



“Symphony Limited Q3 FY17 Earnings
Conference Call”

February 13, 2017



ANALYST:

MR. MANOJ GORI - EQUIRUS SECURITIES

MANAGEMENT:

**MR. ACHAL BAKERI – CHAIRMAN & MANAGING
DIRECTOR - SYMPHONY LIMITED**

**MR. NRUPESH SHAH - EXECUTIVE DIRECTOR -
SYMPHONY LIMITED**

MR. BHADRESH MEHTA - CFO – SYMPHONY LIMITED

**MR. GIRISH THAKKAR - GM ACCOUNTS AND FINANCE -
SYMPHONY LIMITED**

**MR. MAYUR BARVADIYA - COMPANY SECRETARY -
SYMPHONY LIMITED**



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- Moderator:** Ladies and gentlemen, good day and welcome to the Symphony Limited Q3 FY17 earnings conference call hosted by Equirus Securities. As a reminder, all participant lines will be in the listen only mode. 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. Manoj Gori from Equirus Securities. Thank you and over to you Sir!
- Manoj Gori:** Good evening everyone and thanks for taking your time for 3Q FY17 earnings call of Symphony Limited and I on behalf of Equirus Securities would like to thank the management for giving us the opportunity to host the call. On call, today, we have Mr. Achal Bakeri, Chairman and Managing Director, Mr. Nrupesh Shah, Executive Director, Mr. Bhadresh Mehta – Chief Financial Officer, Mr. Girish Thakkar and Mr. Mayur Barvadiya. So now I would not take any time and I would like to hand over the call floor to Mr. Achal Bakeri for discussing the Q3 performance.
- Achal Bakeri:** Good afternoon everybody and thank you one all and thank you participants for being on this call with us. I will ask my colleague Mr. Nrupesh Shah to give some opening remarks after that we will come to Q&A with all participants. Thank you.
- Nrupesh Shah:** Good afternoon and I accord our warm welcome in this conference call to review Q3 and nine months’ financial performance for the accounting year 2016-17. In our opening remarks and during question and answer, there may be certain forward-looking statements, which are based on current market scenario, internal and external factors, but those forward-looking statements may or may not turn to be correct on account of change in market scenario or even inaccurate assumptions. Having said that at the outset Q3 December 2016 quarter has been really a path breaking quarter for the company. During the quarter, we registered highest ever sales and highest ever PAT in any of the quarter. For the first time in a single quarter Symphony registered PAT more than Rs.50 Crore. Four years before that is in the year 2011-12 Symphony had registered 12 months topline of Rs. 250.13 Crore with bottom line of Rs. 50.34 Crore. At that time and currently the gross margin remains the same. EBITDA margin, which was about 28% four years before has now jumped to 35.5% while PAT margin, which was 19.5% for 12 months, now stands at about 25.1% for first nine months, while about 29.2% in the Dec-16 quarter. In respect of capital employed even though turnover has increased substantially in the core business it remains almost at the same level and hence the return on core capital employed in air cooling business, which was for entire 12 months about 90% in the year 2011-12, now for nine months stand at about 234% that is annualized about 313%, so this really proves our confidence in our strategy, business model and also the size and scale with speed, which we have and which we can achieve. Having said these, of course there is a long runway and in international business as well as in centralized air-cooling we have barely scratched the surface. Moreover, during the quarter there is a topline growth of about 11% and PAT growth of about 17% despite demonetisation and especially for our product and in our industry during December quarter as



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such for a trade, there was no compelling reason to buy with 100% advance that too in off-season and to hold the inventory for the season to set in. Up to October there was a robust growth while post demonetisation in the month of November the month was almost washout, we really measure our performance considering our business model based on the collection, which we receive from the trade, but in December the business was back to normal, there was not only a decent growth sequentially, but also on Y-o-Y basis. While in the month recently concluded, i.e. January, we have seen a robust growth. We believe that ultimately measures like demonetisation coupled with GST down the line should be highly beneficial to the company like us.

Coming to residential air cooler segment, in the current, i.e. nine months, Symphony has successfully launched several path breaking models to start with, earlier it was world's first wall mounted cloud air cooler for which we have applied for Global Patent, it was followed by i-Pure range of air coolers, which is a technology innovation by Symphony and it comes with a set of filters that works together to deliver the cool and pure air. Then sometime before we launched MobiCool range of air coolers, which are mobile commercial air coolers, in all five models. Finally touch range of air coolers having several innovative features and in a way, it has also created the history, in the sense, we could mobilize substantial advance from the trade across the geography just by showing the brochure, while actual production and delivery has started in the middle of December. Further we have beefed-up our IT system substantially whereby we have now succeeded in establishing a direct communication and contact with all the dealers apart from distributors that will give us an edge to have a real-time excess to their sales, purchase and inventory, moreover it will have domino effect for sales planning, promotion, and logistic. Apart from that, for domestic business year-after-year we have improved our service substantially and now it is considered to be the best in the industry and it is being widely acclaimed not only by our field force, but also by our trade partners.

Coming to centralized air cooler, on Y-o-Y basis, there has been some growth in triple digit percentage, of course on low base. We are continuously receiving the orders across the segments including several renowned companies and factories. Coming to international business, during first nine months we have registered our sales of about Rs. 41 Crore vis-à-vis Rs. 27 Crore that is translating in to growth of about 51%. In international business, we have witnessed a very robust growth from countries in Southern Hemisphere where summer falls during our off-season. We have substantially consolidated our position especially in Middle East as well as Southeast Asia apart from North America and we are continuously witnessing a strong order pipeline. About IMPCO, Mexico, now it is completely debt free company. The loan granted by Symphony and its subsidiary company has been fully repaid with interest and impact of these measures will be fully seen in the next accounting year, mainly in the respect of nil or negligible interest cost, and foreign exchange fluctuation on the loan as well as substantial reduction in depreciation. Moreover, very recently IMPCO has decided to buyback the shareholding from Sylvan, which used to be our 100% subsidiary company, so in the process IMPCO will become our direct subsidiary company, which will help in



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the respect of several compliances, improving its statutory aspects as well as simplifying the operations.

Coming to financial aspects for nine months as well as quarter, in the nine months Symphony's total income from operations stood at Rs. 483 Crore up from Rs. 388 Crore that is growth of about 24.6%, while in last quarter it stood at about Rs. 180 Crore up from Rs. 162 Crore registering topline growth of 10.9%. At EBITDA level for nine months it is at Rs. 179 Crore up from Rs. 138 Crore that is Y-o-Y growth of 29.5% translating into EBITDA percentage to gross revenue 35.5% versus 33.6% year before. While for three months EBITDA percentage stood at 41.2% versus 39.8% year before.

Coming to income tax, for nine months it was Rs. 49.8 Crore up from Rs. 37.6 Crore translating into effective rate of income tax of 28.3%. While PAT for first nine months is Rs. 126.5 Crore versus Rs. 98.8 Crore registering PAT growth of 28.1% and translating into PAT percentage to gross revenue 25.1% versus 24.0%. For last quarter, PAT stood at Rs. 56.1 Crore versus Rs. 47.7 Crore that is growth of about 17.5% and PAT percentage to gross revenue is 29.2% versus 28.2%.

Coming to capital employed in core business that is air-cooling business it is Rs. 127 Crore translating into nine months return on capital employed 234.8% versus 254.9%. On annualized basis return on capital employed that is PBIT percentage will be around 313%. So, with this I open the floor for question and answer.

Moderator: Thank you. We will now begin the question and answer session. The first question is from the line of Achal Lohade from JM Financial. Please go ahead.

Achal Lohade: Good evening. Thank you for the opportunity. I wanted to get some sense in terms of these third quarter, how has been the response from the dealer distributors in terms of stocking levels, did we offer any incentives, any colour on the monthly percentage growth or decline if you could comment on that?

Nrupesh Shah: No, as I said in my opening remarks post demonetisation in the month of November it was almost washout, but in the month of December not only sequentially, but even on Y-o-Y basis we saw a quite decent growth while in the month of January that is the month just concluded to be registering robust growth it seems starting current quarter demonetisation is a history.

Achal Lohade: Did we offer any incentives for prompt payments or any other help to the channel?

Nrupesh Shah: In our business for traditional channel we do have 100% advanced model and as you can see in our EBITDA margin gross margin it has been not only maintained at the same level, there is slight improvement, so there was no need and we are not offering any discount for that, but as it is prevalent



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in any consumer durable industry time-to-time there maybe variety of sales promotion schemes, which we used to offer in the past and currently too.

Achal Lohade: I understood and secondly in terms of the unorganized as we know that the air-cooling industry sees some massive amount of unorganized presence have you seen any change in the behavior for the unorganized players in terms of, their way of working, or their level of invoicing anything of that sort?

Achal Bakeri: What has come to our knowledge is that their costs have grown up and subsequently their selling prices have also gone up to some extent post demonetisation, but the real impact will be seen and felt in the months to come.

Achal Lohade: Any colour on the percentage increase you have heard about Sir, is it in single digit, double digit or anything of that sort?

Achal Bakeri: What we have heard is about 20%-25% increase.

Achal Lohade: Understood. I will come back in the queue Sir! Thank you so much.

Moderator: Thank you. The next question is from the line of Chirag Setalvad from HDFC Mutual Fund. Please go ahead.

Chirag Setalvad: Good afternoon Sir! If you could tell us the volume growth for this quarter?

Nrupesh Shah: Volume growth is in line with topline growth, but on account of competitive reasons we are not disclosing quantitative numbers.

Chirag Setalvad: Would you be able to share performance for the nine months for the subsidiaries?

Nrupesh Shah: We do consolidate our financials for subsidiaries only on annual basis and even otherwise for IMPCO, Mexico as well as GSK, China unlike our domestic business, still it is quite seasonal business especially in September quarter and December quarter. So, it will be quite meaningful if their annual performance for year as a whole is reviewed.

Chirag Setalvad: For the last two years, you have been growing your topline your volumes 20%-25% then this quarter a bit of aberration because of demonetisation so would it be fair to say that now that passed the impact of the demonetization, that going forward one should expect that broad range of growth to 15?

Achal Bakeri: Absolutely. Even if you look at our overall nine months' growth it is not shabby and we are sure that when we close the year in March it should be more or less in line with what has been our historical track record.



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- Chirag Setalvad:** Sir last question from my side broadly how do you see profitability because there are several levers or several pulls and pressures and profitability I think raw material prices would have increased a little bit, but you are seeing volumes rising in the same time and you will get some operating leverage as a result of that, so broadly said you see margins more or less remaining where they are, do you see pressure on the way up or do you actually think there is further scope for improvement?
- Achal Bakeri:** There has been firming up of raw material cost lately, but we do not really foresee any significant impact on the bottomline either way, I think we will sort of more or less maintain what we have done in the last nine months.
- Chirag Setalvad:** Great Sir! Thank you very much.
- Moderator:** Thank you. The next question is from the line of Maharshi Patel from Sameeksha Capital. Please go ahead.
- Maharshi Patel:** Thank you for taking my question. Sir what would be the market size of air cooler domestically and globally?
- Nrupesh Shah:** Domestic market size of the air cooler we estimate it to be about 8 million units and value wise it should be currently anything in the range of Rs. 3000- Rs. 4000 Crores and industry as a whole it is growing in the range of 12%-15%. As far as rest of the world is concerned, it is a very wild guess, but rest of India, rest of China, it is at least at par with our domestic market size.
- Maharshi Patel:** Our split between residential and industrial air cooler?
- Nrupesh Shah:** On a consolidated basis, industrial contributes about 15%, but most of that is currently contributed from sales in North America.
- Maharshi Patel:** Sir our revenue split between the residential air cooler and industrial air cooler would be?
- Nrupesh Shah:** As I said it is 85% residential, 15% industrial air cooler.
- Maharshi Patel:** Thank you.
- Moderator:** Thank you. The next question is from the line of Kamlesh Kotak from Asian Markets. Please go ahead.
- Kamlesh Kotak:** Good afternoon Sir! Sir just can you elaborate more on the China business how that is shaping up in terms of the acquisition and how you see the growth outlook there?



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- Achal Bakeri:** The China acquisition we have completed little over a year we acquired that in 1 January 2016, so all of 2016 went in pretty much stabilizing the operations, the company was in a state of flux and our time was spent very much in stabilizing the operations, in terms of recruitment, bringing in senior management over there, in fact starting it at various levels, also in terms of cost rationalization in terms of manufacturing cost rationalization also letting us trying to understand the market and understand the product range and all of that. So as expected and as we have sort of forecasted when we acquired the company, sales in 2016 would be sort of less than what it was in 2015, but we believe that from now the worse is behind us and from the current year onwards we should start looking up. Despite all of that we do expect to have losses for the first three years also and after that the size of the market both within China as well as Southeast Asia that are catered to from that subsidiary are huge; the market size is very good and I think we should be able to make a significant dent in that market.
- Nrupesh Shah:** Earlier as it was estimated, our total funding directly or indirectly to take care of its losses and working would not be more than Rs. 35- Rs. 40 Crore.
- Kamlesh Kotak:** How much of that already has been spent Sir?
- Achal Bakeri:** About half.
- Kamlesh Kotak:** What could be size of that entire market the China plus Southeast Asia as you can just share some growth opportunity?
- Achal Bakeri:** We do not really have any definitive clue.
- Kamlesh Kotak:** Sir also are we looking at getting some of our manufacturing source from China because of the scale or the lower cost there for Indian market also getting some new models to be cross sell, opportunity from China for Indian market or is it also something, which we are exploring, which can also help improve our domestic margins as such?
- Achal Bakeri:** For central air cooling business, we have begun to import some models from China to India, but for the other range, domestic or household range, it does not make sense to do that because the duties in India have 30% and that sort of I would say negate any cost advantage that there maybe.
- Kamlesh Kotak:** And Sir lastly just get some more colour about the domestic industrial cooling business, how that business is scaling up and what kind of growth we are seeing over the next three to five years in that category?
- Achal Bakeri:** Well, I would say that in the current year, we have seen again very, very good growth when I say good growth this is in 3-digit percentage, but once again the base is so low that it does not really



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move the needle and we expect that in the years to come two, three, five years we should be able to maintain robust growth, when I say robust once again it is either in the high double digit or in triple-digit till it reaches a certain critical mark and stabilizes.

Kamlesh Kotak: Alright Sir! Many thanks for that. Thank you.

Moderator: Thank you. Next question is from the line of Renu Baid from IIFL. Please go ahead.

Renu Baid: Good evening Sir! Sir my first question is A) To understand on the export side if you see even for the quarter the growth has been strong double digit, so though the base is small if you can highlight our specific initiatives where we are looking to increase the penetration in all the specific markets and if there are any medium-term targets for the export side?

Nrupesh Shah: So in Southern Hemisphere we could successfully break some of the markets and that has really helped and in terms of the seasonality, our off-season is thier peak summer, so that is number one. Number two, in Middle East and in Southeast Asia apart from North America of course we are selling there for the last couple of years, but we have further consolidated our position and we have beefed-up our distribution network in all the territories and some of the new models have been also successfully sold over there and coming to profitability margin even that has been maintained well and even currently we are sitting on good order pipeline for export so we do not have any targets in terms of amount or quantity, but whatever historical growth in terms of percentage, 30%-40%, seems achievable in medium term. There is a huge potential.

Renu Baid: Sir any of the incremental growth are coming in from the geographic presence in which Keruilai was strong or purely it is driven by current existing strength?

Achal Bakeri: No, it is pretty much driven by our current exiting customers and current existing geographies.

Renu Baid: Sure and Sir second is on IMPCO I know it would may not be as relevant, but then the recent US and Mexico standoff, which has come through, are you think the demand in IMPCO or the domestic Mexican market could be hurt and that can indirectly impact financials of your business and how would the exports from IMPCO to North America pan out, given that now you are asset light on your business strategy there, so any inputs on that side?

Achal Bakeri: Well it is a good question, in fact the Mexican Peso was devalued by about 25% or so in the last couple of months since Trump's election and so to that extent I would say on one hand our exports to the US have benefited because you get more of Peso for the same dollar, at the same time our import cost has gone up, but then we have been able to sort of pass on the cost increases to our customers in Mexico and in the US. I think overall it is still early days to really know how the cookie will crumble, but I do not think it will have a huge impact either way.



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- Renu Baid:** On your GST preparedness though it would happen for you at the first quarter of your new financial year, between the first and second quarter, but you think it could have any impact on your business performance next year and how well are you prepared for GST?
- Achal Bakeri:** We are I would say very much prepared for GST. We have our finance team and the indirect taxation team have everything in place and our IT system is also geared for that, but till the time that the GST is fully announced and all the details are fully known one cannot be 100% prepared, but as far as what we know, we are prepared for that. It should have a positive impact on the business because the unorganized sector will sort of be covered in the value chain and their costs would go up and the gap between organized sector and unorganized sector pricing should narrow.
- Renu Baid:** Sure. Sir my last question if I can ask you one more is on your product mix and margins. If you look at the entire range of new launches, which has been done in the last 6 to 12 months are at the higher end of realizations and given that the share of these models and mix should improve in the next one to two years and if cost structures remain same then ideally there should be further headroom for increase in your margins, so what are your thoughts on further expansion in your operating margins because of a better product mix and how is that geared up against the competition, which is stacking up? That is it and that is my last question for you.
- Achal Bakeri:** Well actually the improvement in margins, which Nrupesh bhai elaborated on a little while ago is the result of the product mix over the last few years, so we have this sort of premiumisation of the product mix, which has helped in improving the margins, but at the same time we are constantly also adding like for example this new range, touch range, of models that we have launched, it is a range of five models starting at the lower end, so we have some entry level models and going all the way up to very high technology kind of model, so it is not that we are focusing only on the high end, we are very much cognizant of the competitive landscape and we keep on tweaking the range to make sure that we have models, which are competitive.
- Renu Baid:** Sure. Thank you so much and all the best Sir!
- Moderator:** Thank you. The next question is from the line of Manish Gupta from Solidarity. Please go ahead.
- Manish Gupta:** Sir just wanted to double check one thing. You said your industrial segment is about 15% of revenue, so does that mean for nine months where you did about Rs. 483 Crore, the industrial segment is roughly Rs. 70 Crore of revenue?
- Nrupesh Shah:** 15% of consolidated revenue and most of the industrial cooler sales currently take place in North America. While in domestic market still it constitutes very small amount. In other words, most of the centralized air-cooling sales takes place from IMPCO.



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- Manish Gupta:** Right, but would you be willing to share how much the industrial cooling is in India right now?
- Nrupesh Shah:** We do not give a breakup of that, only on a consolidated basis that breakup is available, but you can safely assume that at the moment it is still very small to be meaningful.
- Manish Gupta:** Right and overtime how do you see, it is early days, but say couple of years down the line three to five years down the line what do you see the margin profile on the industrial cooling business vis-à-vis the residential cooling one?
- Nrupesh Shah:** In residential cooling, by and large we expect current table of margin to be maintained despite competition and despite several other external factors on account of variety of reasons and as far as industrial cooling is concerned it is by and large in line with residential air coolers.
- Manish Gupta:** The margins of industrial cooling you are saying will be the same as residential?
- Nrupesh Shah:** It is in line with residential air cooler.
- Manish Gupta:** Fine thank you Sir!
- Moderator:** Thank you sir. The next question is from the line of Kamlesh Kotak from Asian Markets. Please go ahead.
- Kamlesh Kotak:** Sir could you help us understand how many models do we have all in terms of the residential cooler now and how much it was if you can also give us some sense may be around two to three years back?
- Nrupesh Shah:** In all we do have 40 plus models in residential air cooler these are over and above variance for e-commerce and above three years before we were having almost half of the models. Now we have the models for various applications, indoor, outdoor, and for various price points, and various segments whether it is residential or centralized or even in package.
- Kamlesh Kotak:** How much is your capacity as far as SEZ is concerned at both the units now?
- Nrupesh Shah:** Both put together the capacity is about 300,000 units.
- Kamlesh Kotak:** Are you planning to add any further capacities for exports markets?
- Nrupesh Shah:** Immediately not required, but there it is scaleable factory.
- Kamlesh Kotak:** One more thing Sir when you say 40 plus models, can you get us some sense about how many vendors do you source it from and how much it was last two years back if you can?



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Nrupesh Shah: So, we do have about 10 OEMs spread over the country and different models are allocated to different OEMs. At about three to four years before, we were having about six OEMs and on need base we can continuously add the OEMs.

Kamlesh Kotak: Alright Sir that is it. Thank you.

Moderator: Thank you. The next question is from the line of Krish Kohli from Edelweiss. Please go ahead.

Krish Kohli: Thank you for taking my question. Basically, we had launched a Symphony Cloud the wall mounted air cooler, so I just wanted to know how the response for that has been?

Nrupesh Shah: About wall mounted air cooler, we are going relatively slow in the sense. We are still test marketing. So last year only in few cities we test marketed. In the current year during season, we will further test market, but strategically. So still in the current year we are not planning to launch it full fledged it will be down the line, but so far wherever it has been test marketed it has received overwhelming response.

Krish Kohli: Because initially you were planning to first launch it in Gujarat and Maharashtra and then spread it to different parts of the country, so there has been some delay in that.

Nrupesh Shah: Correct.

Krish Kohli: Thank you so much.

Moderator: Thank you. The next question is from the line of Manish Gupta from Solidarity. Please go ahead.

Manish Gupta: Sir your market share is it still in the range of 50% or do you believe it may have gone up over the last couple of years?

Nrupesh Shah: About three to four years before our market share value wise was in the vicinity of 40%, which has gone up to about 50% in domestic market.

Manish Gupta: Are there any new competitors who entered this space recently?

Nrupesh Shah: In the last three to four years as you know many competitors have entered, some large players and some mid size players.

Manish Gupta: But you are saying your market share has still expanded despite entry of competitors?

Nrupesh Shah: I think both is possible, it can be expanded or at the same time overall size of the cake itself is expanding so even if we maintain our market share, one on account of expanding in cake size in



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second shift from unorganized to organized still we expect to register a robust growth, which is the case and performance even in first nine months of the current year.

Manish Gupta: Thank you very much.

Moderator: Thank you. The next question is from the line of Navin Trivedi from HDFC Securities. Please go ahead.

Navin Trivedi: Good evening to all of you. Sir my question is on, as ESL has plans to sell their efficient air conditioners do you think that this can also possible for air cooler category as well as any impact of if they sell efficient ACs at the lower place will this impact to our category also?

Nrupesh Shah: No I did not get the first part of your question.

Navin Trivedi: Sir ESL has plans to sell energy efficient air conditioners, so do you think that they can also plan to sell air coolers also?

Nrupesh Shah: No, see currently also air cooler consumes only about 5% to 7% electricity vis-à-vis air conditioner. Even if there is a lower electricity consumption in air conditioner still there will be a sizeable gap, that is number one. Number two, apart from that there is a huge gap in terms of the onetime cost. Thirdly, air conditioners unlike air coolers are not mobile right, air coolers are mobile, so it can be used in various rooms, and moreover air conditioner cannot be used for outdoor application while air cooler can be used for outdoor application also. On top of it, air coolers are not being sold just because of energy efficiency, just to site about Middle East to consume or to buy air cooler energy efficiency is not the criteria. It is mainly because of its utility they need the moisturization, it is a convenience of use, environment friendly, and there it is a dry and hot weather. In many, many Middle East countries air cooler is like a household product.

Navin Trivedi: But considering because of ESL the way the LED prices have come down significantly and air conditioner is still very low penetrated category and if ESL will give a big platform to air conditioner players also and if the high efficiency air conditioner will be available at low price point, do you think that this can impact to our high-end air coolers to some extent?

Nrupesh Shah: In fact, in air conditioner with improvement in energy efficiency ratio on the contrary product cost is continuously going up, that is what we have seen in the last three to four years, so on the contrary a gap of onetime cost is widening.

Achal Bakeri: Moreover, if you compare a Rs. 20,000 cooler with Rs. 20,000 air conditioner you are comparing an apple with an orange because the kind of space that a Rs. 20,000 air cooler can cool is much larger



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than what a Rs. 20,000 air conditioner can cool, so all air conditioners are not the same and all air coolers are not the same.

Navin Trivedi: Fair point. My question was only if the price difference between the high end and the low end of the AC will fall down any thought process on that will this have any meaningful impact on our upper level of segment or the entire segment, but maybe the last?

Achal Bakeri: It is an academic question.

Navin Trivedi: That is from my side. Thank you so much Sir!

Moderator: Thank you. The next question is from the line of Manoj Gori. Please go ahead.

Manoj Gori: Yes thanks. Sir just one question from my end like as you know like China could be a big market for us and can be a potential game changer also if you look from a volume perspective, so currently like how many models have we launched in China market in residential air cooler and how has the response been?

Achal Bakeri: In China market, we have not launched any new models the company was in existence and they already had models over there and those continue to sell. However, within the China market the larger coolers the commercial and industrial coolers, the central air cooling systems, category is the one, which is much bigger market for our subsidiary.

Manoj Gori: Right Sir! Sir any plans to launch your residential air coolers like Symphony air coolers in China, under the name of GSK?

Achal Bakeri: Again, good question. We already are going to test market a couple of models from India in the Chinese market in the summer of 2017.

Manoj Gori: That is all from my side Sir! Thank you.

Moderator: Thank you. As there are no further questions, I would now like to hand over the conference to the management for closing comments.

Nrupesh Shah: I thank you very much to all the participants and Equirus Securities for hosting this conference call. Thank you.

Moderator: Thank you. On behalf of Equirus we conclude this conference. Thank you for joining us. You may now disconnect your lines.