

## **Religare Enterprises Limited**

**Q2 FY2012 Investors/Analysts Conference Call**

**Wednesday, November 16, 2011 at 3:30 pm IST.**

**Kishore Belai:** Good afternoon everyone and thank you for joining us on our second quarter FY12 results conference call. I am Kishore Belai, Head of Investor Relations at Religare. We are joined on this call today by Mr. Shachindra Nath, our Group CEO, Mr. Anil Saxena, our Group CFO and members of our senior management. Before we start the proceedings, I would like to mention that certain statements that may be made on this call may be forward-looking statements and we do not undertake to publicly update them. A statement in this regard has been included in our presentation. On this call, Mr. Nath will first update you on the progress made in executing the company's strategy, and also review the operational and financial performance of the business. Thereafter, we will open the lines for questions and answers. I would now handover the call to Mr. Shachindra Nath.

**Shachindra Nath:** Thank you Kishore. Good afternoon everybody and thank you for joining us on this call. Our results presentation has been uploaded on our website and emailed to you all. I hope you have studied the numbers already. Let me first talk to you about some macro factors that have been happening in the financial year so far. I will then walk to you through our financial results for the second quarter and apprise you of some of the strategic actions Religare has taken to strengthen our business. We will thereafter open the lines for Q&A.

The global financial system continues to face uncertainty. Euro zone governments are trying to avoid a full-blown default by Greece, but the issue has just not been yet fully settled and other countries within the euro zone look vulnerable. While governments in the developed world have been working in tandem to prevent any major crisis, there is a heightened uncertainty prevailing in the global economy and the outlook for the near future remains unclear.

The impact of this uncertainty has been evident in the results of companies in the financial sector in the developed world. Given the interconnected nature of the world economy, the uncertainty has been transmitted to India as well and this has reflected in the results of the financial sector in India. Let us look at what happened in the Indian market during the second quarter. In the equity market, volumes have nominally improved, but on disaggregation of the numbers, it's clear that the increase has come from the options segment. Cash equity turnover has seen an absolute decline during the quarter and options now account for nearly 70% of the total volume.

The Reserve Bank of India has continued with its rate actions. Policy rates were increased twice during the quarter by a total of 75 basis points and the yield curve is basically flat. RBI increased the rate again by 25 basis points in October. The cumulative increase in policy rate in March 2010 is 375 basis points and this has had a debilitating impact on lending businesses.

Mutual fund AUM has declined intra quarter and new business premiums for the life insurance industry in India have declined on a year-on-year basis in every single month this financial year. M&A and ECM volumes during this quarter totaled USD \$15 billion, 29% lower than a year ago quarter and they have been concentrated around very few deals. Net investment by FIIs in India during the first half of the financial year was down 97% year-on-year. All these factors have naturally had an impact on our financial results.

Let me walk you through our consolidated financials. On a consolidated basis, total income net of cost of bullion for Q2 grew 7% quarter-on-quarter and 29% year-on-year to ₹8,102 million. We reported a PBT level loss of ₹1,444 million for Q2 as against the loss of ₹1,330 million in Q1 FY12. At the PAT level, we reported a loss of ₹1,835 million for the quarter as against the loss of ₹1,497 million for Q1 FY12. I have talked to you at length in the past about our strategy and particularly about the investments we have been making in Religare Capital Markets, which is our vehicle for our institutional equities and investment banking business.

If we exclude the pre-tax losses of ₹1,734 million incurred by RCML, which represent the investment we are making in the business, the consolidated profit before tax for Religare Enterprises would have been ₹290 million. You are familiar with our three pillar strategy. Let me

now give you an update on how we have executed on each of these during the second quarter. While the weak overall sentiments affected our integrated Indian Financial Services Platform, we had significant wins as well. Religare Finvest Limited, our subsidiary that operates the lending business has attracted both equity and debt investors and in process added significant strength to its balance sheet. RFL has recently signed definitive documents for an equity investment of ₹1.5 billion by Avigo Capital Partners. The investment was made at a very healthy valuation. In the month of September, RFL received an overwhelming response to its retail issue of non-convertible debenture. In just three days, we raised ₹7.54 billion as against a basic issue size of ₹4 billion. This is a clear vindication of our strategy of pursuing the high growth SME segment. Our asset finance book grew 84% year-on-year to ₹73 billion and the capital market lending book grew to ₹24.6 billion as at September 30, 2011. Net interest margin for the business improved by 35 basis point quarter-on-quarter as the revision of lending rates took effect.

The retail broking business is currently facing challenges, as the retail interest remains muted. Cash equity turnover has seen a decline, both in absolute and percentage terms for three quarters running, and the low yielding options segment now contribute nearly 70% of the overall turnover. Given the structural changes in the market over the past few years, we have carried out strategic review of the business and made some changes to the operating model, which will lead to structural cost saving of around 15%. I will discuss this in some detail shortly.

The India asset management business continues to focus on high-margin offshore products and this strategy has met with good success. We raised an additional subscription of around US \$75 million in the Indian equity fund, and during the quarter we launched the India debt fund that collected around US \$335 million.

While the wealth management business is facing headwinds we continue to focus on building quality AUM and growing our client franchise. The life insurance business is still recovering from the impact of regulatory changes. While the industry adjusts to the new norms, our focus is on capital conservation.

Moving now to our EM Capital Markets Platform. Our institutional equity business has been expanding coverage as per plan. We now have 206 stocks under coverage in India and 109 internationally. We have garnered significant market share in India and Hong Kong. Our institutional cash equity market share in India is around 1.4% and our market share in Hong Kong is around 0.4%. The investment banking business has advised on several deals during the quarter. However, the industry as a whole has been impacted by the depressed deal flow. Over the last couple of months we have carried out a detailed strategic review of the capital markets business in light of the current state of industry and have decided to focus this business in Asia and India. I will provide some more details on this in next few minutes.

Turning now to our Global Asset Management Platform. Our stated intent for this business is to bring best of breed asset managers in the alternate assets space onto our platform. Our growth strategy is basically inorganic. We currently have a healthy pipeline of target as we continue to seek and evaluate attractive acquisition opportunities across product lines globally. On the distribution front, our team in Japan helped raised around US \$410 million for the India AMC equity and debt products, another instance of the synergy that exists between global asset management business and the India AMC. Our existing affiliates Northgate, Landmark and Ipro continue to perform as per plan and have grown their AUM.

We firmly believe that Religare's greatest strength is its nimbleness and ability to adapt to changes without losing focus on long-term market opportunity. Given the extensive changes and shift in the global macro environment, which affects India as well, we have made some strategic shifts in our businesses, primarily in retail broking and our EM capital market business. First, in the retail broking space, over the last 10 years, we have expanded rapidly on the back of our proprietary distribution. This helped us establish a pan India presence and made our brand visible across the length and breadth of the country; however, in light of the structural changes that we have seen in the retail broking business over the last few years, we have decided to move to an operating model that is asset light and flexible, given the high volatility in the market, increases the predictability and structural profitability and provides a distinct customer proposition.

We are implementing this new strategy by consolidating our branches in cities where we have multiple points of presence, segmenting our clientele and bringing a clear focus on the service requirement of each client segment. Our approach ensures that while we move to an asset-light structure, our distribution footprint is not compromised. We expect the new operating model to provide around 15% structural savings in our cost base. Besides we are also investing in upgrading our infrastructure and technology.

Turning now to the planned changes in the capital markets business, our emerging market focused institutional equities and investment banking business has been built to capitalize on the structural change in the global economy and the consequent flow of capital from developed markets to emerging markets. While the longer-term prospect of a fundamental shift in the global economic balance remains intact, global markets are currently facing headwinds. As we have already made investments and built out a substantial presence in Asia, we have taken a decision to increase our focus on investing in Asia and to capitalize on the growth in this region. The execution of this strategy requires senior management to spend a very substantial portion of time in Asia and therefore we are exploring the possibility to move the headquarters for this business from London to Singapore.

These changes have helped reduced revenue risk significantly and will accelerate our path to profitability even in trying markets. Another strategic action we have taken is to centralize all corporate center functions into a single new entity, Religare Corporate Services Limited or RCSL. Religare has experienced rapid growth in business over last few years and consequently our corporate center has also grown. However, the pace of growth has resulted in fragmentation and overlap in functions across REL operating subsidiaries, and a complex system of cross charges.

To optimize the overall cost and simplify the structure, we have moved the corporate center to RCSL effective October 1, 2011. This entails centralization of governance functions including strategy brand, legal administration and infrastructure, and creation of a shared services layer for finance, HR, operations and IT. Employees in central functions have accordingly been transferred or deputed to RCSL. This new structure will lead to a greater efficiency, as common functions will operate on a larger scale, greater responsiveness in the organization and a simple

charging mechanism providing high certainty and visibility on the cost to the operating businesses. RCSL will be owned by the promoters of Religare Enterprises. All REL subsidiaries have entered into a long-term master services agreement with RCSL under which they will be charged a small fixed fee plus 2.5% of the turnover. This arrangement is a reaffirmation of the faith and commitment of the promoter group in Religare as they are reducing some of the revenue risk for Religare Enterprises.

Let me now walk you through the financial performance of our major subsidiaries. I will start with the lending business, which is housed within Religare Finvest Limited and consists of Asset Finance and Capital Market Lending. Our loan book comprising loan against property, commercial vehicle and construction equipment finance, SME working capital loans and capital market lending grew 13% quarter-on-quarter and 46% year-on-year to ₹97.7 billion as of September 30, 2011. We continue to do well on all operational parameters including OpEx /ANR ratio which has improved by 11 basis point quarter on quarter and it stood at 3.10% in Q2. Our portfolio quality is in control, with gross NPA at 0.27% of the book and net NPA at 0.07% of the book. 91% of the loan book is secured.

In terms of financials, Religare Finvest reported quarterly revenues of ₹4.4 billion - 14% higher than the last quarter and 55% higher than a year ago. Quarterly PAT was also up by 72% quarter-on-quarter to ₹197 million.

Let me now turn to our retail broking business, which is operated through Religare Securities Limited and Religare Commodities Limited. As I mentioned earlier, in cash equities, there has been an absolute decline of ₹23 billion in market wide average daily turnover between Q4 FY'11 and Q2 FY'12 and the low-yielding Options segment now accounts for nearly 70% of the overall market. Our brokerage yield declined marginally and we saw a slight dip in the market shares.

In the commodities broking space, our market share came off and it stood at 3% for the quarter. Our brokerage yield moved in a narrow band declining marginally to 1.53 bps. The combined revenue of RSL and RCL for the quarter was ₹1.47 billion, a 1% rise quarter-on-quarter and we reported a net loss of ₹88 million versus a loss of ₹148 million Q1 FY'11. While the business has

been impacted by the weak sentiment, we are confident that the strategic actions we are undertaking will structurally reduce cost and reinstate the profitability of the business.

Moving on to the India Asset Management business, which is operated in Religare Asset Management Company Limited. While our AUM did not change significantly during the quarter, the AUM mix shifted in favour of high yielding products, specifically longer tenure debt funds. Our focus on offshore mandates in collaboration with our global asset management business continues. There has been further subscription in the existing fund raised in Japan and the AUM has gone up to over \$200 million from \$125 million a quarter ago. Revenue for Q2 was marginally lower at ₹140 million; however RAMC achieved a profit of ₹2 million this quarter versus break even in Q1 FY'12, demonstrating our focus on operating efficiency and cost control.

As I had mentioned, Religare Capital Markets, our institutional broking and investment banking business, is now focusing on Asia. RCML showed a 14% decline in revenue quarter-on-quarter to ₹866 million and reported a net loss of ₹1,754 million. As I have explained before, this represents the investment we are making in the business, which is reported as loss in accounting terms.

Finally, Religare Global Asset Management (RGAM) reported a quarterly revenue of ₹863 million and PAT after minority interest was steady at ₹50 million.

With this I conclude the opening remarks. The senior management team and I would be glad to any queries that you may have.

**Kishore Belai:** Operator we can now open the lines for questions.

**Moderator:** Sure sir and thank you very much. Ladies and gentlemen, we will now begin the question and answer session. [Operator instructions.] The first question is from Sameer Kulkarni from Vantage Securities. Please go ahead.

**Sameer Kulkarni:** first of all thanks for the opportunity. I had a question on Religare Finvest. Religare Finvest's net NPA and gross NPAs are going up from December quarter till now. Year-

on-year, it is up by some 0.22 to 0.27 and for net it has come down by 0.1 to 0.07, so can you throw some light on that?

**Shachindra Nath:** Vineet could you respond to that.

**Vineet Saxena:** For last one year we have done lot of collections interventions which has helped us control our net NPAs.

**Basab Mitra:** Just to support Vineet, I think what we should also recognize is that there are some lumpy items in our portfolio, so this is more noise rather than any structural change in the performance of the book.

**Sameer Kulkarni:** One question on the retail broking side. The yields are stabilizing between 1.6 basis points to around 1.53 basis points now, so when do you see the yields going up and what is the strategy to improve the yields actually?

**Shachindra Nath:** We wish that we had control on the yield, because yield is also a function of the market. As I mentioned that the market is structurally moving towards a lower margin regime.

**Gagan Randev:** Just to build on the point that Shachin has been making, I think the fact of the matter is that you know structurally if you look at it between the last quarter and this quarter there has been a significant shift in the total composition of options as a percentage of the total turnover, plus the fact that there has been intense competition - there has been no let up of that. So the fact of the matter is today cash volumes as a percentage of the total turnover is only about 8%-9%. When you probably see the market stabilizing, you will have probably a couple of the large IPO's and the retail investor will come back in to the market. We hope that should start happening in the beginning of next calendar year or Q4 of this financial year where hopefully with couple of divestments etc., there is probably going to be a little more of retail investor interest coming in and that should help push the broking yields up but otherwise at this point we are moving just in line with the structure of the market.

**Sameer Kulkarni:** One question on Religare Capital Markets - our total income is around ₹866 million while the personnel cost is around ₹1,544 million so can you just throw some light on this?

Is this because the employee strength is higher in this segment?

**Shachindra Nath:** Yes, as you know that we have started build-out of this business in the last one and half years, and obviously that is an investment which we are doing into the business and we have gone and built multiple markets, we have built in India, we have built in Asia. We have increased our coverage in Hong Kong and other regional markets and we are constantly growing our research coverage and sales and trading coverage in the market place so obviously there will be period of time in which you will see a big gap between revenue and operating cost. And for that reason, as we said that from the starting point of being in this business we wanted to focus on the larger EM, but we are making a strategic shift to just focus on Asia for the time being and we are also reporting a very healthy growth in terms of the market share in India and Asia.

**Sameer Kulkarni:** Institutional empanelment has gone up very sharply from last year's 153 to 469 so what was the strategy you have that it has gone up very sharply

**Shachindra Nath:** I would prefer not to answer this question.

**Gagan Randev:** Shachin, if I can just also clarify to the earlier question because I think you got the yield slightly wrong. I think you are referring to the commodity yields. Our equity yields are 3.43 basis points at this time 1.53 basis points you were referring to, is the commodity yield.

**Sameer Kulkarni:** That is correct, thank you.

**Moderator:** Thank you. The next question is from the line of Ritesh Nambiar from UTI Mutual Fund. Please go ahead.

**Ritesh Nambiar:** Good afternoon. Just wanted to know in fact your global asset management company has this quarter booked a profit of ₹22 Crores but post minority its ₹5 Crores both for first quarter and second quarter. What is the sharing like out there?

**Shachindra Nath:** It is the minority interest which gets deducted because we do not hold 100% of the affiliates or asset management Companies which we have acquired in the last one year or two. We do not own them 100%.

**Ritesh Nambiar:** But I do not get the percentage - looks very insignificant relatively

**Anil Saxena:** From a presentation perspective, the percentage looks awkward but actually the interest component gets deducted afterwards and the minority interest is on the acquisition price that we have paid by way of borrowed capital but otherwise this ₹50 million is net of our own expenses and the interest expenses, so it is just the presentation. Otherwise we own 70% in Northgate and 55% in Landmark Partners.

**Ritesh Nambiar:** Similarly, one thing which I observed in Religare Finvest is fact the tax rate, which actually is varying so drastically. This quarter you have booked around ₹17-odd Crores as tax. Last quarter there was a write back and why there is so much of volatility out there?

**Anil Saxena:** In case of Religare Finvest's tax portion, last quarter actually we booked some long term capital gains here - we sold some listed securities, and this quarter it has got pure income and so the taxation is accordingly, including some provisions for the earlier assessments which has come and hit this quarter.

**Ritesh Nambiar:** The tax rate is around 46 odd %

**Anil Saxena:** This includes our current quarter provision and some provision for the assessment for the last year, which was provided less, because, as an NBFC, in the assessment there were some disallowances which were made by the tax authorities, which we have provided for this quarter, although we will be filing appeal for that.

**Ritesh Nambiar:** Just to get a sense on the whole NBFC thing - what is your normal ticket size on the LAS front?

**Vineet Saxena:** LAS front ₹1.1 Crores.

**Ritesh Nambiar:** Roughly what is your disbursement rate? Because unlike other NBFCs who report that separately, you do mention what is the disbursement which you have done for the first half and quarter wise?

**Kanchan Jain:** We have disbursed around ₹1500 Crores per quarter for last two quarters.

**Ritesh Nambiar:** Thanks a lot.

**Moderator:** Thank you. The next question is from the line of Devesh Dokwal from Reliance Mutual Fund. Please go ahead.

**Devesh Dokwal:** Just wanted to ask this in CV Financing the portfolio size has reduced from ₹18.4 billion to ₹18.2 billion, so are we not lending in this segment currently?

**Vineet Saxena:** We are lending but what we have done is we have securitized certain part of our portfolio where there is a demand for priority sector loans from the bank side. So based on some attractive yields, we have securitized some of the priority sector loans.

**Devesh Dokwal:** What would be the size of portfolio securitized?

**Kanchan Jain:** About ₹600 Crores.

**Devesh Dokwal:** Just to check on the yield on the last portfolio what would be the yield on LAS?

**Basab Mitra:** It is about 16%

**Devesh Dokwal:** About the equity infusion from Avigo capital - what would be the stake taken?

**Shachindra Nath:** It is not yet disclosed yet because we will be closing the transaction in few days and post that we would inform what is the stake.

As we said that is on a healthy valuation, so you should presume it will breach all market benchmarks.

**Moderator:** Thank you. The next question is from Chandan Gehlot from Deutsche Asset Management. Please go ahead.

**Chandan Gehlot:** Hello, good afternoon. My first question is related to Religare Finvest. What is the current CAR ratio?

**Shachindra Nath:** It is around 17.9%.

**Chandan Gehlot:** Post this equity infusion what would be the your CAR and what would be the gearing level because currently I am seeing this current gearing level is around 6.31 at Religare Finvest level so what kind of gearing level we can see going forward?

**Shachindra Nath:** It's a small infusion of ₹150 Crores. Have we calculated that?

**Rashmi Mohanty:** I can only give guidance for the capital adequacy target.

**Sunil Garg:** It is a fluid number basically. See, every month we are raising more loans so temporarily it may happen that our CAR as well as this gearing ratio will come down, but eventually these numbers will be back to the same position.

**Chandan Gehlot:** Okay and I just wanted to understand a little bit more on the asset quality side. Are we seeing any pressure on the asset quality given the kind of macro scenario we are into? So do we see any fresh slippages in asset quality?

**Kanchan Jain:** No, we are not seeing any pressure on asset quality. Our portfolio continues to be largely secured - about 92% still continues to be secured, and also in terms of new business done, the ratio between secured and unsecured is broadly being maintained, so I think the asset quality is not a concern for us.

**Chandan Gehlot:** Okay and lastly I just want a little bit more clarity on Religare Securities and Commodities. This time we have combined the numbers of the both Religare Securities and

Commodities. So can we get separate numbers for the Religare Securities in terms of the topline, bottomline?

**Shachindra Nath:** I think it is in view of this structural shift in operating model, which we have now made because we are operating both securities and commodities business as one platform. We have started reporting the numbers on that basis but if you want to have bifurcated numbers, you may please connect with Mr. Kishore Belai.

**Chandan Gehlot:** Okay and also can you elaborate more on the particular strategy going forward for the cost restructuring, particularly on your Securities business - how this is going to work?

**Basab Mitra:** I think in terms of strategy, this is not in response to any cyclical shift in the market. We are seeing a structural shift in the business and our goal has been to make this business profitable in light of the new structural change which is lower yields, more Options – that's going to be the reality of the market. We are doing it in three ways: we have been making a number of changes to the operating model - one is that we have optimized distribution to make it more asset light. As Shachin mentioned in his opening remarks, we have not compromised on our distribution reach. So in a market where we may have six branches, we are now beginning to operate from three or four branches so there is some reduction in branch footprint but not in the distribution footprint. The second thing we have done is that we have done a detailed study of our client segments and understood really what the clients want by segment and we are now building a service model and our pricing model by client segment so that we are more responsive to each segment rather than having an aggregate strategy. Third, we are now beginning to create a roadmap of significant investments in technology both in the front end as well as the in the risk management and backend technology to allow for more scale and get lower cost. So those are the three key components of our strategy. We expect the business to fundamentally deliver about 14% to 15% of cost out in the business' structural cost and this allows us to become significantly more profitable even in trying market conditions. Gagan, you might want to add more color to this, but that broadly covers the contours of our strategic shift.

**Gagan Randev:** The big change that we also did in our business is we created something called a Core Client Group. Now typically a concept of this is available in most broking houses but I think we went beyond the typical PCG which exists in broking houses to actually create a Core Client Group which allows us to focus on different types of HNIs which are in this space: they could be investors they, could be high frequency traders, they could be customers requiring leveraging etc. and I think we have tried to cater to that and this is typically the segment which is today accounting for 40% - 50% of the turnover of the market. So by doing this, you wanted to address the critical clients within the organization and as well as go out and probably get the biggest clients out there in the industry so that was the first thing. The second thing that we did was unified the distribution structure under one supervisory head so what it has done is basically it has increased our ability to offer our client varied asset classes. So from an organization where a typical client would go to somebody for equity and somebody else for currencies etc., you have unified that so it offers you the ability to seamlessly offer various asset classes to clients and I think this is the big change apart from the other changes of becoming asset light etc.

**Chandan Gehlot:** Thank you that is all from my side.

**Moderator:** Thank you. The next question is from Nischint Chawathe from Kotak Securities. Please go ahead.

**Nischint Chawathe:** Hi, I am sorry I maybe repetitive because I just missed some part of the call. How should one look at the leverage of the company, of the group?

**Shachindra Nath:** For leverage you should look at only at our NBFC If you look at leverage on a consolidated basis, it is not the right picture because you will see us as a highly under leveraged company.

**Nischint Chawathe:** Okay, so where would we be placed, how would we be place right now? You think you are comfortable or you need to raise capital or what is the level that you are looking at this stage as far as capitalization is concerned?

**Shachindra Nath:** I think we are maintaining CRAR of 17.9% so we are in an extremely comfortable zone.

**Nischint Chawathe:** There are two factors here I am sorry actually, I missed some part of the call. Two factors where one is because of the fact that the business is still in a set up stage there is some kind of a strain on the networth and I think on the other side you are also growing the loan book. So clearly CRAR can possibly come off quite sharply as compared to many other finance companies, so in the context of that how do we relook at it?

**Anil Saxena:** This CRAR that Shachin has talked about is for Religare Finvest, and as far as Religare Finvest is concerned, it is not undertaking any expansion and development activities except being in the lending business and that is where we are expecting capital from Avigo. Obviously, based on that we will be maintaining adequate CRAR.

**Nischint Chawathe:** Okay fine I got it. Okay thanks a lot.

**Moderator:** Thank you. We have a question from Chandan Gehlot from Deutsche Asset Management. Please go ahead.

**Chandan Gehlot:** One more question particularly on the bullion sales side. In this quarter we saw a jump in bullion sales so can you explain the reason?

**Basab Mitra:** Let me just give you quick update. It is a business that we started off in last quarter so what you are fundamentally seeing is the natural expansion of the business. We expect the business to grow even further as we grow our arbitrage business and putting together the fundamental components of that business. So it's just the natural growth of a business we started off from last quarter.

**Chandan Gehlot:** Okay, so going forward can we see further jump particularly in this business?

**Basab Mitra:** We expect some further growth in certain areas to happen in this business. We will be obviously able to see that separately and you will be able to distill the performance of the business separately.

**Chandan Gehlot:** What kind of margin we are seeing in this business?

**Basab Mitra:** It is a very thin margin business. If you need more details about that, about specifics of that business, I'll direct you to Kishore.

**Chandan Gehlot:** Yes.

**Moderator:** Thank you. As there are no further questions from the participants I would now like to hand the conference over to Mr. Shachindra Nath for closing comments.

**Shachindra Nath:** Thank you all the participants for joining on this call. If you have any specific queries or questions you may contact Mr. Kishore Belai, our head of the Investor Relations. Have a great day thank you.

**Moderator:** Thank you. On behalf of Religare Enterprises Limited that concludes this conference call. Thank you for joining us. You may now disconnect your lines. Thank you.

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*Note: This transcript has been edited to improve readability*