

16th March, 2020

BSE Limited

1st Floor, New Trading Wing,
Rotunda Bldg, P.J. Towers,
Dalal Street, Fort,
Mumbai- 400 001

National Stock Exchange of India Ltd.,

Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra-Kurla Complex,
Mumbai – 400 051.

Dear Sir / Madam,

Ref: BSE SCRIP CODE – 500302, 912460
NSE SYMBOL - PEL

**Sub: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-
Transcript of Conference Call with Investors/Analysts**

Enclosed please find the transcript of the Conference Call held on 12th March, 2020 with Group of Investors.

Pursuant to Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the conference call is also hosted on the website of the Company.

Kindly take the above on record.

Thanking you,

Yours truly,
For **Piramal Enterprises Limited**



Bipin Singh
Company Secretary

Encl: a/a

Piramal Enterprises Limited

CIN : L24110MH1947PLC005719

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“Piramal Enterprises Limited – Conference Call with Group of Investors”

March 12, 2020



SPEAKERS: **MR. AJAY PIRAMAL – CHAIRMAN, PIRAMAL
ENTERPRISES LTD.**
**MR. VIJAY SHAH – EXECUTIVE DIRECTOR, PIRAMAL
ENTERPRISES LTD.**
**MR. HITESH DHADDHA – CHIEF INVESTOR RELATIONS
OFFICER, PIRAMAL ENTERPRISES LTD.**

Organizer / Moderator: Good afternoon and good morning to people who have joined this call. Thank you very much. We have the pleasure and honor of hosting Mr. Ajay Piramal, who, as we know, is one of India's leading industrialists and philanthropists. He is the Chairman of the Piramal Group, which is engaged in various businesses, including financial services, real estate, pharmaceuticals, information services, operating in 30 different countries. What may be less known is that Piramal has been a big wealth creator over the years. As of last year, the stock had compounded 28% over 30 years, which is staggering. Of course, things have not been so good over the past few months. And obviously, the stock is reflecting the challenges that there are, especially in the macro environment. So I think it's a good opportunity for us to interact with Ajay to understand what's happening, both on a macro and a micro basis and take a check on how Piramal Enterprises' future could pan out. So over to you, Ajay. Thank you for joining us. And we look forward to your comments.

Ajay Piramal: Thank you. I thought I would first start with the recent changes that have taken place as far as Piramal Enterprises is concerned and then throw it open to questions. I thought that will be more productive.

Developments at PEL:

So, since last December, when we shared our accounts and the analyst presentation, some of the big developments that have taken place are – one is that we have now successfully raised a rights issue. And over this period, that is, in the current financial year, have brought in Rs. 14,500 crores of equity as cash equity, has come into the business through, one, the preferential issue that we did to CDPQ of Rs. 1,700-odd crores, the Rights Issue that we did to all the shareholders of about Rs. 3,500 crores. What is important to note in this rights issue is that the promoters brought in nearly Rs. 1,700 crores as equity. So, over a period, you have seen that the promoters, whether it was in 2017, whether it was in 2019, have brought in significant equity into the business. Which is unlike what you see in other businesses that I see today.

In addition to this, in February, we also sold our DRG business, which was the information analytics, the Healthcare Analytics business, in the U.S. for \$950 million. And after that \$900 million came in into the company and \$50 million is in stock of the company that bought us, Clarivate, which is a U.S. based information company.

The reason why promoters brought in equity, at a time when actually equity was not needed in the company, was just to bring confidence that in an environment which is so volatile, the promoters have confidence in the business model of the company.

Pharma – Business update:

I thought I will also share a bit of new information about the pharmaceuticals business and then I will come to financial services.

After the December quarter, we did announce that we are going to raise some equity, a minority stake in the pharma business. The pharma business, as you know, we had sold-off our domestic formulations pharma business in 2010 to Abbott, and since then we have built up a good global business. The global business is in critical care hospital products as well as in CDMO, providing manufacturing and services to global pharma. Besides that, we are in the OTC space as far as India is concerned. This business is a global business and about 95% of our sales are now global sales in it. And in the current year, which is March ending, we expect it to end at about Rs. 5,500 crores with a good EBITDA margin of somewhere in the region of 22% to 24%. It is growing well.

COVID-19:

People may be wondering as to what is the effect of COVID-19 on the pharmaceutical business. I can only say that ours is a critical care business which goes into hospitals. So to give an example, one of our major suppliers for one of our drugs, Fentanyl, is a GSK facility which is in Northern Italy. You know that Northern Italy has gotten totally clamped down. But because our products are so critical, the Italian government has allowed us not only to continue manufacturing, but also to provide these to the global markets. So similarly, most of our products are in that sense insulated from COVID-19. Only about 10% of our raw material supplies are from China and we have alternative sources of manufacture. So, in this case, in the COVID-19, we would not be adversely affected. Besides that, as you know, we have started the process for getting a minority investor in it. And as of now, it looks as a robust process.

Recent Macro Events:

I will now come to some of the other macro events and I know that some of our investors have been asking us about it, so I thought I will share with you. If you look at it, in the last 18 months, there have been successive news about many companies going into IBC, or getting into problems. It started with the IL&FS fiasco, we have had since then DHFL, ADAG, Essel, Altico, YES Bank. A couple of things common, one is, people have lost a lot of money in this. But another common thread that goes through all this is that we have not had any exposure to any of these companies. I can say that categorically, therefore, we have been pretty conservative in the way we have dealt with matters.

So in the case of YES Bank, many people say that they have had Tier 1 bonds, we don't have any exposure. Do we have any fixed deposits with YES Bank? We do not have. We have a very small relationship where they have lent us some Rs. 900 crores, and that's it. The same I would say with IL&FS and with DHFL, with ADAG, with Altico we had no dealings. With Essel, yes, we have got an exposure in Essel, as far as renewable solar energy is concerned. And that has also been brought down to half. And if I am not mistaken, it's about Rs. 200 crores as of now.

Lodha exposure:

People also talk about, of late, they have been asking us about Lodha. And I was just informed by Lodha that they have been successful in meeting the repayments of the U.K. bond they have had and they have been successful in raising another new bond. So once again, I think some of these rumors, as far as the industry is concerned, we have been able to manage quite well. Lodha, which is the largest account we had, we have said this before that by April of this year we will bring it down to Rs. 2,500 crores. Therefore, loans have been coming down.

Wholesale exposure:

I will just touch a little bit on wholesale exposure, because that's another question many people ask me. So by March 2020, the largest exposure, which is Lodha, will be about 12% of the net worth and all the other exposures will be less than 7%. Our equity by the end of March, total equity, as far as Piramal Enterprises is concerned, will be in the region of about Rs. 33,000 crores, that is the net worth that we will have. Between Rs. 32,000 crores and Rs. 33,000 crores will be our net worth in this year.

As far as the large accounts are concerned, our wholesale book will go down from nearly Rs. 50,000 crores which was at the beginning of April to being in the region of Rs. 40,000 crores by March 2020. And this 10,000 crores reduction is where we will have either got repayments or some of these have been refinanced. What is worth noting is that we have not had any loss in these books. So the loss given default, as far as real estate is concerned, is still minimal.

Concluding remarks:

I just want to conclude and then we will open it to questions. If you look at it as a promoter, we have had the largest promoter holding amongst anybody in the financial services, which is 46%. Ever since the time we entered into Piramal Enterprises or actually before that, which was Nicholas Piramal, we have never diluted our stock. So that just shows that we are committed to build this stock.

Our pharmaceutical business was sold in 2010, and then we started again rebuilding a global pharma business. And as I explained earlier, this has come up from scratch, and now is a valuable part of our business. The Financial Services business, similarly, was built from scratch, and has now also come up.

We in the meantime have had successful investments, whether it was in Vodafone which we sold off, or whether it was in DRG, which we have also sold off, where in both these cases we have made good returns for the shareholders. So all in all, I understand that it is a difficult situation in the market. But we feel committed and we remain committed to growing our business and look forward to better times to come. With this, I will open it up to any questions.

Moderator: So we have got a few questions from investors. The first one is on the real estate situation in India. So at the margin, how are you seeing things? Are things getting better or worse? And what steps are developers taking to repair their balance sheets? And in your view, are they enough?

Ajay Piramal: So again, I think it's very difficult to generalize on all real estate developers. As we have said, those developers, and we have been consistently saying this, the top developers are the ones which are doing well. And those developers as well, those who have been doing good affordable housing. So developers that have a brand name, developers which have had a track record of delivering flats in the past, they have been doing better than what the others are doing.

If I look at the overall real estate industry, let's say that commercial real estate is doing well so I am not going to talk about that too much. That also there have to be good developers, because of so many funds investing in this, there is a good requirement for them. In the residential space, in places like Mumbai and all, the flats which are sold at Rs. 5 crores and below are doing well with reputed developers. And the affordable housing is also a good place to be in. The issue is still about funding to the real estate space. Some of the developments which the government has announced has been, to some extent, given a fillip to it. One is the last mile funding that has been announced. The other one is that there is a moratorium which has been given to banks for a year for real estate developers, for loans due by real estate developers. So those two things have been positive.

To say, developers have brought down prices to some extent, to see that the sales velocity takes place. At the same time, prices of land have also come down significantly. And in fact, most people are now dealing with land, as nobody is buying land, they are looking at actually doing joint development agreements. Besides that, I think there are funds available from global providers of debt funds and capital, where actually the costs have gone up. But yet I think good developers are getting it.

Moderator: Thanks for that. You briefly mentioned about the government's efforts on the real estate side. Do you think that there are any more regulatory changes that are required from the RBI's side that would help the real estate sector? And also, how is the progress on the on the AIF that the government has launched?

Ajay Piramal: As you know that real estate forms a major part of the GDP, almost 7% of GDP is contributed by real estate, a large portion, almost 300 industries are affected by real estate. And employment, actually, it is one of the biggest providers of employment. So they need to do more. There are some changes that are required as far as GST is concerned, particularly GST when the projects are under construction. I think some more availability of funds should also be given to the real estate developers so that even not the top ones, but even the mid-level, the B-class developers also start getting their projects off the ground. That's also important, I think. And overall, the sentiment will also improve in the country if real estate is developed.

Moderator: Thank you. There is a question on your balance sheet progression going forward, given that you have already now managed down leverage quite well and the leverage for the financial business is under 2x now. So, how do we expect loan growth from here on? Would it be still liquidity conservation mode? Or do we expect a gradual pickup in in the loan book?

Ajay Piramal: I think you will see a gradual pickup in the loan book in the next year, beginning April onwards you will see that that's happening. What's happened is in addition to the equity that has come in, because of the equity, I would say, there is also now long-term funding which is available in a much larger manner than what it was in the last year. And people have also seen the confidence that in spite of all these difficult times we have been able to honor every obligation of ours. So we are getting more long-term funding.

And I can see that next year onwards, from April onwards, you will see a growth in the loan book. As you also know that we are making a foray into consumer lending, we have got a new team which is on board, we are recruiting also high quality talent. And I feel that that is a good market. Today, if you look at it, whether it is in housing finance, whether it is in real estate, whether it's in consumer finance, there are very, very few providers now, there are very few NBFCs that are really operational. So, in some ways the demand exists, it's only a question of supply. And therefore, I see that will start now from our side April onwards.

Hitesh Dhadha: Especially the housing finance business, the area that we gradually want to grow is going to be quite more profitable, given there is huge opportunity in the self-employed space, in Tier 2 cities, which is getting completely or largely dislocated, in terms that there are not many players, the competition is going down significantly there.

Moderator: Yes. Thanks Hitesh for that. Actually on that note, there is a question on the housing finance business that, given that it's a highly competitive space and the prime mortgage segment is very finely priced. So, how are you seeing unit economics at the moment and incremental ROEs in that business? And on a standalone basis, is that business profitable today or how long will it take to break even?

Ajay Piramal: So, we are not looking at lending to the prime customers which are the salary class in the metro towns and A-class towns. We are looking at going to those people who are either non-salaried, they are self-employed people, they are people who are in the smaller towns. And here, there is not as much competition. Because if you look at it, of the top five housing finance companies, there are only two of them which are lending today. And that is one place, where we feel that the ROEs may not be as high, but we will get enough leverage and we should be able to get into a breakeven situation in the next year and then towards profit.

Moderator: Thanks. On the consumer finance side, there is a question, what's happening is that the street and the analysts are gradually getting worried about, say, increasing leverage on the consumer side and the space is getting a bit overheated. So, how are you approaching this space? And how do you balance quality with growth?

Ajay Piramal: So, obviously, we are starting at a place we don't have a book to worry about any legacy. And all the learnings that we are seeing in the environment today, we are incorporating them. And we are doing a consumer business which really has digital at its core, which means that there is so much more data which is available today, we will use that data and, therefore, build a book which is conservative. We have seen that in the last 18 months in this environment, things have changed, have become from good to bad. And so therefore, we will be conservative and we are conservative in the way we are going to lend. It is the risk models, where we do take into account all this. And therefore, we also have experienced team of people who have seen this before.

Moderator: Got it. There is a question on basically what is the sustainable leverage for the lending business that you are thinking about? So right now the leverage is quite low. But as the growth picks up, so gradually at what level of leverage can you operate this business? And to that extent, how will the ROE trajectory be?

Ajay Piramal: So, leverage really depends on the environment. As you know that today our leverage, at the overall P&L balance sheet, will be less than one by the end of March. And obviously, depending on the environment, we will seek to raise it. We expect that to be anywhere between 4-4.5 times on the overall book, which is a reasonable number. I don't think we will do that next year, because it depends on the environment. I would rather be conservative than look at a very high leverage.

The ROE expectation that we have is, it's about 15%. That won't happen next year, because it depends on the environment and we are going to be conservative. I think today, from what I look at is that it is better in a turbulent environment to be more conservative, because as you see in the environment, there are many, many NBFCs, and actually now banks which are not going to remain in the business or they have brought down their business. So, therefore, it's better to stand in such a form in such an environment, because the demand is actually much more than what can be met by current suppliers of credit.

Hitesh Dhaddha: Also to add on to what Chairman mentioned, and to the question that you have, there is enough of capital or kind of firepower now on the balance sheet to also look at inorganic opportunities, which the market is definitely offering, given how things are going right now. And we would look at those, definitely being conservative in terms of the asset quality that we would want to have and the culture that we want to have.

Moderator: Thank you. There is a question on the funding and the cost of funds. So, how has the funding trajectory been in the last few months? And are you seeing an improvement in cost of funds gradually? And how do you think the events of the last three days impact markets in terms of YES Bank and also the global events? So do you think that there is a relapse of risk aversion here?

Ajay Piramal: So, in the three days it is still very difficult for me to fully assess. But I think there will be more, people will be more risk averse than they were before. So, frankly, from the people whom we

are talking to, who are going to provide us facilities have not heard anything to the contrary. But let's wait and see. The cost of funds have come down. But more important than the cost of funds is actually if you look at the spread, the spreads are going up. Today, because of exactly this risk aversion that people have, the yields are definitely going up. So I see that the spreads are better than what they were before.

Vijay Shah: Also on the three days environment, in reaction to what happened in U.S. and in Bank of England yesterday, India will have to react in terms of lowering cost of funds, so that the trend will have to continue.

Moderator: There's a follow-up question on the pharma business. So, I mean, you had alluded in your opening remarks that, your own business is quite well protected. But there is a question for the broader pharma sector. So if this current situation extends far longer, so how will the broader sector cope up?

Ajay Piramal: So, I don't have exact details of what the current pharma business (sector) in India is, so it's not correct for me to say it. I will only say what I read in the press. So I'd rather stick to what we are doing, because ours is a global business which is very different from the business most of the Indian companies are doing. So it would not be correct for me to comment.

Moderator: Fair enough. There is a question in relation to asset quality of the book. So, how should one expect about the stress to show up over the next couple of years as some of the loans come out of moratorium? And I mean, to what extent should one expect a pick up NPLs?

Ajay Piramal: So one is, if you look at the moratorium that we have, about only 20% of our book is under moratorium. Again, as far as real estate is concerned, I can say very categorically that the loss given default is not much, is hardly anything, in real estate. Because if you have given a proper loan to value, and if you have a good security, it is possible to recover loans from real estate. It is possible, either you take over the asset give it to somebody else to develop, so the loss will be whatever we have provided for as far as I can see in the real estate space it should be fine.

Beyond real estate, we have about Rs. 7,000 crores of corporate loans, there we are examining. And I think in the next few months we will be able to give a very clear picture if there are any losses or anything. It's not going to be significant, but if there are I think we will be easily able to absorb them. So, it's not like what you find. Because again, we have been very selective in the sort of developers that we have lent to. I will give you an example. In the 18 months, we have heard of many developers falling by the wayside. And very often this question was raised, did we lend to them? I don't want to name them because it will not be correct. But if you look at any of the developers who have failed in the last 18 months, none of them have been lent to by us. All the big names that keep coming in the press, we have not lent to them.

Hitesh Dhaddha: And the proof of asset quality is also in the quantum of borrowing on the debt side that we have made in last 18 months. We have borrowed Rs. 28,000 crores of money, which is more than

50% of our book size, mostly in form of long-term borrowings. CDPQ, who is our business partner, has come in again to put in more capital in the company. And they do transactions with us, so they really understand how well we do those transactions. Promoters have put in additional capital. So all those things definitely talk, I mean, all the existing investors have come in, there have been oversubscription on the rights issue. I mean, all the existing investors don't have to be there if they don't have a comfort on the quality. So there is a reason why all those things have happened.

Ajay Piramal: Also, now when banks are lending, let's say large amounts of money, and some of them have had not a very good experience while lending to other housing finance companies, they have done a thorough audit of our top accounts. Only on that basis would they lend. So they go into each detail, and the fact that they have found them in order in our lending, is another proof that these books have been seen by multiple people.

Moderator: Thanks, that was helpful. Just a follow-up on that, is there any annualized provisioning number or broad range that you can guide to for the next couple of years?

Ajay Piramal: I think we will talk about it at year ending, it's March, let's talk about it to the general overall. I don't want to give any forward-looking statements here. That would be inappropriate for me to do so.

Moderator: There is a question on the monetization of the stakes in Shriram City Union Finance as well as Shriram Capital. So any thought process on that?

Ajay Piramal: So, as I have said before, we will by September do the monetization of that stake.

Moderator: Okay. With respect to the hiving off of the Pharma business with the Financial Services business, I mean, any update on that front?

Ajay Piramal: So, first of all, as a first step towards that, we are subsidiarizing all our Pharma business into a 100% sub. Similarly, we are going to put all the Financial Services in another 100% sub. And then we are raising some minority stake from an investor in the pharma space. After that, I think in the next two to three years we will delist the two.

Moderator: Thank you. There is a question, basically one of other housing finance companies mentioned that it would help the real estate sector if the RBI were to allow one-time restructuring of real estate loans. So, any thoughts on that?

Ajay Piramal: I think it's very obvious, if the RBI wants to see that there is a revival in the real estate, the major lending for real estate is actually done by NBFCs and housing finance companies. And in the past whenever they have given any relaxation, it's been both to NBFCs, HFCs, as well as to banks. So we hope that the RBI would still continue to do that, and extend this to NBFCs and HFCs.

Moderator: There is a question on private credit funds, which are increasingly coming in India and probably that is a way forward for early-stage real estate finance. Are there any challenges in that space that you see? Or do you think that it's a reasonable business model going forward?

Ajay Piramal: Actually, it's a good business model to do. My concern is that all these primary credit funds, or most of them, are actually foreign funds. And many of them, actually we are also doing co-lending with them. But overall, I would say that there is a high cost that we are paying as a country, and as an economy, for these funds. And therefore we should, I mean, that's for the RBI and the government to look at that how these costs will come down, because ultimately the Indian consumer will have to pay higher and the nation is bearing this cost of high cost funding available to the country.

Moderator: There is a question on, what does the management think about the implied market cap for the real estate financing business? And any plans to spin out this business and listed separately?

Ajay Piramal: So, as I said, we are going to spin out the businesses between one on the pharma and one the financial services. And as I said, that will take two to three years for us to do that. The market cap, I mean, I don't like to comment on it, but if you just look at the numbers of just the pharma business valuation, look at the net worth, you will realize what market cap, where it is.

Hitesh Dhadha: The pharma business is expected to deliver a top-line of about Rs. 6,000 crores by next year, with an EBITDA margin of 25% is what they are working on right now. So that's basically an EBITDA of Rs. 1,500 crores that's expected from the business next year.

Moderator: Got it. There is a follow up question on Lodha again. I mean, you briefly mentioned in the beginning, but there is a question whether there you see any risk of default with Lodha?

Ajay Piramal: No, I don't think we see any risk or default, and I will tell you why. I think by April, as I said, our total exposure will come down to about Rs. 2,500 crores. And this is because we can see clear visibility of some people refinancing that. Second thing is, even at this Rs. 2,500 crores, almost Rs. 2,300 crores is of finished inventory alone. And the security that we have or the loan to value is significantly higher than what we have at Rs. 2,500 crores. So, I don't see that there is an issue.

Besides, we need to keep in mind that Lodha, in spite of all the difficult market, is still the largest selling real estate developer in the country. Their total sales would be about Rs. 7,000 crores annually, or in excess of Rs. 7,000 crores. So, I don't see that as an issue. And in fact, if you look at it over time, till now Lodha has almost stuck to whatever payments that have been due to us. In fact, sometimes there are prepayments. So I am not worried about it.

Moderator: Thank you. There is a follow-up question on the consumer financing business. Is it possible to give some detail on the business model on how exactly will Piramal try and differentiate from the existing players in the market?

Ajay Piramal: So we will, as I said, in one line it's digital at the core. But I think when we talk about, when we do the annual results for March, we will share it with the analyst community, at that time we talk about it.

Hitesh Dhaddha: But just to assure you all that there is enough progress happening on that front. Jairam has already come in, and there is work happening on that front. We are in the advanced stages of closing on the thought process on how we would want to build this model. And as Chairman mentioned, by March we should be able to give you more details, I mean, by the time we announce annual results.

Moderator: Got it. There is a question on basically the strategy to achieve profitability faster, is there a case for basically going asset light on mortgages and maybe look at the co-origination model that the RBI has proposed for some of the NBFCs?

Ajay Piramal: So, as far as profitability is concerned, my belief is that even in the wholesale space, there is good demand to remain in the wholesale space as well. So, there we will do some co-origination as well. And therefore, that's one area where I see that the yields have gone up significantly higher.

We are also looking at mortgage and co-origination is another area. And especially the areas that we are going into, many banks cannot reach that space. As I said, it's the Tier 3, 4 cities where banks don't reach, so co-origination, yes, is an option that is being explored. Besides that, I think we will be able to sell-down some, when you raise loans because of the way our underwriting is there, there are many people who are willing to buy the loans from us, that's another area that we will find ROEs going up. And the funds business which we are in also will be an ROE contributing business.

Moderator: There is a question on, basically other areas in the financial services space, is there anything other than the consumer finance space that you are looking at, maybe on the non-lending space?

Ajay Piramal: So other than consumer, as I said, we will remain to some extent in wholesale. We will also have the funds business, that's where we will be. We are not looking beyond that at this moment.

Moderator: Yes. So I think we have answered quite a few questions. There is actually a follow-up question on the consumer finance business, but I think you have probably answered that. It says that what will be the source of your competitive advantage in the proposed consumer finance business?

Ajay Piramal: I think, as I said, it is best that we give a full presentation on our consumer finance business. That's what we would do in April.

Moderator: Yes. There is a question on the funding again. Given the RBI LTRO announcement, have you seen any benefit in funding costs post that? Because we have seen quite a few NBFCs being able to issue bonds.

Ajay Piramal: So actually, till a few days ago there was a lot of appetite for bonds. Let's see what happens now. It is uncertain, so we are proceeding on that lines. But I want to wait and see what exactly happens. But the fact is that there is a lot of liquidity available in the world. The prices have come down, as you know, interest rates are really, even the 10-year treasury is below 1%. So there is a lot of money available in the world. I think things will settle down and bonds will be again a source of funding.

Moderator: There are some more questions. So, there is a question on, is there a possibility to deleverage significantly by selling down assets? Or would you want to basically run the loans till maturity?

Ajay Piramal: No, as I said, first of all, we don't need to deleverage as a balance sheet, because as I said, our balance sheet will have a debt-to-equity of less than 1x by the end of March. But we are bringing down the book just to give confidence to the market that these are assets which can be refinanced. And almost all of them, I would say, have been refinanced. Actually, every asset till now has been refinanced at cost. So it's not that we are incurring a loss.

And going forward as well, we are bringing down, as I said, our wholesale book which was nearly Rs. 50,000 crores at the beginning of April 2019, will come down by Rs. 10,000 crores in this year itself. And we will bring it down a little further just to demonstrate that these are assets which we can sell down. So, you will see the movement. I think by June you will find that there will be significant reduction in the wholesale book because of some of the existing loans being brought down.

Moderator: Thanks a lot, Mr. Piramal for your time. And in case if there any future questions, we will definitely reach out to you.

Ajay Piramal: Okay, thank you.