



**“Salzer Electronics Limited Q1 FY-17 Earnings  
Conference Call”**

**August 16, 2016**



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*Salzer Electronics Limited  
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**Moderator:** Ladies and gentlemen good day and welcome to the Salzer Electronics Limited Q1 FY17 Earnings Conference Call hosted by Bank of Baroda Capital Markets. As a remainder 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 the operator by pressing '\*' and then '0' on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Ms. Vaishali Parker, thank you and over to you ma'am.

**Vaishali Parkar:** Thank you Lisa. Good afternoon ladies and gentleman. On behalf of Bank of Baroda Capital Markets, I would like to welcome all the participants to the first quarter FY17 Result Conference Call of Salzer Electronics Limited. From the management, we have with us Mr. Rajesh Doraiswamy – Joint Managing Director. I would like to request Mr. Rajesh to give us the introductory comment on the result after which the floor will be opened for the question and answer. Welcome and over to you sir.

**Rajesh Doraiswamy :** Thank you Vaishali. I welcome you all to our Earnings conference call for the first quarter ended June 30, 2016. I have with me here Savli and Rahul from Bridge Investor Relations and Mr. Murugesh our Assistant Company Secretary. We have shared our results update presentation and I hope you all must have received it. Before going into the quarterly financial performance, I brief about Salzer. Since Salzer's incorporation in 1985 as a single product manufacturer, we have evolved to offer a complete and customized electrical solutions to our customers. All our products are internationally certified, though we operate under the electrical electronics product group for ease of analysis, we have classified our businesses into four different segments namely the industrial switchgear business consisting of 12 different products, the wire and cable business, the building segment business and the energy management business. We have totally 5 manufacturing facilities located in Coimbatore and Himachal Pradesh. We also have our inhouse R&D lab recognized by Government of India. Now coming to the quarterly financial performance, I am happy to inform that we have witnessed a moderate growth in segments of industrial switchgear and very good growth in wires & cables business. In line with this, we have posted revenues from operations of 90.1 crore in the quarter as against 98.8 in the last quarter. This is a quarter-on-quarter decline of 8.8%. This was mainly because of a one time contract from the energy management business. We had won an order of 106 crores last year and as per the terms of order a major part of revenue was booked in FY16. Due to this contract in the Q1 of FY16, we had a revenue of 15.9 crore from the energy management business with a PAT of 1.9 crore as against this year Q1 we have only Rs. 1.9 crore of revenue and 0.05 crore of PAT. Exports overall contributed to around 17.6% of our total revenues. Now going to the breakup of revenue as per the business segment, the industrial switchgear business contributed 46% to the total revenue in the quarter and reported a year-on-year growth of 3.5%. The building product segment which is still a very small segment in our total business, contributed to around 4% of the total revenue and witnessed a year-on-year decline of 7%. The wire & cable business consisting of copper wires and cables was the largest contributor with 48% of the total revenues with the year-on-year growth of 36%. The energy management business which is an order book

driven business as said earlier contributed 2% of the total revenues in this quarter, that is a year-on-year decline of 88%. The EBITDA for the quarter stood at 10.8 crores as compared to 9.7 crores in the previous quarter with a growth of 12.1% and a 12.4 crore in the previous year that is a decline of 12% when compared year-on-year. The EBITDA margins were at 12% as against 9.7% in the last quarter. PAT was 4.6 crore in Q1 FY17 as against 3.9 crore in Q4 FY16, a growth of 16.5% quarter-on-quarter. There was an increase in margin by 110 basis points. On a year-on-year basis, the PAT declined from 5 crores to 4.58 crores and the reasons were explained as above due to the energy management business. I am also happy to share that we have successfully shipped our first consignment to our newly added client IPD Global from Australia, this has helped us in entering the new geography and we are confident of increasing our presence going forward across the world. With respect to the new three phase transformer business and technical tie-up with Trafomodern of Austria, the project is coming up very well as planned, installing of machinery are going on and we will see revenues from this project from third quarter of this year onwards. I thank you all so much for your interest in participation. We can now take questions.

**Moderator:** Ladies and gentleman, we will now begin the question and answer session. We will take the first question from the line of Tarang Bhanushali from IIFL. Please go ahead.

**Tarang Bhanushali:** Yes, good afternoon gentleman. Sir, I just wanted to check our industrial switchgear segment, the revenues have been quite stagnant over the last 2 to 3 quarters. We were planning to launch new product in this division why there no major revenue growth coming in this

**Rajesh Doraiswamy :** I think normally our Q4 always a very good quarter, right. For us fortunately or unfortunately the Q1 of FY16 also has been a very good quarter in industrial switchgear business. That is why we see business is not growing beyond Q1 of FY16 because that quarter was extraordinarily good quarter for us but as a company what we have to look at is the Q4, we are almost flat with Q4 of FY16, so the first quarter is always a slow quarter, so in this slow quarter we have almost maintained the Q4 FY16 business though the momentum is there, however, looking at the Indian market in the last 6 months, I think the market looks very challenging, so we don't see any new projects of businesses from new projects coming our way, no new project as of now, so in this challenge in this environment, I think we are flat compared to the Q4 of FY16, which we feel is a good sign.

**Tarang Bhanushali:** So do you feel that the growth rate previously guided by us so would you reduce the guidance or will you maintain it.

**Rajesh Doraiswamy :** I would not be able to comment just with the first quarter results but looking at the market scenario, the industrial market scenario in the country, we will have to revise it downwards a little bit but overall, I think I am confident that we would be able to close the year with a 20% to 25% growth.

**Tarang Bhanushali:** And has that reduced on a QOQ basis for us.

**Rajesh Doraiswamy :** I think we more or less in the same level. We were rated as reduced and the short-term debt has gone up a little bit. We expect the long-term debt to go down by the end of this year and short-term debt to remain at the same level.

**Moderator:** The next question is from the line of Vinay Nair from Emkay Global. Please go ahead.

**Vinay Nair:** My query was specifically pertaining to this, I mean like 6 to 7 months back, our strategy was like to focus more on the industrial switchgear business and to reduce the contribution from the copper business so that we can guide I mean we did not guide a margin improvement in next couple of years by almost like 200 to 250 basis point because of this change in composition and therefore largely contributed by I mean to some extent by contribution from EPC business also. Now, we are seeing that the copper business is gaining a good traction and industrial switchgear is not doing so I mean on the growth part, so do we, I mean does that change our outlook of the margin one and secondly are we kind of more gung-ho about copper business than the industrial I mean what is the macro situation there, I mean I just wanted to know the perspective from your side.

**Rajesh Doraiswamy :** The focus is still on the industrial switchgear business, there is no change in that focus or there is no change in that strategy, so the focus is definitely to grow the industrial switchgear business, so idea to reduce the contribution of wire & cable business and the overall revenue was not by declining the wire & cable business but by growing the industrial switchgear that was the extract, but unfortunately, I think the things are not turning out to be as positive as it should be and that is the reason that we are not growing in the industrial switchgear business as we should grow. Secondly I think there has been new projects but still not started contributing to the revenues but fortunately or unfortunately now the wire & cable business has found very good traction. Couple of reasons is that because we have found some very good clients in the names of Demac Otis the whole elevator business is that we are tapped so that business is growing at a very fast pace and that is the reason we see the wire & cable business has given a very positive growth and also with better margins compared to last quarter.

**Vinay Nair:** Okay, so where could we see this to potentially grow considering our capacity in the copper and cable I mean in the wire & cable business considering our capacity and where could we see this growing at the existing capacity to what level of revenues and also the margin, I mean what kind of improvement in the margin we could see because conventionally, this has been an 8% to 9% EBITDA margin business, so is that improving considering the scale is improving that is what I wanted to know.

**Rajesh Doraiswamy :** The EBITDA in the wire & cable business have considerably improved I would say 100 basis points compared to around 7.6% last year to around 8.6% this year this quarter. Going forward for this full year, I think the wire & cable business will continue to contribute anywhere between 45 and 47 and 48%.

- Vinay Nair:** Okay, got it and also sir on the energy management part sir, what we knew was this was the 105 crores order and this was supposed to be like 50% in the first year and then in the next 4 years there were some annual maintenance income so what is the cumulative order you have booked. Until now out of that 105 crores and what is the visibility for the next 3 years I mean what kind of income we will be getting from this energy management in these two districts which we were banking upon, I mean what is the kind of revenue visibility there on EBITDA also and on revenue front on both.
- Rajesh Doraiswamy :** Last full year we have booked around 40 to 44 crores of revenue management of 106, we will continue to have revenues coming in from the same project for the next 4 years that will be at least another 10 to 12 crores year-on-year for the next 4 years. I am talking about all net of taxes and apart from this project we have not booked any new project as of now but we are confident to get at least 20 to 30 crore business in this energy management services hopefully by end of this year because we have participated in many tenders, so the results of all those tenders are expected somewhere the beginning of third quarter.
- Vinay Nair:** Okay and if I may ask has the cost being incurred completely for this order book of 105 crores or in the 4 years we will have some cost also and basically what could be the kind of EBITDA margin we could expect in the next 4 years of this annual maintenance income, I mean are this recurring cost also.
- Rajesh Doraiswamy :** The cost of maintenance will come, I think there is definitely a cost of maintenance that will occur every year; however, the EBITDA margins can be a little higher than what it was in the first year.
- Vinay Nair:** In the first year, okay, got it and lastly sir, what would be I mean from your perspective FY17 and FY18, what could be the growth driver for industrial switchgear considering that now the existing lot, existing units have not been giving you that much of growth because of the industrial macro industrial condition, so what would be the growth drivers in terms of new products for your industrial switchgear segment and also what was the new product contribution this time, I mean in this quarter where, was there any new product contribution and thirdly the three products which we were banking upon that is like three phase dry type latching release and capacitor, what is the status there.
- Rajesh Doraiswamy :** The next growth drivers of this year and the next year is going to be definitely the three phase transformers, PV product, photovoltaic product business that we have developed of DC switch businesses in the existing units and of course the capacitors. The latching relays will be going a little slow because of various reasons but we have not left that out but I am not considering that as a growth driver as of now, but three phase transformer, PV business, PV product business and capacitor, these will be the new product that we will be adding for the growth.
- Vinay Nair:** And by when we are expecting to commission three phase and capacitor.

- Rajesh Doraiswamy :** The three phase transformers, the machinery installation is going on, so I expect the trial production to start in September middle and we will see revenues from third quarter.
- Vinay Nair:** Third quarter, okay, great and the capacitor part, has there been any.
- Rajesh Doraiswamy :** Capacitor, we should see revenues from the fourth quarter.
- Vinay Nair:** From the fourth quarter, sir there has already been.
- Rajesh Doraiswamy :** Middle of fourth quarter.
- Vinay Nair:** So the Capex has already begun on the capacitor front.
- Rajesh Doraiswamy :** Yes.
- Vinay Nair:** Okay and last question just net working capital it is, have we seen any improvement because we are more on copper business.
- Rajesh Doraiswamy :** We did see a lot of improvement last financial year end of March but unfortunately this quarter we have slipped a little bit I think that is quite normal for us because the first quarter is a quarter where we the inventory are always are a little higher for us. So going forward, we will definitely see improvement in the working capital, overall net working capital coming less than 4 months for the full year.
- Vinay Nair:** Less than 4 months. Okay.
- Moderator:** We will take the next question from the line of Gaurang Ved an individual investor. Please go ahead.
- Gaurang Ved:** Sir, I just want to understand your thought process on the stocks split. Initially, we announced that the board where to consider stocks split proposal during upcoming board meeting and now we have deferred that for the moment, so what was the logic behind the stocks split as our stocks still quotes in a three digit only, sir can you please elaborate on that sir, please.
- Rajesh Doraiswamy :** Initially, we thought that you know stocks split can bring in a lot of retail investors and create more liquidity for the share holders that was the idea to go in for a stock split; however, when we went into the board meeting we did discuss on elaborated discussion, so lot of board members thought, I think we will appoint a committee, a sub-committee of the board to look into the pros and cons of this further and then take a decision in the next board meeting.
- Gaurang Ved:** Great sir.
- Rajesh Doraiswamy :** That is why it has been deferred to the next date.

- Gaurang Ved:** Great sir and sir in the previous call you had mentioned that in the next 2 to 3 years your endeavor was to reach around 750 crore revenue target, so just can you please elaborate where do you see this company in next let say 3 to 4 year and on the margin side, sir what are the potential to how much percentage do you see upwards over the medium term over the next 3 to 4 years, sir I am not asking for a quarter-on-quarter or anything, sir I just want to understand what is the medium term vision for this company at least for next 3 to 4 years, where do you see this company?
- Rajesh Doraiswamy :** The net of taxes I think we estimated that FY17 can end up anywhere between 420 and 440 crores; however, looking at the current market scenario, we will be turning that a little bit down to 400 to 420 crores of FY17, so from there onwards, I think we are confident of achieving year-on-year 20% growth until FY19. So that will take us to 600 to 650 crore business in FY19.
- Gaurang Ved:** What about the margin.
- Rajesh Doraiswamy :** On the EBITDA margin side, if the current business mix continues, we will see 1% point improvement from the current 12% to 13%; however, we are trying hard to change this business mix as I have already said in this call to another question, the focus is on to grow the industrial switchgear business and that is where we are adding more products and the future growth is going to come from those products and if that happens as planned, we will see an additional 0.5% or 1% EBITDA margin improvement that means 13% to 14% in FY19.
- Vaishali Parkar:** Yes before gathering any more questions, I would like to ask two questions, what was the sale from IPD Australia and what could be the business opportunity we see there?
- Rajesh Doraiswamy :** IPD Australia, the business opportunity for the full year, we can expect around 10 to 12 crores and the potential is very high because it is a very large distributor in Australia one of the largest and this is just one product that we have tied up with them and we have started doing business. The first quarter to be precise, I think we shipped around 1.65 crore worth of products.
- Vaishali Parkar:** Okay and this quarter if you see your tax rate was you know it was around 21%, was this 25% year-on-year and 37% QOQ, so what was the reason.
- Rajesh Doraiswamy :** Exact Tax calculation particularly on the deferred tax will come into play only after the second quarter, so I think there was a positive on the deferred tax and that is why you see a little low taxation this year, this quarter.
- Vaishali Parkar:** Okay, so going forward, what should be the sustainable rate sir?
- Rajesh Doraiswamy :** I think we have always been at around 25% to 26%
- Moderator:** We will take the next question from the line of Sanjay Shah from KSA Securities. Please go ahead.



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- Sanjay Shah:** Sir in this IPD, the product what we expertise is of solar panel?
- Rajesh Doraiswamy :** Yes, we have developed a very new switch that can connect and disconnect, DC currents and DC voltages, so this is called photovoltaic DC switch so that is the product that we are shipping to Australia.
- Sanjay Shah:** So that you see a huge market over there?
- Rajesh Doraiswamy :** We expect this full year business to be around 10 to 12 crores from that client for Australian market.
- Sanjay Shah:** Future, I am talking about future.
- Rajesh Doraiswamy :** Yes, I think overall, we have seen a lot of projections being given on the solar power as such that in next 20 years, solar power is going to be 40% of the total energy of the world is on white paper that was given by one of the largest OEMs in the world. So if things grow in the solar business like that, I think there is definitely a very large opportunity for solar based products with the DC products.
- Sanjay Shah:** But there we are new entrant, how we compete to the producer over there?
- Rajesh Doraiswamy :** Actually this whole business itself is very new, I think there are not many people who started making DC based products so the whole scenario is quite new for almost all the OEMs and all the manufacturers, so there is not very big competition in this DC switch as such, because the business is still evolving.
- Sanjay Shah:** So for us also it is a new market and new venture so we have to see how future pans out in that?
- Rajesh Doraiswamy :** But we are confident that this client we already have an agreement in place and we are very confident that we will achieve the minimum of 10 crores business from this client.
- Sanjay Shah:** This year, right, what about next year full year?
- Rajesh Doraiswamy :** That we have to see how this year goes by middle of this year we will know how it works out and then we can give a guidance for next year.
- Sanjay Shah:** And sir we have some customer in Croatia also or we are tied up with somebody?
- Rajesh Doraiswamy :** We are tied up with distributor for the markets of Croatia, Czech Republic, Slovenia, etc., but the business has started but very small still, not very significant. We expect that to grow over the next couple of years. Always cracking a European market is a little difficult.
- Sanjay Shah:** How we are doing in a Contactors and overload relays, how the, that business have picked up?



- Rajesh Doraiswamy :** Yes Sir, that business have picked up, that business is doing well. We projected around 8-12 crores for FY-17, from that business and hopefully we will definitely achieve that business. We are only shipping this to our partners in US company called c3controls, we are yet to start marketing or shipping this to our clients so that will add to this business going forward in the second half of this year.
- Sanjay Shah:** Sir, this quarter we were able to add any new customer or anything to share with us?
- Rajesh Doraiswamy :** IPD is the only new customer we have added and shipped this year, but we are working on various customers.
- Moderator:** Thank you. The next question is from the line of Abhishek Maheshwari from Wallfort Financial Services. Please go ahead.
- Abhishek Maheshwari:** Hi Sir I wanted to know the volume growth in industrial switchgear in copper business?
- Rajesh Doraiswamy :** I think in copper business more or less the prices have remained stable so the entire growth have come from volumes, I would say around 30% volume growth you would have add. We had a growth of 36% but 30% volume growth we had. Industrial switchgear is entirely volume growth, we had a 4% growth and all 4% is volume growth.
- Abhishek Maheshwari:** Those your tower coolings and railway crossing projects we hope the company was working on?
- Rajesh Doraiswamy :** Tower cooling I think we have not got any new business this quarter, but we are talking to various tower companies like Indus and American Tower Corporation. We should have some revenues coming from that in this year. But I am not very sure to give a guidance on when it is going to come up. On the railways I think it is continuous business we have yards supplying our rotary switches and some new switches also we have developed for railways, which has given revenues in the first quarter. We also have developed fuse changeovers for Railways signaling which has again given revenues in the first quarter.
- Moderator:** Thank you, we will take the next question from the line of Sanjeev Patkar from SBI. Please go ahead.
- Sanjeev Patkar:** Yes hi Rajesh, couple of question you know in the industrial switchgear which was supposed to be our growth engine, which are the segments which still give you a comfort you know who can still aspire for that 20% growth when we see a challenging environment?
- Rajesh Doraiswamy :** I think I did say this in the call earlier that Q4 is always a good quarter for the business that we are into. So when on the Q1 is a flat compare to Q4 on the Revenues and if have a little better margins compare to Q4, that shows that a real growth that we are seeing in this segment. But I am a little skeptical because I find the first quarter as been a real challenging quarter in terms of securing orders because normally we can see the demand-supply difference, but this how what

the demand has been slowing down almost all the private sector have been deferring projects or you know they did not want to going for new investments the optimism in the private sector was a little low in this quarter. So most of the businesses that we have done or the growth we have seen is because of the government driven projects.

**Sanjeev Patkar:** Okay, so do you see those projects themselves also taking off the government driven projects also will?

**Rajesh Doraiswamy :** Yes I think the current business that is happening in the country is mainly because of I would say 80% is because of the government invested projects. So why I am confident is because Salzer is placed in a very unique position very unique situation where we have multiple products catering to multiple different industries. And actually that is one of the reasons that we can be a flat growth company in terms of very bad economic situation and can grow at a very faster pace when the economy jumps a little bit.

**Sanjeev Patkar:** Okay and in this Energy Management for that 12-13 crores which you have been talking about it will throw what sort of margin, you had some 18 -17% last time right?

**Rajesh Doraiswamy :** Yes I think last year we closed it around 17% EBITDA margin, so this year we will only have a maintenance expense coming in and finance cost that might be there for the 1<sup>st</sup> year, so we should be seeing EBITDA of around 20 to 23-24%.

**Sanjeev Patkar:** Okay and in this copper business you know there is a, where is the growth coming in from so you said OTIS and that DEMAC kind of businesses.

**Rajesh Doraiswamy :** We had developed a very special elevator application cable that we have started supplying to elevator companies. That is the one part of the growth and the other one is again is similar lines but it is outdoor cranes. DEMAG is one of the largest companies making outdoor cranes in the world. We have developed some very special cables to them. This we have been working on for the last couple of years so.

**Sanjeev Patkar:** How big this segment can be?

**Rajesh Doraiswamy :** Elevator cable can be a very big market if properly sold across the world I think that is a very large market. In India alone we see at least 20 crores business coming in from Elevator cable.

**Sanjeev Patkar:** You mentioned your brining the guidance down, if the guidance comes down that will also have an effect on the kind of margins that you are anticipating right because primarily...

**Rajesh Doraiswamy :** Not only margins but margins overall as a rupee crores yes, if revenue comes down everything comes down but on the percentage margin we are still confident achieving 12.5% EBITDA.

- Moderator:** Thank you, the next question is from the line of Jayesh Parekh from JMC Capital. Please go ahead.
- Jayesh Parekh:** Hi this is Jayesh here Rajesh, as far as our revenue breakup is concerned geographically 80-82% is India and rest 18% is from overseas country. Within India can you tell us what is our revenue towards government sector including Municipal Corporation and private sector?
- Rajesh Doraiswamy :** Municipal Corporation is only the Energy Management business of 1.9 crores we have done. So nothing else is to Municipal Corporation and rest of the revenues because we do not supply anything direct to government projects as such, but government driven project actually creates market for us through various large OEMs like ABB, Siemens, or even L&T or even sometimes small panel builders. So those are the EPC companies it only goes through.
- Jayesh Parekh:** Yes and do you think that in current financial year there would be post in government expenditure toward all infra projects which indirectly can create a demand for you.
- Rajesh Doraiswamy :** I think exactly what is happening now but that alone is not sufficient for a country like us at in we need a lot of push from the private sector also which is not happening.
- Jayesh Parekh:** And anything goes for the replacement market?
- Rajesh Doraiswamy :** Yes I think majority of our business currently that we are getting is for the replacement market.
- Moderator:** Thank you, we will take the next question from the line of Tarang Bhanushali from IIFL. Please go ahead.
- Tarang Bhanushali:** Yes 2 book keeping questions what was the share of L&T of overall revenues this quarter?
- Rajesh Doraiswamy :** L&T share at Q1 was around 58%.
- Tarang Bhanushali:** And GE and Schneider?
- Rajesh Doraiswamy :** GE I think Schneider still continues to be our largest contributor with around 7.8 %, GE at around 3.5%. L&T contribution has gone up considerably in this quarter compare to last year mainly because of the growth in wire and cable, which was primarily from L&T business.
- Tarang Bhanushali:** And we were also trying to increase our building segment sales through participation in various contracts on a bid and we were targeting builders directly so how successful were we in this?
- Rajesh Doraiswamy :** The we are working very hard there to get this business to a level of at least 50 crores as soon as possible but we are not seeing any major results as of last quarter but I am hopeful that before end of this year we will be able to sign a lot of long term contracts which can propel that business to the 50 crores level that I am talking about.

- Tarang Bhanushali:** So this 50 crores of which year are you targeting at?
- Rajesh Doraiswamy :** At least in 2 years. I think this year we will end up not more than 24, I am talking about 2 years down the line.
- Tarang Bhanushali:** Okay and if the energy management business are any new tenders up where we have bid or are we in some negotiations any where?
- Rajesh Doraiswamy :** Yes sir, we have bid a couple of tenders and we expect the results by middle of 3<sup>rd</sup> quarter so we will know the results and they are confident that we should be able to win a decent size order.
- Tarang Bhanushali:** Okay any good again be the of same sort that major chunk would and it would be come with the service contract also or just the supply contract?
- Rajesh Doraiswamy :** I think most of the tenders will only come with service part so it will be always these kind of 4-year contract because these equipments need some specialized maintenance for the next 4-5 years, so nobody will buy these assets without maintenance.
- Tarang Bhanushali:** sir last time also we had discussed that the impact of LED on our energy management business so now with the LED prices coming down do you think that we would again manage to sustain our energy management business doing forward or we would find tough competition over there?
- Rajesh Doraiswamy :** There is a shift in business strategy because of the impact of LED lights that have come in LED lights as such also dimmable but that business is still not coming so a non-dimmable LEDs that installed in the street lights now go with the controllers so what we have now done is we have made our energy saver panels as street light controller panels that can connect the entire street lighting system to a centralized system and this is what most of the corporations now are going in for tenders. So the tenders that we have participated already for street light control panels instead of the energy saver panels.
- Moderator:** Thank you, as there are no further questions I would now like to hand the conference over to Ms Vaishali Parker for her closing comments.
- Vaishali Parkar:** Thank you Lizann, I thank Mr. Rajesh for taking out time for this interaction and thank you all the participants. Have a good day.
- Moderator:** Thank you, Ladies and gentlemen, on behalf of Bank of Baroda Capital Market that concludes this conference. Thank you for joining us and you may now disconnect your lines.