



**ARMAN FINANCIAL SERVICES LTD.**

**“Arman Financial Services Limited  
Q2 FY2019 Earnings Conference Call”**

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**ARMAN FINANCIAL SERVICES LTD.**



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**Moderator:** Ladies and gentlemen, good day and welcome to Arman Financial Services Limited Q2 FY2019 Earnings Conference Call hosted by Antique Stock Broking Limited. 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 now hand the conference over to Mr. Digant Haria from Antique Stock Broking. Thank you and over to you Sir!

**Digant Haria:** Very good afternoon to all of you. We apologize for five minutes of delay on this call. So without much ado I will just introduce the team. Today, we have Aalok Patel, we have Amit Bhai and we have Vivek from team Arman to take us through how the last quarter was and how the events of the last two months are shaping up and any new impact on Arman. Over to you Aalok!

**Aalok Patel:** Thanks a lot Digant. Thank you everyone, good afternoon to all of you, hopefully I am audible to everybody on call, if not moderator please interrupt me. Thank you for joining us for the second quarter investor call for fiscal 2019. I am joined on the call by Amit Bhai and Vivek, who are part of accounts and finance.

Firstly, we have issued the press release for the past quarter and hopefully everyone had a chance to review it. If not, it is available on the company website and on the stock exchanges.

As you would have seen from the results, we have had a good quarter by any measure. Consolidated PAT for the quarter was Rs.5.41 Crores compared to Rs.80 Lakhs the same quarter the previous year, this is a 576% increase. The same quarter the previous year is of course not very comparable as we were still dealing under the effects of demonetization.

Comparing Q1 FY2019 versus Q2 FY2019 shows a PAT growth of 17%, which is from Rs.4.61 Crores to Rs.5.41 Crores. Consolidated PAT for the half year was equally encouraging. PAT crossed Rs.10 Crores compared to Rs.1.74 Crores the same period the previous year. This is a 476% growth. Just for comparison purposes, the consolidated PAT for the entire previous fiscal year was Rs.7.3 Crores, so in six months alone we have already surpassed the previous year's profit by 37%.

The total AUM of the company has grown from Rs.296 Crores as on September 2017 to Rs.519 Crores on September 2018, this represents a solid 75% increase in AUM over one year. The number of active customers increased from Rs.1.65 Lakhs to Rs.3.06 Lakhs during the same period, which is an 85% increase. So most of our portfolio growth came from adding new clients.

Despite the ongoing liquidity crises in the market, which we will discuss in detail a little later, the AUM increased 17% from the last quarter, which is Q1 FY2019. Disbursements are pretty solid as well and so far we are on target with our projections for the year. Disbursements for the quarter almost touched



Rs.200 Crores, which is the highest disbursement in a quarter till date. For six months ended, we have achieved a consolidated disbursement of Rs.355 Crores.

In the microfinance segment, we are experiencing a good growth, thanks to our branch expansion activities we have undertaken in the past 12 months. In October, we opened our first three branches in Rajasthan. We will be expanding cautiously into this new state in the coming 12 months. The AUM of this segment has reached Rs.368 Crores. The new MSME division, which caters to rural business owners for loans up to 1.5 Lakhs, is growing wonderfully. Disbursements are increasing as per plan and the asset quality so far is great with only 30 overdue accounts out of 21000 customers.

The AUM of this portfolio has almost touched Rs.65 Crores at the end of September. One point to note is that this is a new division, we are deliberately growing slow based on our conservative DNA. Once we get a mental comfort with this business, we are committed to expand this division to a meaningful percentage of the consolidated portfolio.

The two-wheeler division also continues to be strong and resilient as always. The past busy season for two wheeler sales was negatively impacted in the market due to a Supreme Court order, which makes it mandatory to issue a five-year third party insurance cover for new two-wheeler's, this increases the initial upfront cost of the vehicle to the consumer by anywhere from Rs. 3000 to Rs. 8000. Despite this negative headwind, AUM for the division increased to over Rs.95 Crores. As we have mentioned in the past quarter, we are proud again to note that 100% of our disbursements in all three divisions have become cashless. This significantly reduced our cash rates and increased our controls, it has also helped us lowering our operating cost. While the transition has marginally impacted disbursements and AUM growth and there were of course teething issues with operations, the minor pain we feel as well were the effort for the long-term benefits of cashless disbursements.

We were one of the first MFIs in India that have managed to shift to 100% cashless disbursement in one of the few handfuls in the market that have managed going 100% till date. At the end of the quarter, we have our presence in five states and operate through 159 branches. Since the last quarter, we have opened 15 new branches of which two were in MSME and the balance were in the MFI business.

We have put a hold on opening any further branches in Q3 due to the ongoing liquidity issues in the NBFC market. Now speaking of the liquidity issue, I think it is time to address the elephant in the room, which is vis-à-vis, how has the ongoing liquidity problems in the market affected Arman. I am sure the people listening on this call are more in tune with the current margin conditions and how and why the crisis has emerged than I have. So I do not want to waste too much time on macroeconomic causes and effects; however first and foremost let me assure you that Arman and Namra faces no insolvency risk. We have a positive ALM because we use relatively long-term debt to fund short-term loans. The loan tenure to our customers range from 12 to 24 months, while our borrowing tenures ranges from 24 to 42 months.



Second, this is the crisis of confidence. Most of the smaller and midsize NBFCs do not access the CP market or other money market instruments. NBFCs come in all prices and flavors and you cannot categorize all NBFCs into one broad category.

Yes, there are a few NBFCs, which have long-term assets financed with short-term debt. In that case, there is a risk of default even if the fundamentals are strong within the company. So anyway, starting with some good news I am happy to note that so far our plant disbursements have not been impacted. We had sufficient cash flows in the pipeline, when the crisis began and in most cases we have been able to pull undrawn sanctions.

We have also had another \$4 million NCD transaction in Arman in the past quarter. We maintain excellent relationships with our banks and financial institutions and by our estimates we have enough liquidity in the pipeline to ensure plan disbursements until the end of Q3. Going into Q4, however, things start to get a little bit more blurry, I do not anticipate any issues. However, in the worst-case scenario if the liquidity situation gets worst, we would have to reduce our disbursement targets.

The cost of borrowing would also increase in the short-term. I would like to stress again that even in the worst-case scenario we have a very strong board review ALM and there is absolutely risk due to market liquidity conditions. I do not anticipate liquidity conditions to get worse, in fact I see the conditions slowly improving.

So, on that positive note as always ladies and gentlemen we are thankful for the whole Arman team for their hard work and thankful for all of you for your support and encouragement. Thank you once again and I would like to open the call for questions.

**Moderator:** Thank you very much. Ladies and gentlemen, we will now begin the question and answer session. First question is from the line of Amit Mantri from 2Point2 Capital. Please go ahead.

**Amit Mantri:** First of all, congratulations on very good numbers with a lot of growth in all segments of Arman's business, which is quite positive and the asset quality also seems to be holding up very well. So my question is again since you have been growing so strong and assuming that with the liquidity problems getting resolved in the market, you will continue to disburse as per your original plans, then what happens six to nine months later when probably you will again be required to raise additional equity for future growth? So till what runway do we have in our current plans where we would not require to raise new equity?

**Aalok Patel:** First of all thank you for your nice comment. I think it is starting off with the question from the very beginning. Yes you are right. I do not think that we will require equity so quickly and not in six or nine months from today. We have sufficient capital as per our estimates to take us to at least about Rs.900 to optimistically a Rs.1000 Crores of AUM and that is probably stretching it a little bit. So until then, we do not have plans to raise equity, but after that upwards we will have to – so in about four to five



quarters we will have to consider raising more equity and as far as this round goes or the next round goes I want to make sure that it counts. So I do not plan or I do not think that we plan to continue and keep raising equity because once the portfolio reaches a certain size I am sure the growth will probably slowdown to a certain extent, but I do not have the exact answer for you as of today unfortunately, but yes the short answer is definitely there has to be another round, but when and what quantum that will be I think we are still at a discussions stage.

**Amit Mantri:**

Sure. So in your microfinance business, you have a fair bit of competition from the small finance banks which in the commentary said that since they do not have any liquidity issues and the smaller MFIs are facing liquidity challenges which should mean that there will be market share gains by the small finance banks and the banks themselves in comparison to smaller MFIs. So what does this mean for the future of both the MFIs and Arman as well?

**Aalok Patel:**

See first of all, I am not completely sure that all asset base are not facing liquidity issues. Some of them are facing liquidity issues and as far as my market knowledge is concerned many of them have slowed down disbursements. So while there are some of them that are taking advantage of the situation who are well capitalized or have sufficient liquidity available, there are others who are slowing down or pulling back as well. So I do not foresee too much of an issue from the SFB. That being said competition is very real in the market and certainly we tried to combat that by being at the right place, at the right time, providing better service and all of the other stuffs, which I am sure you are hearing time and time again.

The other part to note is India is a very large country and the application that we serve is again enormous. So just to kind of give you a little background that when I started in microfinance the expectation was that all the money lenders or the informal segments will go out of business in the question of two or three years. If you go to the ground level that is not the case. They are still doing business along with the Shroffs and the moneylenders and everybody. So, there is enough room for everybody to operate because the market is broad enough.

**Amit Mantri:**

Next question was on the MSME business, the NPAs there just seem too good to be true, that is a great outcome and what do you make of it? Is this also like a segment like microfinance where you have one year where the NPAs will significantly shoot up and other years will be very low? Is the nature of business similar to the microfinance segment?

**Aalok Patel:**

It is similar. It is basically microfinance plus or microfinance 2.0, just right now there is not a lot of problem we face, so we are sort of cherry picking our customers, we have a pretty large rejection rate and you are right the number seem quite unbelievable, but I assure you they are true and it is a little hard for me to believe as well to be honest with you because I was expecting somewhere around 1% or 2% NPA by now, but no I do not think I really want to Jim fetch let the good days continue for as long as possible, but yes it is not possible for these numbers to remain sustainable for the long-term once our balance sheet size grows, once we expand geographically. I expect it will settle at around 1% or 2%.



Earlier when I started it, I was expecting around 3% but that seemed a little bit too pessimistic of an approach at then, so I am probably revising myself mentally to say that about 2% in the long run, but right now we are just enjoying the environment as much as we can.

**Amit Mantri:** And on the two wheeler business growth, if you look at the disbursements, they have not increased on a Q-o-Q or a Y-o-Y basis; however, your loan book growth has increased, so it suggest that repayments have been much lower than the historical trend. So what explains here?

**Aalok Patel:** Repayments are there, there is inflation which is causing the cost of the product, cost of the vehicle has increased by about 10%, 15%, tenures have sort of increased a little bit as well to cover the cost of vehicle, so those kinds of factors are there, but two wheeler I will say the dealer had a pretty bad season this year and comparatively to be very honest with you we did not manage meeting our targets as well because of the new Supreme Court order that came that said that the two wheeler vehicles whenever you buy new one you have to insure it for five years straight. Earlier, it was the full insurance, then I think they cut it down to third party only but that still increases the cost by Rs. 3000 to Rs. 7000, Rs. 8000 and the segment of customers we deal with do not have that extra mark, so it was not a very good season all around and by season I mean the time from Navratri to Diwali, so that is basically the busy season or around the late second quarter to early third quarter is the busiest time for two wheeler sales. So that was not as per expectation unfortunately and that is the case with all the two wheeler manufacturers, financiers, whatever you want to call it. So that is the case for two wheeler, but otherwise for us it is a very resilient division. Macroeconomic things do not affect it too much in the long run and it is stable and it is growing at a stable rate year-on-year.

**Amit Mantri:** Thank you for now. I will come back in the queue for further questions.

**Moderator:** Thank you. We have the next question from the line of Digant Haria from Antique. Please go ahead.

**Digant Haria:** I also had two questions, so much has happened here in Mumbai. Thankfully you guys a little away from Mumbai, so I am sure two months would have been a little better but Aalok the question is mainly in terms of state level trends. We again began to hear that Odisha was such a nice state two years ago, but lot of overcrowding has somewhat happened in Odisha, so in that way like if you can just throw a little bit of state wise - wherever we are present like Gujarat, Madhya Pradesh, Uttar Pradesh, our three key states, like how are we seeing the surrounding ecosystem in those areas?

**Aalok Patel:** Sure Digant. So first of all you are right. So let me just give you a little bit of background from when the problems arise in microfinance how they come. So when people typically say 1% cost or 1% NPA or whatever, those are usually caused by certain hot pockets in one district on other, if it is a bad year it could be one state or another natural disaster and yes you are hearing about some heating up, which is happening in Odisha. I am hearing about some heating that is also happening in the Northeast or Eastern side of India as well. So these things do happen from time-to-time. In our case also, like if you look at -- what happens is in microfinance when the problems come in a certain area, they come with a



battalion and when there is good weather in a certain area then you have no problems. I still have plenty of branches, over half of my branches, which completely have zero overdue, they are absolutely not even Rs.1 of overdue and there are certain branches which might have 10%, 15% also. So by average it will come to 1%. The fact is after doing this for so many years you can handle these kinds of situations whenever they do come up while demonetization was such a unique event because it happened country wide, so you were fighting one fire fight but you were fighting 150 places or if you have 150 branches. So those kinds of events are quite difficult to manage, but as far as the localized fires or wild fires that erupt from now and occasionally I think we have all MFIs are well suited to deal with those. As far as Arman's portfolio or especially the MFI book portfolio is concerned, so earlier on I think about a year and a half ago maybe a little more than that almost 80% of our portfolio was in Gujarat, about two years ago.

Now we have reduced it to almost 33%, so only 1/3rd of the portfolio is in Gujarat and Madhya Pradesh we have about 25%, Maharashtra about 20%, another 22%, 23% in UP and a negligible 1% is in Uttarakhand. We are opening up Rajasthan as well. So as we keep diversifying geographically, I think these state level issues or district level issues that come up we will have less and less impact on balance sheet.

Comments on the states we are in see I do not foresee any large issue or I am not expecting any large issue in any of the states. UP people are always concerned about, but I do not foresee any political things coming up besides maybe elections in the near future. MP has state elections this month, so we are going slow on those disbursements, but we always do that. So it is nothing new for us. Whenever there are state elections or local elections going on, we always cut down on our disbursement after this. And Maharashtra and Gujarat are behaving great right now. Another thing to notice that we try to typically not go into areas which have a large concentration of MFIs. Now that does not always workout because if you are an early mover into that area, nothing prevents the other people from coming in, but by far and large at least in the newer states like UP and Maharashtra we have not entered into areas where there are significantly large portion of MFIs or the concentration risk is very, very high. So, hopefully that helps Digant.

**Digant Haria:**

Right. Perfect. That was helpful Aalok. Second is in terms of operating cost, we have opened a lot of branches and I think we were at maybe 70 branches around demon and we are at 135 now, so it is practically like we have doubled the number of branches and similarly our operating expenses have also doubled from say Rs.5 Crores a quarter to almost Rs.10, Rs.11 Crores of runrate now, do you think that this correlation will still continue or we can have some operating leverage coming in the next 8 to 12 months.

**Aalok Patel:**

No we already do to a certain extent. I think see if you look at our employee cost for example that has substantially even though the AUM has. So if you are into expansion mode, controlling those operating costs are difficult, if you slow down you can definitely get 50 basis points or even up to a percent of savings in the opex and now that we are a sufficiently larger size I think we have already started getting



some of the benefits of the opex from about Rs.500 to Rs.1000 Crores, I am not 100% sure but I have heard that there are some levels you gain some efficiencies in some areas and then there are these economies of scale in other areas, so it kind of balances out, but of course our cost they say it is a continuous process and we are well aware of that, but I think that what we are waiting for 6 or 12 months is already happening as we speak.

**Digant Haria:** Alright Aalok I think good luck and I will hand over to the other participants for the Q&A. Thanks.

**Moderator:** Thank you. We have a follow-up question from the line of Amit Mantri from 2Point2 Capital. Please go ahead.

**Amit Mantri:** Again on just the funding requirement for us, so we have a fair bit of borrowing that we do from nonbank sources, so now the incremental, the sanctions that you have those are largely from the banks I assume and the nonbanking sources that you have, have they dried up over the last couple of months?

**Aalok Patel:** Amit to be completely honest with you, they had dried up until a couple of months ago until the liquidity crises hit and now we are at a situation that most of our incremental borrowing at least in the past month or month and a half are coming in from financial institutions. So – because see as I said sometimes it is very frustrating as I was saying during my talk also that when it comes to banks and when there are issues surrounding the NBFC sector, they tend to paint the entire sector into the same category or into the same bucket, wherein these large companies are in problem let us shutdown the entire sector. So we do have certain sanctions from banks which are not being released and new sanctions are - of course proposals are outstanding but I think this is a problem that is being faced by many, many or if not all many of the MFIs, especially the MFIs of our size or maybe a little bit smaller than ours or slightly larger than ours. Is that any sign of anything going wrong and the first people to kind of cut back on the liquidity are the banks, especially the PSU banks, it is not the private banks.

Financial institutions on the other hand, they do come at a little bit of a higher cost, but you are much - the comfort level is much higher as far as reliability, so with banks if you have a proposal outstanding it can take two weeks, it can take two months, it can take two years. That certainty is just not available, so I do not think that at least for a while at least our reliability on financial institutions will completely go away just because of that reliability factor but we had made a very strong headway on reducing the financial institutions on our overall debt portfolio to a large extent where I think almost 65% or so was at some point of time but now we are at a sort of a reverse situation and the bad part about this liquidity crisis is that it has become a seller's market rather than earlier it was a buyer's market. We had plenty of funds available from all sources and we could demand subsidized rates or debates or whatever you want to call it. Now we are in a situation where it is a seller's market, so we do expect interest rates or our weighted average cost of borrowing to increase in this quarter and hopefully from next, but maybe the next quarter as well.





- Amit Mantri:** Okay. Just a couple of data points I wanted to understand. So as of demonetization, your MFI book was around Rs.160 Crores – Rs.155 to Rs.160 Crores and by now you are pretty much realized of all the credit cost associated with the demonetization book. So what has been the experience in terms of eventual credit cost of the demonetization book?
- Aalok Patel:** The demon as you rightfully said, it is kind of done and dusted. There is still a very small portfolio that we are still collecting money from, but I think most of them as most of it, Vivek, if I has been provided for.
- Vivek Modi:** All has been provided for written-off, we continue to collect on the written-off portfolio as well and there is a small portion where we continue to see recoveries and they are at best classified under NPAs but then we are seeing good recoveries there as retail just gets over.
- Aalok Patel:** So there are certain branches where we have put in a special recovery team and we are continuing with the recovery thing as long as the operating cost of having that recovery team is less than what they are able to collect from the field we are continuing to have that. So we are still just to let you know we are still collecting about 40, 50k a day of demonetized assets. So certainly it is not a very, very large number I know, but it is certainly nothing that you can just ignore out and get it out. Our experience post demon I think the days of the 0.2% NPA or the 0.2% loan losses are sort of behind the MFIs. I think now that the industry has reached a sufficient size and the company has reached a sufficient size, going forward on average you will have to expect about a 1% loan loss going forward and that is the truth. I do not want to sugar coat it or anything like that. I think any person who tells you otherwise is doing a disservice to himself and the industry as a whole. Yes that is my opinion.
- Amit Mantri:** So, the write-offs as of now in terms of absolute numbers on the demonetization book would be around Rs.3 Crores, Rs.3.5 Crores or more than that?
- Aalok Patel:** No we have written-off about Rs.6.5 odd Crores last year and this year. I am sorry it must be about Rs.4.5 Crores I think that was related to demon yes.
- Amit Mantri:** Rs.4.5 Crores is it?
- Aalok Patel:** Yes sorry, I misspoke that. Rs.6.5 Crores was, I think the entire all books and everything combined for the last year and a half so...
- Amit Mantri:** Okay. And what is your - in terms of in Gujarat you are fairly large, so in terms of just the market share in Gujarat would you be the largest or second largest player in that market?
- Aalok Patel:** As far as our portfolio in disbursements are concerned we would be at least in the top two or three, so I do not have the hard data about Gujarat because that is not - I mean I do have data on Gujarat players



but I do not have segmented data as most of the players here are not listed companies so unfortunately I do not have data for them, so we would be at least in the top three if not the top two.

**Amit Mantri:** Okay Sir.

**Savi Jain:** Aalok this is Savi here. Just on the fund raising, we were listening to some of the concalls by the small finance banks, you were talking about current order a large part of their book for and lending to smaller MFIs like yours, so are those conversations happening because they are probably one set of lenders who will understand this business and will be much more proactive in giving loans to you than maybe some of these PSUs and private banks.

**Aalok Patel:** No, we are already in touch-way type in most asset base if not all and we do have exposures with actually three of them, one is Fincare, and I think we are in talks with Bandhan as well, Utkarsh.

**Savi Jain:** I mean I think in terms of SMBs we are in talks with everybody and...

**Aalok Patel:** So, earlier we were at a situation that some of them were interested but the rates that they were offering were high, where there were enough alternatives available that we did not pursue it seriously but of course now we are at a different boat, not to give you Savi not to kind of discourage or anything here but you know we kind of became little bit not lazy but - the ample funds were available for the last 12 months and now all of a sudden it is not available and it is not like nothing is available, it is just that we have to work a little harder and pay a little more for it. That is about it, but to answer your question yes we have been talking to I think most of the SFBs and if they are willing to take an exposure we have absolutely no problem with that.

**Savi Jain:** Just one request. Now that you have three segments which have become fairly sizable with MSME also, now giving around 12% of the loan book, if possible you can share segment wise PAT and ROE data on the future, not now but going forward.

**Aalok Patel:** We can. The only issue is there are lot of costs that are shared, specially amongst the two wheeler and the MSME because it is under one segment, so we can certainly share an estimate, but let me look into that. So the incomes and stuff we can definitely divide up and I think we have provided. We do provide that in the press release. You have them everything, but bottom line is a little bit tricky to get into because of the shared expenses, but we can divide that up with some meaningful way like portfolio and things like that. Now that definitely we can consider, let me just have a word with the legal people and the company secretary and stuff. I am not sure if I can or not, but if we can, we can release it, at least the estimates.

**Savi Jain:** Sure. Thank you very much Aalok and good luck to the entire team.



- Moderator:** Thank you. Ladies and gentlemen that would be the last question. I would now like to hand the conference over to Mr. Digant Haria for closing comments. Thank you and over to you Sir.
- Digant Haria:** Aalok just before we conclude one question from my side is that, what have been the lending rates between you and maybe the generally the market, how has it gone up in the last 6, 12 months on the microfinance?
- Aalok Patel:** The market rates for giving to our customers or our borrowing rates from...?
- Digant Haria:** No, not your borrowing rates, lending to your customer.
- Aalok Patel:** So our borrowing rates have gone down for at least like 125 basis points in the last 12 months and we have - in the two wheeler segment I think in the last 12 months it has gone down about 1%, 1.5%, in the microfinance about 125 basis points, in the MSME it is stable, just I have not made any current moves in that and I am approaching that segment cautiously to begin with, so I do not think it is a need, but in the future we can consider a rate revision to reduce it. So, overall the trend has been reducing, but now Digant with the overall market scenario and the cost of borrowing increasing, I might have to increase that in the next quarter and unfortunately lot of the debt that we have is floating rates, but my rate to the customers is a fixed rate. So I cannot revise the rate of my existing customers, so I have to - even a small increase by some of my lenders in the floating rates I would have to somehow pass it onto my new or incremental customers. So I have to increase in that coming...
- Digant Haria:** And how far away are we from that RBI cap of 2.75 times the PLR of...?
- Aalok Patel:** Right now I think we are about 40 basis points away, 40 or 50 basis points away from the RBI 2.75. I think it is the average base rate of the top five banks multiplied by 2.75x, but that scaling I think will also increase in the coming quarters because the bank base rates are expected to increase or are increasing.
- Digant Haria:** So at least there is a 40 bps room currently there and after that, once the bank base rates are revised, there will be more room to take lending rates hike if necessary.
- Aalok Patel:** Yes that is correct Digant.
- Aalok Patel:** But on the borrowing side also we just got a credit rating upgrade and the grading upgrade both, so I think we are triple, we just got upgraded to a BBB plus and so hopefully in a short while we will be at an A minus and from the grading side we are at an MFI 2+ which is one notch below that is one notch below the highest you can get. So hopefully, if it was not for this liquidity issue, we could have further reduced our rates, because we could have gotten the rates adjusted and all of that stuff as well, but what can you do there? I mean these conditions are something that you just have to deal with occasionally.



**Digant Haria:** Great. good note I think when we started this con call till today, there have been nine con calls and two upgrades, so I think on this good note we can probably call it a day, there are no further questions. So okay thanks Aalok, thanks the management from Arman and thank you all the participants for coming on this call. So hope to see you guys next quarter.

**Aalok Patel:** Thank you, thanks guys.

**Moderator:** Thank you very much. Ladies and gentlemen, on behalf of Antique Stock Broking Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.