we see good traction in the year 2023.

Ritesh Poladia: Sir, if I heard right this quarter utilization was 69% in home textile?

- Updeep Singh:** Yes.
- Ritesh Poladia:** How much would be job work in your own sense?
- Updeep Singh:** I am giving you a number of 69%, so job work is very, small in that maybe because we did not do much of a weaving job work, our processing unit is having job work but that we are not considering because processing is having a different capacity calculation, so I am giving you purely 69% you can consider almost 90% plus is our own out of that 69%.
- Ritesh Poladia:** Okay, in couple of years can we assume your realization can be 2x in the home textile?
- Updeep Singh:** Yes that is what we plan to do.
- Ritesh Poladia:** Great. That is it from my side. Thank you very much Sir.
- Moderator:** Thank you. The next question is from the line of Monika Arora from Sharegiant's Wealth Advisors. Please go ahead.
- Monika Arora:** Thank you for giving me this opportunity and congratulations on good set of numbers. So I wanted to ask that when do you think that the home textile business would be a bit positive?
- Updeep Singh:** Thank you Monika Ji and good question yes. We expect that FY2023 would be a year of home textile for us where we will be coming to positive in the year.
- Monika Arora:** I also wanted to ask that why do you think that the EBIT loss has widened in home textiles?
- Updeep Singh:** Monika, there are a couple of points which I would like to highlight here. The loss has widened is if you see my opening remark as I mentioned that this home textile business is both the domestic that is Indian business and American Silk Mills. So first of all if you remember I mentioned that Rs.3.93 Crores one time PPP loan waiver has resulted into other income, so you are seeing a number which is 6.76 loss to 11.86 or 6.76 to be adjusted with 3.93 point number one. Point number two in American Silk Mill, we were having the order book of almost like maybe 1.2 million to 1.4 million, but there were major constraining united states in terms of US logistic issue and Oscar is with me here. So US logistic issue has actually hampered the delivery so we were expecting this quarter to improve that is the December quarter that could not happen because as you know most of these containers are floating on the US sea and even the drivers is a shortage so what is happening is that the materials which they are getting from India, China or Italy that is getting delayed so that has impacted on sales that is point number one. On home textile front as you know that we launched Nesterra as a new brand last quarter that is we were expecting more books and

things to get launched probably I would say probably there is a delay of maybe one or two months, so now the books are with the stores and we are now very positive that in this quarter we should see attraction from February, March and it should continue in the next financial year. To answer your question yes this is not exactly apple-to-apple, so slightly it has increased because of fixed cost remain fixed, but sale did not take off the weed was expected in this quarter, so there is a lack.

Monika Arora: Okay and any marketing strategies planned for the home textile business?

Bipeen Valame: Yes, we do have marketing strategy and plan for home textile business for next two to three years short term and long term and we have recently appointed a new business head for this division who comes from this industry and mainly front end from US and Europe, so that is one. Second we have now consolidated the total home textile division is managed by one team including ASM and Indian home textile division, so that is Sutlej Textiles home textile division. Then third by launching of this brand and also by putting up more SKUs in the market and appointing more distributors. As we talked today we have already we are on the retail points at about 160 retail stores and which we will increase to 250 in the next six months, so for each I would say category in home textile division we have a separate plan as a marketing plan to do that to achieve these numbers.

Monika Arora: Okay, so do you have any orders like?

Updeep Singh: Yes I will just explain like for example, in case of brand like we launched Nesterra which is necessarily a cut service, so where we are servicing our retail points through cut service so that is one initiative which we have taken in this year 2022 and which is going to fructify we see in 2023, so that has a separate strategy for this cut service.

Monika Arora: Okay, any order pipeline we have in this segment?

Updeep Singh: You are talking of Nesterra?

Monika Arora: Yes.

Updeep Singh: So in Nesterra on daily basis, we have reached an average of almost 300 meters which we intend to increase to almost 1000 meters per day.

Monika Arora: Okay. That is it from my side. Thank you.

Moderator: Thank you. The next question is from the line of Viral, an Individual Investor. Please go ahead.

Viral: Thank you. Congratulations on a great set of numbers. In terms of the budget I believe there was I think expectation from the industry on the import duty so given that there is no reduction in the import duty and cotton prices are rising, what is your outlook on cotton prices in general and how do you think that is going to impact the company going forward?

Updeep Singh: Thank you Viral for asking this question and first I will answer your second question. The import duty on cotton basically what is imported in India is extra long staple ELS cotton. So first of all in India we in Sutlej we are not importing any cotton which is ELS cotton any imports of cotton because all product mix is based on Indian cotton. However having said so the impact of import duty on cotton and the cotton prices, today we see cotton prices in the range of say 78,500 per candy I am talking of Shankar-6, so we do not expect these prices to go up very sharply beyond this and maybe that we see that there will be some sort of reduction in this and I do not say that when it is reduced it will come to the old level, we see that there can be a reduction of 5%, 7% going forward.

Viral: Okay Sir.

Updeep Singh: I hope this answers your question or you need.

Viral: This is fine and do you plan to make any follow on requests to the government in terms of the duty?

Updeep Singh: The associations are doing it. We are part of city so as an association yes; definitely various associations are engaged with government agencies for this.

Viral: Thank you Sir.

Moderator: Thank you. The next question is from the line of Prerna Jhunjhunwala from B&K Securities. Please go ahead.

Prerna Jhunjhunwala: Congratulation Sir on good set of numbers. I just wanted to understand this raw material scenario across the polyester, VSF as well as cotton for you, how it is moving and how you are able to pass on the increase in prices to the customers like what is acceptability today?

Updeep Singh: If we look at polyester and viscose prices, polyester prices have shown jump over a period of time and so as viscose so what we are able to pass on part of it, today we were not able to pass on the full increase in terms of I would say the price increase based on polyester and viscose we could do it to the extent of 75% to 80% as an average based on the product mix because these prices are directly linked to fibre as well as when we have value added, so value added there we can get a little more increase than the normal counts, so I would say

that we were able to pass on 75% to 80% of these prices based on fibre and we see that polyester trend is going to be little strong based on the raw material prices and also prices of crude oil, so in the short term we see that this should remain firm to range bound.

Prerna Jhunjhunwala: Okay and how does demand shaping up because you know cotton prices have increased so meaningfully in the last one year so do you think that the demand for polyester and viscose based products will increase in meanwhile period till the cotton actually settles down as you said to the previous participant?

Updeep Singh: Prerna you are absolutely right. What is going to happen is that I would say that the blend would increase where today we are using the 100% cotton there could be something which is blended with viscose or polyester, so that would increase in a little higher segment, lower segment yes. There will be some shift from cotton to polyester and viscose, but I would say my industry experience says that that shift will be in the range of 8% to 10% and it will be mostly in the blend.

Prerna Jhunjhunwala: Okay, so which means that the demand for our segment will actually improve meaningfully going forward at least in the near to medium term till the various raw material prices are going to remain high, just wanted to understand how you are going to capitalize when you are running almost full capacity in the yarn business?

Updeep Singh: There are a couple of things which will happen in this. One, this blend mainly in the grey segment when I said blend between cotton, viscose and other could be on the grey segment. Second to answer your question it is a shift in the product mix in terms of count. We might get little closer and increase the production.

Prerna Jhunjhunwala: Okay, understood.

Updeep Singh: That is one way we can do that.

Prerna Jhunjhunwala: Okay, understood, how should we look at Sutlej from next three to five years perspective what will be the growth drivers for the company?

Updeep Singh: The growth drivers for the company would be one the value addition that we would like to add value in our business both in spinning as well as in home textiles and the second would be that our control on our raw material by having this green fibre plant. Today we have this capacity of almost 3600 metric tonnes per month which is almost equal to our consumption and there we would like to add value addition in terms of I would say both side is one then could be fire retardant, there are so many things where we can add this and we will have

control over our raw material so the growth driver for us going forward is value addition in yarn, our home textile and green fibre business.

Prerna Jhunjunwala: Okay and Sir are you seeing better profitability in the green fibre business today given that the entire world is like looking at climate impact of using natural resources or wastage created by the sector?

Updeep Singh: I agree with you Prerna. We see this traction and we see this traction more as the concept of sustainability is growing. We have got the certification as well, so in green fibre as well as in our yarn units, so this concept of ESG and all these certifications we are now having it, so now we have to market it, so I think we will grow on this proposition of value addition in the growth.

Prerna Jhunjunwala: Great Sir. Thank you so much for answering in detail. All the best.

Moderator: Thank you. The next question is from the line of Aditi Rathi from Niveshaay. Please go ahead.

Aditi Rathi: Good afternoon everyone. Sir my question is on the budget side. So there has been a decrease in the import duty on yarn, fabrics and other accessories in textile so what is your take on it, how do you see the current scenario in that terms?

Updeep Singh: We see that this reduction in import duty on certain category of yarn, so it is in certain categories of yarn, so we see that in terms of grey manmade fibre yarns I think within India and what benefit really comes out of this needs to be seen I think it will take at least one quarter to figure out, what is the exact impact of this.

Aditi Rathi: Okay, so currently as such it is not affecting you directly because may be that particular segment is not related indirectly to your business?

Updeep Singh: You are absolutely right.

Aditi Rathi: Okay so like maybe in future that might like as you said after one quarter you will be correctly able to figure out how is it affecting you?

Updeep Singh: No, I was saying affecting the industry, in case of the dyed yarns this impact comes, there is a lack in this, for example if the grey yarn sells more within India there can be more demand for dyed subsequently, so we have to wait and watch at least for a quarter.

- Aditi Rathi:** Okay fine. I have one more question like can you tell me how much percentage of yarn is currently being imported on the side of cotton versus manmade?
- Updeep Singh:** How much yarn is?
- Aditi Rathi:** Currently being imported.
- Updeep Singh:** For Sutlej we do not.
- Aditi Rathi:** Generally for India if I see the domestic market?
- Updeep Singh:** Domestic market I would not have the exact figures, but I figure out that it is more of the manmade yarn which is imported and also filament yarn, cotton yarn import I do not think that too much of cotton yarn import in India.
- Aditi Rathi:** Your company does not have any import related data?
- Updeep Singh:** No, company may have data on import related I do not remember it often the figure you said.
- Aditi Rathi:** Correct, you do not import any yarn?
- Updeep Singh:** We do not import any yarn.
- Aditi Rathi:** Okay, fine. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Renuka Jadhav, an Individual Investor. Please go ahead.
- Renuka Jadhav:** Thanks for the opportunity. Sir my question is on the capex front, so what is your capex outlay for FY2023 and FY2024?
- Updeep Singh:** Thank you RenukaJi for asking this question and being here. Our capex outlay for 2023-2024 is under preparation, so we would not have too much of capex it is the debottlenecking which comes up and we are underway to prepare it and go to the Board in the next Board meeting.
- Renuka Jadhav:** Okay, I would also want to know like going forward by the end of FY2025, what can be the revenue mix between yarn and home textile?

Updeep Singh: These are just offhand figures what we have a plan so I would say home textile would go to almost more than 10%.

Renuka Jadhav: Okay.

Updeep Singh: Because the category we are in today, for example if we expand the categories in couple of years or three years then it might change in home textile, but the categories that we are in an upholstery and drapery we expect this percentage of the revenue.

Renuka Jadhav: Okay. That is it from my side.

Moderator: Thank you. As there are no further questions from the participants I now hand the conference over to Mr. Updeep Singh for closing comments.

Updeep Singh: Ladies and gentlemen thank you very much once more for attending this conference call and I would like to conclude this with the statement which you might have read also from our Chairman Mr. Nopany that textile industry continued to witness strong demand and volume growth on back of having fear of COVID-19 and Government of India's successful mass vaccination campaign. While there was some uncertainty about impact of third wave of COVID during the quarter, the Indian textile industry is experiencing high surge in demand with structural changes in textile supply chain triggered by China plus one strategy and tailwind with various government initiatives for the industry. Cotton prices rose sharply and according to stay high part of which was offset by improved yarn realization and higher efficiencies. We are fully geared up to meet growing domestic as well as exports demand going forward with our well-diversified product portfolio. Thank you very much and I wish all of you to stay safe.

Moderator: Thank you. On behalf of Sutlej Textiles and Industries Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.