Reliance Capital Limited Q3 FY18
Earnings Conference Call

February 9, 2018

SPEAKERS: Management of Reliance Capital Limited

Moderator: Ladies and gentlemen good day and welcome to Reliance Capital Limited Q3 FY18 earnings conference call, hosted by Reliance Securities Limited. As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone telephone. Please note that this conference is being recorded. I would now like to hand the conference over to Mr. Asutosh Kumar Mishra from Reliance Securities. Thank you and over to you Sir!

Asutosh Kumar Mishra: Thank you. Good morning everyone and welcome to Reliance Capital 3Q FY18 Earnings Conference Call. Today, we have with us Mr. Anmol Ambani, ED, Reliance Capital, along with the entire senior management team to discuss Q3 FY18 earnings and strategy is going forward. So over to you Anmol!

Anmol Ambani: Good morning to all of you and welcome to our Q3 FY18 earnings conference call. We have the CEOs from our businesses with us; Sundeep Sikka from the Asset Management business, Devang Mody from Reliance Commercial Finance, Ravindra Sudhalkar from Home Finance, Rakesh Jain from Reliance General Insurance, Ashish Vohra from Reliance Nippon Life Insurance, and Gopkumar from the broking and distribution segment, as well as Reliance Capital's CFO, Amit Bapna.

I am delighted to report that the total income for the quarter increased by 20% to Rs. 48 billion, and profit rose by 50% to Rs. 3.1 billion. In terms of operating performance, all businesses have achieved significant growth in topline and a strong improvement in profitability. We completed the successful listing of Reliance Nippon Life Asset Management on November 6, 2017, and raised over Rs. 15 billion in primary and secondary proceeds. Post listing, the company declared its maiden interim dividend of Rs. 5 per share in January 2018.

Sundeep Sikka: Thanks Anmol. The MF Industry has maintained the strong growth momentum in this quarter, as Industry average AUMs reached a record high of Rs. 22 trillion. In this context, I am very happy to state that Reliance Nippon Life Asset Management is India's largest asset manager with Rs. 3.9 trillion of assets under management - an increase of 17%.

The number of systematic investment plan folios rose to 2.3 million, resulting in annualised SIP inflows of Rs. 78 billion. Reliance Mutual Fund continued to focus on high-yielding assets. As a result, share of equity assets rose from 27% to 34% for the quarter ended December 31, 2017. As on December 2017, Reliance Mutual Fund's AUM sourced 'outside the Top 15 cities' increased by 34% to Rs. 508 billion. Post demonetisation, Reliance Mutual Fund has added retail assets of Rs. 271 billion. Currently, it manages overall retail assets of Rs. 710 billion - amongst the highest in industry.

Digital Purchases have more than doubled to approx. 635,000 for the period ended December 31, 2017. RNAM has 19.3% market share in the ETF space with AUM of Rs. 132 billion for the quarter ended December 31, 2017. RNAM manages 16 ETFs across all asset classes. For the quarter ended December 31, 2017, RNAM's total income increased by 31% to Rs. 4.7 billion. Profit before tax rose by 23% to Rs. 1.9 billion in Q3 FY18. Return on equity was at 24% in Q3 FY18. I would now like to invite Devang Mody from Reliance Commercial Finance, for his comments.

Devang Mody: Good morning everybody. We have rebranded Reliance Commercial Finance Limited, which continues to remain as legal entity. The customer-facing brand has been rebranded to Reliance Money. This reflects our transformation into a diversified new age new age financial solution provider, both in SME as well as retail space.

The assets under management for last quarter grew by 5% to Rs.170 billion, while outstanding loan book rose by 15% to Rs.140 billion. The total income for the quarter increased by 20% to Rs.6 billion excluding exceptional impact of the merger, profit before tax remains stable at Rs.983 million as compared to quarter three FY2017.

The net interest margin improved from 5.4% to 5.8% in quarter three FY2018. As on December 2017, the gross NPA improved significantly to 3.6% against 4.1% in September 2017. We continue to recognize the NPA at 90 days basis. The coverage ratio including write-offs at the end of the September 2017 stood at 51%, excluding write-offs the ratio was 20%.

As discussed in last quarter, we continued to make strong progress towards rebalancing the portfolio in line with our long-term growth strategy along with good traction in SME book, we took a significant step into our retail lending foray and initiated lending in two wheeler personal loan and use car segment in Q3.

Disbursement in these segments touched to Rs.550 million in the quarter. We expect to rapidly expand in retail segment and create significant presence over the coming quarters. I would now invite Ravindra Sudhalkar from Reliance Home Finance for his comments.

Ravindra Sudhalkar: Thanks Devang. Reliance Home Finance is in the business of home loans including the affordable segments, loan against property and construction funding. In quarter three of FY2018, the assets under management grew by 54% to Rs.149 billion. During the same period, the disbursements increased by 35% to Rs.16 billion. 51% of the assets under management were contributed by the home loans and the affordable home loan segments. 72% of the home loan disbursements catered to the self-employed segment. The total income for the quarter increased by 56% to Rs.4.2 billion. The profit before tax rose by 103% to Rs.701 million. The net interest margin for the quarter after adjusting for NPA reversals rose to 3.8%.

Our guidance continues to remain in the range of 3.5%, as we grow our portfolio in the affordable home loan segment. The cost-to-income ratio improved from 51% in quarter three of FY2017 to 39% on account of higher productivity and increased efficiency. As of December 2017, the gross NPA remained stable at 0.8% of the assets under management.

The coverage ratio at the end of December 2017 stood at 47%. The company had a capital adequacy ratio of 21.5% as on December 2017 with a Tier 1 ratio of 13.5%. Reliance Home Finance continues to enjoy the highest rating of A1+ for its short-term borrowing program and AA+ for its long-term borrowing program. We are operational in over 100 locations in the country through the hub-and-spoke model and we would continue to expand this footprint. I would now invite Rakesh Jain from General Insurance for his comments.

Rakesh Jain: Thank you Ravindra. The General insurance industry witnessed strong growth of 18% in Q3, growing across multiple segments, primarily health and motor. Reliance General Insurance is amongst the top private sector General insurance companies in India - in terms of gross premium - with a private sector market share of 8.5%. The Gross Written Premium rose, better than the industry, to Rs. 11 billion - an increase of 26%. Also, premium from preferred segments such as private cars, health and travel as well as commercial lines continued to grow in line or better than the industry. Profit for the quarter increased by 54% to Rs. 283 million.

The combined ratio improved from 132% in Q3 FY17 to 119% for the quarter. For the period ended December 31, 2017, the combined ratio for the short-tail business continued to be approx. 100%. The investment book increased by 17% to Rs. 76 billion as on Dec 2017. For the period ended December 31, 2017, the return on equity improved from 10% to 12%. The solvency ratio is maintained at 172% as against the regulatory minimum of 150%. Our focus has been to improve profitability as well as our market share.

The company has entered into new Banca Tie-up in Q3 with Yes Bank, taking the total of bancassurance tie-ups to 12. The company has registered sharp increase in online channel with 39% growth in premium collected and 36% growth in number of policies sold in the quarter.

As on December 2017, we have the largest agency forces in the private sector with over 27,000 retail agents and 128 branches. Reliance General Insurance has concluded distribution tie-ups with over 20 financial institutions. Also, the company has aligned itself with several automotive manufacturers. The Company is under discussion for similar tie-ups to further augment its reach across the country

Ashish Vohra: I am happy to state that the business transformation continues in Reliance Nippon Life in a very steady manner and we have achieved significant improvement across the key metric, the total premium and renewal premium increased by 2% each to Rs.10 billion and Rs.8 billion respectively.

Persistency has been an area of focus for us and I am happy to report that in this quarter we have seen a sharp increase from 62% to 69%. The business continues to focus on agency as its main channel, which has now increased its persistency to 71%. Continued growth in our renewal premium along with high persistency demonstrates our emphasis on improving the business quality. As a conscious business strategy, we continue to remain focused on the traditional product segment, which forms 77% of the individual new business premium in quarter three FY2018, therefore supporting margins. Margin improvement with movement towards longer pay and high margin product always well for the quarters to come. In Q3 FY 18 , the business made a marginal loss of Rs.147 billion.

The sum assured of policies in force was at Rs.931 billion. There are approximately 3 million policies in force at this time. We operate through a network of approximately 750 offices and 62000 active advisors across India.

With support from better agency productivity, higher persistency and improved margins, we expect to improve the profitability and regain market share in the private sector. The total funds under management grew by 16% to Rs.188 billion as of December 2017. The business employs the traditional method of calculation of embedded value. As of September 2017, the embedded value rose to Rs.31.5 billion. Reliance Nippon Life Insurance successfully initiated the distribution tie-ups with bank of Maharashtra. This is the first PSU open architecture in play and I am happy to share that, we won this mandate; we now therefore get an access to over 1900 branches of Bank of Maharashtra. I would now invite Gopkumar from the Broking and Distribution segment for his comments.

B. Gopkumar: Thank you, Ashish. Reliance Securities is amongst the leading equity broker and distributor of financial products and services in India. The number of equity broking accounts increased by 7% to approximately 846,000. Average daily turnover of equity segment rose by 64% to Rs.45 billion; the average daily turnover in cash equity segment rose by 61% to over Rs.3 billion.

Our mobile market share is at 11%, over 95% of broking accounts are digitally opened and the clients are able to trade on the same day. The number of commodity accounts rose by 38% over 98,000 and the daily average commodity turnover rose by 5% to Rs.2.7 billion. In the wealth management business, the assets under management stood at Rs.54 billion an increase of 51%. For the quarter total income increased by 2% at Rs.830 billion; the business had a profit of 136 million in quarter three FY2018 against the profit of Rs.132 million in quarter two FY2018. The return on equity was at 19% for the quarter. Going forward, we expect to continue the trend of profitability. Now I would like to invite Anmol for his closing comments.

Anmol Ambani: Thanks, Gop. The listing of RNAM and RHF unlocks substantial value for all stakeholders. The independent listing of Reliance General Insurance is expected to create further value for our shareholders. We are only focused on the financing services sector and are targeting to achieve leadership position across all core businesses. We expect to improve our market value over the next few quarters as well as achieve a return on equity in the range of 15% to 18% in each of them. With those comments, we will now like to take your questions. Thank you.

Moderator: Thank you very much Sir. Ladies and gentlemen, we will now begin with the question and answer session. We will take the first question from the line of Ashok Kumar from Unifi Capital. Please go ahead.

Ashok Kumar: Thank you for the opportunity. Sir I have questions across segments, but I will start with the commercial finance, I note that there is an improvement in the GNPA ratio from 4.1% to 3.6% on a sequential basis, but we also note that the provisions have almost doubled from Rs.56 Crores to Rs.105 Crores in Q3, over there any write-offs?

Devang Mody: Answer is yes. We have done two things. We have accelerated provisioning in certain assets as well as, as per our provisioning policy there is an increase in provision leading to write-off. The entire reduction in GNPA is not on account of write-off, partially closed to 10-15 Crores is on account of write-off, the balance is because we are able to resolve certain accounts.

Ashok Kumar: Okay and do you see this coming down as in can you share what will be the credit cost on an annualized basis going forward?

Devang Mody: Yes, so there are two elements, if you are referring to credit cost, I think credit cost will hover at current level for some period, these credit costs also look elevated because our growth has been very tepid, as you know that we are in process of rebalancing our portfolio, so close to 45% of our assets as on March 31, 2017, are on run down model mode. So as we get back to growth trajectory which is one quarter from now, you will see the credit cost as a percentage of AUM dropping.

Ashok Kumar: Sir what are the targets in terms of AUM, which you have in mind for FY2019-2020, now that we are at somewhere around Rs.13,970 Crores, so after one quarter, I believe FY2019 and FY2020 will see some really strong growth coming in, so what are the targets?

Devang Mody: So our long-term plan is to achieve 30%-odd growth in our lending book over a long period, so as we create capabilities and launch new businesses, the growth will start coming from next financial year.

Ashok Kumar: Right Sir. And I have a few questions on the General Insurance part, we see that the combined ratio is kind of increased on a sequential basis, so is it related to the segment related issues or how does one explain this?

Rakesh Jain: See general insurance is a bit cyclical, it is not as sequential as we may likely to be, and most of the times it is better to compare the quarter over the same quarter previous year and structurally I will give you some reasons like first quarter generally good because there is a lot of corporate business coming in, second quarter generally is the monsoon quarter, so you might have a little bit of motor claims and all aggravating, so actually speaking you should take all the quarter on a relevant quarter basis and if you see from that aspect we are significantly improved from quarter three last year, which was at 132, we have come down to 119 and the improvement of course is a contribution of both the claim ratio as well as the expense ratios.

Ashok Kumar: Right Sir and can you give the breakup of the gross written premium of Rs.1,075 Crores, which was done in Q3?

Rakesh Jain: I think it is more or less about 59% motor and about 9% health, about 8% property and the balance is basically crop and a little bit of miscellaneous.

Ashok Kumar: All right, Sir and what is the time lines in terms of the IPO, is it on track, when is that we will be able to see?

Rakesh Jain: I think we are more or less there, we have most of the approvals in place and I think we are seeing the coming months the market conditions and all; we are good to go in a favorable environment, right.

Ashok Kumar: One last question on a consolidated basis in the last call, you told that Rel CAPs exposure to Rcom exposure was around 1,600 Crores, 1,000 is funded and 600 is not funded, and we have told that you will be able to realize it by March this year, so what is the status?

Rakesh Jain: That is on track. We should be realizing it by March.

Ashok Kumar: Right Sir. Thank you Sir.

Moderator: Thank you. We will take the next question from the line of Kajal Gandhi from ICICI Direct. Please go ahead.

Kajal Gandhi: Good morning Sir. Congrats for good set of numbers. The numbers in terms of general insurance I wanted to understand, one was definitely, Sir can you differentiate between claims ratio how much it was and the expense ratio, one question and second can we get to the investment income in the general insurance business Sir, as the yields made any change there?

Rakesh Jain: First on the claims ratio, I think on a quarter-on-quarter basis as I mentioned that we were 132 combined in Q3 FY2017 from that we will improve to 119 for Q3 FY 18 . The claim ratio has moved from 89 to 86 and that is an improvement of 3% and expense ratio has moved from 46% to 35%. Structurally if you see the whole of nine months, the claims ratio was actually moved down from 91% to 85%. So I think we are on force to seek improvement on a quarter-on-quarter basis and now over nine months the combined ratio is 110% as against the 122% for the same period last year, so I think it is the business which continued to grow behind the profitable mix and we have more tie-ups which we have put in place and I think the mix is likely to grow further. Coming on to investments obviously the yields on the fixed income has come down but we are broadly not on a very high tenures in terms of average tenures, because we manage our liability profile and the asset duration and I think the cash flows on the investment AUM has been very strong, the investment AUM are also up above 15% on the same quarter basis, so structurally while we have lost a bit on the yields, but we have gained in terms of the positive accruals and I think we are more or less around 7.8% in terms of the portfolio yield as we speak.

Kajal Gandhi: Similarly Sir I wanted to know on the life insurance impact of yield across like on the fund and on the EV?

Ashish Vohra: So we have also seen somewhat of a positive movement on both the debt side and the equity side, the equity markets have obviously been favorable, therefore the upside that is accrued is of slightly better order, as you know that it does not immediately translate into an EV upside, I think we will be sharing detailed walks on this as we close the year, so March 31, 2018, we will be sharing the impact on the EV.

Kajal Gandhi: Sir but currently if I have to understand the line item wise, it is your actuarial liability which must have slightly gone up and your profit on investments which must have got impacted, is it?

Ashish Vohra: Yes. That is right.

Kajal Gandhi: So these are the two line items, which get impacted, not for the ULIP per se but the other products?

Ashish Vohra: Yes.

Kajal Gandhi: Okay and what would the mix on your current year, current quarterly new business?

Ashish Vohra: We are about 77% traditional and about 23% ULIPS, within the 77% traditional our focus is higher on the guarantee side, so we have approximately 70% guarantees about 7%-8% participating and about 22%-23% ULIPS that is the broad mix of our last quarter origination.

Kajal Gandhi: Incrementally guarantee products are being considered, is it that risk on the book?

Ashish Vohra: The product strategy actually depends upon the target markets that the company serve like I mentioned earlier, our target market is mostly served through agency that is our biggest channel, and our distribution is actually across a wide section of India so we are fairly large Tier 2 and Tier 3 player. Now given the costumer profile in these towns and therefore the distribution strategy, the preference appears to be very sure about the investments that customers make. Therefore guarantees still find favorable in those areas. Our product strategy in metros so say the top 20 cites or even the next 30 cities is somewhat different, the customer profile there is the little higher on education, it is a little higher on the risk taking, it is a little higher on per capita income there and therefore the product profile there is somewhat different and more oriented towards the ULIPS. So given the combination of the distribution strategy, guarantees continue to form a larger play as we move into Bancassurance. Now commenced our tie-ups with Bank of Maharashtra, the customer segment that we end up talking there does have a proposition of well kind of customers, the product strategy there would play out differently and more equity or ULIP oriented.

Kajal Gandhi: Thank you very much.

Moderator: Thank you. We will take the next question from the line of Shravan Talwar from Moolchand Healthcare. Please go ahead.

Shravan Talwar: Firstly congratulations on a great set of numbers. I have three questions. The first centres on general financial IPO, can you provide a little bit more granularity on the timeframe, do you have seen potentially up to February based on your market conditions or do you think it should be in March?

Rakesh Jain: I think as I said earlier, we are ready in terms of all the approvals and obviously market conditions we obviously look at and I think so it is difficult to really give you an exact timeline but what we can tell is that we are good to go in the next few months in terms of all the compliances in place.

Shravan Talwar: **S**ir, are we still awaiting certain compliances or this is just a decision to go or no go?

Rakesh Jain: There is obvious approval, which we have received from our regulators, which is SEBI and IRDA, but what happens is you have your results and all you need to update them and these are all procedural matters.

Shravan Talwar: Right Sir. Okay fair enough. Now the next question I have is this year you have not obviously had an number of IPOs and the result general insurance also booked a certain amount of capital gains, so the question I have is for FY2019 and FY2020 how do you see your capital gains playing in the sense that obviously we have some very successful and large IPOs, so how do you see that investment gains, investment income playing out for the next two years?

Amit Bapna: We have two listing this financial year, one was not an IPO, it was share given to existing share holders of the Reliance Capital and second was where we driven IPO the bigger chunk was the primary infusion in to the business and Nippon Life was the one who actually did the secondary sale, so far Reliance Capital it was a very small capital gain. Going forward for the future years we cannot really comment on future projections and what kind of capital gains will arise on those.

Shravan Talwar: But do you see or when one is looking at your results, do you see that the income from the investments is a sustainable one?

Amit Bapna: Shravan, like we have been saying in the past our endeavor is to continuously focus on our core operating businesses, we will ensure that the businesses do better than ever going forward as well, the noncore investments we have clearly stated that they will be liquidated over the next couple of quarters and we are on track on that.

Shravan Talwar: Okay. Fair enough. Thanks a lot. Thank you and no more questions.

Moderator: Thank you. We will take the next question from the line of Jaineel Jhaveri from J&J Holdings. Please go ahead.

Jaineel Jhaveri: Thanks for taking my question and congratulations on a good result. I just wanted to know that since the share price is trading below book, does is not make sense at the holding company level to buyback our own shares instead of giving dividend because we are trading at almost 4.7 times book in a market where everybody is trading and multiples a book, so is there thought process on anything like that in stead of like skip the dividend and just buyback our own stock?

Amit Bapna: So there are no thoughts around any buyback. We continue to focus on the core business so by default it will start reflecting in the stock prices.

Jaineel Jhaveri: Okay. Thank you.

Moderator: Thank you. We will take the next question from the line of Sarvesh Gupta from Maximal Capital. Please go ahead.

Sarvesh Gupta: Thank you Sir for taking my question. Sir on the sale of the noncore assets, I think last two quarters we have been saying most of the sale should happen by March 2018 and whatever spending will be done by March 2019. So what are the updates on that in terms of the sale how much have been already done and what is in the pipeline in this quarter and for the next year?

Amit Bapna: The liquidation are in various stages, so some may happen by March but over the next few quarters, you will see significant reduction in the noncore investments, so I will not be able to give specifics investment wise, but yes there are various stages, some are advanced stages as we speak.

Sarvesh Gupta: Is there anything major in the pipeline for this quarter or will it be a spilled over to the next year?

Amit Bapna: No there are couple of things will happen in this quarter, which we will end and it might get a spillover because the markets are little volatile, it is a largely linked to the market so I am sure over the next few quarters you will see significant amount of liquidation of those non-core assets.

Sarvesh Gupta: What was the standalone net debt right now?

Amit Bapna: It is similar to what it was in September, so we do not give balance sheets in this quarter but it is very similar to September, the net debt is around Rs.14000 Crores.

Sarvesh Gupta: Understood Sir. Thank you Sir.

Moderator: Thank you. We will take the next question from the line of Siji Phillip from Axis Securities. Please go ahead.

Siji Phillip: Good morning Sir, just one question how much impact do you envisage from LTCG and dividend distribution tax on equity investments in our mutual fund business?

Sundeep Sikka: We do not see any significantly impact. I think the way we have proceed is I think even today equities remained one of the most preferred asset classes and even at this point of time with this 10% also from a taxation point also, it is far best than any asset class. I think we believe that the entire structure is our growth story and I believe that it could outperform all other asset classes, so while any new tax has never taken well by investor initially but I think we clearly see this to be settling down and we do not see any significant impact on the business.

Siji Phillip: There is a news going around that may be mutual fund companies would give out more dividend this year for FY2018, so would that be an impact on the bottomline?

Sundeep Sikka: So I think we clearly see as we have always said we see this is a long term opportunity, our core business is coming from retail, we do not like to take advantage of this tactile things because I think from a long-term point of view we keep doing what is right for the business, all these things like, trying to give dividend because of the March 31, 2018, I think we will not like to be in that game. So I think from a bottomline point of view, I mean we will continue paying dividend the way it is over the earlier years, and the dividend policy will not change because what was happened due to the short term arbitrage, that had come due to the budget.

Siji Phillip: Thank you Sir.

Moderator: Thank you. We will take the next question from the line of Nischint Chawathe from Kotak Securities. Please go ahead.

Nischint Chawathe: Just first one on the life insurance side, can you share the breakup of ticket size between traditional and ULIPS?

Ashish Vohra: Yes, the traditional ticket sizes range at approximately 27,000, the ULIP ticket sizes approximately 68,000 on an average.

Nischint Chawathe: Okay. Sure. Just moving on if we could get some guidance on the commercial finance side, what could be the loan book breakup down the line, and what does that really means for interest yields or margins?

Devang Mody: So we have discussed in earlier forums as well one year down the line we do not give guidance but yes things long-term we would want retail to go from 25% to 30% of the total AUM and we will be on that trajectory starting next five quarters, so I am talking about long-term which is next three to four years, otherwise we will continue our path on rebalancing the portfolio, SME will be a dominant portion of our AUM mix for coming three years.

Nischint Chawathe: And any sense on how this kind of syncs the margins?

Devang Mody: As far as net interest margins are concerned, while we look at retail which is expected to be gross IRR at the same time higher opex we are also recalibrating the SME business to also have low beta or low risk assets, so our target range for margin is at around current level which is 5%-5.5% of NIM.

Nischint Chawathe: Sure, so basically the strategy will kind of actually derisk the portfolio, I think that seems to be the prime strategy?

Devang Mody: Absolutely.

Nischint Chawathe: Sure. Just one final one and this is on home finance, typically if we look at your peers, we see that disbursements, I am trying to sort of suggest that third quarter is kind of much stronger than the second and the first quarter but I guess in this case your disbursements have actually declined. So I was just curious how should one be reading this?

Ravindra Sudhalkar: So Nischint, if you compare it sequentially yes that has in fact gone down; however, we have indicated in the past that this 51% contribution to their AUM from home loan and affordable home loans in the near to mid-term we need to take it to 55% and hence there was a lot of focus on the number of cases in home loan and affordable home loans that we did, just to give you the number on the affordable home loans front now we are doing unique disbursements in the region of 1200 cases to 1400 cases every month, so we are in the direction of growing the portfolio, we are increasing affordable housing and the housing portfolio and our endeavor is to take up to 55% in the overall AUM, so this is one of the reasons because see most of the cases what we do, the disbursement do not happen at one go, when we acquire a client, sanctions are partly disbursed, which happens in the past that is the stage construction and over a period of time I am sure this number will grow but the endeavors would take the affordable housing loan and the housing to 55%.

Nischint Chawathe: It is a sort of more of rebalancing is what one can say.

Management: Absolutely.

Nischint Chawathe: Sure. Okay. Thank you gentlemen.

Moderator: Thank you. As there are no further questions from the participants, I would now like to hand the conference over to Mr. Asutosh Kumar Mishra from Reliance Securities for closing comments.

Asutosh Kumar Mishra: Thank you all investor for actively participating in the call and thanks to the management for giving their perspective. Thank you.

Moderator: Thank you very much Sir. Ladies and gentlemen, on behalf of Reliance Securities Limited that concludes this conference. Thank you for joining us. You may now discontinue your lines.