



## “Astral Limited Q3 FY25 Earnings Conference Call”

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**MANAGEMENT:** **MR. SANDEEP ENGINEER - CHAIRMAN AND MANAGING DIRECTOR, ASTRAL LIMITED**  
**MR. KAIRAV ENGINEER - EXECUTIVE DIRECTOR, ASTRAL LIMITED**  
**MR. HIRANAND SAVLANI - EXECUTIVE DIRECTOR AND CFO, ASTRAL LIMITED**

**MODERATOR:** **MR. RITESH SHAH - ANALYST-MATERIALS AND HEAD MID-MARKET RESEARCH COVERAGE AND ESG, INVESTEC INDIA**

**Moderator:** Ladies and gentlemen, good day and welcome to the Q3 FY25 Earnings Conference Call of Astral hosted by Investec Capital Services 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. Ritesh Shah, Analyst-Materials and Head Mid-Market Research Coverage and ESG from Investec India. Thank you and over to you, sir.

**Ritesh Shah:** Thank you, Albert. Thank you all for joining the Conference Call. We have with us our senior management of Astral Limited.

We have with us Mr. Sandeep engineer – Chairman and Managing Director; Mr. Kairav Engineer – Executive Director and Mr. Hiranand Savlani – Executive Director and CFO.

I'll hand over the call to Sandeep Bhai for the initial remarks post which we'll have Q&A. Over to you Sandeep Bhai. Thank you so much.

**Sandeep Engineer:** Thanks everyone for joining the Earning Call for Q3. As you are very well aware, the building material industry is facing challenges in demand scenario during the third quarter due to overall infrastructure spending by the government and liquidity challenges in the market. In spite of that, I am happy to share that on a consolidated basis, our company was able to deliver a marginal top line growth of 2% and a very healthy growth of 9.3% in EBITDA on a YOY basis.

Now let's go through the different verticals of Astral:

To start with, Pipes and Bathware:

Pipe vertical was doing excellent in last year in Q1 for the current year, but post-election, some slowdown started, which has created a problem for the industry. In spite of that, Q3, we are able to maintain our volume and grow our EBITDA by 10.9% in spite of huge volatility in polymer prices.

Entire industry was waiting for the anti-dumping duty on PVC, but it got delayed, which also affected the industry volume growth. We are expecting that post budget this should be in place and this will be helping the industry at large. In pipe, our focus continuously is and will be on value added products and quality products. We are working on that and we'll bring new products in the near term.

The good news is that much awaited UL certification for our Fire Pro fitting is received recently by us. While we were already holding the UL certification which is required when you sell the fire products, fire pipes in the Indian market. Hence now our full range is UL certified which

will help us in a big way for the project business and also the export business in Europe and various global markets. I'm happy to share that Astral is the first company in India to get UL certification for fire sprinkler products.

Now PTMT ranged as I had guided, we are launching it in the market. And we have already launched it in this quarter and we are expecting more sales from this PTMT range in the coming quarters. The Ghiloth plant has started SWR fitting production in a full scale. And we are about to start the CPVC fitting production also in the full scale at Ghiloth plant, which will help us to feed the northern markets and various markets in even the eastern region.

Channel drain, which we used to import from Europe, and now we have started the complete range of production of channel drain in India. We are the only company making and the first company to make this entire range of channel drains at an international level of standards. And these channel drains are well accepted and used in many infrastructure products, whether it's a private level or it's a government level or building of airports or various facilities, is our channel drains are accepted and are in use.

OPVC complete trials are over. The product range is ready. And our products have gone for the BIS approval to get the ISI standard. And we are expecting the BIS approval and ISI standard certification in a few days from now. So the entire product range will be placed in the market. And we are expecting very good sales number from this new OPVC product line.

Coming to Bathware, before that I'll just brief you that our construction work at Kanpur plant is on where we will be starting the first manufacturing of our water tank shortly. And then we will be starting, especially the PVC pipes from the Kanpur plant shortly. As for our pipe production, as we had said in the last call, is already started in our Andhra Telangana plant. As projected and guided in bathware, guided we are targeting in bathware, a revenue of Rs. 120 crores for this vertical, in this fiscal and we are already on the line in our sales to achieve this target and we have already reached Rs. 83 crores of sale in nine months and we are confident that we will cross this guided range and guided number in the current fiscal year. We are also launching new SKU in both bathware and faucet as per the requirement of the market and this SKU we are expecting good response and good market in the coming months as we have done a market survey, shown these new products to the targeted consumers and there is a very, very positive response on this new range. Slowly, our bathware products are getting recognized in a very prestigious project in India and we are expecting good numbers, good growth and very good establishment of these product lines in coming years in this Indian market.

Adhesives, our India operation is continuously delivering a good growth. In Q3, it has delivered a very healthy growth of 14.5% with a very healthy EBITDA of 16.4%. Our Dahej plant is gearing up very fast, which is a state of art and totally automatized plant. And shortly we are planning to organize a factory visit of the investor, so you can all see the plant. Mr. Hiranand Bhai will coordinate with you on the same. We are also working for a few new products in the shared verticals and we are going to launch these products in the coming time.

During the quarter, our overseas operation, adhesives, was passing through a slowdown, but because of slower economic activities. We have taken some corrective measures, and we will bring back the growth, as well as the EBITDA from Q1, as we had already communicated. But in this quarter, the company has only de-grown by 5%, but it is with a positive EBITDA of 0.7% to 1%. So we are not incurring any minus losses there. You have taken multiple steps in UK and US businesses. And all these reflection of these steps in the value terms will be seen from Q1 and Q2 onwards there will be a very, very positive level of growth, positive level of improvement of EBITDA, and lot of new products are getting launched in US market which is getting good response. Already a few products have launched, have been launched in this quarter, which has got good response from the US market. Some corrections are being made in the US business on manpower level, which will reduce our overhead costs. In UK also, we are now going backward in one of the technologies which we have brought over from Europe, so that is going to add margin. As well as we are going to rationalize the purchases in India and UK on a mass level which will also help the UK as well as India plant and we have made a few corrections in the manpower cost there in UK which will be also reflected in coming 1 or 2 quarters.

Now coming to Paint business, paint is slowly entering in new cities in Astral brand. In Gujarat, we have done key big cities where astral brand is started moving to the dealers. But we have recently made open the state of Rajasthan and we have made a official launch in Jaipur. The first few months in Jaipur was very positive for Astral paint. Astral paint has started going in the Jaipur market and various cities of Rajasthan, we are going to open one-by-one in the coming months. So we will be focusing on two states as present for next three months, that is Gujarat and Rajasthan. And then we will move to two more states, Maharashtra and MP in next 5 to 6 months. Established see Astral Paints reaches all these markets and we get a good growth.

At the same time in the southern market, we are now more focusing where we are strong in Gem paint brand to focus and get a good growth from the Gem brand. And that's why in this Q3, we have registered a growth of 7.5% in top line and we have maintained EBITDA of 4%. overall, The GP is only almost maintained, only 1% or 2% change. The major thing is that we are launching Astral brand in various markets. So we are just keeping in mind that we are not getting into any negative EBITDA or negative margins. But the manpower cost and certain launching costs are getting added up to the bottom cost which has reduced EBITDA which again, we are forcing to get into a double-digit number shortly in 1 or 2 quarters in the paint business.

We are expecting the post-weather sentiment of industry should improve and we are expecting good allocation of money in infrastructure from the government and this is going to boost up the growth of economy and building material segment in a big way. I will now hand over to Mr. Hiranand bhai, our CFO & Executive Director for financial numbers. And in the question-answer session, I will be always there to answer all your queries and questions. Thank you very much, everyone.

**Hiranand Savlani:**

Good afternoon, everyone. Thank you for joining this Q3 earning. I think Sandeep has already explained that the Q3 was a challenging quarter for the industry. But in spite of that, we were in a better position that we will maintain our margin, whatever we have guided. For the pipe vertical

16% to 18% EBITDA and adhesive work India operation between 14% to 16%. So we are very well on the track and overall on a consolidated basis also we have delivered a 9.3% growth into the EBITDA while the industry was struggling for the margin.

This quarter even paint has done a reasonably good growth of 7.5% in spite of slowdown. And adhesive India operation has also delivered a growth of 14.5%.

Now I am giving you the individual vertical wise number for sales and EBITDA. The pipe this quarter was 990, Paint, it was 50 crore, Adhesive, 280 crore, UK 77 crore. So total 1397. And bathware, which is included in the pipe, was close to about 27.9 crore. So close to about Rs. 28 crore. And EBITDA level pipe, 18.47%. Paint, 4%. Adhesive India operation was 16.36%. Adhesive, UK 0.65% and over consolidated basis 16.5%.

If you see in our press release, our GP is the highest on the 9-month basis in the history. However, it is because of lower polymer price, we are unable to take the advantage in top line and consequently it is affecting to the EBITDA also. But despite of that our EBITDA margins are comparatively very, very healthy and within the guided zone. But now due to base effect of lower polymer price, we are seeing a good improvement in topline in the coming quarter because now base is low. So now we are seeing that little bit increase in the polymer price is going to help us into the top line growth in the coming quarter.

As you know, Astral is always believing in the profitable growth and our focus will always be on a quality product company. Our customers know very well that brand Astral is a quality company and therefore they are happy to pay us the premium for that. In recent quarter, many companies have deteriorated the quality standard just to push the extra volume and take the short-term advantage. But Astral believe in the long term story and we have never compromised in the quality of the product. We can proudly say that today very few companies are in market which give the quality product as per the standard. And Astral stand by on the top in the market on these parameters.

Our focus will always be on the value-added product which you can see in our numbers where industry players are struggling for the margin, we are able to maintain on the highest margin percentage in the industry. This is possible only because of the quality product and increased share of the value-added product.

Bathware business has also delivered a good number during the quarter in Q3. It has delivered a top line growth of 27.9 crore versus 18.9 crore last year Q3, which resulted in a growth of 48% and on the nine month basis also, if you see, we have delivered 64.5% in the bathware verticals. So whatever we have guided that we are going to deliver 100 crore to 120 crore in the beginning of the year, we are confident that we are going to gross our guided turnover of 100 crores to 120 crores.

Fire sprinkler, Sandeep has already explained that now we have got the UL Certification, which is going to help us in a big way in the coming time in the project business, as well as in the

international market. So we are now going to open up in the Gulf region also and the European side also this product. PTMT has already launched and people are appreciating our quality and we are high confident that this product is also going to give us a reasonably very high number in the coming time.

Recently, the company has opened up a marketing office in Dubai and we are now targeting to the export market for UAE, Gulf and Africa. And we are expecting that this office is going to help us in a big way to enter into the export market for all our value-added products as well as the adhesive products. During the current year, we have increased the capacity by 36,000 metric tons from 334k to 370k metric tons.

Now with this, I am opening up the floor for Q&A. Thank you very much.

**Moderator:** Thank you sir. We will now begin with the question-and-answer session. Anyone who wishes to ask a question may press “\*” and “1” on their touchtone telephone. If you wish to remove yourself from the question queue, you may press “\*” and “2”. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

**Hiranand Savlani:** Can we move to the next question because he is not replying?

**Moderator:** Yes sir, just give me one moment here sir. The first question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

**Shravan Shah:** Hi sir, can you hear me now?

**Hiranand Savlani:** Yes, we can hear you.

**Shravan Shah:** Yes. Sir, couple of things first on the plumbing volume. So for nine months, we have done just a 4.3% and we were looking at 10% to 15% for this year. So now what's the revised guidance for this year and if possible for next year how much growth one can look at?

**Hiranand Savlani:** I think it is difficult to view the volume guidance exactly under the current situation because we are too much dependent on how this budget, government spending and all is happening because lot of crisis are there into the liquidity side in the system. Secondly, much awaited anti-dumping duty, we don't know when it is going to be announced by the government. So if that is going to come, then the definitely volumes will be very high in the Q4. But if that is not going to come, then volume will be slow. So it depends to subject to that, we will be able to tell. So we are waiting for that. And then we will be able to tell exactly what is going to happen. If both things will happen, then definitely we can deliver a double digit number in the Q4 also. But if it's not going to happen, then it may be a single digit also.

**Shravan Shah:** Okay, got it. And second, sir, in terms of the margin in plumbing is for nine months is very good, 18.3%. Though our range was 16% to 18%. So how one can look at, is there a possibility this margin range 16%-18% can be now on the higher side one starts building in?

**Hiranand Savlani:** No, I think my range will remain same, only now our focus will going to be more of the volume than the margin only. I think margin we are based in the industry. So now our more focus will be on the volume rather than on the margin.

**Shravan Shah:** Okay, got it. And in terms of the adhesives, because though we are saying a 14% to 16% margin, combine everything, but till now it is just 11.4%. So obviously you have mentioned that UK will start now throwing the positive EBITDA. Just trying to see how one can look at in FY26 itself, one can start looking at 14% to 16% adhesive margin?

**Hiranand Savlani:** Yes, 14 to 16 we have given the Indian operation. UK has never given that kind of margin. So our Indian operation will continue to give us that range only. Even if you see that this year number also, the adhesive division has delivered a margin of I think 16.36% in this quarter and on a nine month basis it has delivered 15.97% so close to 16%. So India operation is going to deliver the similar zone of 14% to 16%, but UK has definitely one more quarter we needed for the improvement because we have done the correction. So as Sandeep bhai said, we are expecting the improvement in the Q1 onwards.

**Shravan Shah:** So for full year next year, how one can look at a UK margin, sir?

**Sandeep Engineer:** UK margin will bring back to that 5% to 10%, which has been a historical margin. And that the steps we have taken would reach there. The market growth and all depends on how these local markets function. But we are sure that we will not be de-growing anywhere. But we are confident to get the margin level up because if US merges with UK as a number and we have also taken many steps in the US but for certain markets, even if you reduce your cost in the manpower or any other cost, there is a cycle where the election can be seen. You cannot tomorrow go and say that now today I have 50 people and tomorrow I need 40 but there's a cycle where phase-wise these costs reduces. So these steps which we have taken to reduce all these overhead costs and certain costs, still maintaining the business will be actually reflected in 1 or 2 quarters from now. And we are categorically saying this, that all steps taken, whether there or whether in other businesses, will be reflected. And we have always guided the market in the right direction from day one from years together. But there are rules of the country, there are regulations of the country which come into source and that cost reduction of certain levels take 3 months to 6 months and which will be reflected.

**Shravan Shah:** Lastly sir, is it possible to share the India adhesive absolute revenue for third quarter and for nine months?

**Hiranand Savlani:** Third quarter Rs. 280 crore.

**Shravan Shah:** And for nine months sir?

- Hiranand Savlani:** 9 months adhesive revenue. One second, I have to check.
- Sandeep Engineer:** We can within with our questions, we'll answer it, otherwise we can move ahead with the other questions.
- Hiranand Savlani:** 697.
- Moderator:** Thank you. The next question is from the line of Sneha Talreja from Nuvama. Please go ahead.
- Sneha Talreja:** . Thanks a lot for the opportunity and congratulations on strong margins. Just a follow up to what you just said that now the focus will be on volumes and margins you are already doing the highest. Firstly, I would like to understand how did you manage to do this margin on a quarter-on-quarter basis, higher, given your volumes were flat. And from here, would you be following the strategy of discounting on pricing as done by many other players to gain volumes? And if that's the case, what is the outlook we should expect in terms of volumes?
- Hiranand Savlani:** So I think volume depends on the industry, how it is going to perform. So our normal range will be between 10% to 15% in the volume. That is what we normally work. And next year also we are expecting that we should be definitely going to deliver between 10% to 15% minimum. Because now the base will also be low. Because if the current year single digit growth will be there, then next year base will be low. So because of that, we can easily grow 10%-15% in volume. But if the market conditions are good, like whatever was there in the last year, we can deliver even 15% plus also. So it depends how the economic scenario is going to develop, how the infrastructure spending is going to be there in the system and how the real estate demand will be there. Based on that, it will be decided. But we are definitely growing between 10% to 15% should not be the challenge looking to the lower base of the current year.
- Sneha Talreja:** But this would come along with discounting?
- Hiranand Savlani:** Yes, carry on.
- Sneha Talreja:** Sir, I was just asking the same thing, but would this come at the cost of discounting in terms of pricing which everyone is doing now or would you follow the same strategy of being premium?
- Hiranand Savlani:** We are not discounting anyway. Even you see in the past quarters also, we have not sold any of our products at a discounted rate. So, there is no question of discounting the thing.
- Sandeep Engineer:** See ma'am, let me be very categorially very clear about things, that if a market is having a size where even by discounting, you have seen results, people are not grown. So I think it's always better to keep your healthy margins because discounting in this consumer industry is like once you discount your product and bring that margins of the discounts down to distributors, dealers, and in the past also we have seen and which everyone will see is to bring back the price level or reduce those discount level is a big process, which if I do it today, and even I don't build a volume, to bring my discounts back to normal will take me 6 months to 1 year. So the market



keeps on expecting whether it's a dealer, a distributor, a consumer. So looking to the scenario of the market and looking to the basic thing which is not there is if you see the consume of the spending of the private sector is there, we are all selling. We have been doing business, we are growing, but the government segment is a buyer. The people who are supplying to government segments are also coming in the same market. So practically, as the spending comes back, as the economics starts turning, which we'll see after the budget, we don't see any issues of volume growth, value growth, and things growing up, and we will stick to spending in a healthy EBITDA that will be always there and we are selling value added products, we are selling costly products and we are selling products which carry more value and margins which is reflected again and again in our results.

**Sneha Talreja:** Thanks sir, that was helpful. My second question is on the exports front. You mentioned a couple of geographies, Middle East, you have opened up an office at Dubai and you are planning to do exports to European countries. Currently, what portion of your revenues is coming from exports?

**Sandeep Engineer:** We won't be able to differentiate and give these numbers please, but we are expecting a positive and we are getting positive orders for our certain value-added products, but we won't be able to give you numbers on exports.

**Sneha Talreja:** Understood. Just a clarity here, this is only fittings, right? Not pipes.

**Hiranand Savlani:** No, both. Pipe and fitting, both.

**Sneha Talreja:** Understood. Quite helpful. I'll come back in the queue. So thank you and all the best.

**Hiranand Savlani:** Thank you, ma'am.

**Moderator:** Thank you. The next question is from the line of Abhishek from DSP. Please go ahead.

**Abhishek:** Hi sir, thanks for the opportunity. So just couple of questions in terms of, you have grown, you have basically been flat but you have maintained your margins well. Is it fair to assume you would have still maintained your market share just to understand the industry growth? How should one look at that perspective?

**Hiranand Savlani:** Definitely, if you see the industry, industry had not grown in this 9-month basis, hardly 3%-4% growth is there. So we have maintained our, whatever the market share is there. So will not maintain the margin at the cost of market share. We are not going to lose the market share and maintain the margin. That will never be the mindset of the management.

**Abhishek:** Correct. So sir, in this light, how should one look at it? Because is it because of channel de-stocking? Because otherwise, if you look at the pipe industry, usually grows at 7% to 8% broadly. So this should also come back over a period of time as Sandeep Bhai was kind of hinting at. As channel inventory normalizes, is it the way one should look at it over all growth from next 12 months to 15 months?

**Sandeep Engineer:** No, it should happen in a short time I feel because channel de-stocking is one thing but the uncertainty of polymer, whether it will go up, will come down, whether it's, what is the open market, what is the price of the biggest manufacturer of India, all these ambiguities and the ambiguity around what will be the effect of the anti-dumping, whether it will go up. All these ambiguities which prevail within the market, plus spending from the infrastructure, spending from wood, will be settled down in the next 2 to 3 months. There is nothing that remains ambiguities always. And then the market will start accepting. Market will start putting material back in the channel, and market will start growing at its normal pace which we have always guided, 10% to 15% around in volume terms.

**Abhishek:** Okay. But you are saying sir, today there is an issue with primary sales and secondary is still fine. Would that be a fair estimate to make sir?

**Sandeep Engineer:** Both are going parallel I can say. Secondary is also doing excellently well. I don't say there is, these are type of things which are over panicked rather than these are the phases which always come in the business cycles of business.

**Abhishek:** Correct.

**Sandeep Engineer:** There is no over-panicked situation which you can say is a big concern on anything. A flattish one speedometer guide is there, slowly we will get good road, clean road and it will bump up to a higher speed.

**Abhishek:** Got that. Very, very helpful. Sir, just one other thing, as Astral, when you aspire to grow at 15% to 20%, in that, one is obviously market growth rate has to support, but you think there are still gaps as far as distribution and regional presence are concerned, and over the next 2-3 years you can work around it to accelerate as far as market share gains and growth aspects, how should one look at that, sir?

**Sandeep Engineer:** Basically, we are there at every nook and corner of India. But this is a thing which for years and years will continue. And we are adding good distribution network where we feel that we need to strengthen this up or we are getting a good distributor by keeping and safeguarding the existing distributor as well as we are also keeping our focus in the rural markets. So overall network growth and distribution addition is always continuing and will continue with that in Astral.

**Abhishek:** Thank you so much, Sandeep bhai. Thank you so much for answering my question. I wish you all the best.

**Sandeep Engineer:** Thank you.

**Moderator:** Thank you. The next question is from the line of Rahul Agarwal from IKIGAI Asset Management. Please go ahead.

- Rahul Agarwal:** Yes, hi. Good evening. Rahul from IKIGAI. Sir, three questions. Firstly, to start with, January 2025, how's been the start? A little bit qualitative comment on plumping infra demand. I know Astral is smaller in agri, but just your sense please?
- Hiranand Savlani:** I think demand is good. We don't see any problem in the month of January and we are growing.
- Rahul Agarwal:** Okay, so it's like should be a normal kind of double digit kind of growth for the industry, I think?
- Hiranand Savlani:** I think let we finish January, then we will be able to know exactly what is going to be there.
- Sandeep Engineer:** Let's not get into these things because any scenario which we predict today is not too early to predict. Let's not go month-by-month. Let's see the quarter-by-quarter. And as Hiranand bhai said, things are positive and they are positive in the value and volume terms of the month.
- Rahul Agarwal:** Got it, sir. Hiranand bhai, for 9 months what is the operating cash flow in CAPEX which the company has done?
- Hiranand Savlani:** I don't have a handy number. You can call me maybe post this con call.
- Rahul Agarwal:** Okay, no problem. And the CAPEX budget for the full year, roughly if you have fiscal 25 and 26?
- Hiranand Savlani:** I think we should be closing around Rs. 450 crore or so for the full year.
- Rahul Agarwal:** And for the next year?
- Hiranand Savlani:** Next year should be somewhere around 250 or so.
- Sandeep Engineer:** We have done most of our plants now. We are not going to add up any new facilities because we are now, Kanpur is almost completed. So I think next year the CAPEX cycle will come down drastically on the addition of capacity here as well as in adhesive. Paint, as we have already said that we have not done any CAPEX after this acquisition except a few here and there corrections. And we will continue with that because we have a good capacity there. Faucets also we have not done, we just did Rs. 23 crores asset buying and that plant has slowly doing most of our products and we have expanded thereby spending few crores and so we have a very good state of art facility to help us. So next year as Hiranand bhai guided the CAPEX cycle will be trimmed down because we don't need so much addition in new land or in new building except a few machinery additions will keep on happening.
- Rahul Agarwal:** Got it, Sandeepji. One last question was on adhesives. Qualitatively it could help us understand how is the India business behaving? Obviously the numbers are good, we have grown 14.5% for the quarter but just in terms of pricing and volumes and Dahej ramp up, could you just qualitatively comment on how does the market look like next 12 months?

**Sandeep Engineer:** if you see, we have steadily built our brand bondtite in the market. All our products are doing excellently well, whether it's now 0.5 milligram, the ampoule is selling well. Our epoxies are selling excellently well. Our white glue is picking up. As well as our product lines of cyanoacrylate, the silicone, the hybrids and all the construction chemical is slowly also ramping up. So overall, I guess if the saddle is very slowly and steadily going up, solvent cements will be almost the biggest in India. And the Dahej plant for white glue is fully operational. We took all our key dealers and distributors there 1.5 months back, and they were excited to see the fully automated plant. Epoxies, the whole range is made there. We have advantage of raw material, which we now buy in bulk at Dahej plant, which is helping us. And everything is being automated, is saving us the cost on the spillages or things. But especially, the formulations have become so standard that our yield also has improved. So Dahej plant has added a great value to the adhesive business. We learned a lot from that and we'll continue to learn.

**Hiranand Savlani:** And I think in adhesive business, the way the growth is, the way the margins are and the way the established things are happening, we see a great future of these business for years to come. And I think I can add this that I given the nine months' number for adhesive that was probably like taken the different columns. So the real number is 782 for India operation for nine months, and UK is 258 for nine months. So total is 1040 for the nine months. And this quarter, India operation is 280, and UK is 77, so 357 for this quarter.

**Rahul Agarwal:** Perfect sir, that was just a clarification also, I was needed. Thank you so much sir, all the best.

**Hiranand Savlani:** Thank you.

**Moderator:** Thank you. The next question is from the line of Keshav Lahoti from HDFC Securities. Please go ahead.

**Keshav Lahoti:** Thank you for the opportunity. Sir, what is the sense on the ADD which we're talking on pipe side?

**Hiranand Savlani:** I think we are expecting that this one should come, post budget should come.

**Keshav Lahoti:** Okay, that is great to hear. And the sense on channel inventory, is it normalized inventory or you would say it is still subpar?

**Hiranand Savlani:** No, it is subpar. Because so much of volatility there, nobody has a confidence. So because of that, nobody will be happy to have the inventory.

**Keshav Lahoti:** Sir, I'm asking you this question because what we have seen, resin prices has not been volatile in the last three months and there are talks of ADD. So the chances of prices increasing is more. So why is the channel not getting back to normal inventory?

**Hiranand Savlani:** But still market is talking about downward trade. So very difficult to understand that somebody is telling that first some price is going to drop. Somebody is telling me that this basic duty in this

budget is going to go up from 7.5% to 10%. Somebody is telling me that in the post budget, immediately the anti-dumping duty will come. So a lot of things are moving in the market. So very difficult to know what is exactly happening. So same thing is going to happen with the dealer and distributor. So everyone is talking the different language.

**Sandeep Engineer:** And channels, every company has a stock. So even if something comes up, it will take some time for anything to be implemented and see the results.

**Keshav Lahoti:** Last question from my side, what sort of pipe capacity you will be adding in this year plant wise and next year also?

**Hiranand Savlani:** This year we have already added 47,000 metric tons in 9 month basis. I think little bit more can be added in the Q4. Next year Kanpur once will be operational and then sizable capacity addition will be there. Another 30,000 or so will be there minimum. And then some correction in the individual plan level. So maybe another total 40,000-45,000 can be added next year.

**Keshav Lahoti:** Got it. So, Kanpur total size is 60,000 or total is 30,000 because Kanpur was in two phases.

**Hiranand Savlani:** Total will be 60, so it will be in two phases. First will be 30 and then the second will be another 30.

**Keshav Lahoti:** So, first 30 would be coming this year right and another 30 next year.

**Hiranand Savlani:** Yes.

**Keshav Lahoti:** Okay.

**Hiranand Savlani:** 30 will be coming to FY26 and 30 will be coming to FY27. If the demand scenario will be good and we get the good response we can prepone also because there only we have to aid the machine.

**Sandeep Engineer:** Building is already in place.

**Keshav Lahoti:** Understood. And Hyderabad was 70,000. Out of that, how much is done this year and how much will be coming up?

**Hiranand Savlani:** We already completed I think 25,000 metric tonne. Once that 60%-70% utilization will be there, we may add to next year to that also.

**Keshav Lahoti:** Understood. Got it. That is helpful. Thank you so much, sir.

**Moderator:** Thank you. The next question is from the line of Ritesh Shah from Investec Capital. Please go ahead.

**Ritesh Shah:** Thank you, sir. Sir, can you provide some color on tanks, walls, and rain flow separately, given this were the growth drivers that we had identified a couple of years back, so what the progress has been? If you can provide some numbers.

**Kairav Engineer:** So these products are going as per the plan and whatever we have guided as them being the growth driver, they are currently doing very well and they are selling as per our budgets. And individual category numbers we don't want to share, but all three categories have picked up and they are doing very good. And we are ramping up the capacity for walls also. We are introducing some new ranges going ahead. And even with tanks, we are slowly and gradually adding tank machine at every manufacturing location. So latest was added in Hyderabad, and now with Kanpur, it will be also added in Kanpur. So we have a very good response for all these products, and they're doing very good.

**Ritesh Shah:** If I had to put the question the other way around, we have been reporting pretty solid profitability on the standalone business, which also includes a contribution from tanks and walls. If we had to strip out tanks, walls and DrainPro, what would be the profitability like? I'm just trying to understand the competitive pressure and how are we managing it? Is it more because of value added products?

**Kairav Engineer:** It's very hard to give the individual that segment-wise number, how can we give? Product category wise number how can I give you for profitability separately?

**Ritesh Shah:** Okay. Let me put it the other way, I think couple of years back we had given a 3-year target for the growth engines that we had indicated, I think the number was given Rs. 1500 crores something. How far are we on that?

**Hiranand Savlani:** We are very well on track. I can say it that way. Without that, Ritesh, how can we maintain our profitability in this competitive market?

**Ritesh Shah:** Right. So what I was trying to understand is our focus is always be on quality and brand, correct? But we also have this incremental contribution from the new growth engine, which is also helping us on the profitability. So we're just trying to understand if one had to dissect this, just to gauge on a pure piping business, how are we faring versus the peers? If you could provide some color, it would be great help, that's it.

**Hiranand Savlani:** We already communicated that we are doing it for the plan. What else I can communicate, tell me.

**Ritesh Shah:** Sir, I'll take it offline, no worries. Sir, Sandeep Bhai, one question. Sandeep Bhai, you did indicate for UK, we have done some additional backward integration and we bought some technology from Europe and it is likely to aid margins. Can you detail this, please?

**Hiranand Savlani:** I think we have just signed the agreement. So in the Q1, that will be available to us. So once it will be ready, we will definitely going to communicate exactly what that technology is there. So

right now we have signed the agreement and things are moving on. So in Q1, that will be available to us. And then we will definitely announce everything.

**Ritesh Shah:** Sure. Thank you so much, I will join back the queue. Thank you.

**Hiranand Savlani:** That's going to help the India operation also.

**Moderator:** Thank you. The next question is from the line of Praveen Sahay from PL Capital. Please go ahead.

**Praveen Sahay:** Yes, thank you for taking my question. Sir, if you can give the how much of the losses in the bathware segment for this quarter and nine months?

**Hiranand Savlani:** I think hardly any losses are there. We don't now separately workout because it is already merged the pipe and secondly, many of the pipe related brass fittings are manufactured in the same plant. So very difficult to segregate the EBITDA of the bathware. But I think hardly any losses will be there. What we guided that by this year, we are going to be breakeven, so yes, definitely. So next year, some contribution will come from that vertical also, positive EBITDA.

**Praveen Sahay:** Okay. Secondly, on the paint segment, from the last two quarters, the second quarter and third quarter, we had seen a lower margin of a single digit and definitely I understand because of a lot of marketing activity you had done. So when you are expecting these numbers, margin front to improve in this segment?

**Hiranand Savlani:** So like last quarter also we communicated that this is the launch date going on. So we are continuously adding the team also, adding the dealer distribution also, and spending a lot of money on the branding also. So because of that, lower EBITDA will be there. Because our base is very low. If you work out in an absolute term, it will not be hardly anything. But in percentage terms, it looks very high because of the lower base. So once that part will be over, then definitely you will see the improvement into the margin. So next year, I think from second half onwards, you will see there will be a good improvement into the margin.

**Praveen Sahay:** Okay, and related to the adhesive business, you had done very well in the last nine months, even the quarter. If you can give some more color, obviously you had given some. Is there some color on the geographical expansion as well? Because in your competition commentary, they had highlighted that Gujarat or Kerala market is little on the slower side. So is that the geographical expansion is benefiting you or also if you can give the Dahej plant utilization as well?

**Hiranand Savlani:** I think we can't share you the individual geography wise number, we are still a small company. So I think doesn't make much difference to us. So, but Yes, definitely the Dahej plant is helping us in a big way. It's a state of art plant, backward integration is also there. So really good plant is there. That is definitely going to help us to improve our margin. And that was the objective of putting that plant. And I think we, Sandeep has already invited everyone to visit the plant. So we are fixing up the date in the month of February. And I think Ritesh is coordinating for that.

So anybody can come and join that meeting and you can see live how the world-class plant we have put up completely 100% automatized. So definitely it is going to help us in the coming time.

**Praveen Sahay:** Sure sir, we will definitely visit. Last question is related to the pipe business, sir. I understand there is some demand and the ADD everything has impacted, but how is the CPVC business as a segment for you and as a foreign industry is behaving, because..?

**Kairav Engineer:** CPVC segment is doing good for us and overall also. Otherwise, this margin profile in the piping business will not be possible also to give.

**Praveen Sahay:** Right, because one of the competition is talking about very high growth in this segment. So that's why I'm just wondering, how is that being a market leader, how is it behaving for you as well?

**Sandeep Engineer:** We have been doing good, we'll continue to do good and it always reflects in our working. And we don't want to break up and share because these are our confidential numbers. But yes, obviously we have been doing excellently well in this segment.

**Hiranand Savlani:** Sir, CPVC is our bread and butter. If that segment is not going to help us, how can we maintain 17%-18%, 18% kind of margin? But definitely it is doing well. This particular part of CPVC was a challenge, and that is across the industry. It is not only for us, across the industry this challenge was that. And we are of the view that that will also be improved in the coming time. Because India is going to grow at 6%-7% GDP, then definitely pipe market has to grow at 8% to 10%. If that is the case, we can easily grow more than double, 10% to 15% easily we can grow. It's a temporary phenomenon and a lot of liquidity challenges are there in the market. So definitely that is going to be addressed by the government in the coming time.

**Praveen Sahay:** Thank you, sir, and all the best.

**Hiranand Savlani:** Thank you, Praveen.

**Moderator:** Thank you. The next question is from the line of Akash from UTI Mutual Funds. Please go ahead.

**Akash:** Yes. Hi, sir. Am I audible?

**Hiranand Savlani:** Yes.

**Akash:** Thank you. Just wanted to ask, sir, for nine months FY25, what is the gross margin in India's adhesives business?

**Hiranand Savlani:** Gross profit margin on a nine-month basis, it was 39%, sorry 39% is the pipe and adhesive it is again 39.6%.

**Akash:** Sir and same number for nine months FY25.



- Hiranand Savlani:** No, nine months it is 44.9% in India.
- Akash:** Right, and same number for nine months FY24?
- Hiranand Savlani:** 24, it was 42.74%. So, 2% improvement.
- Akash:** Okay, sure sir. Thank you. And sir also just wanted to hear your thoughts on how the new Bharat Initiative is doing for adhesive business?
- Sandeep Engineer:** It's doing good and as quarters evolve, we will, but it's doing good.
- Akash:** Yes, sure sir. And sir, if you can share how much is now rural contributing to adhesive business?
- Sandeep Engineer:** These numbers for our interest.
- Akash:** Okay, sure sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Devang Shah from Asit C Mehta Investment Intermediates. Please go ahead.
- Devang Shah:** Hi, good evening, sir. Congratulations for a good set of numbers in challenging environment. I have a couple of questions. My first question is, we are seeing some kind of muted revenue growth so far as far as in general, by considering the fact of your overall piece of revenue, historical piece is concerned. So I just want to see how we can expect a topline to unfold as you have already mentioned budget and that will be a key decision. But as far as numbers is concerned, last year in FY24 we have grown top line somewhere close to 9% while your historical average was somewhere close to 15% kind of band. So moving forward what kind of growth as a percentile we expect in the coming years?
- Hiranand Savlani:** If you see the last two years, current year and the last year, our topline growth was low compared to what historical levels were there mainly because of the drop in the polymer price and the chemical prices. So both our business affected in the topline because of drop, heavy drop I can say, into the polymer price and the chemical price. So now we are seeing almost bottom is there. From here on we are not seeing a much drop into the polymer price or maybe a chemical price. So it's a question of only time when it is going to go up. But if you see the last year, our volume numbers were fantastic. But that is mainly because of the value was not there, it looks like a 9% kind of growth. But this year we are of the view that volume should be lower than the value. So value will be growing faster than the volume. So hypothetically, my volume growth will be 10% to 12%, then the value growth will be 15%. So this year, because of the base effect, we are of the view that the value should be better in FY26. That is how and we will be back to our normal growth of 15% kind of zone. And if the market conditions are improving in a better way, we can grow even better also. But you can consider that level of 15% kind of growth.

**Devang Shah:** Okay. Second, sir, we have seen some kind of, in your quarterly numbers, there is a raw material cost that has been inched up. And there is also one exchange rate fluctuation kind of cost that has been there, mentioned over there. Can you throw some more light on that, especially exchange fluctuation cost somewhere and also about the raw material, why it is inched up in this particular quarter?

**Hiranand Savlani:** So like exchange fluctuation in mainly because we are importing a large raw material from overseas. So because of that, the dollar fluctuation, whenever it is there, like if you see, leave it the last quarter, prior to that, rupee was stable. So exchange fluctuation amount will be very low because there was no volatility into the currency. But whenever there is a volatility into the currency, this fluctuation comes. But compared to the earlier years, now the volatility is comparatively low. If you see the yearly wages number, it is not going to be very high, what used to be 3-4 years before. And secondly, our dependency on imported material day-by-day is getting reduced. So that is also helping us to mitigate that risk of exchange fluctuation. As far as this raw material plus in that, that is mainly because of the inventory plus minus. If the inventory goes up, then it will be plus. If the inventory goes down, it will be minus.

**Devang Shah:** Okay, so sir, then in this particular quarter, we have seen a significant depreciation on a rupee. Will it going to affect in your Q4 FY25 as far as exchange fluctuation is concerned, this particular way?

**Hiranand Savlani:** Exchange fluctuation, whatever happened till December that is already reflected in the number. January, I don't see there was a much depreciation.

**Devang Shah:** So far volatility you see. Okay.

**Hiranand Savlani:** Yes, and if the volatility will be there we over a period of time we readjust into the growth profit margin because ultimately we have to pass through that to the market. It's not we but the entire industry ultimately has to count the cost accordingly only. So ultimately this will pass on to the market. But in books of accounts it will show like that the loss of profit. But ultimately it is passing onto the market only.

**Devang Shah:** And sir, your aspiration to be maintaining such kind of EBITDA margin of 15.5% to 16% that would be the, basically your aspiration, right? That you are going to continue in the coming years.

**Hiranand Savlani:** Correct.

**Devang Shah:** And sir, last question that as you mentioned, budget will be a somewhere key decision as far as infrastructure spending and domestic growth is concerned. Sir, do you have the tariff war that is something now from the US, somewhere we are voices now making loud and loud again and again. So will it impact us as far as our performance? Because domestic boost will be as per the dependency on a budget. But what's your outlook as far as if there is any kind of tariff war as far as overall business is concerned?

**Hiranand Savlani:** As far as Astral is concerned, we are not exporting anything to the US market. So I don't think we are going to, neither we are importing from us So I don't think it is going to affect our company if India doesn't grow then we may be affected But otherwise, I don't think this tariff is going to affect anyway to our company.

**Devang Shah:** Okay. Thank you so much, sir.

**Moderator:** Thank you. The next question is from the line of Amit Purohit from Elara. Please go ahead

**Amit Purohit:** Yes, sir. Thank you for the opportunity. Just on the industry growth, you indicated nine months, the industry grew by 3%. What would be the plumbing and infra, if you could give some sense on that? And second is there are a couple of new product launches that we would have done. Is it possible to share? What is the share of those? Like it could be a BPR or a Low-Noise kind of product portfolio from this Plumbing segment?

**Hiranand Savlani:** The industry number which I have given that I have given a tentative based on my internal assessment. It is not a published number so far. The real number will be known only by the year end. Okay, so I can just clarify to you that thing. As far as the individual is concerned, I think very difficult to work out how the industry has performed in individual vertical, maybe agriculture or maybe plumbing or maybe other vertical. So it is very difficult to work out that number into that. As far as our growth is concerned, I think Low-Noise, DrainPro, all these products were already launched few years before. It is not that this year it is being launched. And initial year was the naturally struggling year, but now these products are picking up. So we are definitely going to deliver good number in the coming time.

**Amit Purohit:** Sir, I am just looking if it is possible to share some salience in terms of whether it is mid single digit or low single digit?

**Hiranand Savlani:** Individual, we cannot share.

**Amit Purohit:** And sir, lastly, you highlighted that antidumping duty probably will help but if even if this happens in Q4, there will be a jump up in Q4 because of the stocking up by the dealers and all post that it will again back to the demand growth right?

**Sandeep Engineer:** Well, depends on when the government implements it,

**Kairav Engineer** depends on multiple factors, depends on when they implement depends on how much provisional duty comes, what will be the rupee impact. Okay, so it depends on a lot of factors and also depends on whether the demand goes up because restocking can only happen up to a certain level. After that if the demand does not pick up then people will not stock just because the price of the polymer is going to go up.

**Hiranand Savlani,** I think that will be the sentimental wise it will be really positive for the market and then the market will very clear that from here on the prices will not go down. That is the main thing to

understand from the market point of view. Because then the dealer distributor will get the confidence that is what needed at this point of time.

**Amit Purohit:** Thank you, sir. That is it from my side.

**Moderator:** Thank you. The next question is from the line of Rishab Bothra from Anand Rathi Share and Stock brokers. Please go ahead

**Rishab Bothra:** Yes, sir. Two, three questions. Firstly, on the paint side, there's a lot of heightened competition in the market. So how are we progressing in terms of penetrating the market in new geographies?

**Sandeep Engineer:** Let us be very frank that when we bought the paint market, compared to the size of others, we have never acquired this business to go and create a huge, huge market. When we acquired Adhesive Business, the giant was in multi-folds and folds, and we acquired Rs. 150 crores worth of business where we had similar questions, and we said that we will continuously grow, deliver at 15%-20% pace. We kept on doing our best maintained margin and over almost 9 to 10 years a category properly is created with the proper margin and slowly and steadily it is growing reaching the nooks and corners of India. Now here also we are acquired a business with the size of around 200 crores-250 crores. It's not that we want to reach the India overnight or create any magic with a wand stick, we are very clear that this is going to help us in our construction chemicals division in a big way. The painter segment and our dealer network also will be extended and which is our motto to grow at a normal pace or it should not be below double digit which is obviously there but not at an exorbitant pace by fighting in the market, creating negative EBITDA or overspending anywhere in the cash burning to do marketing. So I don't understand the panic of paint business which is only not even 5% of our business and we are very, very categorically clear that our eyes, ears and our vision is on that. But again, no magic wands. We have opened, we clearly said in my opening remark, Gujarat, we are slowly penetrating. Rajasthan, we opened recently in last month, two months and we will penetrate. Then we will go to another two states. I want to open the pan India. It would be disaster for Astral, which we will never do by employing so many employees or over-stretching in capital expenditures or doing anything for heavy marketing budget. But give us time. We give us time of a few years, and you will see a continuous growth with a positive EBITDA. No cash burn. And a vertical which we created at A range, we will call it paint and construction chemicals division. We want to get construction chemicals moving to paint, because that's the right segment and the right audience to grow construction chemicals with the paint business together. So please understand and please don't have any panic that we are doing anything wrong here. Whatever business is, faucet was the same thing. You see after two years, just two years, we have reached three digit plus. And we are there with the capacity to grow, range, understand the business and continuously deliver the growth numbers. And similarly here, we are very, very conscious and we are driving it in the best way possible. Hiccups do come in new business, learning curves come, pluses minuses come, the same came in adhesives. We have always told the market about pluses, minuses, hiccups, up and down curves, and the market was always being posted in the right direction, which is the philosophy of Astral Family. And please be rest assured that this

business for Astral is also equally a prime business, but with no magic wand around, but you will see this result in coming few years from now.

**Rishab Bothra:** Got it.

**Sandeep Engineer:** Nothing will be negative on margin fund, which will be always there in our thing, and nothing will be overspent here. And no capex is required here for at least few years from now.

**Rishab Bothra:** Right. So for understanding sake, in adhesive, I believe there were a lot of players who came in the market and then moved out. What is the uniqueness with the leader is having such a large market share and what is our market share in the domestic market?

**Sandeep Engineer:** I would not going into what market share but if you see 40, 45, 50 years history and if you see just 8-9 years history for us taking over a company, creating a complete range and making a mark in the industry, it's obviously a great achievement. No one at the number 2 was being able to stay continuously. Various reasons, I don't want to get into that. We are also challenged multiple times but we have taken over the challenge and delivered and we have now, adhesive business in our blood, pipe in our blood, faucet is in our blood and paint we are taking it into our blood also.

**Rishab Bothra:** Correct.

**Rishab Bothra:** But can you split the revenue of adhesive into overseas and domestic market?

**Hiranand Savlani:** So this quarter UK was Rs. 77 crore and India was Rs. 280 crore.

**Rishab Bothra:** And last question sir, what would be the revenue share from UP state and is Kumbh giving a positive wipe in terms of volumes or it is slightly restricting growth?

**Sandeep Engineer:** We don't have that number there and we don't want to get into those breakups and numbers because lot of distribution is done through our dealer and network. So we don't get the correct how much businesses are going over.

**Rishab Bothra:** Got it. Thank you, sir. Wishing you all the best.

**Moderator:** Thank you. The next question is from the line of Pinaki Banerjee from AUM Capital Private Limited. Please go ahead.

**Pinaki Banerjee:** Good evening sir and thanks for the opportunity. In the previous quarter with regard to your UK subsidiary you had stated that you are bringing one of a kind of a product in the Indian market with respect to the adhesives. And that will be the first time in India. So can you give us an update on that?

**Sandeep Engineer:** Give us two quarters at least after this fiscal ending, we will let you know.

- Pinaki Banerjee:** Okay sir. And the last question is, you have got a cash of around Rs. 290 crores. So considering the fact that there is actually a bit of a flattish trend in the industry, how do you plan to utilize it?
- Sandeep Engineer:** At present, we will be not doing any big things. But if there is something which is positive, okay. But otherwise, we will be looking at keeping some cash on hand and adding to it. And next year, and all the effects, as we have been our cycles, we have already been from our cash approvals which will be seen and depends on the market.
- Hiranand Savlani:** I think by year end we will be able to know what is our next year budget. Based on that we will work out our cash utilization plan and if we don't have any such kind of utilization plan then we will give it to our shareholders.
- Pinaki Banerjee:** Okay, fine sir. That's all from me. Thanks and all the best for the future.
- Moderator:** Thank you. The next question is from the line of Manan Madlani from Kamayakya Wealth Management. Please go ahead.
- Manan Madlani:** Hi sir, thanks for the opportunity and congratulations on the margin front. Sir, my question was from PVC side, so previously if I am not wrong you mentioned we are targeting 78,000 metric ton capacity. So are you still planning on that? And on the pricing front, since lot of players are starting manufacturing OPVC, do you see any supply side pressure or still the demand is pretty much high?
- Hiranand Savlani:** I think India doesn't have any capacity of OPVC. So I don't think any too much capacity is going to be there. And secondly, this machinery delivery time is also very, very high. So at least in the coming couple of years, we are not seeing any over capacity into the OPVC. Maybe after 2-3 years, it can be, but at this stage doesn't look like that.
- Manan Madlani:** So for instance, if we are running at a 60%-70%-80% utilization rate, and if we are planning to increase our capacity, how much time it takes for us?
- Sandeep Engineer:** We have planned our machines in a series of sequences and its technology is homegrown. We have kept our CAPEX also for the technology in mind and we'll be the first one even to make the fittings in house. Just give us at least 1 or 2 quarters where things unfold and progress with the product line, will give you a correct and clear picture.
- Manan Madlani:** Okay. My second question is on PTMT taps. So how are we pricing them? Is it a premium product compared to regular PTMT taps?
- Kairav Engineer:** No, PTMT taps is not a premium product and our price range will be close to the market leader in PTMT, which is Watertec right now. Watertec is the market leader in PTMT across India. So our pricing range and quality will be at par with Watertec.

- Manan Madlani:** So we are getting a good volume from that service basically.
- Kairav Engineer:** It is not a voluminous product, but yes, it is a good margin product. So obviously we cannot expect thousands of tons sales in that because it's a tap fixture. But yes, it is a very good product for the bottomline.
- Sandeep Engineer:** And also, the response is positive. Very positive, I can tell you not to get into more deep in that.
- Manan Madlani:** And on the bathware side, are we like, I remember earlier you mentioned, you have a different institutional team to take away institutional side of the business. So how that segment particularly is doing?
- Sandeep Engineer:** We have started getting institutional business from good projects, builders, as well as big contractors. At the same time, our retail presence also is growing and continuing. So we are balanced business is happening in a right way.
- Manan Madlani:** Could you quantify?
- Sandeep Engineer:** No, sorry. Thank you.
- Manan Madlani:** Okay. And last question, I mean we get that the infra side of the business is not getting much traction. But from the real estate side too is do we still seeing any contraction or we are seeing any improvement from that side?
- Sandeep Engineer:** We are having good presence pan India. So maybe a few markets go plus minus, but overall there is a good acceptance and demand coming along.
- Manan Madlani:** Okay. That's it from my side. Thank you very much.
- Sandeep Engineer:** Thank you.
- Hiranand Savlani:** Take the last Question
- Moderator:** Thank you. Ladies and gentlemen, that brings us to the end of the question-and-answer session. I would now like to hand the conference over to Mr. Ritesh Shah for the closing comments.
- Ritesh Shah:** Thank you. Hiranand bhai, any final closing comments and Sandeep bhai, please. Thank you so much.
- Sandeep Engineer:** No, thank you everyone. And as we have answered all the questions related to all the queries and we are sure that we will meet in person after the fiscal year ending of 2024 and we are looking forward to that. And as Astral has always come out and given its right pictures and all and we also eagerly look forward to meeting you, we will strive to do our best. Thank you everyone for the support and the call. Thank you.



**Hiranand Savlani:** Thank you everyone for participating. If anything is left out in the question-and-answer session, you can directly reach on my mobile. Thank you so much.

**Sandeep Engineer:** Thank you Riteshji for organizing this call. Thank you everyone.

**Hiranand Savlani:** Thank you, all.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of Investec Capital Services India Limited that concludes this conference. You may now disconnect your lines.

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