



**“Magma FinCorp Conference Call
Q2, FY10 Result**

October 26, 2009

**with
Mr Sanjay Chamria, Vice Chairman & MD
Magma Fincorp Limited**

Moderator: Ladies and gentlemen, good morning and welcome to the Magma Fincorp Q2 results Conference Call hosted by Centrum Broking Pvt. Ltd. As a reminder, for the duration of this conference all participants' line will be in the listen-only mode and there will be an opportunity for you to ask questions at the end of today's presentation. If you should need assistance during this conference call, please signal an operator by pressing * and then 0 on your touch-tone phone. Please note that this conference is being recorded. At this time I would like to hand the conference over to Mr. Rajagopal Ramanathan from Centrum Broking. Thank you and over to you Sir.

Rajagopal Ramanathan: Yeah good morning to everybody. We have Mr. Sanjay Chamria from Magma Finance who would provide brief presentation on the results followed by the Q&A. I would hand it over to the management at Magma Finance. Over to you Mr. Chamria.

Sanjay Chamria: Good morning everyone and thank you for joining us on Magma conference call for the second quarter ended 30th September 2009. I have along with me on this call our CFO Mrs. Anju Madeka and our business head Mr.V Lakshmi Narasimhan. I would like to briefly take you through the company's background and the key highlights during the quarter. Magma has a unique business model that has helped us deliver consistent and sustained performance over the years. As you know our strategy has been to offer diversified basket of products and principally in the rural and the semi-urban markets. But the demand for assets financing has proved to be strong even during the last one year and which is largely uncontested and under serviced by the formal banking channels. In the past 20 years we have created this pan India distribution network with over 150 branches of which more than 77% are located in the rural and semi-rural pockets. Over these years, we have also built in a huge in house collection and servicing platform comprising more than 2200 employees and which are dedicated 24/7 to the collection function which are further segregated and specialized across various buckets. This enables us to service customers in remote areas and to achieve superior collection performance for the business as compared to our peers. As we shared in the earlier calls that we have also created a dedicated asset reconstruction division in April-May 2008 which would help focus on collections of the non

performing assets and which would also facilitate the management of bought out portfolio from the third party originators which we have been acquiring since last one year as a growth and customer acquisition strategy. In the current year we have taken several business initiatives which are continuation of the last couple of years, aimed at improving the quality of origination, increase in the net interest margins and to help sustain the growth through both organic and inorganic routes and thereby enhance shareholder value. During the last quarter July to September we also announced our joint venture with HDI-Gerling, part of the Talanx Group, the third largest insurance group in Germany to set up a general insurance company in India wherein Magma and Associates will hold 74% and HDI-Gerling, the general insurance arm of Talanx Group will hold 26%. Subsequent to the execution of the joint venture and the other auxiliary documents, we have already applied for license to the regulator IRDA. Being an NBFC, we are also required to obtain RBI approval which has just been received. Now I turn to key highlights of our financial and the business performance for the quarter ended 30th September 2009. The market conditions have improved considerably in the second quarter while the primary sales of cars and construction equipments are already on an upswing. Commercial vehicle too have been positive, growth oriented in August and September. Looking at the industrial recovery on a sequential basis, passenger cars and utility vehicles grew by 12% in quarter 2 over quarter 1 and commercial vehicles by 28%. Construction equipment sales, based on the manufacturer's feedback, have also grown, although at a lesser percentage of 8% in quarter 2 as compared to quarter 1. Magma has been able to take advantage and has also grown its disbursement in second quarter by 22% to Rs. 892 crores as compared to Rs. 735 crores in the Q1 of this year. In passenger cars and utility vehicles, we have disbursed Rs. 209 crores which is up 8.5% over the previous quarter while in the commercial vehicles the disbursements were Rs. 291 crores which are up 30% over the first quarter. In construction equipment as well, we did business of

Rs. 286 crores which is a growth of 29% over the first quarter. These three products accounted for 88% of incremental disbursement during the second quarter. Our strong presence in the up country locations has also been instrumental in the improved performance as rural demand have been strong despite below par monsoon this year. Our total assets under management as at the end of September 2009 stood at Rs. 9300 crores approximately. The consolidated revenues during the quarter increased to Rs. 178 crores as compared to Rs. 154 crores in the second quarter. The increase of 15.3% in the revenues reflects growing on book assets which increased by 17%. Similarly operating profits before interest stood at Rs. 109 crores in this quarter compared to Rs. 88 crores during the second quarter of last financial year reflecting an increase of 25%. Most importantly during the quarter Magma achieved a Net Interest Margin of 5% as compared to the historical average of 3.5-3.8% due to largely the increasing share of the higher yielding products such as tractors, SME's and used commercial vehicles. The share of these high yielding products which was 8% of the disbursement during the last financial year has increased to between 12 and 13% during the first half of the current financial year. The operating efficiencies in terms of staff and operating costs to the total income has also improved to 30.4% during the quarter as compared to 35% during the second quarter of the last year. The collection efficiency also has improved from 96.2% during the first half of the last financial year to 98.1%, thereby 1.9% improvement during the first half of the current financial year, which reflects superiority of our collection model as compared to the outsourcing model. Improvement of business and assets, higher NIM and better operating efficiency have all helped increase in the profitability. We achieved consolidated profit after tax of Rs. 15.8 crores during the quarter which marks a sequential 40% growth over the quarter one of this year and a y-o-y growth of 40% against the second quarter of last year. As a result, return on equity during the second quarter of this year has also improved to 16.7% as compared to

11.5% in the last financial year. With the economy and market showing more visible signs of growth from August 2009 onwards we are confident that the worst of the market conditions are behind us and great off take should pick up from here on a more robust basis. We expect primary sales of the cars and commercial vehicles to sustain the growth momentum scene in the second quarter and construction equipment also to register robust growth in the coming quarter. As it is during the last two years we have seen that the second half usually constitutes 60% of the annual business and there is no reason for us to believe that this year it is going to be any different. Going forward, we will be able to substantially increase our disbursements in all products and market segments while maintaining our focus on NIM and bottom line. This brings me to the end of my opening remarks and I with my colleagues would be very happy to take any questions that you may have. Thank you.

Moderator: Thank you Sir. Ladies and gentlemen, we will now begin with the question and answer session. Anyone who wishes to ask a question, may press * and 1 on their touch tone telephone. If you wish to remove yourself from the question queue, you may press * and 2. Participants are requested to use handsets while asking a question. Anyone who has a question may press * and 1 at this time. The first question is from the line of Abhishek Kothari from SPA Securities, please go ahead.

Abhishek Kothari: Sir could you give me the break up of AUM? In terms of Passenger car disbursement, CV's and construction equipment?

Sanjay Chamria: AUM which is what I said is 9300 crores. No I don't have that write up with me. But I think I can give you a trend in terms of what could be the contribution broadly. See commercial vehicle traditionally has been the dominant product segment although now it is almost at par with construction equipment but AUM is on as on date basis, the commercial vehicle should be approximately in the range of 40% of

the total AUM followed by construction equipment which should be between 26 and 28% followed by car it is the third largest segment and that would be in the range of around 25% and these three put together would be roughly about 92% and the three products which are the high yielding varieties which we launched in the last three years like last year only they contributed about 8% and in the current year they are between 12-13%. So I think the rest of it will be actually accounted for these three products and the other assets in the company.

Abhishek Kothari: Okay and sir, what were your yields in this quarter for the three segments, i.e. the passenger cars, CV and construction equipment?

Sanjay Chamria: See cars usually would give the lowest yield and during the second quarter the average yield that we achieved was 13.43%.

Abhishek Kothari: Could you give me vis-à-vis last quarter?

Sanjay Chamria: Yes in the first quarter of the current financial year it was 14.34% so there was a drop of roughly about 90 bps. In case of commercial vehicles the yields during the second quarter was 13.41, just about 2 basis points lower than car but as compared to the first quarter there has been a significant drop in the commercial vehicle yield which was 14.83% so it is roughly about 1.4% and in construction equipment the yields were 14.25% and which were down from 15.15%. On an overall basis all the products put together the yields were 14.23 which came down from 15.35 in the first quarter of the current financial year.

Abhishek Kothari: And going forward do you see the yields rising up or do you see the same?

Sanjay Chamria: The cost of fund has been coming down quite rapidly and as a result the yields also mirror the moving cost of funds in the market and my own view which is not largely subscribed by the people in the market is that the interest rate will remain soft and during the second half also because the credit growth has been one of the slowest witnessed in the

last decade. I would feel that the regulator will not be looking at a tighter credit policy and therefore the interest rate could see a downward bias of 25-50 bps definitely during the current quarter.

Abhishek Kothari: So you mean Q3 would remain stagnant as where it is as per cost of fund?

Sanjay Chamria: No I think that it should see a softer bias of 25-50 bps especially starting from the third week of November until December end.

Abhishek Kothari: Okay and Q4?

Sanjay Chamria: Q4 also I believe that it should further go down before we could see a tighter monetary policy starting from April 2010. So the government would, I think, go for growth over inflation.

Abhishek Kothari: Okay and what's your NIM guidance for the year?

Sanjay Chamria: See as I shared during my address that our NIM has been highest so far achieved in the last many years at 5% largely due to the contribution of the higher yielding product which has been going up and we have been also ramping up our volumes; our sales team has been given a target to ensure that our NIM doesn't go below 5%.

Abhishek Kothari: Thank you sir. If I have something I will come back.

Moderator: Thank you Mr. Kothari. The next question is from the line of Rahul Bhangadia from Lucky Securities please go ahead.

Rahul Bhangadia: Sir actually, I am a little new to the company and if you could just in short explain to me your assets under management are at 9300 crores, your balance sheet size is much smaller. If you could just explain to me in short how exactly do we work on our securitization and everything else?

Sanjay Chamria: See we largely have relied on the securitization as a model of the business, wherein we churn our assets quite frequently and till about March 2008 that is FY08 the securitization used to constitute more than 70-75% of the overall origination during the year. As a result on book assets used to be about 25-28% which during the last financial year we reduced the securitization percentage to about 67% of the overall origination and we retained about 33%. During the current year also we have further reduced this securitization at a percentage of the origination to about around 49-52% during the first quarter and the second quarter. So as a result, of the overall AUM of 9300, on books we retained close to about 3500-4000 crores and the rest of it is actually outside the books.

Rahul Bhangadia: So you are saying that consolidated, your advances book or stock on hire book was about 2000 crores that has grown to 3000 crores because of incremental change in the ratio of how much of the assets you securitized?

Sanjay Chamria: No in fact now it has gone down up to more than that. It is now closer to 4000 crores that's what I said. It was earlier lesser but then we have been getting a large support from the banks and the institutions in the form of lines of credit to the company plus the increase in the network due to the retained profit and the issuance of the tier II capital. Our total net owned funds today stands at about 600 crores. As a result of that our ability to retain on balance sheet has increased and therefore we have done lesser securitization in the last 18 months.

Rahul Bhangadia: Okay. So if you could just give me an idea of how much of your revenue was on this securitization part of it last year and what have you seen in the first two quarters this year? What chunk of your turnover comes from securitization and what chunk comes from actual interest earnings?

Sanjay Chamria: The data is being just collected. While in the qualitative terms you know the extent of income during the current year on account of securitization has fallen as because the only between 49-52% of the total origination has been securitized and increase in the own book asset has been increasing. See during the first half if you take it, the income on account of securitization would be 57 Crores out of total finance income of 223 Crores and 166 Crores is on account of the own book income.

Rahul Bhangadia: Okay. 57 Crores is securitization out of?

Sanjay Chamria: Out of 223 Crores which is the finance income. Then we have the management fees and the lease rentals and the rest of it and the interest on the cash collaterals, so the total income during the first half is 315 Crores of which 57 Crores from securitization. Similarly if you take a look at the 2nd Quarter the total income is 173 Crores of which income from securitization is 33 Crores.

Rahul Bhangadia: And if you could give me the figure for FY2009?

Sanjay Chamria: I have the figure available with me for the first half comparable half year which I will give you. Last year for example in the first half the total gross income was 292 Crores of which securitization income was 72 Crores. So now if you put on a comparative basis as against 72 Crores out of 292 Crores during the first half of last year it has now changed to 57 Crores out of 315 Crores in the first half of the current financial year. Which means, while the overall income has grown from 292 Crores to 315 Crores the securitized income has fallen from 72 Crores to 57 Crores. This is what confirms as I was telling you, the securitization has fallen as a percentage from 67% last year to around 49% to 52% in the current year and to what it was more than 70% till FY2008.

Rahul Bhangadia: Okay. And sir where do you intend to keep this ratio at? Close to 50% or bring it even lesser.

Sanjay Chamria: See that will essentially depend upon going forward the growth in the disbursement and how much we are able to retain on books based on the support that we get from the banks and the institutions. Given our preference and choice we would like to retain the higher yielding assets the share of which is growing in our balance sheet because that has a higher contribution to the profits and the lower yielding assets like cars and commercial vehicles we would like to rather securitize so that we can free up our capital which can be deployed more towards the higher yielding assets.

Rahul Bhangadia: Okay. And sir just two small data points, what is your cost of fund for the last quarter?

Sanjay Chamria: Our cost of fund on a YoY basis has actually now gone down to 9.76% at the end of September 2009. For the last year as a whole, it was at 11.75% and at the end of Quarter 1 this was also around the same 9.67%, so there is just about 9 bps difference in the cost of fund between the Quarter 1 and Quarter 2 and about 2% lower than what it was for the whole of last financial year.

Rahul Bhangadia: And if you could throw some light on your doubtful assets or NPAs?

Sanjay Chamria: See as you said that you have recently come on the call, we have been following a policy from April 2003 and that is, of writing off entire loan contracts which go beyond 180 days past due both in terms of the past overdues as well as in terms of the entire future principal. So therefore instead of treating that as a non-performing asset and making provision from the same, we write off the complete amount and thereafter the recoveries that we make out of those contracts....

Rahul Bhangadia: You recognize as other income?

- Sanjay Chamria:** That is offered as an income against the write off.
- Rahul Bhangadia:** Okay. So whatever you have booked in your balance sheet shows that it is net of, since you are writing it off it is all...?
- Sanjay Chamria:** That is what we mentioned in our balance sheet that our NPAs are zero and that has been continuing for the last 6.5 years.
- Rahul Bhangadia:** Okay. So if you could help me with what have you provided for last year in FY2009 and what have you provided for in first half this year?
- Sanjay Chamria:** In the first half of this year the total write off that we have done, net of recoveries is about 16 Crores. As against that in the first half of the last financial year we wrote off about 11.77 Crores. So the increase in the write off between the first half of last year till the first half of this year is about 4.25 Crores.
- Rahul Bhangadia:** And if you could just tell me what kind of exposure do you have to the assets that you securitize in terms of, if they go bad or what kind of exposures do you have there?
- Sanjay Chamria:** See all the portfolio that we securitize is rated by the rating agencies then only the investors which usually constitute insurance companies, mutual funds and they would buy those securitized papers and the rating agencies typically assign a AAA rating and based on the historical performance of the portfolio originated by a company and its collection efficiency they assign a certain cash collateral and the credit enhancement. So therefore while we have a limited recourse as an originator which is to the extent of the credit enhancement specified by the rating agency while assigning a rating, so that is the level of exposure that we would have and the way it operates is on a quarterly basis whenever there would be a fall in the collections of a particular pool of receivables that we would have securitized and sold to a particular investor, the trust dips into cash collateral which has been created under that pool and then pays to the investors and we get the

details on a monthly basis from the trustee and the bank with whom the collateral is kept as a fixed deposit. So the the dip which is there in the cash collateral is written off in our books as a write off on the portfolio that we securitized.

Rahul Bhangadia: Okay, So is there a broad thumb rule that we should that that maybe 2% to 3% of the assets that you securitize are under cash, I mean how much cash collateral do you keep?

Sanjay Chamria: No cash collateral would actually vary from 5% to almost about 12% because what happens is in the first instance we provide for the cash collateral on all the three components of the credit enhancement one is the first loss, followed by second loss and then the liquidity support. Later on what happens is we are allowed to substitute the second loss in the liquidity support by way of a guarantee from a AAA bank. So once we do that then our cash collateral will remain with the banker and with the trustee, only to the extent of the first loss. So that is why I said it can vary between 5% to 12% depending upon at what stage of the various pools our cash deposits are lying with the bank.

Rahul Bhangadia: Okay. Is that the reason why you have a reasonably big quantum of cash and bank balances in your balance sheet?

Sanjay Chamria: That is largely one of the reason, the other reason also is that we always maintain sufficient liquidity you know especially at the end of the year because in the last quarter of the year you have significant disbursement activity particularly in the last month.

Rahul Bhangadia: Okay. So given that your assets under management are 9300 out of which probably 3.5 thousand are on your books and maybe 6000 are securitized, so maybe you would have about 400 to 500 Crores of cash on your books as cash collateral against those assets securitized that would be correct?

Sanjay Chamria: Yeah largely you are correct although the securitized book which you are saying would be lesser than 6000 but then the figure of the deposit that you have mentioned is largely correct. Like in March 2009 our total bank balances were more than 6000 Crores of which around 400 Crores to 450 Crores would be actually in the form of the cash deposits on account of the enhancements and the rest of it is actually free unincumbent which is actually available for disbursements at the end of March which is quite significant.

Rahul Bhangadia: Okay, thank you very much sir, I will come back if I have more questions.

Moderator: Thank you. The next question is from the line of Krishnan ASV from Ambit Capital. Please go ahead.

Krishnan ASV: Hi Mr. Sanjay. I had a question on the Tier I and the Tier II that you have currently. At the end of H1FY2010 where would Tier I stand and where would you be on ...?

Sanjay Chamria: Our Tier I capital at the end of September 2009 would have now crossed 320 Crores of which equity would be about 22 Crores and 298 Crores is on account of the reserves and surplus and Tier II capital is about 287 Crores. So that takes our total own funds to more than 600 Crores as I was just answering to the previous analyst's questions. So this is how it is.

Krishnan ASV: In terms of the capital adequacy what would the percentage number be?

Sanjay Chamria: Capital adequacy at the end of March 2009 was 17.3% of which Tier I was 9.2% and Tier II was 8.1%. Now if you look at the composition of the Tier I and Tier II that has slightly changed in favor of Tier I because of the recent profits of the first half as a result of that the weightage of Tier I is marginally increased, we have not yet computed our capital adequacy as of September 2009 which we will do when we

are about to submit our returns with Reserve Bank of India. However as you know during the current financial year the capital adequacy prescribed by the regulator is about 10% which is later to go out to 12% by March 2010. So we have a very comfortable cushion available in terms of like from 17.3 it will fall but then maybe it will be around 15%, not less than that.

Krishnan ASV: Okay. So in terms of a disbursement growth what kind of a growth are you looking forward during FY2011? And also where would you be targeting to take the mix of the higher yielding assets within your books?

Sanjay Chamria: Yeah, as I was sharing in my opening comments that during the 2nd Quarter the disbursements have grown by around 22% over the 1st Quarter and from August we can see a rebound in the economy . Two, I have seen over the last 5 to 6 years, the second half of the year constitute typically 60% of the primary sale of vehicles and equipment compared to the first half. And this year as I said is not likely to be any different if at all it will be in favor of the second half because April to July the slowdown continued, now there is a rebound, so therefore I think the contribution of the first half would be lower than what it has been in the previous few years. Now if you take a sum total of the disbursements that we have done in the first half is over 2100 Crores. By that we are looking back you know our contribution in the second half should be higher than what it has been in the past years and therefore I think we would be looking at a good amount of growth going forward quarter-on-quarter because the primary sale is increasing. Secondly your question regarding the contribution say last year the higher ending products contributed only about 8% as because we started these products in the last 2 to 3 years. And during the first half of the current year the contribution of these products has gone up to about 12% to 13%. Our endeavor actually is to increase the contribution on an annualized basis to about 15% during the current

financial year which means that you need to increase the contribution to more than 17% by the time we reach March.

Rahul Bhangadia: Okay. Yes I am done with my questions for now, thanks a lot.

Moderator: Thank you. The next question is from the line of Sitesh Jain from India Capital. Please go ahead.

Sitesh Jain: Sanjay I wanted the numbers you gave for yield on cars, commercial use and construction equipment for the same quarter last year that is in September 2008?

Sanjay Chamria: What I have with me is the yield product wise for the last financial year and in the mean time we find the way to get the yield for the corresponding first half I will try and give you that result. What I said that during the 2nd Quarter of the current financial year the yield on car was 13.43% whereas for the last financial year it was 14.53%. In case of commercial vehicles during the 2nd Quarter it was 13.41% whereas for the last financial year it was about 15%. In case of construction equipment it was 14.25% during the Q2 this year as compared to 15.17% for the last financial year and if I take a sum total of all of the 7 products that I mentioned during the Q2 of this year, it was 14.23% and for the last financial year it was 15.39%. Now if I compare that with the cost of funds that I am sure your question would be related to the cost of fund and the NIM. Then for the last financial year like as against 15.39% the overall is on all the products our cost of fund was 11.75% thereby giving as a overall NIM of 3.6% which at the end of first half our yields have gone up to 14.73%, I am telling you as at the end of first half like Q2 was 14.23% but end of first half it was 14.73% and the cost of fund was 9.76%, so it actually gives you a NIM of about 5%. And the corresponding rate of the last quarter you can note that down. For car it was 14.46%, for CV it was 14.54%, construction equipment it was 14.55% and overall it was 14.65%.

Sitesh Jain: And what about the cost of funds?

Sanjay Chamria: Cost of fund was 11.2%.

Sitesh Jain: Sure. Okay now as you are expecting a softer interest rate environment, I mean in such a scenario you think there will be pressure on yields?

Sanjay Chamria: Yeah, I expect the softer interest rate scenario to continue at least for the balance six months of the current financial year and the reason for the same in my opinion, one is the very, very comfortable liquidity available in this fiscal, secondly the bias of the government and thereby I think the regulators to go in favor of growth than worry about inflations. And the worry that credit growth which has been reported at 10.75% till the week ended 9th October 2009; Clearly, there are worrying lines on the forehead and they want to increase the growth rate of credit to at least 15% to 20% by the time they end the year. So therefore according to me they will continue to pursue a softer interest rate regime.

Sitesh Jain: Okay. So in that environment you think there could be a pressure on your yields going ahead?

Sanjay Chamria: See so far as our yields are concerned as I shared the reason for the dramatic increase in the yields in the current year to around 5% is chiefly on account of the increase in the contribution of the higher yielding product and which has been part of the calibrated strategy on the part of the management that we want to grow the historical rate from 3.5% to 3.8% to around 5% or over 5%. And I was mentioning some time ago that we want to take, on annualized basis, the contribution of the higher ending product to around 15%. So while on the core products the yields may come down if there is a pressure but then on the other hand, the contribution of the high yielding product

going up, we could strive to maintain the NIM at 5% during the current financial year; that is our mandate to the sales team.

Sitesh Jain: Okay, fine, thank you, thanks a lot.

Moderator: Thank you. The next question is a follow-up from the line of Krishnan ASV from Ambit Capitals. Please go ahead.

Krishnan ASV: Hi, sir you mentioned that we have received an RBI approval for the insurance venture, I mean what kind of a timeframe do you think it will take before you actually start operations on the insurance venture between the time that RBI approval has been sought and approved and the time that you were actually able to start operations?

Sanjay Chamria: See Krishnan, we found that we have beaten the average time being taken on account of two major milestones, the first milestone is in terms of filling the application to IRDA for licensing, typically it takes a minimum of three months to six months after the joint venture documents whereas we filed it on the 71st day with IRDA. Secondly with regards to approval from RBI, again it can take anywhere between you know 3 to 5 months time after one files the application to RBI, because of the regulatory process involved and it goes right up to the DG after the committee clears it for approval. In our case that has come through within 60 days time flat. From that point of view, while the overall licensing process usually takes between 6 to 9 months and in some cases 12 months time, in our case the process has started sometimes end of July and with that we are already down by about 3 months. I would guess that it should take maybe another 4 to 6 months time and that means that by the early next financial year we should probably be on ground to start the operations for the insurance business.

Krishnan ASV: Okay. So at this point of time from purely the insurance venture perspective, are we at the R1 stage or have we gone beyond R1?

Sanjay Chamria: No, R1 usually is the most comprehensive stage and that is what takes the maximum time, after you receive your R1 clearance, R2 usually does not take more than 1 or 2 months time and R3 is the mere formality because you just capitalize the company and then file the certificate of the statutory auditors to the IRDA and thereby they put up the notification on their website. So R1 is actually the biggest gate that you need to pass through in the licensing process.

Krishnan ASV: Okay, I am done sir, thank you.

Moderator: Thank you. As there are no further questions, I would like to hand the floor back to Mr. Rajagopal Ramanathan for closing comments. Please go ahead sir.

Rajagopal Ramanathan: We would just like to thank Mr. Chamria and all the investors who took their time out for this conference call and we hope to host Magma in the future as well. Congratulations to Mr. Chamria on a good set of results, but just a small suggestion from my side would be to have the lot of other numbers which are essentially housekeeping questions, to be dealt with by a presentation which you could host on your website. I think that would be extremely appreciated by the entire investment community as such.

Sanjay Chamria: Thank you Rajagopal and I think your suggestion is valid and what we would do after the call get over, both the transcript as well as converting some of the Q&A into the PPT form, we will put it up on the website of the company.

Rajagopal Ramanathan: Okay, thank you sir.

Sanjay Chamria: Thanks a lot to everyone. Thank you very much.

Moderator: Thank you Mr. Chamria. Thank you Mr. Ramanathan. Ladies and gentleman on behalf of Centrum Broking that concludes this

conference call, thank you for joining us and you may now disconnect your lines.