REDINGTON

Corporate Office

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5th August 2016

The National Stock Exchange of India Ltd
Exchange Plaza
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051.

Sub: Q1 FY17-Earnings Conference Call Transcript

Dear Sir/Madam,

This has reference to our letter dated 22nd July 2016 intimating the details of Investor/Analyst call on the Unaudited Financial Results for the quarter ended 30th June 2016 scheduled on 28th July 2016.

In this regard, we are enclosing herewith the transcript of Earnings Conference Call hosted on 28th July 2016. The same is also available in the Company's website www.redingtonindia.com.

Kindly acknowledge the receipt of our communication.

Thanking you,

Very truly yours,

M. Muthukumarasamy
Company Secretary.

cc : BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Redington (India) Limited
Q1 FY-17 Earnings Conference Call

July 28, 2016

MANAGEMENT: **MR. RAJ SHANKAR – MANAGING DIRECTOR, REDINGTON (INDIA) LIMITED**
MR. S. V. KRISHNAN – CHIEF FINANCIAL OFFICER, REDINGTON (INDIA) LIMITED
MR. S. JAYARAMAN – VICE PRESIDENT-TREASURY REDINGTON (INDIA) LIMITED

MODERATOR: **MR. RUMIT DUGAR – RELIGARE CAPITAL MARKETS LIMITED**

Moderator: Good day, ladies and gentlemen and welcome to the Redington (India) Limited Q1 FY17 Earnings Conference Call hosted by Religare Capital Markets. 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 this conference call please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Rumit Dugar from Religare Capital Markets. Thank you and over to you, sir.

Rumit Dugar: On behalf of Religare Capital Markets I welcome you all to the Q1 FY17 Earnings call of Redington India Limited.

We have with us today the senior management of team from Redington (India) Limited represented by Mr. Raj Shankar – MD; Mr. S. V. Krishnan – CFO; and Mr. S. Jayaraman – VP-Treasury. I will now handover the call to Mr. Raj Shankar to brief us about the Q1 results and latest developments during the quarter. Over to you, sir.

Raj Shankar: Thank you, Rumit. Good afternoon to everyone joining the call. It has been an interesting quarter, a quarter where the product category particularly the PCs has gone through a decline where globally the decline has been 4.5%, India the decline has been 5% and Middle East Africa region the decline was 14%. On the other hand, when you look at from a market perspective both Middle East and Turkey in particular has been plagued with lots of challenges with terrorists attacks, bomb blasts and therefore this whole period we have to go through some difficult ordeals.

Under this very difficult background where on one hand the product category has been going through a decline and with the markets experiencing a serious threat I am very pleased to share with you that for our first quarter April, May, June the topline growth has been 27% and the bottom line growth has been 13% the EBITDA growth has been 11%. The good news is that the both India and the overseas theaters have done very well.

For example, India grew the topline by 21% whilst the overseas markets grew by 32%. Similarly if you look at from a bottom line perspective both India and overseas have done well with 9% growth from India and about 19% growth from overseas.

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Some of you would remember that for the whole last year India's growth from a topline perspective was a single digit at about 3%. This for the first quarter has grown by an impressive 21%.

This on the back of this growth I must also share with you that the hygiene of the business has improved significantly. For instance, if you look at the working capital we have been able to reduce that by a good 7 days compared to the same quarter of last year. This has been possible both by reduction in inventory by 3 days as well as the reduction in receivables by 4 days.

The other good news is that in this first quarter which typically tends to be a soft quarter on the back of a very strong quarter of our Q4 which is January, February, March this time around we have been able to not only reduce the working capital significantly we have been able to generate positive free cash flow. And again the good news is that this has been possible by both India as well as the overseas markets. Though there is a little stronger free cash flow that has been contributed by the overseas region.

If you look at ProConnect which is our logistics space this is one business as all of you would recall that over the last 10 - 12 quarters we have been growing by a strong double-digit. This time around we have again grown the topline by 36% and the bottom line by 47%.

So in summary, this has been a good quarter where we have been able to deliver a strong double digit growth on top and bottom lines we have been able to significantly reduce our working capital which has been our focus area. We have been able to throw up cash both in India and outside India and this is in spite of the fact that the environment has been extremely tough and challenging.

I will also hasten to add here that one of the important reasons for this growth apart from an all rounded performance is the fact that the Apple business both in India as well as outside India has definitely played an important role. That is also in some ways contributed to the reduction in the working capital.

I will at this stage pause for any questions from any of you. Thank you.

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Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin the question-and-answer session.

The first question is from the line of Priya Rohira from Axis Capital. Please go ahead.

Priya Rohira: My first question relates to if you can share with us what was the individual business growth in the respective geographies which is India and overseas in terms of the IT, non-IT? And secondly, will you also help us with the market share which you will currently enjoy in Apple in India? The third any color you can give on the margin outlook because I am sure the margin has been little lower because of the Non-IT increase but if you can give us more business insights over there? And lastly, in Proconnect can you share the composition of the extended clients?

Raj Shankar: Okay in terms of overall IT growth this has been about 7% and the non-IT growth for the quarter has been 89%. With regard to the contribution of IT and non-IT, 68% comes from IT and the balance 32% from mobility. This is for your ready information for last year same quarter was 78% and 22% respectively. So Priya, while I was trying to pull out this information I did not follow on your second part of the question if I may request you to repeat it please?

Priya Rohira: Sure, I was requesting the same data I mean what you have given in the presentation what you had outlined. Individually for India and overseas actually in terms of assets in the growth of both IT and non-IT in India and overseas actually?

Raj Shankar: So with regard to the growth in India on IT, it is 14%. So I repeat again if you recall for most of last year and even before IT has done well by a strong double digit. So that double digit growth continues at 14% and while overseas grew by 3%. As far as the non-IT is concerned it is India it is about 25% and overseas by north of 200%.

Priya Rohira: My second question was with respect to the market share in Apple that we enjoy currently in India?

Raj Shankar: Okay as you know, Priya, some of these information are not possible to disclose some of this information, but I can tell you one thing with the sense of pride for the last two quarters we are the number one distributor.

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Priya Rohira: And can you help us with the share of the external business for Proconnect?

Raj Shankar: The ratio is approximately 53%, 54%.

Priya Rohira: And lastly on margin, can you share some outlook because we have seen margins being at around 1.8%. Would it be right to read that this is primary on account of the non-IT business becoming higher by around 10% year-on-year and if you can throw some more color over there? I mean am I reading right or you think there is more in to it which one needs to see and what could be the outlook going forward?

Raj Shankar: I think, Priya, you have understood it correctly. Since the contribution has grown significantly from a mobility perspective which tends to be low on margin but higher on working capital. Whereas in the past when we had a higher contribution from IT it was high on margin but low on working capital. So which is why this time around you will see that the margin coming off a little bit but the working capital has improved. But the good news as you would have understood is we have been able to throw up some interesting positive free cash flow of over Rs. 200 crores though a large part comes outside India.

Moderator: Thank you. The next question is from the line of Vinay Paharia from Invesco Mutual Fund. Please go ahead.

Vinay Paharia: My question is actually a follow up to the previous one. I am unable to understand the margin bit. Historically your IT piece of the business used to be fairly margin accretive and in India that has grown at a fairly fast slip of 14% in this quarter. But if I see your India profitability that is still at the sales, why that so?

Raj Shankar: I think it is important to understand this in the context of contribution more than growth. So the points that we are making is that while in the past, the contribution of non-IT to the total revenue was a sub 21%. This time the contribution of non-IT overall has increased to 31%. So there is a 10% increase in contribution. This is consolidated. Now this is also true for India though it were at outside India the contribution has definitely scaled up largely on the back of the Apple acquisition that we were able to do for a couple of markets in Middle East and Africa.

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Hence, you are seeing that the margins as a percentage have come off but I think it is important to also see that we are going through a particular phase while you would have understood that the Apple business generally if you look at the previous years the first two quarters of Apple's financial year which is 1 October to 30 September the first two quarters sensed to be a very strong quarter both in terms of scale as well as in terms of margin.

But the subsequent two quarters tends to suffer on account of both scale and more importantly margin and given that for last year the launch done by Apple of their iPhone did not really get the kind of traction that six enjoyed. So we are going through that period where the margin has definitely has been sub-optimum. But we are extremely hopeful and very bullish that as we look at O&D which is the time which is the Q1 of Apple when they typically would launch their new products we are hoping that this time around when that happens that would be a blockbuster then in which case our margins would once again start to definitely look up.

Vinay Paharia: So actually my question was not margin as a percentage of sales. My question was actually related to the profit growth. So if I were to just look at your presentation India revenues have grown by 21% but India profits have grown by 9%?

Raj Shankar: I thought I made a good attempt Vinay to explain that precisely. I will do it one more time. I have understood your questionbut may be my explanation was not comprehensive.

Vinay Paharia: Actually your answer to a large extent was related to overseas.

Raj Shankar: I have understood your question. My answer to you is if your question is hey, your revenue was grown by 21% your profits has grown by 9% what happens, am I right?

Vinay Paharia: Correct.

Raj Shankar: I am trying best to answer that question. So the first point I am saying is it is important to understand that the contribution of the Apple or the mobility business to the overall business has the bearing because the mobility business has a lower margin compared to IT. This is true for India, I am talking India though I gave you.

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Vinay Paharia: Okay so that 30% which you said was India as well?

Raj Shankar: The first point that I want to share with you is that the contribution of the mobility business to the overall business for India for Q1 has been higher than what it was in the previous period. Since it is higher it has therefore a negative effect on margin, point number one.

Point number two, I am also making a point that if you look at the previous year when six was launched that turned out to be an absolutely blockbuster. That is therefore in terms of margin had a much higher proposition whereas in Q1 FY17 unfortunately their next launch of 6s did not do as well. Therefore we are going through a period where the margins that we can earn out of this has also got depressed compared to what it normally is.

So on one hand contribution of mobility has increased on the other hand some of the products or the newer models they have not shown the kinds of traction and hence the margin hence you see there is a significant difference. This is point number one all of these.

The other reason why you see there is a difference is because some of the newer initiatives that we have taken particularly with regard to Cloud and many other initiatives where we have invested in terms of people, infrastructure etcetera these will fructify in terms of results in the next two, three, four quarters. So at the moment you are seeing therefore a situation where the Opex has also increased compared to what it normally is.

I do not know Vinay whether that answers your question.

Vinay Paharia: Yes, it answers my question.

Moderator: Thank you. The next question is from the line of Akshan Thakkar from Fidelity. Please go ahead.

Akshan Thakkar: I just had one question. You disclosed overall Apple contribution. If I remember correctly, you were we have pegged the Q4 number close to Rs. 850 crores to Rs. 900 crores in the international business for Apple last quarter. Seasonally is this

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quarter better than the last quarter for you in the Apple business? That is question one. Question two is that on what is the kind of growth that you have sort of expecting to see in the Apple business for you outside India? In India I understand it is market share plus new launch. But outside India is a new market, right? So you are just trying to get handle on how large that market be for you this year?

Raj Shankar: So I will take your second question first. With regard to outside India at this point in time we have the contract for iPhone for two markets essentially one is the UAE and the other is Nigeria and in terms of Nigeria at this point in time as a market those opportunity is there given the kind of challenges with regard to the dollar availability and foreign exchange etcetera. So that business for a couple of quarters may be operating at a much lower than potential level.

UAE we expect that notwithstanding this present quarter which is July, August and September come Q1 we are certainly expecting with like I was mentioning with the introduction of this new product that should turn out hopefully a bigger opportunity for us. So if you want to know what is likely to be the contribution of Apple to the overseas business our sense is this would be in the vicinity of about 18% to 20%.

Akshan Thakkar: To overall sales this year?

Raj Shankar: Yes, that is I am talking about outside India, yes.

Akshan Thakkar: Sorry, let me get this straight. You are talking about 20% of international sales or you are talking about 20% of overall sales?

Raj Shankar: What is your question, what do you want to know? I will give you that information.

Akshan Thakkar: So 18% of international business, last year international business was about 220 billion so I just assume about 20% of that about?

Raj Shankar: So my request to you is I just want to know what exactly would you want to know? Would you want to know what is the margin?

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Akshan Thakkar: How large is the because we have only had the Apple business outside India for a couple of quarters, a quarter and a half may be. So we just trying to quantify how large in absolute terms in the Apple business outside India?

Raj Shankar: One is we may not be able to give you the precise number. But that is why I am giving you an indication. I will do it one more time. We expect the Apple business to represent about 18% of the business that we do in Middle East, Turkey, Africa.

Akshan Thakkar: That is fairly clear. And in terms of seasonality of the Apple's business what are the strong quarters and what are the weak quarter for you?

Raj Shankar: Yes I just thought I mention may be okay, so one is Apple's first quarter which is OND which is when they launched their new products tends to be a strong quarter. And the next quarter which is there Q2 JFM tends to be another strong quarter. Q3 and Q4 historically have been rather weak quarters because there are no new introductions and it is the same product that runs its course for the rest of the year hence it becomes a law of diminishing returns.

Moderator: Thank you. The next question is from the line of Rumit Dugar from Religare Capital. Please go ahead.

Rumit Dugar: I had two questions. One, could you talk about the macro environment and how you will see the demand environment in the Indian IT sort of space or sort of the non-IT segment? Are you seeing signs of pick up in enterprise type CAPEX? And my second question was on working capital. So from here on what are the key drivers that can bring down the working capital? Is it all going to be mix led or there are other drivers that can bring this down?

Raj Shankar: Honestly great question, both of them. So the first one, the good news is that BFSI and Telco have shown good traction and we expect this to continue. But it is more BFSI than Telco. However when it comes to government projects whether it is the Smart City, Digital India etcetera they have not yet fructified it is getting delayed but we are hopeful that this is something probably in this quarter or next quarter should start to flow in. So overall BFSI, Telco good traction government projects not yet but we expect around the corner.

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Therefore segment point of view both the commercial and the enterprise business again is showing good traction for us. It is the consumer bit on the IT which is under stress.

Sorry, my apologies. I am missing you on the second question, please?

Rumit Dugar: My second question was on working capital. What would be the drivers for working capital, is it going to be just a mix or any other levers that you have and if you could just talk about?

Raj Shankar: That is another good question. So the first steps you are right there is mix which in my opinion would play a very big role in the working capital management. But the other thing that we have also now made a good attempt which has not yet reflected very significantly is in trying to get our DPO or the accounts payable that is something that we are working on in terms of negotiating with vendors a longer credit period. I must tell you that for the quarter gone by and more so outside India this is something that with quite a few vendors we have had success. Now I am only hoping that this can get replicated in the next few quarters then you would see working capital reduction becoming more a trend rather than an aberration. So to your question, one, the business mix yes, plays a significant role but we are also looking at how do we get the DPO much better so that that also would have a nice telling effect on the working capital.

Moderator: Thank you. The next question is from the line of Ashwin Bala from HSBC. Please go ahead.

Ashwin Bala: I had a couple of questions. First is with regard to your provisions on inventory. I think it is gone up on a quarterly basis quite a bit. So is this more of a prudential thing or I mean is there anything else which is the reason for that? Second question is I think you talked about Nigeria while I think the devaluation and the currency availability being an issue. So what proportion of your revenues will be coming from there? And third question is you also talked about the mix between commercial and enterprise and consumer business. So I mean you were saying that consumer business is more under stress. So what will be the mix in terms of consumer,

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commercial and enterprise and what will be the kind of growth rates in both those segments?

Raj Shankar: So I will let my colleague Krishnan give you the answer to the first question on the inventory.

S. V. Krishnan: See with respect to the provision for inventory when compared to Q1 of the previous year it has actually come down. It is now at 0.15% vis-à-vis 0.26% in Q1 of last year. Yes, this is higher than the normal trend but if you see only Q1 it would generally be higher because there will be lot of purchases and sale through happening in Q4 of every year and that would have an impact in terms of higher provision in Q1. Throughout the year there is an improvement compared to the previous year.

Raj Shankar: Okay so one of the question that you had asked throughout with regard to the commercial enterprise business and consumer. So the first is as far as India is concerned let me give you one statistics before I move in to that. The enterprise business at a consolidated level for last quarter grew by 16% and a big part of that growth came out of India. Now if you look at again be within IT and if we dis-aggregate IT into consumer and the other being commercial and enterprise rough and ready about 25% thereabout would be consumer; about 75% would be commercial enterprise.

So a piece that is growing quite nicely for us and over the many quarters has been the commercial enterprise and consumer as I said is definitely under stress. The other question was with regard to Nigeria you wanted to know what is the contribution of Nigeria. My quick reckoning is that it must be about 5% of the overall business.

Moderator: Thank you. The next question is from the line of Surya Narayan from DSP Black Rock. Please go ahead.

Surya Narayan: I just wanted to request you to talk a little bit about your Proconnect business in terms of what is driving this 20% odd growth in that business and what is the mix between India and overseas and what is the different drivers in these geographies? And also what kind of utilization are you running at this point in time and do you

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have the need to put up more warehouses in the near future? Can you talk a little bit about that, that will be helpful?

Raj Shankar: So the first is just to clarify the Proconnect business is essentially an India business the outside India business is just far and few in between. So it is not even material. So we have just started that a whole business probably a quarter ago. So it is too early days. So when I talked about the Proconnect performance of 36% topline and 47% bottomline it is only India business that we are talking about. Now with regard to the utilization I could say that we had approximately about 1.7 million square feet of warehouse space and to a large part these are being I would say fully utilized. In terms of the business yes, we are today participating in different elements of logistics whether it is warehousing or warehouse management services, the transportation services. So we are participating in different elements.

Sorry, there was one of the question you had asked I am missing the point.

Surya Narayan: Sir, I just asked to you about what is the drivers of this business, what is really driving this 35%, 36% odd growth and what could be the drivers of growth in the future?

Raj Shankar: So the good push is since we started off on the back of Redington as a customer we had already an existing warehouse infrastructure and this therefore gave us a kick start to this business. We then decided to leverage this infrastructure that we have created for being able to serve some of the third party customers. So in other words today we are addressing about 80 customers all other than Redington across different industry verticals right from FMCG to consumer durables to telecom to IT to industrial goods to different segments industry verticals. And importantly in different elements of logistics which includes whether it is freight forwarding, warehousing, transportation, last mile etcetera.

So for us the fact what is driving this growth is the fact that (a) we have an infrastructure that has definitely helped us. Number 2, there is the Ecom business which has been also an important growth driver and especially in the last couple of years there are lots of E-Commerce players for whom we are managing their entire fulfillment center. So that is another interesting opportunity.

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And the third we are also able to provide certain value added services which is also giving us a certain sort of stickiness with our customers. There are lot of customers with whom we start with only providing warehouse management services then it extends to doing transportation, it extends to doing many other in plant, in manufacturing various kinds of services that we provide. So that is also giving us the kick up.

In the way forward the way we see is that we are also now wanting to participate in the cold storage we see that as an opportunity we are also looking at certain markets where we think we are seriously under represented and we are also looking at some inorganic opportunities which can give us a foray into many of these markets with those customer acquisitions. So if you look at over the next 3 to 5 years this is something that I have been saying in the past is that the kind of growth that Proconnect would be able to deliver would be of a very significant nature compared to our traditional business.

Surya Narayan: Any CAPEX outlay that you would need in this business over the next 12 to 24 months?

S. V. Krishnan: Yes, this thing over the next three years there can be a CAPEX of about up to Rs. 150 crores this is primarily be for building automatic distribution centers in couple of places. This will get spread over the three year periods so on an average you can take about between Rs. 30 crores to Rs. 50 crores every year.

Moderator: Thank you. The next question is from the line of Vinay Paharia from Invesco Mutual Fund. Please go ahead.

Vinay Paharia: Sir, can you help us with the net debt figure as at the end of the quarter?

Raj Shankar: You want it for the consolidated or for India standalone?

Vinay Paharia: Consolidated.

Raj Shankar: Sorry, it is just taking a few seconds we will get you this information.

Vinay Paharia: Yes sir, you can take the other question.

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S V Krishnan: Yes, it is Rs. 1,850 crores.

Vinay Paharia: That is the net debt?

S V Krishnan: Yes.

Moderator: The next question is from the line of Saurabh Noda who is an individual investor. Please go ahead.

Saurabh Noda: I just want to ask you one question. So how do we plan to play this mobility business in India? So I know that we are very strong in Apple right but that is a premium product. But how do we basically plan to look at Chinese and our Indian mobile phone companies because they are in a volume segment. Are you going to look at the acquisition of these brands also Chinese and Indian mobile companies? If you can throw some light on that it would be really helpful.

Raj Shankar: Yes, so that clearly is our plan Saurabh except that it is taking us a little longer time. For instance, we already have a tie up today as we speak with about 7, 8 brands some of the other brands that we have signed it has not yet given us the kind of scale that we would have liked. At the moment we are also limited by the geography we have not bought the contract as yet for a Pan India basis. We have got contracts more or a regional and state basis hence you would see that naturally Apple for the kind of sales velocity and the price so it is going to be of a much larger nature.

But in the next many quarters our game plan is very clear that we want to significantly scale up like what we have done in IT particularly with regard to PCs where we have a complete portfolio of brands similarly in the case of Smartphones we will also have a complete portfolio which will cut across different price points, point number one which will cut across different vendors as you said whether it is Indian or Chinese or global multinational Smartphones. Third it will also cut across different platforms whether it is IOS, whether it is Blackberry, whether it is the Android, Windows it does not matter we want to make sure that we are platform agnostic. So Saurabh, you said it very clearly what our intention is which is to build a complete portfolio of Smartphone brands across platforms, across vendors.

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Saurabh Noda: Can you given an outline may be how much time it will take say another one year, two years something like that to achieve that kind of a portfolio?

Raj Shankar: So the portfolio in our opinion probably in the next if I have to be a little optimistic I would say in the next one year we should have a decent portfolio. But the real trick here is how do you now because in the case of IT whatever contracts that we signed is for a Pan India basis. So that gives us one kind of scale, that gives us one kind of size. Whereas with some of these Smartphone vendors what we are observing is that even though we may have a portfolio of brands even today which will certainly get the increased significantly over the next few quarters.

But the whole idea is how long will it take for us from being a state or a regional player to becoming a national player that is something I am not able to give you a clear perspective. But we are hopeful that over a period of time this business is going to become quite sizeable.

Moderator: Thank you. The next question is from the line of Suresh Korada who is an individual investor. Please go ahead.

Suresh Korada: Sir, I would like to know given the de-growth in IT industry over the last few quarters or years so have you experienced similar de-growth in the past and how has been the growth from there on now because usually after certain de-growth there is usually a spurt in growth? Do you foresee that kind of a growth going forward?

Raj Shankar: Yes, so I will take it in two parts. So the first is as I mentioned to you right at the outset India PC overall as an industry de-grew by 5% but we grew by 3%. Similarly if you look at outside India particularly Middle East, Turkey, and Africa industry for PC de-grew by 14%. We grew by 14%. Now to your points with regard to whether there is going to be a sort of boost that happens after a period of de-growth you are right that with regard to PCs particularly whenever there is a significant change in the processor or when there is a change in the operating system or/and when there is a change in what we call the system refresh.

So yes, there is going to be a kind of a spike. This is something that happens sort of 3, 4, 5 years' kind of a cycle. But that said our view is that this de-growth which one

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has seen globally, regionally and locally for the PCs in particular has pretty much reached its bottom. From here on I do not see any more decline barring 2016 where going forward I am of the opinion where it will either stay at this level or if at all there is only a possibility that it will go up. This is our view. And this is something that we are seeing across different markets where if you recall the de-growth in PC when we last spoke on the subject was a double digit number of 11% whereas now the de-growth is 4.5% globally.

So the long and short of it is yes, there is merit in what you said that at some time there has to be once again the change of the curve from going down to starting to stabilize and going up. And this is also going to get boosted by the operating system, by the processor and by the refresh.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I would now like to hand the conference over to the management for their closing comments.

Raj Shankar: Thank you. So once again as I said in spite the fact that the product category and the industry, IT industry has gone through a decline for last quarter in particular and the fact that the markets that we serve have also gone through very difficult and challenging times. We at Redington have delivered a topline growth of 27%. A bottom line growth of 13%. We have reduced our working capital by 7 days largely on both inventory and receivable reduction and very importantly we generated positive free cash flow north of Rs. 200 crores.

So overall we are happy with the performance and the only other point I want to make is at times like these what we are also observing is competition is also in some of the pockets are getting a little weak and tired that gives us an opportunity to be able to gain grow market share. So these are times where we still think we have an optimistic outlook. Thank you.

Moderator: Thank you very much, members of the management. Ladies and gentlemen, on behalf of Religare Capital Markets, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.

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