

"Fortis Healthcare Q2 FY19 Post Results Analyst Conference Call"

November 05, 2018





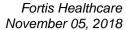
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MR. GIRISH GUPTA –INTERIM CHIEF FINANCIAL OFFICER, FORTIS HEALTHCARE LIMITED

MR. ARINDAM HALDAR – CHIEF EXECUTIVE OFFICER, SRL

Mr. Saurabh Chadha -- Chief Financial Officer, SRL

MR. ANURAG KALRA -- SENIOR VICE PRESIDENT, INVESTOR RELATIONS, FORTIS HEALTHCARE LIMITED MR. GAURAV CHUGH -- AGM, CORPORATE FINANCE & INVESTOR RELATIONS, FORTIS HEALTHCARE LIMITED





Moderator:

Ladies and gentlemen, good day and welcome to the Q2 FY19 Post-Results Conference Call of Fortis Healthcare 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. I now hand the conference over to Mr. Anurag Kalra – Senior Vice President, Investor Relations at Fortis Healthcare Limited. Thank you and over to you sir.

Anurag Kalra:

Thank you, Stanford. A very good evening and good afternoon, ladies and gentlemen and welcome to Fortis Healthcare's Q2 FY19 earnings call. At the outset, our apologies for the delay in the call. we have on the call today Mr. Bhavdeep Singh – our CEO, accompanying him is Mr. Girish Gupta – our Interim CFO; from the SRL side we have the SRL CEO -- Mr. Arindam Haldar, with him we have SRL CFO – Saurabh Chadha, myself and my colleague Gaurav Chugh.

We shall start the call with some opening comments on the quarter gone by, by Mr. Bhavdeep Singh, followed by which I will request Arindam to give his brief remarks on the Diagnostics business, I shall then take you through the financial presentation in brief and open the floor for question-and-answer. Over to Bhavdeep ji.

Bhavdeep Singh:

Anurag, thank you very much and thank you all for joining the call today. Again, as Anurag said, we apologize for the delay but again we do appreciate you joining.

We are pleased to have this call today because quite honestly this is marking the culmination of a long journey for the organization. As you are all aware, the CCI approval received by Northern TK Venture which is a subsidiary of IHH and with the approvals in place now we are ready to move forward.

I did mention that it is a culmination of a long journey. To be quite honestly, as most of you are aware, the organization has gone through quite a bit of this past 18-24-months. We started with a very-very extended diligent process that had many-many shooters, many bidders and we are very pleased to share that with all of that said and done that mark-to-multiple turns and curves and surprises sometime. We are finally coming to a point where we believe we can move forward. So, with that we are very pleased this year that the fund infusion of Rs.4,000 crores with the preferential allotment will provide IHH with 31% stake and then quickly followed by an open offer which should garner up to 26% of the expanded equity.

As you are all aware, the capital raised is primarily going to be used to complete the transactions around RHT and that is significant because the RHT closure back transaction and also it is a culmination of long journey and certainly improved our P&L, improves our bottom line and certainly we will talk more about that in a few minutes, but I think net-net for the organization is quite positive on multiple levels.



We are very-very pleased to be associated with IHH. As you are all aware, IHH is one of the leading healthcare organizations in the world and they bring with them a tremendous bandwidth of experience, expertise and a very superior platform from a doctor perspective, from a patient care perspective. We take a great deal of pride in what we do at Fortis Healthcare

As you are aware, as I just mentioned, while we have had some challenging times, I am very-very proud of the organization, I am grateful to our 20,000 plus employees who work so hard, so diligently to keep the organization going, to keep the organization strong and get us to the point where we are today. So, I believe that this transaction is very-very good for Fortis Healthcare. I believe certainly I think we do gain a lot of value from IHH. I would like to think that it would be a value to IHH as well and the complementary strength of the organization I believe bodes very-very well.

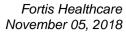
So, we are excited. I can tell you that the organization is excited, I believe going forward to moving forward, and we believe certainly that is a good thing should be around the corner.

On the business side, we have a challenging first quarter with all of the liquidity issues we had all the issues that took place around the group with the larger group issues, certainly they were destabilizing for the organization, but I am very-very pleased to tell you that Q2 the organization has rebounded well. We finished the first quarter with the EBITDAC of Fortis Healthcare business of Rs.42 crores. That number now and Fortis has gone to more than double at almost Rs.90 crores. Similarly, and Arindam will go through the details, so I do not want to steal it. The SRL business also has had a strong quarter with the improved performance.

Look, at the end of the day, the important thing here for the organization is it was important for us to stabilize, it was important for us to give a strong footing going forward, it was important for us to demonstrate to ourselves, to our patients, to our employees, to the world at large that Fortis Healthcare is a very-very strong brand, we have some outstanding some of the best doctors in the world, some of the best nurses in the world working with us and collectively as a group as I said we held together and we will continue to move forward.

I think further I will tell you that in addition to what we shared last in terms of occupancy, we had told you that in Q1 our occupancy was in a low 60s, we had an occupancy of almost 70% but what is even more encouraging is in the month of October, we clocked 70%, so the growth continues and we believe that again bode well for the organization with October has been a very-very strong month and we are building strength on strength.

So, I sit here this evening with all of you and we are looking forward to the closure of the transaction that is taking place with IHH and I certainly believe that in a very challenging healthcare environment with everything that is happening around us, I think Fortis with the support of IHH, we are extremely well positioned and from the leadership perspective and





healthcare perspective, we still have a massive busy burden in the country and I think it puts us in a very strong position to really improve the overall health of the nation and health of overall forward. So, with that, as I said, looking forward to what is happening, looking forward to where we go from here.

On that note, I will ask Arindam Haldar to give you a quick and brief overview of SRL and then we will ask Anurag to go through the financials. Arindam, over to you.

Arindam Haldar:

Thank you, Bhavdeep. This is Arindam Haldar. Very pleased to talk to all of you regarding the Diagnostics business, the Current Performance for Q2. Without repeating much of what Bhavdeep said, obviously, as an organization, as you know, last year we did go through a little bit of downturn and even last quarter I did see all of you saying that we have a very robust and strong recovery plan in place. Pleased to say that most of that is coming into action and we have had a much stronger Q2 compared to where we were three or six months back. So, on the revenue side, we have grown versus the same quarter last year by about 5% and over a trailing quarter by 9%. You need to keep in mind that last year around the same time the vector-borne diseases, the fevers held, the incidence of that was much higher. If one correct for that over a trailing quarter we would be growing close to 13% and over the same quarter last year about 9%. Our margin story is strong from Q4 of FY18 EBITDA of 15.6%, in Q1 we grew by 3% to 18.7% and that has grown further to 23%. So, we are on a strong wicket there as well and most of our growth initiatives are now kicking in. Fair to say October has been even a stronger month. So, it is quite positive looking at a much stronger performance going ahead. Thank you.

Anurag Kalra:

Thank you, Arindam. Ladies and gentlemen, I shall take you through the financial presentation, post which we can have Q&A session. The summary of the financials for Q2FY19 are as follows: We ended the Q2 FY19 with overall consolidated revenues of Rs.1,139 crores which is a degrowth of 4.8% over the corresponding previous quarter; however, it is significantly better than the trailing quarter. Consolidated revenues over the trailing quarter have grown 9.4%. On the operating profitability which we define as operating EBITDAC, our consolidated operating EBITDAC which is the hospitals and the Diagnostics business recorded an EBITDAC of Rs.242 crores versus a number of Rs.200 crores in the corresponding previous quarter and a number of about Rs.80.4 crores over the trailing quarter. Over the trailing quarter, this is a very strong growth of about 77%. Our margins stood at 12.5% in Q2 of FY19 compared to 7.7% in Q1 which is a trailing quarter and about 16.7% in the corresponding previous quarter. Our pre-exceptional pre-FOREX stood at Rs.(-52.7) crores versus Rs.(-106.3) crores in Q1 of FY19 and a number of Rs.(+22.8) crores in Q2 of FY18. At the PATMI level in the quarter, the PATMI was at Rs.(-166.6) crores, this was primarily due to certain impairments in goodwill and investments related to some investments that we had in our Lanka hospital, impairment related to investment there and impairment in the Escorts business, this is an amount of about Rs.96 crores cumulative, hence the impact in the PATMI is largely because of that. This number compares to Rs.(-70.9) crores in Q1 FY19 and Rs.(-45.9) crores in Q2FY18.



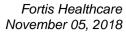
From purely an operating performance, I think the business continues to bring traction. We have got a very healthy operating performance if you compare it to Q1 of FY19, both the Hospital business margins and diagnostic business margins have shown a significant improvement, in fact, both the businesses, the margins have expanded about 500 basis points respectively. So, that is a very strong number compared to the trailing quarter. Obviously, this is led in the hospital business by the strength that we see in the occupancy. If you were to just go back a couple of quarters in Q1 FY19 we were at 62%, in Q2 FY19 we are at about 69% and this trajectory even continues in Q3 in the month of October we are at about 71%. So, clearly we continue to see a robust improvement in the occupancy and hence we do expect to maintain this trend going forward.

On the Hospital business side, our hospital business revenues for Q2 FY19 stood at about Rs.899.5 crores, this is a degrowth over the corresponding quarter but a healthy growth over the trailing quarter, hospital business revenues have grown by about 9.6%. Operating EBITDA as was mentioned before has more than doubled, operating EBITDA was in Q2 FY19 at Rs.87.6 crores, this compares to a number of Rs.41.8 crores. So, this is more than 100% growth in the operating EBITDAC. Net BT cost in the hospital business remain almost same, it is a number of about Rs.67 crores versus a number of about Rs.65 crores.

On the Diagnostics business again, very encouraging performance in Q2 of FY19. Margins in the business have expanded from about 18.7% in Q1 FY19 to Q2 FY19. In fact, this 23% is similar to the 23% margin in the corresponding previous quarter. Revenues continue to show reasonable growth. Revenues have grown at about 5% to Rs.235 crores in Q2 of FY19. At the India consolidated P&L level, which is for Q2FY19, our operating EBITDAC stands at Rs.142 crores versus a number of Rs.82 crores, this is a consolidated number. Our EBITDA which is post after including net BT cost and other income stands at Rs.87.2 crores versus a number of about Rs.28.9 crores in Q1 of FY19. This is obviously lower than the corresponding previous quarter; the corresponding previous quarter was about Rs.159 crores.

After accounting for finance cost, and depreciation and amortization, the India consolidated business post FOREX recorded a number of Rs.(-55.6) crores versus a number of Rs.(-94.7) crores, so again clearly kind of a better performance versus the trailing quarter. PATMI after minority interest and share-in associate stood at Rs.(-169.4) crores. As I had mentioned before this is largely due to the impairment of goodwill and investments related to about Rs.96 crores which has impacted PATMI. This Rs.(-169.4) crores number compares to a number of Rs.(-78.62) crores.

At the group level, there is not too much of a difference, so I will be very brief in this. At the group level, our group consolidated revenues were at Rs.1,139.9 crores, degrowth of 5% but a kind of a healthy growth over Q1 of FY19, our operating EBITDAC margins stood at 12.5% versus a number of 7.7% in Q1 FY19 and 16.7% in Q2 of FY18. After our PATMI at the group consolidated level stood at Rs.(-166.6) crores versus Rs.(-70.9) crores in Q1 FY19 for the Rs.5.9 crores in Q2 of FY18.





Briefly on the balance sheet, the net debt-to-equity ratio on the balance sheet continue to be strong. We witness net debt-to-equity ratio of about 0.29x which is a similar to the trailing quarter as well as to the quarter ended March 31, 2018. As of September 30, 2018, our shareholders' equity was a number of Rs.5,163 crores. Our gross debt stood at Rs.1,745 crores, our net debt was at Rs.1,497 crores. Total capital employed in the business was at 6,907. Net fixed assets including CWIP for September 30, 2018 was at Rs.3,092 crores. Our goodwill was at Rs.2,008 crores, this is a decline of about Rs.40 crores compared to the June quarter because of the goodwill impairment that we had taken. Our investments were at Rs.1,270 crores versus a number of Rs.1,346 crores. There were two elements to this: One was the impairment of investments that we had to take and the other was about two months back we had also liquidated some of our RHT units and the investment of RHT was depicted in this investment. So, because of this, the investments stand reduced to Rs.1,270 crores. Our cash and cash equivalent stood at Rs.248 crores. Our net current assets were at Rs.289 crores and hence the total asset base stood at Rs.6,907 crores.

With that I conclude the financial presentation and open the floor for question-and-answer. Thank you.

Moderator:

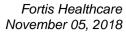
Thank you very much, sir. Ladies and gentlemen, we will now begin the question-and-answer session. We will take the first question from the line of Shyam Srinivasan from Goldman Sachs. Please go ahead.

Shyam Srinivasan:

First question is on the Hospital business. While occupancies have clearly improved from 62% to 69%, it is still a far cry from the 75% that we had last year and I see that you said 70% in the month of October. So, what will help us get the revenue growing back on track? I think we still declined 7% this quarter. Just a point on that, which are the key hospitals you think need to kind of actually pull up their socks a little bit more? Second is on the impairment. The Rs.96-odd crores, can you just elaborate a little bit on why we needed to take this impairment especially the Escorts one?

Bhavdeep Singh:

Hi, Shyam, thanks very much for joining the call. Just on the business perspective, we are certainly pleased with the 69%, from 62% to 69% is significant, I would say 10% growth in occupancy which we are certainly pleased with and October indicates that we are moving in the right direction. I would say that you are right, historically we have been at 75 and we are still achieving that number in the not too distant future, we certainly see that happening and we think that is around the corner. I do not think we can take that much number, because we are moving in the right direction and growth is coming just in the manner exactly that we thought it was. But we talked to you about what we are going to do to get the business back on track. We had talked about of "Build Back Plan" that we had instituted towards the entire organization and quite honestly it is in piecemeal in various parts of the business in various hospitals. I think what we need to do is continue on our Build Back Plan. Build Back Plan has three four key elements. #1 is around doctors clinical engagement, continuing to build doctors on what I can tell you that... while I think the organization has done a very good job in holding

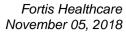




on to doctors and not having any massive attrition, to be very honest, we had some challenges because of the uncertainty of the environment in bringing new clinicians on board, I think now with the future path is bit clear, doctors that we have been talking to are now coming to us and ready to come on board. So, I think the doctor piece of it is certainly a significant piece. Second piece is that as we look to our business and the initiatives that we have, we have been focusing on footfalls and early bring people in the outside hospital, we have been focusing on healthcare, we have been focusing on senior citizens, we have been focusing on digital as a platform in terms of innovations. I think we will need to continue to do those types of things because that is certainly starting to pay off and I think that is certainly a good thing. On top of that, Shyam, if you remember you and I have discussed this in the past as well, we have a very healthy international business and we believe that opportunity continues to be there and we see that based on some of the direct business the whole motion of dealing directly is getting better and stronger as well. I think again it is a multi-pronged plan. I think the broad plan focuses on the footfalls and bringing people inside the building, then looking at from a clinical perspective ensuring that we will continue to move our clinical strength and as we are able to spend on CAPEX a little bit of money, we have certain projects that have been hold on for a little bit of time, will be able to institute them as well. I think when you put all of those things together and fairly comfortable in telling you that I do believe that at 75 and quite honestly we would surpass the 75, I see it is going past that as well in the future. I think with respect to hospitals, I do not know there is a function of hospital pulling up the socks, I think that we have different scenarios in different locations. We have instituted a very strong action plan in Fortis Escorts in Okhla with respect to driving the results there. The FMRI Hospital which from an occupancy perspective, in Q2 we are sitting at 62%, 63%, in October we were sitting at north of 70%. Similarly, Shalimar Bagh which is sitting in the mid-70 in Q2, we crossed 90%. So, I think we are starting to see the kind of growth we like. Naturally your bigger hospital have a disproportionate impact when you look at the mix and when you look at the overall results. So, I think it is a combination of three or four things. I am very pleased with the performance that we have had in FMRI. I think Mohali continues to be a solid and consistent delivery for the organization. BG Road (Bannerghatta Road) since we have added the oncology program, has continued to grow as well. So, I would tell you generally speaking everybody is coming around, I think there is a little bit of longer churn for some hospitals and others. We are not getting what we like. We are putting corrective actions in place as well. So, actually this all coming together and the rebound story so far is a good one, are expected to get better as we go forward. On the impairment piece, I am just going to have Mr. Girish just to give a quick overview on the two impairments we have and the logic behind them.

Girish Gupta:

Shyam, goodwill impairment was taken basically on the goodwill we had on our books for Escorts Hospital and impairment from a corporate philosophy and accounting policy is done from time-to-time based on revenue streams which we are generating from the respective hospitals. As far as the revenue stream from Escorts Hospital was concerned, it was weak for the past six months. So, it is coming back and based on that for the first six months a decision was taken impairment on Escorts Hospital.





Bhavdeep Singh:

I think the challenge there has been that we started off a little bit slow because again it is a big hospital I think it takes a little bit of time to bring about the change, but we are starting to see signs of rebounding and I think we will see that hospital get better, but at the end of the day based on historical references where we are. Having said that we see this hospital getting better and better going forward.

Girish Gupta:

As far as the Lanka asset impairment is concerned, when we last reviewed it, it was based on the stock price of our investment on the Lanka stock exchange at that relevant point of time. Because of certain movements out there in Lanka the value of the stock price has come down and a decision was taken to take impairment based on the current market value of our investment.

Shyam Srinivasan:

Can you just quantify the split between Lanka versus Escorts for this Rs.96 crores?

Bhavdeep Singh:

Roughly Rs.56 crores is for Lanka and about Rs.40 crores is for the Escorts.

Moderator:

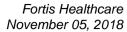
Thank you. We will take the next question from the line of Adhi Desai from Yolk Capital. Please go ahead.

Adhi Desai:

This is in line with what Shyam was asking. Hospital business historically used to do about anything between Rs.125 crores and Rs.150 crores per quarter EBITDA and I know it is related to revenue. But I guess the question is to add a number from a long-term perspective, the earnings power has deteriorated because of what has happened in last two years or do you think there is something we can get back to sort of that EBITDA number of Rs.125-150 crores per quarter for the business itself and as you said will it be sort of follow to build back plan as well?

Bhavdeep Singh:

I think in a scenario like this, we have a goal and you are right, the number that you just mentioned are the numbers that we have delivered in the past in terms of on a fairly consistent basis, I think I measure this by progress in terms of where we are. Naturally doubled our number. I see us getting better quarter-by-quarter for the next two, three quarters I see improving every quarter going forward and I would tell you that I fully expect... I said this three months back, I said six months back as well that the recovery is going to take two or three quarters, but I certainly expect that as we go forward we look at '19-20, I think the numbers are going to be very much along those lines, but it does not mean that we are going to see these numbers, I see Q3 getting better than Q2, I see Q4 better than Q3 and positioning us where I think in the next six to eight to 12-weeks I think we will start to see more and more on the recovery side and sustainable. At the end of the day, anything we do have to be sustainable and what I am very pleased with is that whatever we are doing today is based on good foundational activities, good work that happened with our doctors from a clinical perspective from a mix management and I do believe that the numbers which we talk about we would be achieving in a not too distant future. By the way, there is no reason that we should not even do stronger than that as well.





Adhi Desai:

I guess the second question from me is in terms of transaction timeline from the process, any sort of indication on sort of what the expected timeline from now, now the CCI approval has been received, what the expectation should be the timeline?

Arindam Haldar:

All approvals are in place and both Fortis and IHH are working as soon as possible to consummate the transaction. Obviously, as and when we have more specific information, we will let you know. But as of now both of us are working fast so that we can complete this as soon as possible.

Moderator:

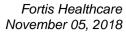
Thank you. We will take the next question from the line of Neha Manpuria from JP Morgan. Please go ahead.

Neha Manpuria:

My first question is on the occupancy. I understand the only thing that has changed probably in the second quarter is little bit of clarity now that the IHS deal has happened and liquidity easing. What explains the improvement in occupancy QoQ? Would part of it be attributed to seasonality? I am just trying to understand as to what steps essentially drove this improvement and how much of this is sustainable through the next two, three quarters?

Bhavdeep Singh:

Neha, it is all sustainable. Without a doubt, it is all sustainable because as I did mention, outcomes is being planned or by default, this is not a default outcome, this is very much planned. If you recall and I referenced it a few minutes ago but we talked about build back plan, I attribute this to absolve that plan and a very planful approach that we have taken, very much broken up in buckets, we looked at from a doctor perspective, from a clinical perspective, from a mix perspective, from a patient perspective, so we have actually segmented everything inside the hospital and it is that plan that is delivering. I will give you an example, we look at preventive healthcare, because that is a gateway into the hospital, we look at senior citizen, you all know the disease burden not just in India but all over the world is doing the seniors around the world and we have programmed in place to target senior citizens to make Fortis the first choice when it comes to senior. So, I would tell you that whether it is the clinical piece, whether it is the marketing piece in terms of getting word out to the marketplace and tell what Fortis has, we took a little bit of hit. Neha, the reality is when we talk about, we took a bit of hit and some of this were just restoring the confidence in people that Fortis is here to stay and not only here to stay, Fortis is going to once again be very-very strong. I think we are very fortunate, Neha that we have a very strong engagement level inside our hospitals, whether it is the doctors, whether it is the hospital head themselves, we communicate with them regularly what is going on and we get high marks from our people that we are a transparent organization in terms of sharing what is happening, where we are and I think all of those things have led to where we are today from an occupancy perspective. Now, one more thing I would mention is that the infusion of cash is important. We have gotten some funding over this past quarter and the quarter before that as well and that has been helpful as well because we have been able to take care from the backlog we have had in respect to overdue payments, we have also been able to spend a little bit of CAPEX and I think all of those things have helped us get to where we are and as I mentioned every visitor ...this is something I feel





very strongly about, every visitor is sustainable, because it is built on a good foundation and I do not see anything, quite honestly if anything as I just mentioned I see the numbers getting better and October is reflective of that, I recognize that November is Diwali, so we all know what happens in Diwali, but from a sustainable, from a solid foundation, from a ground route perspective, this is a real thing and just going to get better and better.

Neha Manpuria:

Sir, any update on Chennai Arcot Road... when should we see commercialization of that facility?

Bhavdeep Singh:

One of the good things is as I just mentioned with the cash infusion and the funding that we have and the answer to some of our liquidity issues, Arcot Road is we are very excited about, I would expect Arcot Road to be coming on line in Q4 or Q1 next year depending on from a timing perspective and getting a couple of things in place, but Arcot is coming and it is going to be the First Multi Organ Transplant Center in the Country, we are very-very excited under the stewardship of Dr. Balakrishnan I think we will have a great story there and something we will be able to share with you as we go forward as well. So, I would take you for Q1 but watch out, it is coming for sure and time is going to be great.

Neha Manpuria:

My last question was on SRL. SRL has seen a very strong rebound QoQ when it comes to margin even though growth continues to be muted. Typically, and historically, second quarter has not been a good margin quarter for SRL. What drove these strong margins and how should we look at the medium-term margins or even let us say the next one year margins for SRL?

Arindam Haldar:

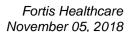
So, yes, margin has seen a growth and it would be good to see that more as a continuation, not necessarily Q2 over Q1 and that is what I said in my opening comments, my Q1 margin improved by 3 percentage points over Q4 of last year, so 15.4 went to 18.7 and 18.7 has gone to 23. Part of it is obviously the operating leverage. When volume goes up, there is operating leverage. So, part of it is definitely that but second is also part of a very defined plan. One of the things that about a quarter back I have spoken about is we are trying to increase availability of SRL by collection points across the country, at the same time we are trying to centralize processing. So, it is a question of how much you centralize processing and how much you increase availability and accessibility. It is a mix. And that is a very part of a defined program which is helping us as well. There is also a lot of positive work on the people side that we have been able to do where we have been able to expand job roles. And by doing that we have been able to get some efficiencies on manpower cost as well. So, mix of all of those is what has driven our margin further.

Neha Manpuria:

It is fair to assume this 23% is sustainable margins going forward and we should build on this margin?

Arindam Haldar:

Yes, so, at this kind of revenue and EBITDA margins, there is a little bit of seasonal impact on QoQ, but on an ongoing basis we did about Rs.235 crores, so on any quarter at Rs.235 crores or 23% is sustainable. As you know Q3 from a seasonal perspective, it is slightly softer, every





year it goes down. So, that is planned as well. So, a slightly lesser volume in Q3 may impact a couple of percentage points down but overall it will still be much better than last year.

Moderator:

Thank you. As there are no further questions from the participants, I would now like to hand the conference over to Mr. Bhavdeep Singh, CEO, for closing comments.

Bhavdeep Singh:

So, thank you all very much for joining. We appreciate everybody coming on the call and again we apologize for the late start. If you look at the summary comments and considering the journey we went, considering the road we traveled, we are very optimistic about where we are today. We talked about the transaction and it has been more publicized though. It should be a good collaboration and we are looking forward to working with IHH. I think what is embedded is that that the business is coming back, stabilizing and our "Build Back Plan" is working. So, we are encouraged by where we are from results perspective. We are even further encouraged by the fact that October continues to be consistent in terms of growth story and things continue to get better. So, we look forward to things as we move forward. We look forward to staying connected with all of you as well. Thank you very much again and I am looking forward to staying in touch. Bye-bye.

Moderator:

Thank you very much, sir. Ladies and gentlemen, on behalf of Fortis Healthcare Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.