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BBOX/SD/SE/2024/11

February 15, 2024

To

**Corporate Relationship Department
Bombay Stock Exchange Limited**
P.J. Towers, Dalal Street,
Fort, Mumbai 400001

**Corporate Relationship Department
National Stock Exchange Limited**
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai 400051

Sub: Transcript of Earnings Call hosted on February 9, 2024 on Unaudited Financial Results (Consolidated and Standalone) for the quarter/period ended December 31, 2023.

Ref.: Scrip code: BSE: 500463/NSE: BBOX

Dear Sir/Madam,

This is further to our letter dated February 2, 2024 with reference number BBOX/SD/SE/2024/04 and pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the Earnings Call hosted on February 9, 2024 on Unaudited Financial Results (Consolidated and Standalone) for the quarter/ period ended December 31, 2023, is attached hereunder.

This is for your information, record and necessary dissemination to all the stakeholders.

For **Black Box Limited**

Aditya Goswami
Company Secretary & Compliance Officer

Encl.: A/a

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“Black Box Limited
Q3 & 9M FY 24 Earnings Conference Call”
February 09, 2024



**MANAGEMENT: MR. SANJEEV VERMA – WHOLE-TIME DIRECTOR AND
CHIEF EXECUTIVE OFFICER
MR. DEEPAK BANSAL – EXECUTIVE DIRECTOR AND
GLOBAL CHIEF FINANCIAL OFFICER**

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 9th February 2024 will prevail.

Moderator: Ladies and gentlemen, good day and welcome to the Q3 and 9 months FY24 Earnings Conference Call of Black Box Limited. This conference call may contain forward looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risk and uncertainties that are difficult to predict.

As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sanjeev Verma, Whole-Time Director and CEO of Black Box Limited. Thank you and over to you, sir.

Sanjeev Verma: Thank you. Hello and good morning everyone. I hope all are keeping safe and healthy.

On behalf of Black Box Limited, I welcome everyone to our Q3 and 9-month FY24 earnings call. On the call, I'm joined by Deepak Bansal, Executive Director and Global CFO and SGA, our Investor Relations Advisors. We have uploaded our results presentation on the exchanges and I hope everybody had an opportunity to go through the same.

We are happy to meet again. I'll start with a brief overview on the company, followed by business and financial performance for Q3 and 9-month FY24. Black Box stands as a prominent global ICT solution provider specializing in designing, deploying and managing digital infrastructure solutions for our esteemed global enterprise clientele, including fortune customers and cloud providers.

Our footprint spans 35 countries and is bolstered by over 4,000 highly efficient professionals. Leveraging our expertise of four decades now, businesses can develop and deliver pertinent technological solutions and services aligned with their core business goals. Our strategy of 'GLOCAL', which is 'Think Global, Act Local', enables us to maintain meaningful relationships globally while ensuring relevance and flexibility for our customers. This approach allows for cost-effective delivery across 35 countries, presented by our Center of Excellence situated in India.

We have reported an exceptional performance in Q3 and 9-month FY24 in terms of improving our margins and overall profitability. Our emphasis on cost-strategization and enhanced productivity has begun to generate positive outcomes, helping us to deliver good numbers.

The project's order backlog for North America continues to be strong. Just to highlight the trend for projects' order backlog for North America, this was \$101 million in December 21, which increased to \$185 million in December 22, and further increased to \$193 million in December 23. So [Y-o-Y] over the last couple of years we have seen good growth in terms of order backlog.

However, we saw some shrinkage when compared to September 23 project's order backlog of \$233 million. Deferment of capex plans at the customer's end, coupled with slow decision-making and consistent execution of projects at our end on a QoQ basis led to a lower-than-

anticipated order backlog. Our new projects' deal wins for the quarter will exceed the \$50 million. However, it was below our internal estimates, and we are confident that deal wins will gather momentum over the next few quarters, given the robust pipeline and hyperactivity in the AI-led data center and cloud space. Our overall pipeline at around \$2 billion stands at the highest level ever. During the quarter, all our business lines have seen strong traction with significant contributions from projects and managed services in the areas of data center and digital connectivity, modern workplace and customer experience, networking and cybersecurity, and control room solutions.

As we have highlighted in our past call as well, the data center market propelled by the influence of hyperscalers and cloud providers is poised for substantial growth in the coming years. We anticipate seizing these opportunities with our superior design and execution capability both in North America and international markets. We are currently engaged in active projects with three out of the five major hyperscalers.

In addition, we are also serving other large customers in the enterprise domain. We remain focused on our endeavor to enhance margins and profitability. Although we are seeing some delays in decision-making from customers, it has impacted our revenue growth in the short term.

We remain optimistic about sustaining the profitability momentum. We are confident of remaining within our stated EBITDA and PAT guideline range for the year. That's from my side.

I now hand over the call to Deepak to run through the financial highlights. Thank you, Sanjeev, for the detailed overview.

Deepak Bansal:

Good morning, everybody. I will now discuss our financial performance for quarter three and nine months ended FY24. Our strategy is to focus on large revenue customers have started yielding results, helping us to achieve best nine months performance across all the financial parameters. Starting with the performance for nine months, revenues witnessed a growth of 4% year-on-year to INR4,801 crores from INR4,606 crores for nine months FY23.

On a quarterly basis, our revenues for quarter three of FY24 stood at INR1,655 crores, which is a growth of 5% quarter-on-quarter and muted on a year-on-year basis. Some holdup in decision-making at the customer's end led to delay in getting new orders, thereby leading to muted performance in quarter three FY24 on a year-on-year basis. If we look at EBITDA, we are happy to report a robust 75% growth year-on-year to INR306 crores in nine months FY'24 compared to INR175 crores in nine months FY'23.

For quarter three of FY'24, we have achieved EBITDA of INR116 crores, which is a growth of 62% year-on-year and 15% quarter-on-quarter. We have seen a consistent growth in our EBITDA margins for nine months FY'24 EBITDA margins increased to 6.4%, which is a growth of 260 basis points year-on-year compared to EBITDA margins of 3.8% in nine months FY'23.

For quarter three of FY'24, EBITDA margins grew by 270 basis points year-on-year at 7% compared to 4.3% in quarter three of FY'23. Our emphasis on cost rationalization and enhanced productivity continue to produce positive outcomes, consequently leading to an increase in our EBITDA margins.

Coming to profit after tax, nine months FY'24, profit after tax increased to a robust INR97 crores as compared to INR1 crore for nine months FY'23. Profit after tax for quarter three of FY'24 increased to INR41 crores as compared to INR8 crores in quarter three FY'23, witnessing a growth of 5.2 times year-on-year. Our robust operating performance has resulted in better profitability despite higher interest rates. Our dedicated emphasis on profitability in recent quarters continue to yield favorable results and we are confident that this positive trajectory of improvement will continue in future.

We have seen a substantial increase in our EPS at INR5.76 paisa per share in nine months FY'24 versus INR0.04 paisa per share in nine months FY'23. For quarter three of FY'24, the EPS for the quarter increased to INR2.43 paisa per share versus INR0.47 paisa per share in quarter three of FY'23.

In summary, we have seen a good uptrend in our EBITDA and profitability and we expect to witness the same trend going forward and expect it to remain within the stated EBITDA and PAT guidance range for the year. That's all from my side.

I will now request Sanjeev to join me for Q&A.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Vivek, an individual investor. Please go ahead.

Vivek: Hi, Sanjeev and Deepak. Thank you for the opportunity. We've done a tremendous job on the margin front. When do we start to expect some traction on the top line? Given the fact that we've gone public with a three-year stated goal of hitting INR16,000 crores, a lot of it will come from acquisitions I'm guessing, but how do you expect revenue growth to pan out in Q4 and in FY'25 if you can give me some colour on that?

Sanjeev Verma: I believe, Vivek, your questions were a little choppy. I'm not able to hear very clearly. I think I got the last one. You were looking for '24-'25 guidance is what I heard. I heard something about some data. I didn't get the question correctly.

Vivek: I'm sorry. I can repeat it if you want me to.

Sanjeev Verma: Yes, can you do that please?

Vivek: Yes. I'm saying we've done a tremendous job on the margin front. When do we expect to see some traction on the top line? Will Q4 be better from Q3 and how do you expect FY'25 to pan out given that we've gone with a stated goal of hitting 16,000 crores? Of course a big part of it will come from acquisitions, but just how do you think the environment is playing out? And do you see any...?

Sanjeev Verma: Thank you. Sorry, I couldn't hear the first time. I think as I mentioned earlier, we are seeing a kind of a mixed bag in our portfolio of business from the customer set. From our hyperscalers, we are seeing hyperactivity pertaining to making fast progress on creating AI-led data centres. So those are the projects we do. On the other side, a large enterprise client, a little process with respect to various environmental factors including interest rates and so on and so forth.

We are seeing a little bit of softness and delay from a short-term perspective. And I think that's what I quoted earlier. From a perspective of what we have told going forward of a goal for focusing on \$2 billion, I think that's where our focus is, which of course will include some element of being inorganic as well.

So we're expecting guiding fiscal '24-'25 from a double-digit growth perspective. We have a short-term issue pertaining to saying, okay, there's a little bit of a delay. So the hyperactivity on data centre, the enterprise market opening up, some interest rates dropping down, down the year.

Robust pipeline, as I said earlier on, about \$2 billion overall gives us a good confidence as we move forward into the next fiscal year that we would be looking for maintaining or growing our growth momentum in double-digit going forward, targeting towards being above growth of being a \$2 billion over the next three years' time. So that's consistent with our thought process from a medium perspective.

Vivek: We've spoken of a double-digit growth target. This year it seems very difficult. What gives you the confidence that FY'25 will be slightly better? As I said, on the margins, we seem to be on target and even further than what we'd expected. But what gives you the confidence that next year we should see some traction on the top line? Are you seeing any improvement on the margin as far as the deal momentum is concerned?

Sanjeev Verma: Yes. So I think as you said, we are seeing already the improvement on margin and productivity and did a little bit of that. And if you heard what I said earlier on with respect to our deal pipeline, which is a leading indicator, is very, very strong. The deal sizes are very, very strong. We're serving one hyperscaler as a major partner. We've moved to three hyperscalers as major partners going forward.

So deal pipeline, the advent and the focus on AI that will drive large-scale data center investments and cloud transformation, we build that digital infrastructure and therefore the pipeline is strong, higher than before. So those combination of those, I think, and our investment in focused markets, focused verticals gives us the confidence that we are looking at much better growth with respect to our revenues in fiscal 2025 as well going forward.

Vivek: Just one question on the margin front. I mean, we are at a 7% today. Do we expect to see improvement in the next few quarters? I mean, we've talked about the 10% margin goal in the next few quarters. Are we on track for that? Because I'm guessing we can only go so far if we don't see any top-line growth, right? So any further improvement, I'm guessing a big chunk of it would also need for us to go on the top line.

Sanjeev Verma: Yes, I think, so we, as I said, I think we have been improving our focus on deal margins by better selling and our cost efficiency. We expect to keep on track to achieve our goal of 10% margin as we move forward into the next fiscal year. So that's our goal. We have come over the last several quarters from a lower single digit to a really higher single digit at this time.

Then we will move forward better that we heard from Deepak going forward as well. And with increased revenues going forward, I think that will only help us to achieve our goals toward achieving a 10% margin goals.

- Vivek:** Perfect that's it from my side. Thank you.
- Moderator:** Thank you very much. The next question is from the line of Akshay Jain from Jain Capital Investment. Please go ahead.
- Akshay Jain:** Yes. Hi. So a couple of questions from my side. Firstly, our TPS business did face some challenges a quarter ago. So can you provide some insights on how is the current performance of the business? And it is still facing any challenges that we have faced in the past or we have mitigated all the concerns?
- Sanjeev Verma:** Yes, I think our TPS business remains within the range of 12% to 15% of overall business. We have had some supply chain and product challenges. We have really looked at that over the last couple of quarters, augmented our focus on our own IT led products largely on control rooms. We narrowed down our focus on fewer products that have higher margins.
- We expect getting into fiscal 2025 that we will be coming out of a much stronger product line focus, higher margins in the TPS business as well. So, I think the difficulty we faced in TPS pertaining to our supply restriction and the supply chain issue are over. And I think as we get into augmentation are investing in R&D we're expanding some of our product portfolio because high yield margins.
- And we are dedicating our focus into specific business lines where our controlling solutions are very, very attractive. So, getting into fiscal '25 we expect to see a reasonable growth in our TPS business and higher profitability as well from that business.
- Akshay Jain:** Okay. Yes, that's helpful. So secondly, just continuing what previous participants had mentioned, the EBITDA and the profitability has been great. So congratulations on that front. But again, the revenue number seems a little tepid. So just any more explanation towards that and how is the order win and project backlog shaping up at it seems subdued currently?
- Sanjeev Verma:** Yes. So I think as I said before, we have a short-term blip and I think when we build a business, we have to take a view in the long-term. So we cannot look at it every day morning. So we do have a kind of a softness, a little bit of a delay with respect to some of our enterprise customers, rolling out projects and or delaying certain project execution as well.
- Having said that, on the other side, a set of our customers and business lines, most specifically in the data center and networking, continue to push harder. So I think a combination of a good push part of our customers and enterprise customers a little bit slow has affected in the short-term. But I think our overall pipeline on which we build our go-forward order group is very, very strong.
- As I said, it's \$2 billion at the back of very expectation with respect to more adoption of cloud, more adoption of AI that has been talked about, and more adoption of more IoT devices coming onto the network and therefore some basic plans are getting made both overseas and India. We expect our order momentum at the back of a very high pipeline to mature and yield.

And therefore, that gives us the confidence even if we have a little bit of a tepid growth, as you rightly said, we expect to gain back a double-digit momentum going forward in the next fiscal year.

Akshay Jain:

Sure. Thank you and all the best. That's all for now. Thank you, sir.

Moderator:

Thank you very much. The next question is from the line of Raj Joshi from S&S Securities. Please go ahead.

Raj Joshi:

Hello. Thank you, sir, for the opportunity. Sir, I have two questions. The first one is that the data center has been a good contributor to our overall performance every quarter. And I believe this is on the back of one of our large social media clients. So I wanted to understand, apart from that one large client, have we added any other client in the data center space that is contributing and leading to such growth?

Sanjeev Verma:

The answer is yes. So I just mentioned in the earlier call, I think we are serving three of the largest five. We are serving one up until last year and a major part of this year. So, the answer is yes, we have now engaged and I'm constrained to give the name here. But we have a large deal, order one, not executed yet from large hyperscale data centers.

We are expecting now to partner with the fourth one and the fifth one going forward. We are among the foremost leading companies who have the ability to build large scale hyperscale data center with the partnership with this cloud guy. And I think we are seeing momentum in that space and we remain a very, very strong player.

Raj Joshi:

Okay. And another question is we have a good performance in our EBITDA margin as on nine month FY24. How should we look at as a whole FY24 and over the next two years? Like what is our ambition and how we would like to achieve that?

Sanjeev Verma:

So I think our CFO Deepak guided that we would be within the range of what we have guided for this year for EBITDA. Going forward, we have stated our goal to head towards 10% is our ambition to go forward in the short term.

And therefore, we will be moving forward as we scale up our business, get better productivity from 7% to 8%, 9%, 10%. That's our goal to get there. Over the next several quarters, we expect to move towards that direction as we have done in the past coming up to where we are at this time.

Raj Joshi:

Thank you, sir. That's it from my end.

Moderator:

Thank you very much. The next question is from the line of Saurabh Sadhwani from Sahasrar Capital Private Limited. Please go ahead. Saurabh sir, there is some disturbance from your line. You are not audible. No. Can you disconnect and reconnect? The next question is from the line of Raj Mehta from Wisdom Capital. Please go ahead.

Raj Mehta:

Thanks for the opportunity. So my question is last quarter we highlighted that we have started exiting some of our low revenue customers. So have we exited from all of such customers?

Sanjeev Verma: Yes. So we have started to readjust our tail end customers as we speak and that's the focus area. It's not a one-time process. It will take us several quarters to get there because we do not want to be the back pay to the customer. But yes, we are moving away from our tail end customers that are disproportionately lucrative. If we do not see value in the customer longer term, we will be moving that away from the customer.

We are taking a two-step approach. The first approach we are taking to serve this customer from our remote center in Bangalore to lower our own cost. The second, of course, we are taking an approach of increasing our prices to the customers.

The third is, of course, it is not suitable for us to be moving away. As we start to gravitate towards large volume customers, our cost to serve is important. We want to serve appropriately.

So yes, that traction, that assessment of the customers, the engagements are going on as we speak. We have taken some actions in quarter three, but it will take us several quarters to be able to realign that as we start to move towards high value, high volume customers.

Raj Mehta: Got it. And how we are seeing the growth, large revenue customers that we are adding and what is the scope of growth further?

Sanjeev Verma: As I said, I think we are looking forward to getting into next year. I think we have not yet guided yet for next year. But I think at the back of a very strong pipeline and the expectation that the enterprise customers, which are slightly slower this time, will start to ease out in the later part of the year.

The combination of large-scale customers in our networking and data center practice, opening up a little bit of enterprise customers going forward in the second part of the next fiscal year, we expect that we will be able to drive a double-digit growth in the next fiscal year. We will provide a bit of guidance towards the beginning of the next fiscal year.

Raj Mehta: And my last question is that can you elaborate on detail on why is there a deferment on capex and the customers and how we are looking at it in the upcoming quarters?

Sanjeev Verma: Two ways to look at it, of course, the cost of money is high for certain customers. So they are any discretionary projects that the enterprise customers might have, they are trying to take a cautious approach. The labor market still remains very, very tight in America.

The cost of money remains very, very high. And the market remains a little bit uncertain. So I think although the Fed has announced that there will be rate cuts coming in the later part of the year, that hasn't happened yet.

This is a cautious approach by some of our customers. So therefore, the decision-making, as Deepak said earlier, is a little bit delayed. Having said that, we haven't seen a drop in our pipeline or engagement with our customers.

So we are into regular conversation. So some set of our customers are slightly slow, and that has created a stupid environment in our overall revenues that we see in the current year. But as we

get into our pipeline and get into the next fiscal year, we still remain bullish of our optimistic view.

Raj Mehta: That is it. Thank you so much.

Moderator: Thank you very much. The next question is from the line of Saurabh Sadhwani from Sahasrar Capital. Please go ahead.

Saurabh Sadhwani: So I wanted to understand on the interest cost. So it has increased significantly. So I wanted to know the reason, and what are we expecting going forward in '25?

Sanjeev Verma: So the interest cost, like we all know that there is a high interest rate environment as of now in the US. And most of our costs, including our debt facility and including our securitization facility, everything is in the US, where the interest costs have gone up. So my facility here are at LIBOR plus 200 basis points.

But LIBOR or SOFR has gone up by almost 5%, 6%. And that's why the interest costs have gone up. Now, in fact, the Fed has indicated about tapering down the interest rate by cutting the interest rates, which we are expecting that should start from June, July, depending on, again, the inflation and data and the inflationary environment in the US, how it evolves and everything.

So in the next one year time frame, we are expecting that the interest rates should go down again, should start going down quarter-on-quarter basis, directly linked with the Fed reduction most of the interest rates. So that's where we are.

And some of the interest rate as compared to last year, the interest costs have gone up because we have drawn a little bit of more debt in terms of three almost like INR15 crores, INR20 crores more debt that has gone up from last year to this year, around INR20 crores. So, the cost of that is also coming in. But mostly it is because of the interest rate increase in the US.

Saurabh Sadhwani: Okay. Sure. Thank you.

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

Vivek: Hi, Sanjeev. I just wanted to get a broad understanding. I mean, given our peers in the space like (inaudible) or Presidio or ConvergeOne, they are much larger in terms of top 10, right? What is our right to win when we are competing against them in deals? I mean, what I'm trying to get at is that in terms of the capability set within our company, do we think we're there? Or do we need to invest a lot more in people and processes and systems?

I'm just trying to get an understanding as to if the market environment changes, will it be a cleaner run for us or just not there in terms of what they can offer to the customers? I mean, (inaudible) at a \$16 billion run rate. We are barely at one. When we are competing against, I'm just naming them as like one of the giants in this. So what is our right to win when we are competing against some of the bigger players in the industry?

Sanjeev Verma:

Thank you, Vivek. That's a very good question, actually. Yes, I think if you look at the right to win or brand permission, as we call it, I think it is under a period of time. It is a factor of capability and talent. It's a factor of network of operations across geographies because larger clients have a footprint. So are you able to support that?

And it's also a matter of scale. Do we have the scale to be able to do that? So I think in all the three fronts, I think if you look at our right to win, I think our network of operations spanning 35 markets mimics large operations and large players in the field.

So therefore, contextually, from local and regional players, even if they're larger in volume, contextually, we can be different if a customer wants to deploy our services in other markets than U.S., in Europe, in Asia Pacific, we are present. So we have a little bit of an edge to be able to right to win. With respect to our capability and talent, now with our investments in Bangalore and our local talent, what I call it, Glocal, I think we're very covered and I believe to know, bring to market talent is much better than again, our local peers.

So that leaves us at a unique spot where we possibly can compete with a larger client. But the only thing left is scale. So we are currently at \$800 million ballpark of a size 800 plus, we are at this time. So I think so we are, therefore, there's a need for us to grow. And I think we're growing and winning in a specific area. So we didn't want to be everything for everybody.

We are very, very strong in certain areas of networking, which is the bedrock of next generation applications will run. Data center is where everything will be hosted. So we are able to compete there. So I think a mixture of our presence worldwide, our talent worldwide, and gaining scale allows us that contextual difference here to be able to write to win. And again, the idea is to get considered more, if you're getting considered more, the chances of winning increases, right? So we are working every day, every morning to be able to increase our right to win.

And so we have been able to get one leg up from regional domestic players here, surely for global customers. But then again, we have large players too. And therefore, we need to build up that scale. So I think we feel reasonably good that we are getting moving forward in the right direction.

We're also looking forward getting into the next year to realign our focus more deeply into verticals and practices that we do and more to more on that will come in the future, how we're aligning to serve the market, what kind of talent we need to bring. But net I think we are making progress with respect to our brand (inaudible) right to win. If I've answered your question.

Vivek:

And I just one last question. And I don't mean to dwell endlessly on that. As the environment stands right now, I mean, if the Fed doesn't cut rates, or do you still expect or is that double digit growth next year hinged upon, the Fed cutting rates? I mean, as things stand right now, are you reasonably confident that we can hit a double digit growth target for next year? Or is that basis a lot of...

Sanjeev Verma:

So I think I think I'm looking at my overall three things we look at, we look at the potential in the marketplace, the portfolio I have and the people I have the three things, and the partnerships we bring with others, right. And I think that gives me confidence with respect to specifically in

two of our other the four portfolios, the two portfolios are super growth, more specifically, cloud infrastructure, data center, and refreshing of the network from the legacy network to software defined network to 5g and so on and so forth, which you're seeing even in India or any part of the world. And that's those two pillars are very, very strong pillars for us.

So we will expect that for, slighter growth, very large part of a pipeline, for example, our data center business pipeline was \$200 million or \$300 million, a few quarters back stands at about a billion dollars now. So at the back of our pipeline, the leading indicator, the conversation we are having gives me an optimism for double digit growth going forward in the fiscal '25.

Vivek: Okay, and, and on the acquisitions part, are we looking at any companies? I mean, I'm just trying to understand because for a three year target of \$2 billion, I'm guessing up, I mean, we'll have to do it in bits and pieces, right? I mean, can you just give us some color on how you're thinking about the, the, that part of the strategy?

Sanjeev Verma: Yes, so I've told that before, and I think we're not actively and as the time comes, we'll definitely let you guys know. And I've told that before, our thesis are not to be emotional about economics, we would not be emotional about economics. Yes, we are open for inorganic path as well. But that isn't our focus area. Every day we wake up, we believe there is a strong growth in organic, but we remain open, right? I think as a growth company, we have done that before.

And I think if it is a credit for us, if it makes sense in a certain market, we would, but it's not about being emotional, just adding up something. We're focused on organic growth, we see pipeline growing, we see that certain markets, certain technology aspects of AI and machine language, and then have cloud transformations being very, very hyper. And we have some play there, as so we remain focused on that, but we remain open with respect to see what is the possibility.

And to that extent, if something comes, we are not into any active engagement, something to talk about now. But if something happens, I think we will consider if it makes sense for our stakeholders.

Vivek: All right. Good luck. Thank you.

Moderator: Thank you very much. The next question is from the line of Saurabh Sadhwani from Sahasrar Capital. Please go ahead. Saurabh, sir, there is a disturbance from your line. Thank you. As there are no further questions, I would now like to hand the conference over to management for closing comment.

Sanjeev Verma: I would like to thank everyone for joining on the call. I hope we have been able to address all your queries. For any further information, kindly get in touch with me, Deepak, or our Strategic Growth Advisors, our investor-related advisors. Thank you.

Moderator: On behalf of Black Box Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.