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Head, Listing Compliance Department **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001.	**Head Listing Compliance Department** **National Stock Exchange of India Limited** Exchange Plaza, Plot No. C/1. G Block, Bandra -Kurla Complex, Bandra (East), Mumbai- 400051.
Scrip Code: 542650	**Scrip Symbol: METROPOLIS**

Sub: Transcripts of Earning Call for Q2FY2021.

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith transcripts of the Earning Call held on Wednesday, November 11, 2020 at 5.30 p.m. (IST) wherein the management of the Company discussed the Financial and Operational Performance of Q2FY2021.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Metropolis Healthcare Limited**

Poonam Tanwani
Company Secretary & Compliance Officer
Membership No.: ACS 19182

Encl. a/a

"Metropolis Healthcare Limited Q2 FY2021 Earnings Conference Call"

November 11, 2020

ANALYST: **MR. SRIRAAM RATHI - ICICI SECURITIES**

MANAGEMENT: **MS. AMEERA SHAH - MANAGING DIRECTOR - METROPOLIS HEALTHCARE LIMITED**
MR. VIJENDER SINGH - CHIEF EXECUTIVE OFFICER - METROPOLIS HEALTHCARE LIMITED
MR. RAKESH AGARWAL - CHIEF FINANCIAL OFFICER, METROPOLIS HEALTHCARE LIMITED

Moderator: Ladies and gentlemen, good day and welcome to Metropolis Healthcare Limited Q2 FY2021 Earnings Conference Call hosted by ICICI Securities. This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involves risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Mr. Sriraam Rathi from ICICI Securities. Thank you and over to you Sir.

Sriraam Rathi: Thank you and good evening everyone. On behalf of ICICI Securities I welcome you all to the Q2 FY2021 earning call of Metropolis Healthcare Limited. Today we have with us senior management team of the company represented by Ms. Ameera Shah, Managing Director, Mr. Vijender Singh, CEO and Mr. Rakesh Agarwal, CFO. With this I will hand over to the call to the management. Over to you Madam!

Ameera Shah: Good evening everyone and thank you for joining us for the Q2 FY2021 earnings call and I hope you and everyone around you are safe and in good health. I am joined today by Mr. Singh, CEO and Rakesh Agarwal, CFO and SGA our IR advisors. The presentation and press release have been issued to the stock exchanges and uploaded on our website as well. I hope everyone has had the opportunity to go through the same.

Let me start by sharing with you that we at Metropolis Healthcare has been conferred with the Frost & Sullivan Company of the Year Award in the Indian Diagnostic Services Industry 2020. We have been recognized for our excellence in growth, innovation and leadership. This is indeed a proud moment for all of us at Metropolis. We are pleased to share with you that Metropolis and its entire employee base has remained committed to serving the nation during the pandemic and work tirelessly ensuring that our timely results test and accuracy has been consistent throughout. With leading the industry in terms of commencing RT-PCR testing in March 2020 setting up dedicated teams for COVID and forging corporate tie-up for testing remedy. We have continued to improve traction on our overall business. While we may not have been very vocal about the opportunity considering the unpredictable nature of the COVID-19 business, we have put all efforts in serving customers and that has only strengthened our brand equity. This is truly the strong resilience of the Metropolis Team.

Let me now move ahead by giving you a strategic lense of the four pillars that we believe will continue to drive our business growth ahead. The first is our growth on the non-COVID piece of the business. After nearly six months of gradual uptick, we achieved 100% recovery in non-COVID PCR business in September 2020. This is the result of our efforts on increasing physical coverage with doctors opening of clinic, scaling up home testing services, tie-up with institutions and corporate and all this has ensured we are able to strengthen our business model. We continue to focus on achieving growth in non-COVID business and foresee the business to resume normalcy in Q3. The second is home testing services, we strongly believe that home testing is an important part of our strength and Metropolis brand proposition in the minds of consumers and when it is bundled with large test menu, safety measures, best-in-class turnaround time, the results fall in line in form of higher growth where home testing services as a percentage of B2C business excluding COVID now contribute 19.6% of revenues in Q2FY21 up from 14.6% in Q2FY20 This configuration has been aided by our presence in nine locations currently which we plan to scale up to over 65 locations by the end of Q3. This is regarding home testing. Number three, the third piece is the digitization efforts that we have built in our brand which is continuously engaging and communicating with consumers creating digital partnerships, digital records for consumer, doctor engagement B2B portal enabling us to become a complete end-to-end digital service provider for not only customers but for every stakeholder. Happy to state that we have reached an audience to a magnitude of 25 million via our digital communication efforts. The fourth piece is M&A efforts which we believe has a tremendous opportunity for given the large unorganized share in the diagnostics industry and given the need of the consumer to be associated with a strong knowledgeable brand which has reached strong testing capabilities and safety and trust as part of its ethos. While we continue to evaluate opportunities for small M&A, we are also open and are evaluating mid and large size M&A deals. Depending on the strategic fit, scale and size of business the valuation parameters could differ. For us leadership position of the acquired business, brand recall amongst consumers, integration of the brand and overall health quality of franchise will determine closure of deals for us.

Q2 FY2021 has been a strong quarter for us we achieved the highest ever quarterly revenue as well as our best EBITDA margin till date. Clearly the operating leverage benefits played out in the quarter which were driven by increased utilization of lab and patient visits coupled with superior product mix, increased home testing visits which reached almost 20% in B2C for non-COVID tests and this is a better margin profile on the back of many efficiencies on costs and processes that we have built in the service offering, automation and digitization which have led to increased cost control and monitoring and cost efficiency initiatives where we have encouraged innovation and critical thinking be to operational cost efficiency and five increased revenues and economies of scale benefits. Having said this a contributor to the revenue growth has also been large-scale COVID testing which is unpredictable and its contribution going forward is likely to be dependent on external factors. While large part of savings initiatives is sustainable, we believe it is our duty to reward our employees who have worked tirelessly throughout this pandemic. We are therefore announcing revision in employee salaries for their loyalty and support to strengthen the Metropolis brand. This will have some impact on margins going forward however they will still be strong and healthy and therefore our efforts will be more geared towards increasing the non-COVID revenue of which we believe the following will be the drivers; increase in elective surgeries has increased as number of people will opt for surgeries then what was the case during the peak of the pandemic, higher number of doctors will open clinics for longer duration leading to higher patient visits in the doctor ecosystem and therefore diagnostic ecosystem. Number three, increase contribution from B2G revenues in our case NACO and MCGM contracts, Number four - shifts of testing from unorganized labs to organize labs like us on the back of increased awareness amongst consumers of the importance of hygiene and safety in diagnostic testing and number five, higher traction from wellness tests which will open up further as consumers start realizing the need for periodical tests and updating of their medical history.

I will now highlight a few points that we believe as an outcome of our continuous efforts to build a strong franchise. Number one, we continue to maintain a healthy and improved balance sheet we are a zero debt and net cash company. We have improved our working capital cycle on back of steady increase of B2C portion of our business. Our cash conversion continues to remain healthy, OCF to EBITDA is at a healthy 86% for H1 FY2021. We have seen tremendous response to our digital engagement activities which has seen a steady rise in website traffic, call volume and home visits. We continue to strengthen our existing IP systems by rolling out new and improved updates to the existing system like in-house support through digital platform, improve health data analytics and securing information systems through continuous monitoring. Our near-end targets include consolidating our cloud infrastructure and providing robust end-to-end support along the data privacy. We are also in the process of finalizing partners for long-term digital transformation in B2B and B2C. While customer focus is key at Metropolis, other important stakeholders are also an important part of our ecosystem. We have spent considerable time during COVID-19 to rope in and introduce new doctors to the service network, new hospitals and labs have gotten added and all this will help us create deeper inroads in the end markets. Our efforts in testing during COVID has got us tremendous engagement opportunities with government and decision makers allowing us to play a more meaningful role in the Indian diagnostics journey ahead. Lastly, increasing employee engagement efforts through digital training models thereby increasing new benchmarks of performance.

Let me conclude that we are going through a strong path of growth for non-COVID revenues coupled with healthy margins and a strong balance sheet, a capable and highly technical team that have showed their skill in the last two quarters and created a stronger Metropolis brand. That is all from my side. I would now like to hand over to the Vijender to take you through some of our operational parameters.

Vijender Singh: Thank you Ameera and good evening everyone. Let me give you a perspective on our operational parameters. For Q2 FY2021 we reported patient visits of 2.62 million registering a marginal growth on year-on-year basis. We conducted 4.83 million tests versus 5.2 million in Q2 FY2020. Revenue per patient and revenue per test increased on account of high value COVID-19 test, on a like-to-like basis non-COVID revenue per test and revenue per patients stand at Rs.926 and Rs.444 respectively. This meant a growth of 8% and 3% respectively on year-on-year basis. This growth has primarily been attained on the back of volumes returning from high-value specialized tests. As guided in previous quarter, we had announced a one-time rationalization exercise, to this effect we have continued our rationalization exercise of the bottom pyramid of the network, which was counterproductive in our overall scheme of things. This one-time exercise has largely ended in September 2020 and will lead to better productivity and efficiency as well as improvement in management bandwidth. Our revenue profile among focused, seeding and other cities stood as follows; focus cities (five cities including the city and peripheral area around metropolitan region) contribution has moved up marginally from 56% in Q2 FY2020 to 57% in Q2 FY2021 on back of increased testing requirements from urban cities. Seeding cities (eight cities including the city and peripheral area around the region) contribution has moved from 19% in Q2 FY2020 and 21% in Q1 FY2021 while other cities contribution has moved from 25% to 22% in Q2 FY2021. Our B2C revenues in focus cities in Q2 FY2021 for non-COVID business has now reached 60% as our brand continues to gain more traction. It has been a measure of our efforts to focus deeply on ensuring standardization of service levels across touch points, consistent doctor and patient engagement, focused marketing efforts to all stakeholders and ensuring convenience in delivering diagnostic services through increased home testing services. With respect to test mix on volume and value basis including COVID-19 tests which are part of specialized test, the volume and value mix for specialized test has seen an improvement. We continue to increase our non-COVID revenue while focusing on increasing our utilization levels of our collection and lab network while our aim is to grow our non-COVID revenue, the overall revenue growth will also depend on how COVID shapes up, which is difficult to predict as of now. However, September as panned out, we believe non-COVID revenues will rise faster as situation normalizes across the country. Our capabilities on testing on back of largest test run ensures faster penetration of Metropolis brand in geographies will enable us to outperform.

I would also like to highlight on our HR initiative. Ours is a people business and hence we make sure that our employees motivated and happy. In addition to the revision of the salaries that Ameera mentioned in her speech we have also taken several initiatives, which includes the MD Shaurya Award for the frontline staff which is a personal contribution from Ameera, ESOPs for senior management team. Further we have constituted an employee welfare fund as well as reoriented all the insurance schemes along with medical testing and provision of medical assistance for employees and immediate family. That is all from my side I will ask Rakesh to take you through the financials.

Rakesh Agarwal: Thank you Vijender. Good evening to everyone on the call. Let me give you a snapshot of our financial performance. Happy to share that we have been able to surpass our own expectation that we laid down during our last update. On the revenue front we have been able to scale up revenue from Rs.68 Crores in June 2020 to Rs.105 Crores in September 2020. The revenue growth was strong on month-on-month basis. COVID contributed to 35% to Q2 FY2021 revenues. While COVID revenue remained elevated in July and August, it stepped down in September 2020 wherein we saw higher growth in non-COVID revenues. Accordingly, we reached full recovery in revenues on non-COVID PCR front and believe this trend is sustainable and will remain our focus area while fulfilling COVID testing and subsequent revenues. We have achieved record EBITDA in Q2 FY2021 with margin of 32.9% before CSR and ESOP. The levers for this margin include increased utilization level and superior product mix which led to higher throughput at our labs, higher home visits test which now stand at 20% for Q2 FY2021 in B2C non-COVID vertical, cost optimization efforts on back of automation, digitization and innovation led mindset in our way of doing business. As I did mention earlier our efforts would be towards increasing non-COVID revenue and therefore it is difficult to predict Q3 outlook given the unpredictable nature of COVID-19 volumes. Having said that we are confident to grow on Y-on-Y basis on Non-covide tests however with partial rollback and cost saving initiative as we have guided in Q4 and Q1 call earlier, we expect some marginal moderation in EBITDA margin going ahead.

Q2 FY 2021 our revenue stood at Rs.289 Crores, Q2 FY2021 EBITDA before CSR and ESOP stood at Rs.95 Crores and margin stood at 32.9%. For H1 FY2021 our revenue stood at Rs.431 Crores a growth of 1% on Y-on-Y basis, H1 FY2021 EBITDA before CSR and ESOP stood at Rs.107.8 Crores and margin stood at 25%. Our PAT for the quarter stood at Rs.60.5 Crores with a margin of 21%. For H1FY2021, our PAT stood at Rs.63.4 Crores. We have continued to focus on collection efficiencies. Our debtor days have improved from 55 days in March 2020 to 49 days in September 2020. Overall working capital days have improved from 11 days in March 2020 to 4 days in September 2020.

Our liquidity position remains very strong with Rs.325 Crores as on September 2020, OCF to EBITDA stood at 86% for H1 FY 2021 versus 86% for H1 FY 2020. Recently rating agency reaffirmed its Crisil AA minus that is stable rating on non-convertible debentures and the long-term loan facility of the company and has also reassigned its Crisil A1+ rating to the short-term bank facility of the company. That is from my side. Now we now leave the floor for Q&A. Thank you.

Moderator: Thank you. We will now begin the question and answer session. The first question is from the line of Anubhav Aggarwal from Credit Suisse. Please go ahead.

Anubhav Aggarwal: One question was on the home testing that you mentioned about 20%, I just wanted to understand in your network some of the home visits will be captured in the central let us say your labs versus your service network I mean just wanted to understand what percentage of home visits will directly be serviced by the central lab?

Ameera Shah: We cannot hear you very clearly Anubhav your question was what percentage of this?

Anubhav Aggarwal: What percentage of the home visits will be captured by the central lab versus let us say captured by your franchises?

Ameera Shah: Most of our home visits are done directly by the company; minority will be done by the franchisees. One of the key things that we are trying to accomplish is sort of an operational standardization of experience and therefore the expansion also that we are doing in terms of the home services to many more cities will be primarily done for direct model versus for franchise models. Having said that the direct model does not need additional cost on the P&L as we are doing it through a direct staff.

Anubhav Aggarwal: Sure that is the reason you mentioned that margins are higher for home business because you do not have to share margins to franchise?

Ameera Shah: That is one of the reasons that gives us a better margin.

Anubhav Aggarwal: And the second question was on the service network as after let us say reorganization restructuring this service network you have about 2450 centers right now. when you think about this let us say over next two years to three years, what kind of number are you thinking about I am just trying to get a direction would you be like less than what you are today or would you be like 3500 or 5000 I mean what kind of number you are thinking about let us say two to three years down the line?

Ameera Shah: So I think in H2 we are looking to add about 150 centers which has already begun the expansion and I think in 2021-2022 we are looking to add about 600 to 700 centers I think the general trend will be to continue to expand 600 to 800 centers per year it could be a little bit more little bit less but that is the approximate range so we will continue with our brick and motor expansion. We do not believe that that is going to in anyway compromise as we said the rationalization exercise that we did from April to September was a one-time rationalization and consolidation after three years of expansion just to maintain hygiene in the system and we have already now finished the rationalization and started our expansion again.

Anubhav Aggarwal: Sure thank you.

Moderator: Thank you. The next question is from the line of Chandramouli Muthiah from Goldman Sachs. Please go ahead.

Chandramouli Muthiah: The first question is a slightly broader industry question in recent weeks' industry participants have pointed to COVID testing potentially being a recurring business line over the next quarter and beyond but with increasing optimism around the potential approval of a COVID vaccine how do these developments influence our strategy for COVID testing business going forward?

Ameera Shah: See our view has always been and you would have noticed that Metropolis probably has not been extremely vocal on COVID being either a big driver of business or not because at the end of the day we believe that this is not completely influenced by us as we know pricing is influenced by the government, our volumes are dependent on cure and therapy and vaccine and therefore we have sort of kept a neutral stand quarter to quarter. Having said that as you have seen that we just announced we at Metropolis have done the maximum COVID PCR business in Q2 which has just gone by compared to any of our players so I think going forward I think regionally we see a changing pattern of COVID in parts of west India we are seeing COVID infection fall currently but that does not mean what is going to happen in November and December we do not know, but in October and parts of November we saw it fall but we saw an increase in other parts of the country so I think regionally you will continue to see highs and lows in different parts of the country and depending on which market we are strong and we will be able to absorb that opportunity so I think the COVID opportunity continues to be alive, but it will be unpredictable in its lack of consistency quarter to quarter as it will come in different geography also as the vaccine comes to market antibody testing and PCR testing will again become very relevant we do not know what the effectiveness of these vaccines are practically yet and people who get the vaccine will again need to check whether they have got the antibodies or not along with also people who continue to get infections as things have been out so yes the opportunity is alive, we continue to expect it to be there many quarters to come.

Chandramouli Muthiah: Got it that is helpful. Second question is on the margin line, could you talk us through what the different factors are in this 400 basis point leap I think we have been doing pre COVID close to 28% range now it is a 32% range as business trends move towards steady state do we think some of this margin expansion we have shown is sustainable I understand our wage costs may step up starting in Q3 we did 28.5% I think last year in Q3 so do you think a 30% margin range is something we can aspire to on a sustainable basis?

Ameera Shah: Well I think there were three things that really contributed to the margin expansion. One is the factors of economy scale obviously having growth of about 29% or 30% growth with the same similar fixed costs and similar variable costs have also added to that number one point in terms of the margin. Number two is the changing mix of channels as we alluded to our home visit channel has gone up and we believe the way we are building home visit has a better margin profile and what we will continue to do and therefore that has aided with the increased ratio of B2C and home visit business. The third I think has been really good work done by the team in terms of cost management not only on manpower cost where there has been a lot of productivity done, but also on using digitization and automation as we have been indicating for the last three quarters we are going to do to really help streamline not only manpower productivity but other costs as well and therefore we are seeing some of those benefits come into play in the cost management as well. We believe that most of these costs that we have reduced will be sustainable, there will be obviously certain things which in the long-term interest of the company are advisable to do like obviously giving wage increases and things which are normally required.

Chandramouli Muthiah: Got it that is helpful. Just one housekeeping question if you could share with us RT PCR and antibody testing revenue split and volume numbers?

Ameera Shah: So the antibody testing for us is a smaller component compared to the PCR testing and we have found that the antibody and antigen testing is about 3.5%, Rakesh you want to come in with some more information on this.

Rakesh Agarwal: 3.5% is right. We have done 3.5% of antibody and antigen test and the rest of the tests are basically on RT PCR. So RT PCR from the percentage is 34% to 35%.

Ameera Shah: We continued to see this as a big opportunity for Metropolis going forward on the antibody.

Moderator: Thank you very much and all the best.

Moderator: Thank you. The next question is from the line of Bharat Sheth from Quest Investment Advisor. Please go ahead.

Bharat Sheth: Congratulation on excellent set of numbers. I have just one question with this PCR testing the patient which has been tested COVID positive so there are a lot of tests associated with that which could be of a one-time nature so can you give some color how much is that and which may not be repeated once the COVID is out?

Ameera Shah: See there are certain tests which are not only for COVID, which are for many different infections and diseases. So for example there is a test called D-dimer I think which is what you are probably referring to, which is an indication of whether there is any potential heart disease caused by COVID. Now these tests obviously are prescribed not only for COVID but they are prescribed for many different infections or disabilities or illnesses so these are what we are calling as a COVID rub off test and there is a group of such tests which are getting prescribed more during COVID, but they were getting prescribed even before COVID so we do not have a separate quantification for that because it is very difficult to determine what is being prescribed only specifically for COVID or without for other reasons and therefore we only look at the COVID antibody and antigen separately along with PCR and those go into the non-COVID bucket.

Bharat Sheth: Any color directionally if you have that kind of a test gone up substantially during Q2 because of COVID?

Ameera Shah: They have gone up significantly yes I do not have the exact quantification for it.

Bharat Sheth: Okay.

Ameera Shah: But it is not a very large number that makes you feel that if COVID drastically falls then that entire revenue is going to get wiped out, it is not a very big percentage.

Rakesh Agarwal: The pie which is there for test are various small in overall number, so it is not a very big pie for us. Obviously the number may have gone up but still whatever number has gone up that constitutes a very small pie in the overall. It is a very low single digit kind of a number.

Bharat Sheth: Okay thanks and second question is with this now unlocking so what kind of I mean unorganized to organized opportunity we are seeing and what kind of offer are we getting for consolidation or merger and acquisition?

Ameera Shah: See unlike some other industries which are very heavy with debt therefore you are seeing a lot of distress sales happening that is obviously not the case in healthcare. The entry barrier in this industry is very small and therefore you do not tend to see people who have got too much of debt. What we are seeing is that there is sort of three levels of labs, and I am happy to run through each of them. The bottom level is where you have got almost 90% to 95% of the industry are sitting in that market, which are the independent mom and pop labs of which majority tend to be run by non-medical people and very few only 10% are run by pathologists right. Now in those laboratories anyway they were not very compliant, their cost space was very low and they did not have many costs and therefore we are seeing that while they continue to struggle obviously healthcare being largely defensive they have come back to about 60%, 70%, 80% of their normalized revenues compared to the year before and therefore they are making less profit, but they are not under some very heavy stress or load that they have to sell. Also these tend to be very, very small, they tend to be one or two lakh rupees per month kind of revenue and therefore obviously these are labs which we have no interest in buying. You then have second layer of labs which are the regional players which have grown and become strong in one city or two cities or five cities in a geography or in a region. Now like this there are only about 10 to 15 such labs all across the country and therefore they tend to be very safe, some of them are not built in a good way some of them are built on heavy discounting, bad practices and we have obviously very little interest in buying. The good quality business franchises have been built on good practice with good quality of business and those are very few so obviously we continue to evaluate any such opportunity that comes our way and as I indicated in the speech we are very open to doing also mid-size or large-sized acquisitions and we continue to explore all such opportunities along with smaller acquisitions.

Bharat Sheth: Okay. Thank you that is great.

Moderator: Thank you. The next question is from the line of Chetan Gindori from AlphAccurate. Please go ahead.

Chetan Gindori: My question is with respect to our EBITDA margins so I understand that with the operating leverage benefit and the cost savings, our EBITDA margin has gone up in this quarter so when this COVID revenue is gone, say it comes down over next two years and the non-COVID revenues again scales up, can we expect the overall industry margin and your margin also to move up to the 30% kind of bracket?

Ameera Shah: In industry there is no such thing as an industry margin because every company has its own unique business model and therefore depending on their product mix and depending on their channel mix and the quality of business that they do how much they discount they do not discount and what are their prices each company's EBITDA margin has a different potential so it very difficult to comment on anybody else but if I can comment on Metropolis alone we believe that next year COVID is not there at all you have already seen us having historical EBITDA of between 28% to 29% and we believe that if we are able to execute the things that we are looking to execute, there is potentially an upside in terms of margin profiles. Whether we will want to continue to just build margin or reinvest that margin into better growth opportunities I think it is a decision we will make at that time maybe we will continue expanding the centers aggressively because we are already at a good margin so we will take that decision I think closer, but yes definitely if we are able to execute what we are planning. There is an opportunity for a margin upside.

Chetan Gindori: Okay and just to follow up on that so is it is it safe to assume that our current fixed cost structure and our current facilities can support a much higher level of non-COVID revenue?

Ameera Shah: That is right, I mean we have seen for example our existing infrastructure support an additional 45% of growth in the month of September through the same infrastructure so I think that should indicate that the answer is very clearly yes.

Chetan Gindori: Okay thank you.

Moderator: Thank you. The next question is from Anmol Ganjoo from JM Financial. Please go ahead.

Anmol Ganjoo: I have a couple of questions one is that when you guys characterize COVID revenues, are you also considering the associated tests like D-dimer or they would be classified under non-COVID revenues?

Ameera Shah: When we are talking about COVID PCR revenues we are only talking about COVID PCR not any other tests.

Anmol Ganjoo: Okay. Thank you that is helpful. The second question is around home visits so the B2C revenue comprises around 20% of home visits this quarter 19.6% is what you have put on the presentation, what did this number look like either previous quarter or the corresponding quarter last year, any color on that?

Ameera Shah: I think it was 14.6%.

Rakesh Agarwal: Q2 last year is 14.6% from where we have moved to 19.6% this year. I am talking about retail B2C in Non-Covid.

Anmol Ganjoo: Just trying to understand what are some of the vectors of realization because we have seen fairly healthy realizations one is obviously COVID and the other is home visits, but if you could just throw some light on how this looks like for next four quarters or more sustainable trends there that will be helpful?

Vijender Singh: I think overall last quarter one versus quarter two, home visits have definitely given us a big spike and accordingly we have done our capacity sprucing up as well so this is going to continue from strategic point of view also we want to really invest behind this home visit services and beyond that in order to make it much more robust, we want to also add little bit more features to this not just a diagnostic, but something related to other pieces also from wellness point of view so this is going to continue in our next year's strategy as well, but important here is that we have seen in Q2 there has been a good traction on the footfall as well so that is what Ameera also mentioned that in H2 we plan to add another 150 centers so primarily these two things are going to be our key strategy point, home visit and then number two is opening up of centers.

Ameera Shah: Anmol just to ask you that if you see our even keeping aside COVID, our revenue for patient has increased about 8% from about Rs.850 to Rs.925 approximately and this is not including COVID at all. What we have seen is that the mix of specialized testing has come back to about 39% in Q2, which was obviously lower in Q1 and approximately the same percentage contribution it was last year as well so as the specialized work comes back to normalcy we hope that the realization per patient will get benefited by that. Obviously as we have maintained before our goal is not to keep only increasing the realization per patient but actually also to get enough volume for the system so it is a fine balance between like you said our EBITDA margin economy the scale operating levels that we get and we investing it into growth and at the same time the expansion that we get in revenue per sample and reinvesting it into volume so the idea is to maintain that healthy balance between the two and not just focus on any one KPI to keep maximizing only profit or only revenue per sample.

Anmol Ganjoo: Okay thank you that is extremely helpful. One last question before I get back to the queue so you spoke about that there are not enough targets because of the fact that you guys are choosy in terms of what you will pick in terms of an asset but have we seen that you know last couple of quarters of disruption has at least pushed the organic market share of the long tail that the industry has to you and in that sense are you guys growing faster than the industry because I cannot imagine that such a period of disruption for the industry would not be beneficial to you guys I can understand that there might be assets that you might not want to pick up because of hygiene reasons and other fitment reasons etc., but is there a greater acceleration of market share shift than what we saw same time last quarter for example?

Ameera Shah: I think what the feedback we get on the ground and common sense so like you rightly said there is a move of people moving from unorganized to more organized brands like us. Having said that, unfortunately, there is no hard data available on the industry from any third-party provider that allows us to validate that in any quantifiable way. So while I can tell you it is what we are seeing on the ground, but there is no robust data points to back that up but what we hear from our team yes and also when obviously there have been only about 200 labs across the country out of 100,000 which has the capability to do COVID testing and with the heighten visibility that COVID testing has gotten it is very natural for consumers in their mind to separate now labs who have the advanced capability in COVID versus everybody. So I do believe that there will be a national move to these but whether it is already happened and at what pace it is very difficult to know.

Anmol Ganjoo: Thank you that is helpful.

Moderator: Thank you. The next question is from the line of Praveen Sahay from Edelweiss. Please go ahead.

Praveen Sahay: My first question is related to the volume like as I can see in the presentation that the September month the sales has grew by 6% non-COVID business and also in the last quarter we had observed that realization has improved significantly so how is the situation right now in the month of October is our volumes back to normal or still we are in degrowth?

Ameera Shah: I cannot obviously comment specifically on October numbers at this point, but overall we see a trend of non-COVID business continuing to grow quite well. Obviously there will be seasonality factors which will come in, in this half of the year there will be some months which have more festivals and holidays and some months have less which is quite typical to our business, but generally the trend is that non-COVID business is increasing. Again it depends on state by state there are some states which have never assured in a very strong lockdown and their things were normal from day one and therefore you never saw such a slump in business in the like in Q1 but like there were some states which actually completely shut down their states and therefore that became a psychological barrier for people to step out, so I think region to region we are seeing a different reaction but overall the trend that non-COVID is definitely increasing, volumes are increasing and is it 100% normalcy everywhere, no, but generally that is the trend.

Praveen Sahay: Okay and second on the rationalization as you had mentioned this is a one-time rationalization effort in the three years of expansion so how old these centers in the system which we are closed?

Vijender Singh: So these were primarily last two and a half years average but these are generally the centers which have been which were opened in other city categories which we call as ARC so these ARCs operate from smaller towns and we thought that it is good that we should sort of rationalize those centers who are not completely loyal, who are not following certain specific protocols of the company so it was spread over the last two and a half years.

Praveen Sahay: Okay and last question is related to the seeding city contribution which has now picked up to 21% so can you give any directional comment on this, how much of the target contribution you are expecting from these cities in the next two years or three years time?

Vijender Singh: See if you look at we have three categories of cities, one is focus where there are five cities in this category and one of our endeavor has always been to increase our B2C ratio in these cities and what we share the data in Q2 our B2C ratio in these cities have reached to 57% if I include COVID if I exclude COVID then the contribution is about 60% on B2C so this probability is going to be our key focus area and in future also we will continue to improve B2C ratio in these cities.

Praveen Sahay: But seeding city how much that 21% you continue to do so because that is I think B2B is a focus area or contribution is higher, so how is that going forward?

Vijender Singh: No I think important for us would be to look at you know our focus where our contribution is high and then from B2B it is good that we focus B2C. On seeding cities we have two different kind of markets where there are certain markets where our B2C contribution is high there are certain markets like North India, Delhi or Calcutta where our focus has been more on to B2B side which will continue to move but definitely going forward we want to as I mentioned just in one of the questions that we want to really invest behind home visit and these are the markets where I think home visit will create a platform for us to get into B2C area in these markets.

Praveen Sahay: Thank you Sir. Thank you for taking my question.

Moderator: Thank you. The next question is from the line of Neha Manpuria from JP Morgan. Please go ahead.

Neha Manpuria: Sir on the home healthcare business that you are planning to invest in is there is an opportunity cost on the volumes that we get on this business while I understand that because we are doing it on our own, the profitability might be higher but would not these volumes ideally be a walk in into your franchisee center and therefore more a cannibalization of growth rather than new volume or am I looking at it the wrong way?

Ameera Shah: See I think in healthcare business there is the way we see the business if you like in other industries you may categorize and say these are brick and mortar traditional and then there are new age companies, in healthcare my strong belief is that there is not going to be this division at all there are going to be some healthcare companies which move towards being new age which means being more asset light, being more digitally mature knowing how to have handle and omni channel strategy and most which will actually not have the ability to make this transition and the one those of us who are able to make this transition will be able to capture new consumers, new customer profiles in a strong way, but both models will continue to exist so there will continue to be the traditional brick and mortar approach which is going to continue to be majority of healthcare business and then on top of that there will be this more new age digital/home services which will come on as an extra piece that can get added on now will there be cannibalization between the traditional and the new, there is bound to be some amount of cannibalization like there has been in another industries be it retail or something else, but the opportunity cost of not doing it is far worse than the opportunity cost of doing it and I think overall if we look at these two together we believe that we will continue to expand our market share and expand our brand in the mind of the consumer and thankfully not in a fashion where we are losing margin but in a fashion where we are gaining margins so in our mind it is a must be versus an optionality.

Neha Manpuria: If I were to extend the question a little bit given that some of these regional players have become particularly strong during COVID with the large increase in their revenues that they have seen, the unorganized to organize shift, could there be a case that they benefit more than the large players do and the second part of the question is how difficult is it for a regional player to scale up from health care or do you think the digital piece of it makes it a bigger tool for the larger players than the regional player?

Ameera Shah: It is a good question look I think the regional players which were already strong in certain cities have definitely benefited during COVID so whether they have benefited more than the pan India players or less is very difficult to gauge because obviously these are all private entities which we do not have access to information but they have definitely benefited like we have benefited, do they have the ability to roll out digital/home services yes they have the ability the question is do they have the right management teams and do they have the right mindset and I think the fundamental issue that we have seen with any of these companies who have tried to scale, the biggest challenge is that most of these tend to be doctor-led and managed and therefore their ability to commercially scale up as a business with systems and processes tends to be maybe not as strong and therefore usually are not able to cross borders and move from the city that they are strong into new cities so they will end up making a lot of profit in their core cities, but do not necessarily have the ability to scale from a geography perspective. So they might have gotten stronger in their own city, but I do not see them necessarily having now the ability to become regional or to become pan India.

Neha Manpuria: Understood. Thank you so much.

Moderator: Thank you. The next question is from the line of Susmit Patodia from Motilal Oswal AMC. Please go ahead.

Susmit Patodia: Ameera a couple of questions if you do not mind first is I was just thinking about when we speak to a few insurance companies they are now saying that COVID test is a test that they are also getting done, are you seeing business coming there and is that a stream of revenues that you think can be sustained?

Ameera Shah: I think mostly insurance companies are doing it in behalf of in some cases TPA are doing it on behalf of their corporate that they are tied up with or in some cases insurances are doing it selectively so far we have not seen this becoming a significant source of revenue. Corporates, yes it has become much larger than before but insurance companies specifically we have not seen it become a very large piece yet.

Susmit Patodia: Secondly just from a thought perspective do you think about new tests which can become 5%-10% of your revenues three years to four years down the line like we see this with consumer companies thinking about new products becoming a certain percentage of revenues down the line if you can tell us how you think about this or first of all is it relevant in diagnostics?

Ameera Shah: We see certain products gain traction there is usually never a black swan event that is happened like COVID that have just taken one product to the top of the list like it has in the last six months for any diagnostic firm. Traditionally what happens is the tests take a long time to gain acceptance among doctors for them to start prescribing it for their patients it is a few years journey, not an overnight situation and therefore the same reason it is difficult to dislodge those tests from the proper list so we expect to see COVID definitely as a topper I would say for few quarters to come that version of COVID may change for example today we are doing a COVID PCR tomorrow if a saliva base test come which is of a different technology that may replace the COVID PCR but COVID as a product we definitely expect it to continue to top the list for a few quarters.

Susmit Patodia: Right so you do not think internally about developing a new test which can become 10%?

Ameera Shah: We develop tests all the time; we develop this every quarter but what I am saying is that those do not move to the top of the list in a short span.

Susmit Patodia: 5% to 10%.

Ameera Shah: Even they do not even become 5% to 10%. They will see a very small percentage of the revenue if you look at the 4000 varieties of tests we do, your top 30, 40, 50 tests will contribute a significantly large quarter part of your revenue compared to the tail end of your test.

Susmit Patodia: Got it and the third question now that you are on the expansion path again on these service centers if I were to see your 2016 to 2020 journey centers are up 60% CAGR and your B2C revenues are up 20% CAGR is that a fair proportion to think about when you expand let us say 6x in the next five years?

Ameera Shah: I will give my comments on this usual there is a gestation period for a center to start breaking even and making money whether we set it up or whether a franchise sets it up. Usually we see about a year to a year and a half is an operational period for a franchise when they set up our APSC Patient Service Center and obviously that is assuming that it happens in a focus city where the Metropolis brand is reasonably strong and then it takes about almost four to five years for it to come to some sort of maturity that is usually the gestation period because when you set up a center it is not a pure OTP product so you are actually going in there and going to all the doctors in the area and going and trying to move them from the unorganized players to your brand in a systematic way and doctors who have had relationships for 30 years in other labs take their own time to move, you have to also create a visibility in that area with your patient and therefore while you may set up the distribution in an expansion phase very quickly like we did, it does not mean the revenues will flow at the same percentage but they will definitely take a longer time to flow like I said maturity is four to five years.

Susmit Patodia: So I just wanted to understand that if centers go up let us say 6x in five years, the topline should go up at least 2.5x in that five years because that has been the track record for the last four years.

Ameera Shah: That has been the track record, Vijendra anything you want to add?

Vijendra Singh: I think definitely the company like Metropolis is going to leverage or benefit primarily because now people are more aware about hygiene and safety and our strategy on this expansion is basically it talks about going closer to patient now during COVID why it is important because people may not like to travel too far and far distance of course they would have an option of home visit, but of course that they can also visit to the nearest outlet which is like Kirana shop so I think going forward definitely this is going to help us a lot in terms of going closer to patient.

Susmit Patodia: And just last question before I get back in the queue is any thoughts on radiology, has anything opened because of this crisis any change towards that segment?

Ameera Shah: I think nothing this is a significantly long-term opportunity I think short-term radiology centers who obviously demonstrated an ability to be safe and hygienic or getting the COVID crisis gained over the unorganized because it is so driven by a sort of brick and mortar and it is not as scalable as pathology in terms of home services etc., but the general mindset around radiology continues to be the same, which is on high-end radiology which is on PET scan and MRI and CT but we do not like the financial profile of the business. We do not like the unhygienic practices of the business we are okay with the low end radiology which is X-ray, ECG etc., and that is an area that we may continue to explore as we already have in many of our centers, we may continue to expand.

Susmit Patodia: Thank you and best of luck and Happy Diwali to you and your team.

Moderator: Thank you. The next question is from the line of Rahul Agarwal from Incred Capital. Please go ahead.

Rahul Agarwal: Just to start with few clarification, realization for non-COVID which is 925 essentially includes antibody antigen test?

Ameera Shah: Yes when we separate out COVID but of course antigen and antibody tend to be much lower usually antibodies test realization is much lower than this including antigen is much lower so if anything it decreases the average realization does not increase.

Rahul Agarwal: Okay and secondly when Rakesh said about 3.5% being antibody, antigen and 35% being RT-PCR then did not really catch that number what does that really mean?

Rakesh Agarwal: Basically what we are saying is whatever revenue we are projecting for Q2 that revenue constitute 35% of COVID PCR revenue and 3.5% of antigen and antibodies.

Rahul Agarwal: Of the total sale reported?

Rakesh Agarwal: Revenue yes.

Rahul Agarwal: Okay perfect and so my first question now essentially is as Ameera mentioned on the growth driver going forward I just wanted to delve a bit deeper on that, could you help me understand within the focus and seeding cities which are the markets where you think the growth would definitely be higher in terms of next three years if we take that kind of horizon, could you help me understand how will Metropolis look in terms of test mix or a share of B2C on the overall business not in focus cities and wellness just a broader picture of the company overall over next three to five years will be really helpful?

Ameera Shah: So on B2C part as the KPI that we always look at is B2C in focus cities because looking at it overall in the business depends a lot on what the contribution of other areas are so that we see there is a long KPI to follow so I will continue to tell you the B2C in focus cities. As we have said from day one that our goal is to get to 65% of B2C in focus cities we have as of this quarter reached 60% and we started from mid 40s so we think we have come where we have done great progress on this and we continue to march forward towards this goal. We will expect to see a focus city growth on B2C continuing to be very positive and we will also expect seeding city growth to be positive. If you look at focus cities again you have got two parts which B2C and B2B when you focus on B2C you are naturally saying that B2B is not necessarily going to give you as aggressive a growth in that particular focus market because not necessarily, but sometimes they tend to be slightly in conflict with each other. From focus cities the goal is B2C growth which will be the area we will really prioritize. In seeding cities it will be the overall growth that we will prioritize and we hope and consider to see that both of these will continue to have similar percentages that they do us now because we are also seeing the other cities which is of a low base are also growing quite aggressively so just a matter of arithmetic we do not expect to see a drastic change as a contribution you see now two to three years from now we do not expect to see a drastic change in any of the contribution metrics. As far as the test product mix similarly as you see our routine semi-specialized and specialized have been going in a certain direction and we expect that will continue. We expect the semi-specialized piece to keep moving downwards but not in a hockey stick approach but in a very gradual move down and we expect to see routine and specialize in a gradual move upwards.

Rahul Agarwal: Okay perfect.

Vijendra Singh: I think you are right overall if the B2C ratio goes up in focus cities like Ameera said that in two years from now we want it to be at 65 that automatically will change the whole level.

Rahul Agarwal: Right got it and lastly if you could give direction on the non-COVID business for the second half as in could see like 15%-20% Y-o-Y growth or we see like more like single digits?

Ameera Shah: I mean if you look at our historical things before COVID happened you see that 2017-2018, 2018-2019 our growth was 18% and 2019-2020 was obviously impacted by the last fortnight because we were about 16% non-COVID and I think we were reasonably comfortable with those numbers so I do not see any reason why it should fall to a single digit growth.

Rahul Agarwal: Perfect thank you so much. I will come back in the queue and wish you a very Happy Diwali and Prosperous New Year.

Moderator: Thank you. The next question is from the line of Bharat Shah from ASK Investment Managers. Please go ahead.

Bharat Shah: Two questions, one is some kind of a shape of an emergent integrated health system probably is beginning to emerge whereby let us say all the players in the healthcare system kind of get linked together so whether hospitals and nursing homes then the medical fraternity doctors and the fraternity of diagnostic chains like yours, medicine dispensary and insurance firms now B2C brand driven business more profitable, consumer oriented builds equity without any question but over a period of time aggregation of the health chain as an entire system would make it inevitable for many different constituents to play along any thoughts on that?

Ameera Shah: Sure look I do not disagree with you I agree with you that over time we expect to see a more integrated approach in healthcare where all parts and shares stakeholders of the ecosystem ideally should come together. What I am actually seeing is the government is actually driving the agenda through the National Digital Health Mission of which I am a part of the committee as well of really being the super highway which connects all the different stakeholders in the ecosystem at least from a perspective of storing data and keeping an interoperability of data when a patient moves from X hospital to Y hospital or goes from one diagnostic center to the other and I think if that happens then the government becomes a key storage in charge or at least a platform in charge of allowing a consumer to control and own their own data along the way I believe this will be a good move because it will make life easier for the patient and easier for the doctor to make a clinical decision. Now that is one piece of it the second piece that is happening is there are a bunch of players who are trying to create health platforms for the consumer and the patient to say that look we will help you through your record we will help you see your doctors etc., while that is an aspirational project on the ground we have not necessarily seen that takeoff in a huge way. While teleconsultation did increase in the last six months, the kind of teleconsultations that increased for mostly zoom calls that doctors did from their own telephones with their own patient bases, tele consultations through third-party platforms have not gotten as much traction and even if they have, they have not necessarily become revenue generators but they have become more sort of free feature that consumers are using because they have the opportunity because platforms are providing it so whether this marketplace is going to go on to become something that changes the consumer and doctor behavior frankly it is too early to tell at this point of time but the integrated approach of healthcare players coming together so what the government is trying to do and through free markets will definitely happen. I hope that answers your question.

Bharat Shah: Sure that is exactly the point I was kind of making that National Digital Health Mission seems to be the first attempt to kind of aggregate, first of all data pieces are loose then you intelligently bring them together, you store them, create systems make them interoperable and then the first signs of a more sophisticated system which can link everything can emerge so it was basically from that perspective so yes that does answer. Second, technology increasingly will not just be the bread and butter and converting routines into efficiency or the ease but it will be not just a business advantage or a competitive advantage but may become inevitable and a significant differentiator so from that perspective artificial intelligence, data science, data analytics again an emergent project nothing in the immediately but over a period of time unless one thinks about it today those kind of things will take longer time tomorrow to shape up therefore predictive diagnostics greater capability to engage and create a true brand equity, your thoughts on that?

Ameera Shah: Absolutely again if you see obviously a lot of interesting concepts but some of them also land up becoming buzz words and we are trying to make sure that we differentiate between the buzzwords and what we genuinely believe will help us do better in our business so there are two areas that we genuinely believe will help, one area is creating this digital ease from a patient and consumer perspective right and how do you create engagement like they have in other fact of their life be it retail or be a banking or be a telecom or whatever else and how can we create that ease of working with Metropolis and engaging with us so that is number one. The second is the other stakeholders in the ecosystem how can we make life easier for them to engage and therefore makes them more addicted for a proven Metropolis brand. I think these are very clear opportunities. Now on the back end when we talk about artificial intelligence we talk about machine learning these are good concepts, but the question we must bring is where the advantage is. Now tomorrow can we use the data and the knowledge base that we enhanced as a group and use it to improve the quality of clinical diagnostics that we are doing using artificial intelligence, absolutely, it is possible do we have the data sets which are ready do we have the knowledge bases which are ready the reality is there are no companies which actually have it, they have to be built. So while we do have some amount of data on the back end you do not necessarily have these a pathologist who is today sitting and looking at reports and deciding whether okay this is a positive or a negative or a normal or abnormal how do you capture that pathologist knowledge and put it into a computer and enough data of that and therefore create artificial intelligence I think it is a journey that all of us will have to go through as diagnostic players what is the end goal of that, the end goal of it is that are you able to reduce your manpower cost on pathologists and be able to replace it with AI. Today if you look at the cost of pathologists as a percentage of our total cost base which is not very significant and therefore I am not sure whether this particular thing from a productivity basis is going to impact us in a large way in the long term from a quality or diagnostic basis can it help the answer is yes. So there are efforts on our side to work on some of these projects which we believe will be slightly more mid to long-term, but the work has already begun in terms of what we are working on at the backend.

Bharat Shah: Sure now because artificial intelligence while the level they are stuck but it is increasingly becoming more synthetic rather than remaining on the artificial and to that extent I think the strides being made are probably faster than one may wish to acknowledge. The last part is were any of our technology systems were attacked because they have been a lot of malicious attacks and in a business that we are in and very sensitive field particularly malicious attacks can leave us vulnerable so have there been any attempts within the country or from outside or anything significant experience and kind of a path to protect oneself from?

Ameera Shah: A good question absolutely I mean I think there were attempts of attacks on our system in August and September and we are happy to report that none of them were successful. Our system was strong enough to stop any such attacks having said that this is an area of continuous progress and improvement, hackers are getting smarter and therefore as companies we need to get smarter and therefore we have additionally as an extra precaution also engaged information security, data security experts to come and work with us in this quarter to evaluate and audit all our systems and help us to become even stronger, but we have been happy that at least whatever attempts were made thankfully was not successful.

Bharat Shah: Just on the lighter note hackers are not getting smarter while they are probably rascals where they are among the smartest lot of people. Thank you Ameera.

Moderator: Thank you very much. We will be able to take one last question; the last question is from the line of Anubhav Agarwal from Credit Suisse. Please go ahead.

Anubhav Agarwal: Couple of clarification Ameera, one is the service network that we have today what percentage of the revenues roughly comes from them I am talking about like once the non-COVID business are normalized or let us say maybe in FY2021 what percent revenues are getting somewhere?

Ameera Shah: What percentage or revenue are coming to us through our third-party network?

Vijendra Singh: Third party in fact the contribution has been back to normal actually what we used to pre-COVID days and in Q2 we have seen a good traction on third party as I said primarily since as I mentioned that strategy has been going closer to patient I think somewhere down the line with this expansion is helping us a lot in terms of where the patient does not want to travel far distance so they come down and using our third party centers.

Anubhav Agarwal: But Vijendra what will it be as a number like is it like less than 10%, 20%?

Vijendra Singh: I think I can tell you that it is more than double digit but what we should look at is how third-party centers are growing. I think there has been a significant growth coming from third party at least in last quarter.

Anubhav Agarwal: Okay and just one more question on your lab network utilization what kind of percentage utilization total processing capacity you are at let us say tomorrow there is a surge in antibody testing how are you placed for that?

Vijendra Singh: So I think the first is that if you look at last four to five years we have not expanded our lab network, it is still at 124 labs, only marginal increase and with so much of expansion on third party I think we have been able to sustain what growth has come on account of the expansion and primarily because we had enough sort of capacity at the back end and still we are capable of handling any sort of growth like Ameera mentioned that in the month of September we had a growth about 45% and we were able to service through our current capacity.

Ameera Shah: Specifically on COVID antibody luckily out of 125 labs I think quite large number have got the capability of doing immunoassay testing, which is the technology required for COVID antibody and therefore we feel like we are quite well set to be able to take advantage of antibody as it scales and of course it depends also on what TAT is going to be required usually this is not a critical test where you have to give a result in two hours or three hours but we believe we have infrastructure ready for that.

Anubhav Agarwal: Sure thank you that is helpful. Just one last clarification your app now has improved dramatically the digital app what percentage of tests typically are you looking through the app now?

Ameera Shah: Currently it is still small because the app as you know the improved app has only been launched recently we believe there is still a lot of good things to come and we will now be pushing it as we move forward. Currently the digital acquisition is happening more from a corporate portal thing versus the app, the app is also contributing to it, but it is still an insignificant number. As we move forward we will be happy to share by the end of the year some more details on the digital side of the business in terms of acquisitions in terms of you know the distinguishing between the portal the app etc., and give you a little bit more visibility.

Anubhav Agarwal: Thank you I am done with my question.

Moderator: Thank you very much. We will take that as the last question. I would now like to hand the conference back to the management team for closing comments.

Ameera Shah: Thank you everybody for joining us today. We hope everybody continues to be healthy. As a company we are happy with our set of numbers and most importantly we continue to be excited for the next quarter. We think we are on strong financial fundamentals, our operating parameters are getting better thanks to the digitization and automation that we are doing and we are back into expansion mode as far as our network expansion and home services distribution goes and as we said we continue to evaluate good opportunities and hopefully we will be able to make one of those happen sooner than later fingers crossed and I think I just want to make sure that sort of everybody is fully aligned with us when we say that we will continue to put our best foot forward as far as COVID testing whether it is antibody, antigen or PCR testing, or the new technologies that come in and of course continuing to push the non-COVID business which is completely in our influence to be able to do that. Thank you again. Happy Diwali to all of you.

Moderator: Thank you very much. On behalf of ICICI Securities Limited that conclude the conference. Thank you all for joining, you may now disconnect your lines.