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15th November, 2023

To,
The Department of Corporate Services
BSE Limited
PJ Tower, Dalal Street,
Mumbai - 400 001
Scrip Code: 507526

To,
The Listing Department
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Exchange Plaza, C-1, G Block
Bandra Kurla Complex,
Mumbai - 400 051
NSE Symbol: ASALCBR

Sub: Transcript of Investor Conference Call held on 09th November, 2023 on Earning Presentation

Dear Sir / Madam,

Pursuant to regulation 30 of the SEBI (Listing Obligations and Disclosure requirements) regulations, 2015 please find attached herewith transcript of Investor call held on 09th November, 2023.

A copy of the said transcript along with audio recording is also available on the website of the company www.associatedalcohols.com

This is for your information and record.

Thanking You

Yours Faithfully,
For Associated Alcohols & Breweries Limited

Sumit Jaitely
Company Secretary & Compliance Officer

Associated Alcohols and Breweries Limited
Q2-FY24 Earnings Conference Call
November 9th, 2023

Moderator: Ladies and gentlemen, good day and welcome to the Associated Alcohols and Breweries Limited Q2-FY24 Earnings Conference Call hosted by Valorem Advisors. 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 the operator by pressing * and then 0 on your touch tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anuj Sonpal from Valorem Advisors. Thank you and over to you, sir. Go ahead.

Anuj Sonpal: Thank you. Good afternoon, everyone. My name is Anuj Sonpal from Valorem Advisors. We represent the Investor Relations of Associated Alcohol and Breweries Limited. On behalf of the Company. I'd like to thank you all for participating in the Company's earnings call for the second quarter and first half of the financial year 2024.

Before we begin, let me mention a short cautionary statement. Some of the statements made in today's earnings call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on management's beliefs as well as assumptions made by information currently available to management. Audience are caution not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's earnings calls is purely to educate and bring awareness about the Company's fundamental business and financial quarter under review.

Now let me introduce you to the management participating with us in today's earnings call and hand it over to them for opening remarks. We have with us Mr. Tushar Bhandari, whole time director and Mr. Ankit Agarwal, Chief Financial officer. Without any delay, I request Mr. Tushar Bhandari to start with his opening remarks. Thank you and over to you, sir.

Tushar Bhandari: Thank you, Mr. Anuj. Good afternoon, everyone, and welcome to our earnings conference call for the quarter ended and half year ended FY24. Let me first brief you on the operational highlights, after which our CFO, Mr. Ankit Agarwal will take you through the financials.

Let's please start with the macroeconomic scenario around our industry in the context of mixed global macroeconomic due to war and looming economic slowdown. The liquor segment in India has showcased consistent stability with consumption pattern remaining

resilient during the period. Today, India is among the world's fastest growing beverage market in alcohol sector. The reasons are an increased urban population and rising disposable income, which are anticipated to fuel the development of India's alcohol market. Furthermore, premiumization as well as growth in the out of home segment are driving value growth in the alcohol market. The Indian liquor market has changed due to the emergence of affordable premium labels and people's changing habits, particularly among the young generations. The Indian made foreign liquor and Indian made Indian liquor, wine and imported alcohol comprise the majority of the alcohol industry. In India, among these categories whisky dominate the IMFL category. Furthermore, gin is also gaining significance owing to the increase in pub, hotel and restaurants, as well as evolving nightlife and consumer preferences.

In the quarter ended FY24, the Company reported a substantial revenue of Rs. 170 crores, signifying a 17% growth on a year-on-year basis. The notable expansion is the testimony to the Company's robust market position and the increased demand for its product among the customers. A key driver behind this growth was Company successful expansion into the new markets and strategic enhancement of its presence in the existing region. These efforts not only blasted the revenue figures, but also laid a strong foundation for the Company's long term, sustainable and enduring market presence. Despite challenges posed by raising input costs, particularly in critical materials like grain, the Company demonstrated resilience by focusing on operational efficiency, implementing prudent cost control measures.

The Company managed to counter the impact of escalating input price. The approach ensured stability and financial resistance, safeguarding the Company's bottom line. Furthermore, a significant milestone was achieved with the completion of the ethanol manufacturing facility within the existing factory premises at Baruah MP. The commencement of the facility's trial run marked a crucial step towards the full-scale commercial production in the coming month. The strategic expansion aligned seamlessly with the Company's growth initiatives, enabling diversification of its product offering and further strengthening the Company's position in the market. The expansion of the bottling line is in full swing. We are expected to commence the operation in the new bottling hall in this financial year.

I would like to hand over the call to our CFO. Thank you and over to you, Mr Ankit.

Ankit Agarwal:

Thank you, Tusharji. Hello everyone and thank you for joining us on this earning call today, I'll start by providing an overview of the Company's financial performance for the quarter and half year ended FY24, after which we will move on to the question-and-answer session.

The net revenue from operations stood at Rs. 170 cross, which was an increase of about 17% year-on-year. EBITDA was reported at Rs. 19.5 crores, which grew at 81% year-on-year with EBITDA margin reported at 11.4%. Profit after tax for the quarter was Rs. 13.5 crores which

grew at 80% year-on-year and PAT margin was reported at 7.89%. On a half-year basis for the financial year FY24, our net revenue from operations should at Rs. 327 crores, which was a marginal decline of 1% year-on-year. EBITDA stood at Rs. 38 crores which grewcrores,% year-on-year with EBITDA margin reported at 11.57%. Profit after tax was Rs. 26 crores which grew by 23% year-on-year and PAT margin was reported at 7.88%.

On the operational front for the quarter, IMIL sales volume declined by 33% year-on-year to around 8.8 lakhs cases. IMFL proprietary sale volume grew by 10% year-on-year to around 33.9 lakhs cases. IMFL licensed brand sales volume grew by 11% year-on-year to around 3.6 lakhs cases. Merchant ENA sales volume grew by 93% year-on-year to around 7.7 million MLPA. On the revenue front, IMIL revenue declined by 14% year-on-year to Rs. 44 crores, IMFL property revenue grew by 13% year-on-year to Rs. 27 crores. IMFL license brand revenue grew by 11% year-on-year to Rs. 43 crores, while merchant ENA revenue grew by 103% year-on-year to Rs. 46 crores [phonetic 0:07:20].

The GST Council in its 52nd meeting has kept the ENA use for manufacturing of alcohol for human consumption out of ambit of GST and empowered the state government to decide the taxability of such ENA. The ENA used for industrial use will be within the ambit of GST. The Company stands on the ENA taxability is aligned with the stand of GST council since the GST law come into force that is 2017. This is a welcome step from the GST Council as this will ensure avoiding unnecessary tax litigation.

This is all from my side in terms of financial performance is concerned. Thank you. Now we can open the floor for question and answer.

Moderator: Thank you very much. The first question is from the line of Priyansh who's an individual investor. Please go ahead.

Priyansh: Regarding this commencement of commercial production of distillery of ethanol projects, you said that will commence within this financial year or during the next month, December?

Tushar Bhandari: So, basically, the commercial this thing will start in the month of December.

Priyansh: Okay. And then how much time will it take to assume 100% utilization capacity?

Tushar Bhandari: Basically, after the plant starts manufacturing, there will be certain days required for stability and post those certain days it will achieve the 100% production capacity.

Priyansh: How much like a week two weeks like this? Because last time we will start full production? During last call, you said that it will not take much time to have this ramp up.

Tushar Bhandari: Yes. So, I'm just saying 15 days it will require that's it.

Priyansh: Okay, 15 days, okay, no problem. Second thing, what will be our basic raw material to produce ethanol? Surplus rice or broken grain or maize? And what is the cost for all those things and availability also?

Tushar Bhandari: Basically right now, see we've got a multiple grain field plant. So, depending on the availability and the pricing of the grain, we keep on switching from one grain to another depending on the economics of the same. So, at present, as rice is quite expensive, we are using maize. So, it will completely depend on the economics of the particular crop at that point of time.

Priyansh: But what about extraction of ethanol whether cost per liter will be more for maize, or for rice or for broken kind of things like comparative?

Tushar Bhandari: It completely depends on the cost economics. Like for example rice has got a higher starch content, so the alcohol extraction would be higher, but the price of rice is much higher right now. Starch content in corn is slightly lesser and it's available at a much cheaper price than rice. So, right now it's more economic towards corn.

Priyansh: To go for the corn, you are right. And then like what kind of EBITDA margin do we consider, for example, if you use prevailing price of maize to produce one liter of ethanol, so what will be the EBITDA margin?

Tushar Bhandari: Around 7%.

Priyansh: But the rate, for the grain pressed ethanol, what's the rate? Is it 58 or 64?

Tushar Bhandari: No, so recently with the substantial increase in the price of the grains, all the ethanol manufactures has represented to the Petroleum Ministry and Petroleum Ministry for the first time within a short period of time has again increased the rate by Rs. 3 to Rs. 4, so right now from corn it's Rs. 66.

Priyansh: Rs. 66 for the corn.

Tushar Bhandari: That's right.

Priyansh: Very good, that's it. Thank you.

Moderator: Thank you. The next question is from the line of Rishab Rathod, who's an individual investor. Please go ahead.

Tushar Bhandari: Good morning, Rishabh.

Rishabh Rathod: Yes, firstly, congratulation for good set of number. I had a question regarding the ENA volume. So, basically there was a substantial increase in the ENA sales in Q2. So, what was the reason behind that?

Tushar Bhandari: The reason, mainly in increase of ENA sale in Q2 was that in Punjab as the ethanol prices have gone up, most of ENA Punjab is the ENA supplier. So, most of the Punjab units have started manufacturing ethanol. So, there was a slight shortage in the ENA and there was a huge requirement and apart from that we had a stock from the previous month, so we liquidated the entire stock. So, that's why there was a substantial increase of ENA sales.

Rishabh Rathod: Okay, And what was the reason behind the decline in the IMIL sales?

Tushar Bhandari: Basically the Company is completely moving its focus towards the premiumization of its product, so Company is focusing on as IMIL is towards the lower end of the market is one of the lowest end, so Company has started moving since last 5-6 years in the earlier conference call also we said that we want to increase our IMFL production. And increase the sale of the value-added products. So, Company's focus is completely moving towards its own product. So, in IMFL the Company's sale increase as you've seen is 13% from q-on-q. In IMFL licensed brand, the sale has increased by 11% on q-on-q. So, Company has focused moving towards its own product and value-added products and premiumization also.

Rishabh Rathod: Okay. Our margins are still lower compared to earlier years of 15% to 20%. So, what is the reason for this fall and also when can we get to that particular level of margins?

Ankit Agarwal: So, the major reason for margin is the escalation in the raw material prices. So, if we move to the same prices which it used to be earlier, then we'll be able to reach that level of margin. So, currently the price of rice is at a peak level. In fact, it is again started adding toward north prices of glass and the other products are at an elevated level. So, once we start seeing the cooling of prices in these commodities, we'll again start seeing the margin of 15% to 16%. But what margin we have reported currently we're expected to have this steady state margin going forward.

Tushar Bhandari: And apart from that, in spite of increase in the raw material price, from last year we have almost increased our margin by almost around 70% to 80% and that is purely on the focus of premiumization and increase in sale of our premium products. So, that is the go to market right now for us and that's the strategy for us because that can only increase the margin of the Company if you sell more of the premium products.

Rishabh Rathod: Okay, thank you. And good luck for your upcoming quarters.

Ankit Agarwal: Thank you.

Moderator: Thank you. The next question is from the line of Yash Modi from Ashika. Group. Please go ahead.

Yash Modi: Hey, good afternoon to the management. Congratulations on a great set of numbers. My first question to you guys was when our ethanol production is supposed to be in Q4 when we operate at say 70% - 80% capacity, what is the kind of revenue run rate addition are we looking at for that capacity? Right now, we are at the rate of Rs. 170 - Rs. 180 crores, so what kind of quarterly revenue estimate at full say 70% - 80% capacity utilization, not full?

Tushar Bhandari: So, at the current price of the ethanol what the government is giving in a full capacity, we are expecting somewhere between Rs. 15 crores to Rs. 18 crores of monthly run rate, we give the monthly number. So, you can calculate quarterly number.

Yash Modi: Got it, thank you so much. And in terms of margins, if you could just tell us the margin, say some merchant ENA, IMIL, IMFL, IMFL proprietary IMFL license, say ethanol roughly broadly what would be the margin profile? I'm not saying the exact numbers but broad range say IMIL would be the lowest I'm guessing?

Tushar Bhandari: Yes so basically on the product wise, if I go on the ENA side, it's somewhere around 8% to 10%. And on IMIL side, it's somewhere around 7% to 8%. On IMFL, the margin is around 15%.

Yash Modi: Okay. And could you just elaborate on the new states that you spoke about, how is the market developing like last year Kerala was very good for us. Now that we've entered new state, how are things picking up because I see proprietary has also seen good volume growth of 10%. License has also seen 11% growth. So, if you could elaborate on that please, that's my last question. Thank you.

Tushar Bhandari: Basically the new states we've entered are faring really well and we are also planning to enter other states in the coming quarters. So, we are also looking at say for example, Goa, Orissa, and Pondicherry, these are the states we are looking at. Plus, apart from this what the companies are also doing is Company is moving completely towards the premiumization of its product. We have recently launched a premium rum we've already launched by the name of Central Province rum and now we are planning to launch a super-premium gin, which will be out in the market in a month or two and MPV we've already launched it. So, that will be handcrafted Premium Gin. And post that the Company is planning to launch blended Scotch. So, we are expecting to enter the major markets like Maharashtra, and other states with these premium products which will give an increase in EBITDA.

Yash Modi: Got it. I just missed the margins that you make on the ethanol side of things.

Tushar Bhandari: 7% to 8%.

Yash Modi: Alright, thank you, all the best.

Tushar Bhandari: Thank you.

Moderator: Thank you. The next question is from the line of Harsh Shah from Dimensional Securities, please go ahead.

Harsh Shah: Hi, good afternoon, sir. My first question was on the ENA side you mentioned that there has been some shortage because of lower supply from Punjab. So, just wanted to understand, has there been any increase in prices because our realization has remained more or less same for ENA?

Tushar Bhandari: Yes. so the prices of ENA has also increased in line with the increase in ethanol price.

Ankit Agarwal: But the major movement we're seeing in future, so in September quarter, the prices are more or less stable, but since this scarcity value will derive from going forward and you'll see in this quarter the numbers of the realization of ENA should be more than the previous quarter.

Harsh Shah: Can you quantify by how much the prices would have gone up from?

Tushar Bhandari: For example, from a sale price of Rs. 60 has gone to almost 66 - 67.

Harsh Shah: Okay and for how long you anticipate this situation to persist?

Tushar Bhandari: It will completely depend on the grain price also and the ethanol price also. So, everything is correlated but I think this is a sustainable price and it can go up further from here around 3% to 4%.

Harsh Shah: Okay, fair enough. And could you comment on our raw material price basket, how it has moved sequentially as well as compared to last year?

Ankit Agarwal: So, raw material prices baskets is concerned, so raw material is sequentially we are stable for the current year. But now in this quarter we are seeing a little uptick in the price. As far as the price from last year is concerned the raw material prices are more or less stable. But we have seen a decline in the price of coal. And the glass prices are stable at a limited level.

Harsh Shah: Okay. So, given that prices have remained stable on YoY basis, are we pushing for any price hike currently?

Tushar Bhandari: Price hikes wherever we could take, we have already taken because most of the States have for an excise year of starting from April and being a liquor industry and in different states having different policies, it's very difficult to take a substantial price hike. So, that's why the

Company is moving into premiumization and introducing new brands so that there they can take a good pricing.

Harsh Shah: Okay. For the ethanol business, would you be able to highlight what would be the kind of working capital requirement that would be needed for that business?

Tushar Bhandari: So, working capital requirement in that it will be similar to what we are having currently, We'll able to meet at from our internal accruals as far as, so there should not be any boring in that terms but will be similar to what we are having currently.

Harsh Shah: Okay, got it. Sure. Thank you.

Moderator: Thank you. The next question is from the line of Aditya from Lewis Share. Please go ahead.

Aditya: Good afternoon, sir. I have two questions both on ethanol side. So, what is the current size of broken rice and maize to produce one liter of ethanol and any views or expectations of new policy on ethanol front?

Ankit Agarwal: So, currently maize is around 21,000, if you speak currently and the rice will be around 23,000 to 24,000.

Aditya: What are the views or expectations of new policy on ethanol front which would be coming in November, price increase in November.

Tushar Bhandari: So, basically in ethanol, what is there is that the government has recently given the price increase around a month and a half back, but still as the prices of commodities have increased, we have again approached the government to increase the price and government is considering the same. But right now, we are not seeing a price increase anytime soon, but the representation is there and the talks are going on there.

Aditya: Okay. Thank you. That was all on my side. Happy Diwali.

Tushar Bhandari: Thank you.

Ankit Agarwal: Thank you.

Moderator: Thank you. The next question is from the line of Rithvik Agarwal from in Asia Equities. Please go ahead.

Rithvik Agarwal: Yes. Hi, thank you for the opportunity. I have one of bookkeeping question that CAPEX of ethanol plant we have incurred, is it capitalized or flown in P&L?

Ankit Agarwal: Once we commercialize the production, then on that day it will get capitalized.

Rithvik Agarwal: Okay and then we have seen quarter and quarter decrease in volumes for IMFL proprietary and IMFL license, is it some seasonal impact or some other, if you can give some color on it.

Ankit Agarwal: There's an increase in the IMFL proprietary and license. There's no decrease in terms of volume as well as in terms of value, both terms it has increased.

Tushar Bhandari: QoQ has increased by 30% and IMFL licensed brand has increased by 11%.

Rithvik Agarwal: No, I was asking from FYQ124 to FYQ224.

Ankit Agarwal: So, sequential quarter, so this quarter is a seasonal quarter. So, in terms of that number, it should be down, but it will again pick up in the Q3 and Q4 once the season come back. So, it's cyclic in nature.

Rithvik Agarwal: Okay. And one more question I had was like can you throw some color on the time required from procurement of raw materials to manufacturing? Time required from like days required from procurement of raw materials to manufacturing of

Ankit Agarwal: Maximum one week.

Rithvik Agarwal: Yes, that's it from my side.

Moderator: Thank you. The next call is from the line of Harsh Shah. Please go ahead.

Harsh Shah: Thanks for the follow up. So, my question is again on the ethanol plant which we are setting I believe that we've incurred CAPEX of around Rs. 140 crore. So, if we go by the run rate of around Rs. 17 crores per month that fetches revenue of Rs. 204 crores and you guided margin of around 7.5%. So, that's EBITDA of Rs. 15 crores below which I would get my depreciation interest. So, if I see the ROC for this business comes to a mid-single digit kind of numbers 6% - 7%. So, just wanted to understand, I mean what would be the peak ROC for this business? Just want to get the numbers right.

Tushar Bhandari: ROC will be the same, So, what number we have told from the ethanol sales there will be some buyer products which also be coming that will also add up to the revenue and the margin of this particular segment. So, in terms of ROC, it should be similar to what we are having currently plus, apart from that the government is also giving a subsidy of Rs. 1.5. That will also add up to the profit. So, this is what we have given you, the revenue from the sale of ethanol.

Harsh Shah: Okay, so subsidy for raw materials so that will be added realization that the government will give you.

Ankit Agarwal: The subsidy on the sales. So, whatever ethanol we said, we'll get Rs. 1 from the government

Tushar Bhandari: Rs. 1.5 extrgovernment.et from the government as a production link subsidy.

Harsh Shah: Okay, and from sales of around 200 crores of ethanol, how much can we get from the byproducts and feed?

Ankit Agarwal: Around 10% of the fertilizer.

Harsh Shah: And that would straightaway flow into bottom line?

Ankit Agarwal: Yes, more or less, but there will be additional cost involved in the processing, But for net revenue in terms of EBITDA whatever is the total turnover, it will be 7% to 8% of the EBITDA of the entire turnover.

Harsh Shah: Okay so, 200 crores plus 10% byproducts and 7% to 8% of entire 220 to 225 crores.

Tushar Bhandari: Correct, yes and plus additional

Harsh Shah: And plus subsidy, which you will get.

Tushar Bhandari: Yes, direct. That will add to EBITDA.

Harsh Shah: Alright, got it. Thank you so much.

Moderator: Thank you. The next question is from the line of Vignesh SBK from Seema Wealth. Go ahead.

Vignesh S.B.K.: Hi, thanks for the opportunity. I just want to understand the medium-term goal for the Company. Are we focusing more on the ethanol side or towards our main business kind of it?

Tushar Bhandari: Medium term and the long-term goal of the Company is to increase the sale of the value-added products. See alcohol is timely a commodity, alcohol whatever we produce would be sold because governments target is by 2025, the government has to reach a 20% blending of ethanol and right now across India it's only 10%. And the states like MP, it's hardly 5% to 6% and the balance is coming in MP from other states. So, there's a huge gap available in that. So, that's the pure commodity. There are only two companies to whom you have to sell and it's completely basis on the tender. So, the focus is completely and purely on the basis of the value-added for us and increase the sale of premium products.

Vignesh S.B.K.: Okay, got it. And the second one is on our capacity utilization, what will be the percentage now and going forward any CAPEX lined up for the next two years?

Tushar Bhandari: The capacity utilization is almost 95% to 100%. The CAPEX lined up for next two years is one of the CAPEX which is already under process is we are setting up a new complete bottling hall

of around 10 lines. So, that will attract a CAPEX. Total CAPEX would be around 30 crores. So, that is the major CAPEX which is there in line.

Vignesh S.B.K.: So, the CAPEX would be sufficient for our growth like in the next two years, just want to understand on that?

Tushar Bhandari: Yes, but it depends on, once the sale of our products increases, we are also contemplating of increasing the ENA capacities.

Vignesh S.B.K.: Okay. And last one, are we any trading business kind of thing we just sell buy it and brand it and sell it or we just manufacture and sell it?

Tushar Bhandari: No, IMFL proprietary brands are completely our own brand, which we are manufacturing and selling. And as I told you that recently we've launched a super premium product also that is the handcrafted gin which would be marked at around Rs. 2500 a bottle.

Vignesh S.B.K.: Okay, great. Thanks. That's it from my side.

Moderator: Thank you. The next question is from the line of Priyansh, who's a individual investor. Please go ahead.

Priyansh: Yes. So, regarding this ethanol projector, once we ramp up in 15 days - 20 days, whatever, then we will be able to utilize it, say 90% + 95% plus or it will be 70%.

Tushar Bhandari: No, around 90%.

Priyansh: 90% very good. And like you mentioned 70% is the EBITDA but suppose you also considered this depression, etc, then what will be our PBT for example, profit before tax from this unit say monthly for example approximate?

Tushar Bhandari: Basically that exact number we cannot give forthcoming numbers, but on a broader mark we've given you the details.

Priyansh: Okay. And then regarding this new territory, are we also planning to launch Brandy? Because I think brandy is completely missing from our portfolio?

Tushar Bhandari: No, we are already selling Brandy and we are the 5th largest player in Kerala. Our Brandy is selling very in good volume. So, we are doing around 1.2 lakh cases per month in Kerala, we are the only one first ones in the world to launch wide branding which is doing almost around 15,000 cases per month in Kerala.

Priyansh: Okay, very. Good. And my last question that what is the price of maize currently and what is the average price of maize during the last quarter, during September quarter, I mean.

Ankit Agarwal: So, currently maize is around 21,000 and like I said earlier, it is again headed towards north and last quarter it was around 20,000 which we have reported.

Priyansh: Okay. And then regarding this new market, like you said that we are, we are trying to launch Maharashtra and Goa. So, after launching this, what about northern market for example, Rajasthan and Punjab, Haryana. Are we present there or not yet?

Tushar Bhandari: So, basically, we are present in Delhi. And other markets we are studying, so if we transport from here, the cost viability is not coming. So, we are also looking. We have also explored Punjab and we are exploring to manufacture in Punjab, Rajasthan the. Price realization is quite less. So, transporting from here would be not viable. So, we are studying, we are under the process of studying each and every state.

Priyansh: No, but that's a good proposition. But for example, in Punjab if you don't set up a plant to be the CAPEX light, we can have some outside bottling arrangement?

Tushar Bhandari: We have spoken to three or four people for washing arrangement there.

Priyansh: Very good. Okay. Thank you, all the best.

Tushar Bhandari: Thank you.

Moderator: Thank you. The next question is from the line of Rithvik Agarwal from Inertia Equities. Please go ahead.

Rithvik Agarwal: Hello. Yes. Thank you for the opportunity again. I just have one more question. Looking at the presentation, IMFL propriety cases have shown a growth of 10%. So, is it some sort of a sustainable rate or we can expect much higher and work, can you give some number on it?

Tushar Bhandari: So, right now it's on a sustainable range and as we keep on increasing the markets, the volume would increase substantially.

Rithvik Agarwal: Okay. And what kind of number can you just give a sense on it, like the ballpark range?

Tushar Bhandari: Basically, see the thing is it's all about clicking in the market. As you're aware, developing a brand in some other markets is quite a difficult task and it's a long-term journey. So, one has to be patient and one has to look for opportunities like we did in Kerala and other states. So, similar kind of things we will do in the new states which we're launching and if we are able to play our cards well. I think the growth can. Also, go up to 20%.

Rithvik Agarwal: Okay, congratulations. Thank you.

Tushar Bhandari: Thank you.

Moderator: Thank you. Since we have no further questions, I now hand over the conference to the management for the closing comments.

Tushar Bhandari: Thank you all for participating in the earning conference. I hope we have been able to answer your questions satisfactorily. If you have any further questions or would like to know more about the Company, please reach out to our investor relationship managers at Valorem Advisors. Once again, we wish everyone a happy and prosperous Diwali in advance.

Ankit Agarwal: Thank you.

Moderator: Thank you. On behalf of associated alcohols and Guris Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you. Bye.