Reliance Capital Limited
Q1 FY13 Earnings Conference Call
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Management:	**Mr. Sam Ghosh - CEO, Reliance Capital**
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	Mr. Amit Bapna - CFO, Reliance Capital Asset Management
	Mr. KV Srinivasan - CEO, Reliance Consumer Finance
	Mr. Malay Ghosh - CEO, Reliance Life Insurance
	Mr. Vikrant Gugnani - Executive Director, Reliance Money
	Mr. Rakesh Jain - CEO, Reliance General Insurance
Moderators:	**Mr. Shashin Upadhyay - Analyst, ICICI Securities Limited**

Moderator Ladies and gentleman good day and welcome to the Reliance Capital Limited Q1 FY13 earnings conference call hosted by ICICI Securities Limited. As a reminder for the duration of this conference all participant lines 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. Should you need assistance during this conference, please signal an operator by pressing * and then 0 on your touch tone telephone. Please note that this conference is being recorded. At this time I would like to hand the conference over to Mr. Shashin Upadhyay of ICICI Securities, thank you and over to you sir.

Shashin Upadhyay Thank you. Good morning everyone. With us we have the management of Reliance Capital headed by Sam Ghosh and other senior managers addressing post quarterly queries of Q1 FY13. First like the operator said, we will have the address by Mr. Ghosh and then we will take the Q&A session. Over to you sir.

Sam Ghosh Thank you very much Shashin. I will just invite who all are here. We have got seniors from all our businesses. Sundeep Sikka from asset management, Malay Ghosh from Life Insurance, KV Srivasan from our Commercial Finance business, Vikrant Gugnani from Reliance Securities and Reliance Distribution and Rakesh Jain for the General Insurance, but he is on call, and Amit Bapna our CFO, besides Abhishek. So with that, I will start with a very quick summary on our results and an update on each of our business operations and then we will take questions.

I hope all of you have received our results by now. The results and our brief presentation have been up loaded on our website. Total income from operations for the quarter increased by 12% to Rs.17 billion driven by the increase in the top line of commercial finance and general insurance businesses. The consolidated net profit today stood at Rs. 451 million as against profit of 348 million for the previous period - a growth of 30%. Before the negative impact of Rs. 205 million provisions for 3rd party motors claims, results in general insurance the profits would have been Rs. 657 million. The net worth of Reliance Capital increased to Rs. 118 billion at the end of the quarter. Our net debt to equity ratio improved by 35% from 2.55 to 1.64 at the end of June 2012.

I am very happy to inform you that we have received all the regulatory approvals to complete the transfer of 26% stake in Reliance Capital Asset Management to Nippon Life. Nippon Life will acquire 26% stake in Reliance Capital Asset Management for approximately Rs. 15 billion valuing the business at approximately Rs. 56 billion. This transaction is the largest investment in any Indian AMC till date and also the largest FDI in Indian AMC. Increase in profits and reserves, driven by the stake sale, will be reflected in Q2 FY13 results.

At Reliance Capital, we have continued emphasis on improving the operating performance of our core business and ensuring the increase, their contribution towards the earnings mix of Reliance Capital.

In life insurance this quarter we achieved a profit before tax of Rs. 191 million as against the profit of 79 million in Q1 FY11.

In Commercial Finance, the total income for the quarter increased by 19% to Rs. 5 billion. The profit before tax rose by 13% to Rs. 656 million as against Rs. 583 million driven by over 20% growth in interest income. Margins have stabilized in the last few quarters and we expect the earnings profile to improve significantly this year. Nearly 100% of the book is now secured as against 98% at the end of June 2011.

In Asset Management, profit before tax in the current quarter stood at Rs.586 million as against the Rs.709 million in the corresponding previous period down by 17%, year-on-year. We will continue to focus on the untapped retail opportunity across all assets. Number of SIPs , and other STPs are nearing 2 million, are the highest in the industry. Retail Gold Fund that was launched in February 2010 crossed Rs. 27 billion in AUMs maintaining a healthy market share of 28% in gold fund category.

We have also given detailed financial and operating parameters of each of our major businesses in our presentation and review report. I will now go through the main highlights in each business

Reliance Capital Asset Management manages Rs. 1.5 trillion of mutual funds, pension funds, managed accounts and hedge fund. Reliance Capital Asset Management is the largest asset manager in India. Reliance Mutual Fund is among the top 2 mutual fund in India with a market share of 12%. The average assets under management of Reliance Mutual Fund were over Rs. 807 billion as on 30th June 2012. As mentioned before, in asset management, we came to focus on the under penetrated retail opportunity in SIP and STPs we can hit to garner accounts and are the highest in the industry. For the quarter ended 30th of June 2012, Asset Management business generated income of Rs.1.5 billion, a decrease of 9% due to 20% year-on-year reduction in average asset under management and a profit before tax is Rs. 586 million - down 17% year-on-year.

Moving to Reliance Life Insurance - it continues to be amongst the leading private sector life insurance players in terms of new business premium with the private sector market share of 5%. The total premium for the year was at Rs. 8 billion and the renewal premium at Rs. 6 billion. The new business premium was over Rs. 2 billion. Nearly 85% of the new individual business premium has been contributed by traditional product. Our focus continues to be smaller towns and cities under an uninsured option. The ticket size as a result has fallen to Rs. 12,000 from Rs. 13,000 in Q4 FY12 and strategy is to sell more number of policies. We are among the top in number of policies sold in the private sector. Reliance Life Insurance nearly 155,000 individual policies in the quarter ending 30th June 2012. Over 5 million individual life polices are in force as on 30th June 2012. The profit before tax for the quarter was Rs. 191 million, an increase of 140% over Q1 FY12. Additionally, the surplus rising from the non participating business amounted to Rs. 895 million for this quarter. The declared results of Reliance Capital include consolidation of 38% stake sale in Reliance life. Reliance Life Insurance manages Rs. 186 billion of assets as on June 30th 2012. Distribution network stood at 1,230 offices across India and the number of agents was 120,000, a planned year-on-year decrease of 33%, this was in line with the focus on productivity and performance of agent.

Moving on to Reliance Commercial Finance - it's among the leading lenders in the non banking finance space, the disbursement for the quarter decreased by 15% year-on-year to Rs. 17 billion due to prevailing high interest rate environment and focused on secured, yet high margin business. Assets under the management grew by 6% year-on-year to Rs. 151 billion. Outstanding loan book was Rs. 136 billion a year-on-year increase of 4%. Our focus continues to be on secured assets lending to niche segment of home loan and loan against property, business loan, loans for commercial vehicles and construction equipments and infrastructure financing. At the end of the quarter nearly 100% of the book was secured as against 98% at the end of the previous year. The total income for the quarter increased by 19% to Rs. 5 billion. Profit before tax rose by 13% to Rs. 656 million as against 583 million driven by an over 20% growth in interest income. The net interest margin was 4% as cost of borrowing increased by over 150 basis points to 12%. The cost to income ratio drops to 16% as against 19% in Q1 FY12. I am confident that with the stability in the interest rate and re pricing of asset we see significant improvements in NIMs and profits. Gross NPLs were at Rs.2.6 billion. This translates to 1.7% of the AUM. The coverage ratio at the end of June 212 stood at 70%.

The Broking Business - Reliance Securities is amongst the leading mutual equity broking house in India while Quant Capital caters to the wholesale priority sector including foreign and domestic institutions, corporations and ultra high network. The focus at reliance securities is on the key business verticals of equity broking, wealth management and investment banking. In the broking vertical, equity broking accounts increase by 4% to over 683,000 and average daily equity turnover stood at Rs. 26 billion, a year-on-year increase of 20%. The number of commodity broking accounts an increase by 3% to nearly 37,500 and the average daily commodity turnover of over Rs. 10 billion, a year-on-year increase of 61%.

In Wealth Management - Assets under management stood at Rs. 6.5 billion, a sequential increase of 12%. For the quarter, broking business revenues increased by 3% to Rs. 575 million, Q1 profit before tax rose by 26% to Rs. 51 million. Reliance Money is among the leading distributers of financial products and services in India with the distribution network nearly 5,900 outlets. Reliance Money sold nearly 600 kilograms of gold in the quarter, an increase of 36%. Reliance Money remains the largest private sector partner for western union money transfer in India and handles 600,000 money transfer transactions during the quarter, a 10% year-on-year increase. Business received revenues of 147 million, down by 6%. Profit before tax for the quarter was Rs. 26 million, same as last year.

Moving on to Reliance General Insurance – It's among the leading private sector general insurance companies in India in terms of business premiums. The private sector market share of over 8%. The gross written premium stood at Rs. 5.6 billion - an increase of 7%. The loss for the quarter was Rs. 201 million as against 301 million in the corresponding period. The loss was mainly attributed to the motor third party losses for the previous year. And the combined ratio including 3rd party stood at 120% for this quarter as against 125% in Q1 FY12. Our focus in this business is drive profitable business and to improve the combined ratio further. The company is optimizing its product portfolio and its increasing its commercial lines of business. In fact during the quarter the general insurance business realized the gross written premium of Rs. 1.7 billion for commercial lines of business, a year-on-year increase of 28%. The total capital invested till date is 16 billion.

In conclusion, I would like to reiterate that all major business are on track in terms of improving operating efficiencies and focusing on increasing their profits. Loss in our general insurance business reduced from Rs. 301 million to Rs. 201 million. Also in the quarter, we expect to conclude Reliance Asset Management transaction Nippon Life ensuring an inflow of Rs. 15 billion that will go towards reducing the debts at a consolidated level. I am very confident and certain and barring certain extraordinary circumstances Reliance Capital strategy of focusing on profitable growth will result in a sustainable ROE in the range of 16% to 18% from its businesses over the next 2 years. Thank you very much and I will take questions now.

Moderator Thank you very sir. Ladies and gentlemen we will now begin the question and answer session. Our first question is from Anubhav Adlakha of Merrill Lynch, please go ahead.

Anubhav Adlakha My question is pertaining to the life insurance business. Just wanted some information on what would be the new business margins as of now?

Malay Ghosh This is Malay. The new business margin as on 31st March if you remember was about 15.5 and as the product mix continues to be same, and every other parameter continues to be the same we expect it to be at the same range.

Anubhav Adlakha Would you throw some color on what would be the embedded value as we have not declared it?

Malay Ghosh Embedded value…we will not make a comment here because we still do not have a regulatory clarity on that.

Anubhav Adlakha Okay one more question on general insurance business, how much were the provisions for the motor 3rd party pool?

Rakesh Jain The motor party we had a carry over impact of about 205 million in this quarter.

Anubhav Adlakha How much was the provision in FY12?

Rakesh Jain FY12 we did about 280 crores.

Moderator Thank you very much. Our next question is from Santosh Kamat of Franklin Templeton, please go ahead.

Santosh Kamat I have 2 question, one for Sam and another for Srinivasan. The first one is on debt equity ratio, now its much lower than many other NBFC at 1.64, and it will further come down at 1.64, after getting reliance AMC stake’s sale money. So what is the ideal debt equity you could look at over the medium term.

Amit Bapna When the asset management's stake sale proceed coming in, the debt equity ratio will improve further but on an ideal piece, we would like to be around 1.75 to 2 times kind of levels. So we will be looking at growing couple of our businesses especially on the lending side. Finally it should be around in the region of 1.75 - 2 times.

Santosh Kamat You have seen the gross NPL slightly inching up from 1.1% last year to 1.7. So how do you see this strength going forward for you and for the industry? You think it can go up sharply from here?

Amit Bapna I think given that we follow the 90 day norm but there were impact had to come I think it's already there. Even it 1.7 we are fairly comfortable when you compare that number with most of the participants. I would be starting to get concerned only if it exceeds 2% because at this stage given the economic conditions, I think anything up to 2% is quite comfortable.

Santosh Kamat Among all the areas you are in which areas are you seeing more stress in home loans, lab, auto, infra, SME or CV, is there any particular area where you think is slightly more than what is warranted?

Amit Bapna I don't think there is any specific sector where we are facing any stress from that perspective but if you look at it from a demand perspective it has been more or less reduction in the demand whether it is CAPEX goods or new homes that are coming across. So there is a certain amount of slowdown in capital formation in any case. So I think it's more or less uniform across board.

Moderator Thank you very much. Our next question is from Kajal Gandhi of ICICI direct, please go ahead.

Kajal Gandhi Sir, wanted to know how much the housing subsidiary has made the profit in the quarter and also whether there is any change in the broking, there is a top line that has increased and also the volumes have gone up because that's not the historical numbers are also not matching? Average day rate turnover also and also the top line, both are different from what were reported earlier, so some changes or some additions have been done there?

Sam Ghosh The housing finance subsidiary made a profit in the quarter of around 16 crores. The second part is we were not reporting the broking volumes of Quant securities earlier, now we have started reporting the retail as well as the institutional which is reliance securities plus Quant securities.

Kajal Gandhi Wanted to know the AMC profit which we are going to get in this year, which quarter you are expecting and also what amount you think will come as net capital gains in the P&L because of the fact that you may be doing some more adjustments also.

Sam Ghosh See this quarter certainly the funds will come in, transaction will be closed in Q2 and the capital gain we will talk about in the next quarter.

Moderator Thank you very much. Our next question is from Ravi Mittal of PNB Paribas, please go ahead.

Ravi Mittal Just wanted to get a sense about your borrowing profile, I was looking at your borrowing profile, and there has been some increase in this, CP borrowing from the market. While I was looking at your asset mix, broadly it remains the same. Just want to get a sense, is it part of the conscious strategy from the management that they kept. Do they increase the commercial paper borrowing and how does our ALM look like in less than 3 months bucket? Could you give a sense on that?

Sam Ghosh It's a conscious call because we are expecting this asset management stakes sale proceeds to come in. and we have couple of long term papers where we will be issuing long term papers in the next 3 months or so. So consciously we did CPs because we could sense the rates also moving downwards. I think this correction in the CP piece will happen in the next 2 months.

Ravi Mittal How does our ALM look like in less than 3 months bucket?

Sam Ghosh It's not an issue; it's within the RBI limits.

Ravi Mittal And what is the kind of liquidity back up we are having may be in terms of unutilized sanctioned bank lines?

Sam Ghosh We have undrawn cc limits of almost 2000 crores

Moderator Thank you very much. Our next question is from Anil Kini form Envision Capital, please go ahead.

Anil Kini Just one, how much of your life insurance business is being consolidated in this quarter?

Sam Ghosh 38% of the 191 million.

Anil Kini And what's the road map going ahead, like in the Life Insurance business.

Sam Ghosh We have got a subsidiary which is Viscount Management Services, probably will take a year or so before we start consolidating a bigger amount. For the time being its 38%.

Anil Kini Secondly under general insurance business, you have been losing quite a lot of money over the year, what's the road map going ahead for the general insurance business and strategy?

Rakesh Jain Basically, in general insurance, we have been extremely motor-centric and motor business has undergone stress because of this 3rd party motor pool liability and all. So, as a broad sense, we have started to look at the commercial lines, the corporate side of the business more closely and appropriately we are balancing between the different lines. The corporate side of the business in the current quarter 1 has grown to about 28% as against an industry growth of about 17%. So in that sense we are trying to de-risk ourselves in a single line and if you see the bottom line this year, as against Q1 last year, before (-30) crores, we have been (-20) crores this year. But this predominantly has come out of the carry over impact of the motor pool, so if one was to just take away the exceptional motor pool then we are broadly breaking even at the operating level.

Anil Kini So how much of this motor pooling remaining to be amortized?

Rakesh Jain The motor pool is about 130 crores spread over 2 years. So we will book about 65 – 70 crores this year and the balance next year.

Anil Kini So you would be able to show some kind of profitability from next year onwards?

Sam Ghosh Will see that.

Moderator Thank you very much. Our next question is from Vikrant Khadilkar of JP Morgan, please go ahead.

Ravi This is Ravi here from JP Morgan. I have 2 questions. First question is on commercial finance business, what is the debt-equity there and second question in one of the slides you mentioned for home loans the yield is around 13% and for SME it is around 14%, so difference of 1%. Is the risk reward justified of 1% because SMEs are supposed to be more risky compared to housing loans, can you elaborate on that please?

Sam Ghosh Commercial finance basically operates as a division, so we have a 5:1 debt equity ratio in that business because the capital adequacy which is required is about 15% so we maintain to about 16 – 17%. So, that is therefore translating to about 5:1 roughly. As far as the yield difference is concerned, we have to understand the fact that we don’t do the kind MSME business that we typically attribute to the SME sector. The so called SME sector that we do is towards the higher end. So therefore and given the fact that we have a fairly strong sectorial orientation in terms of important sectors like education and health care, the riskiness of the portfolio is actually at a fairly low level. So therefore the yields that you would expect out of this business, and more importantly it is all secured business backed up by proper collateral, so therefore, you can’t expect an 18% kind of return on this book in any case. So, given the risk-reward scenario, I think we are very comfortable. As far as home loan is concerned, the 13% is something which is fairly lower compared to the other lines of business, it’s a very stable business, and obviously it is a long term business, so over 5 – 6 year period. The annuity money is really coming across would be more than enough to compensate for the lower yields.

Ravi And what is the typical background of borrower in home loan, is it more skewed towards salaried or business?

Sam Ghosh In fact 90% of our customers are self employed. So therefore that explains also a slightly higher interest rate that we are able to show.

Ravi And for SME business, is there any internal criteria where you say that a company is with a particular kind of net worth only going to get selected for any kind of loan before?

Sam Ghosh See typically we have a fairly large range. The usual turnover of most of these businesses could be in excess of 20 crores. And definitely there is a strong profit track record that is also required.

So we are not really guided by the MSME act definitions. But we look more at the business model. Number 2 is that we are not giving loans to any and every sector. So for us, we have selected a few sectors on which we are concentrating upon which we believe are a) recession proof and b) we have great potential to grow in the future.

Ravi Which are those sectors sir?

Sam Ghosh I mentioned to you earlier…healthcare, education, supply chain, food as some of the areas.

Moderator Thank you very much. Our next question is from Ritesh Nambiar of UTI mutual fund, please go ahead.

Ritesh Nambiar Just wanted to know since when has reliance started the consolidation of Reliance Life profits?

Sam Ghosh It's effective 1st October, 2011.

Ritesh Nambiar And the numbers which were shown on the presentation on Reliance slide, that's at the PBT level, that's the amount you would have booked about 38% of that would be booked? 38% of that would be booked?

Sam Ghosh 38% of that will be booked. But what's there in the presentation is the full company profit, 19 crores.

Moderator Thank you very much. Our next question is from Dhawal Gala of Birla Sun life Mutual fund, please go ahead.

Dhawal Gala 3 questions, 1) Outlook in the life insurance subsidiary in terms of growth margins which you like to make or are comfortable with in FY13 and a data question point on insurances, how much would be the current mix between ULIPs and non-ULIPs and the break up of the AUM in terms of equity debts and Insurance business? So this is question on the insurance business. Second question sir may be if at all it is repetitive one , on the AMC front, has all clearances come for the stake sale which we have done, and thirdly break up on the broking income from the Quant Capital subsidiary.

Malay Ghosh Okay first in the life insurances business, your question on how much traditional how much ULIP, as of now, it is 85% additional, and 15% ULIP. Though we would like to have it 70 – 30 by the end of the year. The second question is what kind of NBAP we are comfortable with, we are aspiring to have, around 15% NBAP for the whole of the year which is at present point of time as on 31st March, 2012, it was 15.5. The third question is that the industry growth and that thing we expect that the second half of this year will be good for the life insurance industry and some of the indications we have got about certain governmental and regulatory interventions also we expect to have in new business of about 10% odd growth for the industry and similar for us. There was any other question?

Ritesh Nambiar In the insurance part, the other question was the breakup of the AUM between debt and equity.

Sam Ghosh As of now 60% is equity, 40% is debt.

Ritesh Nambiar Of the total AUM which is 18,000 crores.

Sundeep Sikka On the AMC side we have got all the necessary approvals. The last one which was presently from EPFO, got cleared on the 7th of this month. So now we are ready to close the transaction. The transaction closure is expected in the next 10 days.

Ritesh Nambiar So that would reflect in the numbers in the second quarter or third quarter.

Sam Ghosh Definitely second quarter.

Ritesh Nambiar You will book it in the similar manner what you did when you did stake sale of insurance subsidiary or it would be profit on sale on investments partly or partly revaluation or what?

Sam Ghosh No this is a direct investment. There is no SPV in between. So it's all profit on sale of investment. And on the Quant breakup which we were looking at, Abhishek will arrange to send you the break up between the retail and the Quant.

Ritesh Nambiar So now you consolidate all that number into one right?

Sam Ghosh Yes.

Ritesh Nambiar Other thing on your balance sheet, if you could let us know there was earlier guidance or strategy which was getting built was, you would look to sell off all your non-core assets or investments in the investment book. If you could give what is the current investment breakup in terms of investments in either of the media assets, media sector investments, outstanding, and what would be the strategy for 1 year or 2 years down the line on these investments selling it off for how much would be the quantum you would be looking to sell?

Sam Ghosh Look our strategy is still the same. We want to get out of all our listed unlisted non-core investments. So whether it is listed / unlisted, all put together would be 4000 crores number. So over the next 8 quarters or so you will see significant amount of exits happening starting from this quarter itself.

Sundeep Sikka Q2 itself will also have some capital gain and we will look at liquidating some of the assets.

Ritesh Nambiar Last question from my side on your investment piece, on the balance sheet part, if at all you had to do a mark-to-market right now, whether we will be at cost or what would be the mark-to-market loss or gain.

Sam Ghosh If you look at listed there will be a negative of roughly 400 crores. On the unlisted I can't comment but al put together it will be a positive number.

Ritesh Nambiar And end of Q1-FY13 what would be the net worth?

Sam Ghosh Net worth of RCap is 11,700.

Ritesh Nambiar This would also include the revaluation results.

Moderator Thank you very much. Our next question is from Nischint Chawathe of Kotak, please go ahead.

Nischint Chawathe I just wanted to check on NBFC business, if I recollect rightly this has been fully merged in to standalone as a parent company?

Sam Ghosh Except for this housing finance business everything else is now merged in to the standalone company.

Nischint Chawathe So out of the PBT you reported of 65 odd crores how much should be reflected in the standalone numbers?

Sam Ghosh Around 52 - 53 crores.

Nischint Chawathe If you could give any color on what were the capital losses booked, I think we booked some 60 odd crores capital losses this quarter?

Sam Ghosh No what you see is the diminution in listed investments because we have a provisioning policy. So for the listed investments as well. So we based on that policy we provided for some 60 crores.

Nischint Chawathe But this is essentially MTM.

Sam Ghosh These are effectively MTM so far. But we still have a provisioning policy for listed so we are being more conservative and we provided for them.

Nischint Chawathe And some color on your leverage because you said you want to have a leverage of close to 1.75 to 2x. When we look at this number what would be the equity debt mix that you would want to have because at this point of time, I guess your total equity and preference investments are fairly high? So what is the mix you are looking at when you look at 1.75 to 2x debt equity?

Sam Ghosh So 1.75 is the debt-equity ratio we are talking about.

Nischint Chawathe That's right but when I try to model this number, any ideal mix of equity investments that you would want to trade at?

Sam Ghosh Equity investment perspective we are not looking at fresh equity investment besides putting in may be 100 – 200 crores in our subsidiaries which our financial services subsidiaries. On the whole we are looking at getting out of all our 3rd party investments which is listed as well as unlisted. All I am saying is we might look at debt-equity of 1.75 if we need to grow our commercial finance business, not otherwise. We are not looking at fresh equity or preference share investments anywhere.

Nischint Chawathe Just one last question on general insurance side, any expectation of capital infusion this year or next near?

Sam Ghosh Probably we will need to put in 100 odd crores this year. That would be the last hopefully.

Moderator Thank you very much. Our next question is a follow up question from Kajal Gandhi of ICICI direct, please go ahead.

Kajal Gandhi Sir my question is also related on the capital MTM that you have booked in this quarter, this 60 crores, I could not get it correctly?

Sam Ghosh This is a provisional policy we are following. We have listed equities where we have provisioning policy because there is negative MTM. We are taking a conservative view and we have provided 60 crores against the listed equities. It is not realized loss. It is a provisioning against the negative MTM.

Kajal Gandhi You are planning to sell anything from these equities where you have booked this MTM?

Sam Ghosh Yes we will be looking at exiting them. That is the plan as mentioned earlier. But this provisioning policy has been there for the last 4 years. So we have made no changes to our provisioning policy and hence we had to provide for the 60 crores.

Kajal Gandhi The entire stand alone profit has disappeared because of this provision in the quarter?

Sam Ghosh If you are comparing it with last year, last year we had received dividends from Reliance Capital Asset Management which will come in Q2.

Sundeep Sikka So last year standalone numbers, the profit numbers were much higher because of the dividends from the asset management subsidiary which will flow in quarter 2 this year because AGM has got delayed.

Kajal Gandhi And sir you also have on the lending side, which is on the standalone book some ICDs, that is the outstanding amount in that?

Sam Ghosh ICD is roughly 1200 crores.

Kajal Gandhi You are gradually planning to bring this down right?

Sam Ghosh Yes.

Kajal Gandhi And what is tenure left in this, if you have any idea?

Sam Ghosh Probably another year or so.

Moderator Thank you very much. Ladies and gentlemen that was the last question. I would now like to hand the floor over to Mr. Shashin Upadhyay for closing comments.

Shashin Upadhyay Thank you. I would like to thank Sam Ghosh and other senior management of Reliance Capital and all other participants for taking their time out and participating in the conference call. We look forward to such interactions enabling us to be informed about the company on real time basis. Thank you everyone.

Moderator Thank you very much. Ladies and gentleman, on behalf of ICICI Securities, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.