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"Healthcare Global Enterprises Limited Q4 FY-17 Earnings Conference Call"

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Moderator: Ladies and gentlemen, good day and welcome to the Healthcare Global Enterprises' Q4 & Financial Year 2017 Earnings Conference Call. As a reminder, all participants' 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 telephone. I would now like to hand the conference over to Mr. Niraj Didwania– Head (Strategy & IR). Thank you and over to you, sir.

Niraj Didwania: Thank you, good evening and a very warm welcome to all participants to Healthcare Global Enterprises Limited's Q4 & Full Financial Year 2017 Earnings call. Today we have with us Dr. BS Ajaikumar– Chairman & CEO of HCG along with the management to share highlights of our business and financials. We have also uploaded our Earnings Update Presentation to stock exchanges and also shared the same through our mailers. So, without further ado, I handover the call to Dr. BS Ajaikumar.

Dr. BS Ajaikumar: Thank you, Niraj and once again good evening and welcome. We are pleased to report strong Results for Q4 and the fiscal year 2017 which incidentally marks the first full year since HCG went public. We are particularly pleased with the progress we have made over the year strengthening our presence in Gujarat and also the performance of our new cancer centers which were nearing breakeven point ahead of plan.

Apart from Gujarat we are also very positive about our growth in Maharashtra with the upcoming launch of the three new comprehensive cancer centers which includes Borivali, Nagpur and South Mumbai and significant expansion and strengthening of our relationship with our partner in Nasik. When these centers start functioning we will have a strong leadership position in the State of Maharashtra.

I would also like to announce that a new flagship comprehensive cancer center is being established in Gurgaon in the NCR area which will have the most advanced technology in cancer care with a potential for proton therapy. With our recently launched center in Kanpur our upcoming center in Jaipur we can now more effectively serve cancer patients in Northern India. I am very happy with the progress we have made over the years towards making high quality cancer care accessible to all.

I will share a few business highlights. Strong growth in Gujarat in the Q4 further strengthening HCG's market leadership in the state; new cancer centers in Kalaburgi, Baroda and Vizag continue to ramp satisfactorily resulting the significant reduction in the overall losses from new centers in the quarter. New comprehensive cancer center in Kanpur commenced operations. New Milann's centers in Delhi, Mumbai and Chandigarh, contributing strong revenue growth in the quarter.

Now I would like to handover to Yogesh Patel, our CFO to discuss the financials. Yogesh?

Yogesh Patel: Thank you, doctor. My greetings to everybody on the call. The financial highlight for the Quarter 4 2017, our consolidated revenue was Rs. 1,824 million as compared to Rs. 1,550 million in the corresponding quarter of the previous year, a growth of 18%. The consolidated profit before other income deprecations and amortizations, finance cost, exceptional items and taxes and otherwise EBITDA was Rs. 300 million as compared to Rs. 249 million in the corresponding quarter of the previous year translating to a growth of 20%.

The PBT was Rs. 117 million as compared to Rs. 29 million in the same period last year, an increase of 305%. Whereas the PAT was Rs. 69 million in the quarter as compared to Rs. 29 million in the same quarter previous year. This fourth quarter result gives us a full year performance of Rs. 700 crores on revenue for the full year as compared to Rs. 584 crores in the previous year translating to a revenue increase of 20% year-on-year.

The EBITDA stood for the full year at Rs. 105 crores against Rs. 84.8 crores in the previous year translating to a 24% growth. PBT was Rs. 34.8 crores as compared to Rs. 6.4 crores in the previous year, an increase of 448% whereas the PAT was Rs. 22 crores in this year as compared to Rs. 105 crores in the previous year.

I would next also bring up our current capital expenditure and the debt position. This full year we incurred a CAPEX of about Rs. 210 crores split between about Rs. 12 crores in our Milann business whereas the balance amount of Rs. 198 crores were spent in the HCG centers of which new centers took Rs. 134 crores and balance went towards expansion of our existing operations and units.

This amount that got spent was funded obviously through a certain portion of debt, a combination of internal accruals and equity contributions. In terms of debt, our total net debt for the year stood at Rs. 306 crores and major components being of bank debt of Rs. 132 crores and vendor finance of Rs. 183 crores. Our debt excluding new centers was bit lower from what it was in last year March from Rs. 104 crores vis-à-vis Rs. 108 crores last March.

With this I will hand it back to doctor for the business updates.

Dr. BS Ajaikumar: Thanks, Yogesh. I would like to talk on few things about the operation metrics for FY17. We have an increase of 218 in bed capacity from new centers; net of optimization at our Bangalore Cares and DR centers and restructuring at Delhi. 247 beds added at Vizag, Baroda and Kanpur; 77 beds were part of expanded relationship with partners in Nasik and 106 beds reduced as KRDR optimization and Delhi restructuring.

Also we had a 9.3% increase in beds capacity based on the above reflecting growth in the admissions from both new and existing centers offset by lower ALOS. 9.7% increase in ARPOB driven by adoption of new technologies across the network offset by lower ARPOB at new centers. Reduction in ALOS is in line with trend towards day care procedures and changing patient’s profile.

Regarding our Bangalore center, few highlights are successful commercialization of new technologies like robotic surgery, 175 plus robotic surgery procedures completed, Optimization of capacity 41 beds reduced YoY, continued focused on improving payer profile, EBITDA margin expansion YoY of 2.7% and ROCE in FY17 increased to 20.4% from 16.3% in FY 2016.

Let us look at some regional highlights. I would like to point out Karnataka positive EBITDA at Gulbarga in FY17, focus on service mix, bed optimization and margin improvement showing a margin improvement up to 24.8%. In Gujarat, Baroda center is close to breakeven; EBITDA margin of existing centers at 20% in Q4 and 18% for FY17. PET scan and Tomotherapy expansion is completed in Ahmedabad Cancer Center and successfully functioning now.

In East India improving payer mix and realizations ARPOB grew by 14% in Q4 FY17 YoY and reduction in ALOS at Cuttack center which again shows an EBITDA margin of 26.1%. Adding a few words about our expansion strategy. As I mentioned briefly, in Maharashtra we are now expanding significantly. Our expansion is happening in four new centers adding 400 beds launching in FY18. Centers in Borivali, South Mumbai Cooperage, Nagpur and as I mentioned expansion in Nasik is happening.

Also in North India which is extremely populated, we are strengthening our presence by adding three new centers with 218 beds. Kanpur center has been now operational. Jaipur and Delhi are being added and as I mentioned Delhi will be a center of excellence with comprehensive cancer centers in Gurgaon area of NCR.

Few words about Milann, expansion is on track and we have successful launched Mumbai Milann and Milann has ranked number one nationally for the second consecutive year by Times of India for all India fertility and IVF rating in 2017. The growth in registration, IVF cycle’s and revenue has seems very healthy as you can see.

At this point I would like to just give a project update. As I mentioned Vishakhapatnam completed in Q1 of FY17, the project has started. Baroda project, completed in Q1 FY17 has also become functional. Kanpur started with a 90-bed capacity in Q4 of FY17. Borivali is about to be launched in Q1 of FY18. Nagpur also will be in Q1 of FY18 with Borivali with 105 beds and Nagpur with 115 beds. South Mumbai will be launched in Q3 of FY18 with bed strength of 32 and Nasik expansion will have bed strength of 92 being launched in Q3 of FY18.

Calcutta will be launched in Q3 of FY18 and Jaipur will be launched in Q3 of FY18 with 40-bed strength. Three new Milann centers were operational during the FY17 and additional two new Milann center by September of 2017. Delhi is started in Q1 of 2017, Chandigarh started in Q3 of FY17; Mumbai Q4 of FY17 and Cuttack will be starting in Q2 of FY18 and Ahmedabad in Q2 of FY18.

As you can see from this we are well placed for this coming year with a good expansion and also existing centers also expanding and we believe with the plan we have for this year is on track and we should be able to have a good growth and as we see future also good opportunities for our growth happening.

With this, I will now handover to Niraj and I think we will open for Q&A, Niraj.

Niraj Didwania: Thank you so much, Dr. Ajai and Yogesh. I would like to actually apologize, I think some of you have not got the presentation, there has been some technical issue, I have been getting some messages. We have actually checked and reconfirmed the presentation is available on HCGEL website. So, I think the uploading on the exchange could have taken some time. But it is available on the website, so please in case you have not received the presentation, please download it from there.

And with that, we will open for Q&A.

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

We have the first question from the line of Balthazar Florentin-Lee from Sloane Robinson.Please go ahead.

Balthazar Florentin-Lee: I was just wondering if you could give us some insights into what your expected breakeven time is for these new projects and how that has evolved from previous breakeven times?

Dr. BS Ajaikumar: As far as EBITDA breakeven, most of our projects breakeven within the 12 to 18 months period. Sometimes we have positive surprises where they breakeven before 12 months. So the usual standard is between 12 to 18 months. Like in the Gulbarga project, which broke even in less than a year. And Kanpur also may breakeven within less than a year as well as the Baroda which we have broken even the first year. So our model is such the way we use, with usually that breakeven happens within that period.

Balthazar Florentin-Lee: And is it fair to say that as you grow and gain scale and your reputation for excellence has cemented, you are securing better terms for your local partners that mean the breakeven times could be shorter in the future?

Dr. BS Ajaikumar: I do not know whether that will happen necessarily. It depends on the partner obviously. If we have a strong partner of course it may not happen. But I think the way we look at it is very long term and that is why for us the partner model is become very good and we look at actually fairness for both us and the partner because long-term relationship is very important and the long-term growth is what we look at. Because of that I think we are quite content with this breakeven. But wherever the opportunity comes where we can try to have an agreement where we can breakeven and certainly we do that. And we have shown that in the past where we have been capable of doing it.

And other things also come in the way. For example, when you do a center in Mumbai, an independent cancer center, we will be the only private cancer center. Of course, when because we do not hold any real estate. Some of these issues will come, the rent the real estate and when we break even. So it is very much also local and regional also. So some of those factors which also play a part in when we break even.

Moderator: Thank you. We have the next question from the line of Chandramauli Mathai from Goldman Sachs. Please go ahead.

Chandramauli Mathai: My first question is on the seasonality effect in the upcoming Q1 quarter. So typically, Q1 and Q3 of the fiscal year is seasonally more challenging quarters for you. I am just wondering with the opening of the Kanpur center and with the opening of both Borivali and Nagpur or to schedule for later this quarter. Are you confident of growing revenues on a sequential basis in Q1 versus the Q4 quarter?

Yogesh Patel: So Chandramauli, we hear you but we will have a policy of no guidance per se for future periods. So cannot answer this specifically.

Chandramauli Mathai: Okay I appreciate that. My second question is on the other operating income and other income space. So typically, on a quarterly basis so far we have had a split between other operating income and other income but I think in this quarter we only got other income as a whole. So I would appreciate if you could tell us some color on the split between the two items?

Gangadhar Ganpati: Our understanding is the other operating income is included in revenue. And the other income is part of the EBITDA.

Chandramauli Mathai: And my last question is just a housekeeping one. You had spoken about 35% to 36% tax rate in the past. This quarter was low, it was only about 31% and I think the full year also was slightly below that range. So how do you think about the tax rate going forward?

Yogesh Patel: So on an annual basis our tax rate remains 34% and that quarter number would obviously be the way the audit process works which is full year minus three quarters.

Chandramauli Mathai: So this is the decent range to keep in mind going forward, right?

Yogesh Patel: Yes.

Moderator: Thank you. The next question is from the line of Nitin Agrawal from IDFC Securities. Please go ahead.

Nitin Agrawal: On the Delhi expansion that you mentioned, what are the timelines for the expansion and the kind of cost which are involved there?

Dr. BS Ajaikumar: I think regarding the Delhi expansion we are looking at about 18 months to two years. This is for the regular comprehensive cancer centers. Obviously, the plan for the proton therapy will be a different time line which we are working on. So as far as the cost is concerned we will be sharing those costs shortly once the whole project cost is completed.

Nitin Agrawal: So, this is more like in FY19 launch or you think probably more like FY20 commissioning?

Dr. BS Ajaikumar: Yes.

Nitin Agrawal: So doctor, you have highlighted what is there for FY18. So is there nothing on the table I mean so we probably will see a phase where nothing much will get commercialized in FY19 or there are certain projects which may come through over the next few quarters which get commissioned in FY19 or we should look at FY19 as a pure consolidation for the business?

Niraj Didwania: Hi Nitin, this is Niraj. So what we have actually guided for is the next five projects that are opening up in FY18. Apart from these also there are two committed projects which are Bhavnagar and Kochi which is announced projects at various stages of completion. We are currently not given the exact quarter in which they will open. They will be expected to open somewhere in calendar 2018. Exact quarter we will come back with guidance on the quarter and exact project cost shortly. But there are other projects which are announced and committed which are in the pipeline and at various stages of completion.

Nitin Agrawal: And in terms of our debt, what is the expectation for our peak debt levels when the expansion plan that we have for the next couple of years versus the level that we have this year?

Yogesh Patel: So again from a number perspective not the exact guidance but from a project which are on the handle right now which we have announced and coming to close within this fiscal. We would have our additional CAPEX to be incurred in the range of Rs. 200 crores itself. So obviously this needs to be again funded through the similar outset from internal accruals as well as debt.

Nitin Agrawal: This Rs. 200 crores for FY18?

Dr. BS Ajaikumar: Yes. And that is the CAPEX which will get a mix of debt and the internal accrual. So there will be an increase in debt for the balance portion. The debt portion per se has a mix of two elements which is the rupee borrowing from India and then there is vendor financing where our medical equipments gets funded itself over a three-year period. There is a deferred payment obligation structure.

Nitin Agrawal: And sir, this Rs. 200 crores will include probably the maintenance CAPEX also, this is the aggregate CAPEX or maintenance CAPEX will be over and above this?

Dr. BS Ajaikumar: This is included, maintenance CAPEX.

Moderator: Thank you. The next question is from the line of Harith Ahamed from Spark Capital. Please go ahead.

Harith Ahamed: I am just trying to understand this line item other financial liabilities both current and non-current in your balance sheet. What exactly is this item?

Gangadhara Ganpati: We will come back to you on this question. Maybe we can take the next question while we will just confirm you the details. Is that okay?

Harith Ahamed: Yes, that is okay. And on the minority interest there is an increase in this quarter. So which subsidiary is driving this?

Yogesh Patel: So the question is why the minority, could you just repeat the question for me please?

Harith Ahamed: Yes, so the minority share of profits has increased in this quarter.

Yogesh Patel: Yes, so I mean the whole cycle of our new centers as we go live there is a cycle of it being a gradually turning EBITDA positive and growing from there. So whatever new centers we launched in our partnership in Baroda, Bhavnagar etc., would have improved takers and obviously year-on-year the minority profit share would have increased, that is the case. This also will be a factor of that in Q3 and Q4 as our Kanpur center went live which means there is no new additional loss but also got added from the new centers in this fiscal quarter and the large half of the fiscal.

Harith Ahamed: And lastly, the existing hospital margins have improved quite sharply this quarter. So can you throw additional color on that? So this quarter you have reported EBITDA margin of 19.3% for the existing hospitals network excluding the new hospitals and this was an improvement from 17.3% last quarter. So that is a strong improvement, just trying to understand the details around that?

Yogesh Patel: So this has a combination of or mix of treatment which gets done. Payer mix as well and obviously as the revenue scales up I mean there is economies of scales which are matured centers that derive.

Moderator: Thank you. Next question is from the line of Nagraj Pawar from Value Quest. Please go ahead.

Nagraj Pawar: You have a large exposure in Karnataka State; the growth in this state is lower compared to other states. So is there any specific reason?

Dr. BS Ajaikumar: I think we have briefly touched on in the Karnataka State; Bangalore as you know is our center of excellence. And when we look at Bangalore we are looking at more mixed change in Bangalore where we are looking at some more say high-end technology with a better ARPOB and better EBITDA margins. And that is why we will see for a while when this change over is happening and also focus is on more international patient's destinations.

While this is happening, we are going to see less of government scheme patients which are like EHS and ESI and or Arogya Programs. So when this transition phase you are going to see the revenue growth a little bit strengthened but mix will be better showing a better EBITDA and EBITDA margin. So this over a period of time will correct wherever revenue growth will happen again.

Yogesh Patel: Before you go I think let me does the question on our other financial liabilities portion. So this liability what is mentioned in our balance sheet comes out of the IndAS provision where the put option which we have in couple of our subsidiary contracts with a minority interest partner needs to be valued and shown separately in the balance sheet. So this is the potential liability value of those put options valued on a fair valuation basis.

Moderator: Thank you. We have the next question from the line of Amish Kanani from JM Financial. Please go ahead.

Amish Kanani: Sir, if you can explain us a typical partnership model that we have been entering what are the key features of profit sharing and how do you?

Dr. BS Ajaikumar: I think a typical partner we normally like to have is somebody who is an oncologist in our partners. Usually oncologists like you take the example of Baroda where Dr. Rajiv that is our partner, he is a renowned surgical oncologist practicing in Baroda for quite some time and he was looking at a comprehensive cancer center where he could be a partner and he had already seen how we have done in Ahmedabad with the surgical group for last several years.

So based on that we have come up with a mutual partner JV where he is a 26% partner, we are 74% partner. With this both of us invest; he will also invest, we also invest and together we normally do not like to take real estate so we together we ask the builder to build the center to our specification and he is the practicing surgical oncologist so he builds the team around that, we build the team of radiation, medical oncologists and together it becomes a very viable center because he already will have local standing, we have a national standing. So it kind of brings the best of both worlds. So that is why the center in the first few months itself started seeing nearly 200 new patients.

Amish Kanani: Sir, so out of I think 20 plus centers that we have how many are on the partnership base model, sir or is it a new phenomena?

Dr. BS Ajaikumar: Right now, we have only seven in the partner model at this point.

Amish Kanani: And all have 26% stake, sir?

Dr. BS Ajaikumar: No, some one or two have actually 49% stake.

Amish Kanani: And sir, since that we have shown profit this year is there any thought process surrounding the dividend if any and whether the board had discussed that or are we is it too soon to?

Dr. BS Ajaikumar: Yes, it is really too soon because we are a new growth company, we are looking at follow through. So we really want to really utilize the funds for our growth as there are so much opportunities and that is what I think shareholders will really appreciate.

Amish Kanani: Yes sir. I think the kind of breakeven and the numbers that we are showing definitely the money can be put to good use by expansion.

Moderator: Thank you. The next question is from the line of Akshay Ravi from Arete Advisors. Please go ahead.

Akshay Ravi: This question in line was around the Milann business line. So what kind of potential do we see for this business line going forward? Right now, it is about Rs. 600 million odd businesses. Are we saying this is like a Rs. 2 billion to Rs. 3 billion business and what kind of unit economic would work typically?

Dr. BS Ajaikumar: Normally the unit economics is about Rs. 5 crores to Rs. 8 crores investment for each center and this is excluding the real estate part of it. As far as growth it has been an unorganized structure until now. So we being leaders we are trying to organize and doing across country. So there is certainly a significant growth opportunity for the future.

I cannot give you dollars and cents number but we do see good growth in the next several years obviously particularly since we have a good brand name and Kamini Rao now being in the forefront who is being the leader and the first movers in this field and yes, she has got a large training program. So we see very positive growth happening in the next several years.

Akshay Ravi: But for a typical unit center what kind of revenue and EBITDA margins you target?

Niraj Didwania: So Akshay, this is Niraj. So as Dr. Ajai said that typically the investment in a new fertility center could be anywhere from Rs. 5 crores to Rs. 6 crores. We have actually done some centers which are lower investment also. And then the revenue potential obviously depends on which is the location and what is the range of services we are offering there.

For example, the center like Delhi without giving complete details we invested about Rs. 6 crores, Rs. 7 crores and we are at very healthy revenue already in the first full year of operation. So this has a potential to do high asset turns very quickly and it is very low CAPEX to start with. Also on the opportunity I want to just add and give you a landscape. There are two dual demand drivers that are fueling the prospect for fertility.

One is obviously the changing lifestyles the working couples and late marriages and stress and the eating habits and all of that which is the whole Indian population is going through as part of westernization and development. The other is also the Indian social structure where there is a huge emphasize placed on having a kid or a next line.

So both of these are together driving the demand curve and then we are among the leaders in terms of not just the quality of offering but also our profitability. So that is where I think without add to that we are giving you numbers we are basically we feel that we are among the leaders to sort of capitalize on this opportunity.

Akshay Ravi: And just one small follow up on this. Going through your presentation if I just look a quick estimate here so I think on a per cycle basis the average realization is about Rs. 3.5 lakhs, would this be at par and do we see a lot of scope on driving increase in realization going forward?

Dr. BS Ajaikumar: I do not think we would like to comment on that but we already know this opportunity whether there is any better realization.

Niraj Didwania: Yes, we would not want to comment on our realization perspective because it includes centers that we have recently opened up and there are various services that we provide. So we would not like to comment on. There are various parameters that determine that.

Moderator: Thank you. We will move to the next question from the line of Hitesh Mahida from HDFC Life. Please go ahead.

Hitesh Mahida: Sir, just wanted to know what would your margin guidance going ahead I mean will we still continue to see your margin improvement in FY18 considering that there are so many centers which are coming up?

Dr. BS Ajaikumar: At this point, certainly with the new centers coming up there is always a challenge till those new centers breakeven. So we are pretty much okay with the margin. As I mentioned before some of the new centers opening will have a stress on the margin. So we will have to since we do not give any guidance, I do not want to talk about it but we think we are quite stable at this point.

Hitesh Mahida: But directionally will we continue to see the improvement which we have been seeing?

Dr. BS Ajaikumar: Existing centers definitely will see the improvement.

Hitesh Mahida: And sir, secondly, I was going through your presentation, has there been any reduction in the number of beds in our Bangalore center from 317 to 276?

Dr. BS Ajaikumar: Yes, I think as I mentioned the reason which we talked about in the past also, as we go in to high technology and go into the more and more outpatient facility like this Bangalore center was built in 2004/2005 and the entire oncology at that time it was a 275-bedded center. As we go into the more and more daycare the entire radiation is daycare, chemotherapy is also mostly now what used to be three, four days admission, today it is not even overnight.

So majority of the patients actually come take treatment and go home which is what they like. And also the surgery what used to take long surgery symptoms or long stay today which minimally invasive surgery, robotic surgery which we are doing and side effects are less now with cancer treatment even chemotherapy side effects, the radiation side effects complications you know people when I first started practice even in US people used to be admitted for side effects of treatment.

So wards used to be full and the so-called last stage patient having pain control, now all of that is gone. Today even in last five years there has been a paradigm shift where people are not having side effects. Like if I give IMRT/IGRT, Tomotherapy, CyberKnife, prostate cancer or cervix cancer no side effects. People go home with actually no urinary problem, so no need for admission. Similarly, complications from treatment, there used to be complications from chemotherapy like low blood count, the infection, pneumonia; half the ward used to be full of these patients ten years ago.

Today you know we do GCS up and all where patients get good blood counts, they do not come to the hospital for sickness or infection. So the whole domain knowledge as we become stronger and technology improves and there are various things. We are treating cancer like an outpatient therapy. So whatever things we built obviously we do not need now. So that is the reason some of the high technology comprehensive centers are decreasing and in future as we build centers we are also building small centers now.

So that is the future. As we notice our ALOS also is coming down significantly. And one of the cardiologists was telling about me his ALOS; I said even in oncology our ALOS is better than him. So it has changed significantly now.

Niraj Didwania: Also to add Hitesh, we have reported the reduction in bed from Q1 onwards. So there is not been any fresh reduction of beds.

Moderator: Thank you. The next question is from the line of Nagraj Pawar from Value Quest. Please go ahead.

Nagraj Pawar: Sir, can you give me just the region wise EBITDA margin if it is possible?

Dr. BS Ajaikumar: Yes it is here. I think the Karnataka region EBITDA margin is 24.8%. The Gujarat region is 12.2% and the EBITDA margin of the existing centers in Gujarat is 20% for Q4 and for the whole year is 18%. And then you have for the East India the EBITDA margin is 26.1%.

Moderator: Thank you. As there are no further questions from the participants, I would now like to handover the floor to Mr. Niraj Didwania for his closing comments. Over to you, sir.

Niraj Didwania: So thank you everybody for joining the call. It has been a remarkable year for us as a public limited company and we truly undergone transformation. Obviously, we have launched some of the new centers and they have given us a lot of positive responses given us more confidence as we enter the New Year where we have a lot more CAPEX and the new centers coming.

One of the things I want to highlight is so far we have had the Karnataka, Gujarat and East India as the key regions of focus and key business drivers. In the next few quarters we will also have a substantial focus and penetration of presence in Maharashtra and New Delhi and North India which is what we are excited about. And we look forward to being in touch and any questions you can always address it to us. Thank you so much.

Dr. BS Ajaikumar: Once again thank you all. Thanks for joining us. Thank you.

Moderator: Thank you very much, sir. Ladies and gentlemen, on behalf of Healthcare Global Enterprises, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.