"Reserve Bank of India's Monetary Policy Statement 2014-15 Conference Call"

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**Dr. Raghuram Rajan:** Good Morning, everyone. You all have seen the statement I presume, so I am not going to read out anything, I would be happy to take questions and my colleagues here will also help me answer.

**Aniruddh:** Aniruddh from ET Now. Sir, I just want to firstly understand the SLR cut and given the fact that the last time you came up with SLR cut, a number of bankers did not pass that on. The general understanding is that the SLR cut would infuse some money into the system and therefore bring down the cost of credit. That does not seem to have happened in the last couple of months. So if you could explain to us how this will work?

**Dr. Raghuram Rajan:** The idea behind the SLR cut is if the government finances are improving and the government is on a fiscal consolidation path, we can afford to liberate more access to government financing and make it possible for the private sector, for the public sector firms to get access to that financing. Now they may not need it right now but we are hopeful that as the economy picks up and credit growth gets stronger, the banks will be able to use that space to lend to the productive sectors for the economy. What the cuts do is they create that room for the banks to plan for the borrowers to anticipate that money will be available as needed, and also for the government over time to take that into account as it manages its financing. I think the best time to do these cuts is when credit demand is not so strong that the cut suddenly converts into a substantial increase in credit demand and a substantial shift away from government bonds. In fact, as many have said, the banks today have surplus SLR. So we think this is more about planning rather than about immediate effects, and therefore, I would not anticipate large effects in the market today, but I think it would help the market going forward.

**Suvashree:** Governor, Suvashree from Reuters. I wanted to understand the RBI's liquidity management policy given that the call rate moved in a wide band of 7 per cent to 9 per cent in July. What exactly is RBI thinking on liquidity when you are saying that you would review the liquidity management framework?

**Dr. Raghuram Rajan:** Yes, we have looked at those oscillations and as we have said in the past we are trying to keep the rate closer to the 8%. Some of those oscillations are because of substantial and unanticipated variations in government balances, and we try to work with that, but that does create a certain amount of volatility. As you know there are increases in balances before tax dates and so on. And some of that you can anticipate by the size, sometimes is not easy to anticipate, even spending is sometimes hard to anticipate. What we are looking at is the possibility of doing more frequent term repos, of shortening the maturity of term repos and perhaps also thinking about the timing of the auctions during the days so as to minimise volatility. Now to do this in a reasonable fashion, we are doing the analysis that is necessary and hopefully, within a very short period we will come out with any changes. I am not saying that there will necessarily be changes but these are the things we are looking at, and we will come up with those changes so as to see whether we can smoothen the process. Now “any change?” We did move away from keeping these windows open. Of course, you keep windows open to an unlimited extent, you remove all volatility. The whole idea was to move away from that regime, to go to a regime where liquidity was auctioned for the most part. We have made that transition now, we have to work on fixing some of the issues that arise and we will do that.

**Dr. Urjit Patel:** Just a couple of points, one thing to notice is that in July the average call volume has come down by 40%, so it is a thin market and therefore as you know in a thinner market volatility is amplified. The average daily call volume has fallen from Rs.16,000 crore to about Rs.10,000 crore. Secondly, even by the standards in the past of fluctuations in government balances with the RBI, given the late budget and the fiscal deficit target that the government has laid out in July, the turnaround in these balances were of the order of Rs.90,000 crore. So these were special circumstances, both from the view point of the volume and the government balances. The third factor is we find that the call money market is highly skewed; there are about 4 or 5 banks who are perpetual users of this with a slighter odd variation in that, and therefore looking at these micro structure and the overarching environment provided by the government change in cash balances, July was particularly a peculiar month.

**Saloni:** Good Morning, Governor. Saloni from Bloomberg TV. Sir, two questions - first on the fiscal deficit front; two months down, we have already exhausted 56%. Are there any worries on fiscal slippage, do you think that there will be fiscal slippages, is the 4.1 number feasible? Second question on the inflation and the trajectory. In June you mentioned that if the economy stays on its course, further policy tightening will not be warranted and this time you are saying that we are keeping a watchful eye on inflation. Given the fact that in 2009 we saw the worst drought in almost 37 years - we are way off the 30,000 mark as well, if we do not see astronomical rains in August then we will end up in deficit monsoon, how do you see the rate trajectory panning out?

**Dr. Raghuram Rajan:** First, the market seems to have read our previous statement and tried to put an emphasis on certain words and it de-emphasised certain words. As I read it, it was -if the economy stays on this course further policy tightening will not be warranted. In other words if it does move away from this course tightening will be warranted. And on the other hand if disinflation adjusting for base effects is faster than currently anticipated it will provide headroom for an easing of the policy stance. So I think it was two sided – if it moves off in the up side, we would tighten; it if it moves on the down side we would be able to loosen; if it stays in the path we will stay with where we are and adjust appropriately. I do not think our stance has moved from where we were last time. I think we see the short-term risks as being more balanced than they were last time. There is the issue of the monsoon which you talked about. We have to wait and see. We are not weather forecasters we have to wait and see how it plays out. Let me emphasise that a below par monsoon does not necessarily mean significantly below par production, it depends on where the monsoon is below par. And second, significantly below par production does not necessarily mean higher food prices, it depends on food management, how much we allow in terms of imports and so on. So there is no one-to-one correspondence between all these things. The Government has stated quite frequently that it is keeping its eye on food production and taking steps and we have to wait and see how that plays out. I think what we are saying is that if disinflation proceeds as warranted we will eventually have room to cut rates. Now, I want to emphasise that the RBI in no way will hold rates high any longer than necessary. There is a path we are trying to achieve and we want to achieve that path. We are not against growth, but we do think that growth will be most benefited if we disinflate the economy, and we do not have to fight this fight again. Let us fight the anti-inflation fight once and let us win, and that will create the best conditions for sustainable growth. And I think the government which has a long horizon in mind given that we just had elections, is on the same page that let us bring inflation down. Of course, government has its role cut out, we have our role cut out. On the fiscal deficit, I think the past government and the current government have stated again and again they are on the fiscal consolidation path, I do not think there is any reason to doubt it.

**Latha Venkatesh:** Good Morning Governor. A definite addition in this time's statement is the para-9; perhaps there you are reminding us of the next target of the Reserve Bank. "The balance of risks around the medium-term inflation path, and especially the target of 6 per cent by January 2016, are still to the upside." You did not remind us of this in the June policy. So are we to understand that therefore one should not be looking at this fiscal year for rate changes, because the ultimate goal is 6%. What was the purpose of putting that statement there? And also to add what Suvashree asked you, are you contemplating any change in that 0.25% money that is being available in the fixed rate one day repo? Because the market's reading appears to be that because that is too limited, and most of the money is available in the variable rate, the 7-day and 14-day window, the call rates are volatile. So will there be any reasoning on the distribution of money window?

**Dr. Raghuram Rajan:** Let me start with your second question first. At present we are not focusing on that 0.25% availability, I think what we need to do is make sure all the other instruments that we are using to manage liquidity work well, that is not to say that we will not focus on that in the future, but at present that is not a focus. On the issue of have we brought in new information, yes, we are two months down the line, and we are getting close to the end of the year when our first target has to be met. So then the question you are going to ask is what about the second target, and so what we have to do is remind people, there is a second target also that it is a path and we kept saying 8%, then 6%, we need to also be confident of reaching the 6%. So let us see how things go. I do not think we know how the disinflationary process will pan out. As I said we have an anticipation of how it will pan out, we think the 8% goal is well within reach, modulo a reasonable monsoon and modulo reasonable oil prices. Of course, those things can be volatile. I think as far as the 6% goal goes, we have said the balance of risks are still on the upside on that one, so we have to see how it plays out.

**Latha Venkatesh:** Just to supplement that, you said that the risks to the 8% inflation are now balanced and you referred to upside earlier. Does not the rise in vegetable prices over the past 15 days worry you? Do you see them flowing over into the non-food inflation which has been coming back?

**Dr. Raghuram Rajan:** There is a seasonality in vegetable prices, yes, some vegetables have picked up and there is also a saliency in vegetable prices, people see the vegetable price and think "Oh! My God, inflation is up so much!", because tomato prices are up 80%. So we have to be careful, I am not saying we can be complacent about vegetable prices, but there has been a seasonality every year around this time they pick up, so let us see July, vegetable prices look a little steeper but let us see as we go into August, September and the monsoon news also come. I suspect some element of the vegetable price increase is tied also to the monsoon, let us see how these play out. We are not overly worried, but we are not complacent about them either, we are watching them very closely.

**Bijoy:** Bijoy from Cogencis here. A couple of questions but first of all a clarification. In January when I referred to the Macro report as country cousin you had defended and said it is part of the family. Is it now Prodigal son and not part of the family anymore? Moving on to my question, are you treating SLR also keeping LCR in mind because it is being treated as much as an LCR enabler as a liquidity tool? And just to supplement Latha Madam's question, on 6%, your work actually started at 6%, it is just a glide path. So would you want to think about 6% when you make your rate moves?

**Dr. Raghuram Rajan:** Let me answer the second question and then may be Urjit or Deepak can answer the first part. On the second question, yes, as we move to liquidity coverage ratios and those become issues for the banks, we want to give banks flexibility. Also to some extent we have to reduce the kind of obligations that are put on the banks because they are entering a more competitive environment. So given that steadily we want to reduce those, consistent with the space that the government provides by rectifying its finances. So it is part of both, tends to meet international norms on liquidity, but also removing some domestic constraints on the banks given that they have to compete with other financial institutions in this market. First question, Urjit?

**Dr. Urjit Patel:** We have moved regarding our publications and the supporting documents for the monetary policy according to what was in our Committee report and thare we had said that we would have the equivalent of the inflation report or the MMDR twice a year. So that was accepted in April when we made the policy.

**Shri Deepak Mohanty:** To supplement that, there are two things which used to be there in the MMDR – one is the projections that anyway that we have brought it into the policy. The other component was the surveys that we had and we have conducted those surveys like inflation expectations survey, industrial outlook survey and all that. So that also soon after, in a day or two we are putting in public domain, there is no loss of information that gets into the policy making.

**Latha Venkatesh:** Will part of the SLR be brought down, because anyways the liquidity coverage ratio has been maintained.

**Dr. Raghuram Rajan:** I thought I answered it, that we have in mind that we want to give banks more flexibility in meeting the liquidity coverage ratio, and first as we bring down SLR over time they will be able to make an independent decision on what they hold to meet the liquidity coverage ratio.

**Latha Venkatesh:** But is there some number in mind that you thought there will be? Is there some LCR requirement for the system?

**Dr. Raghuram Rajan:** It is early days. I think we are in the process of putting those out. Gandhi Saab?

**Shri R. Gandhi:** LCR also we have given a glide path, a type of - in the sense as to when they have to be reached. And by the time they are required to reach the LCR, the SLR adjustments will also be done. It should be consistent with the overall approach towards the fiscal consolidation.

**Dr. Raghuram Rajan:** Let me emphasise, the prime factor driving our ability to reduce SLR is the government fiscal balances, so we keep that in mind. The secondary factor is to give banks more flexibility from a competitive perspective as well as from meeting some of these stability ratios.

**Bijoy:** The question on 6%, how important is 6%?

**Dr. Raghuram Rajan:** The 6% is our ultimate sort of goal for the foreseeable future, what we call a medium term, long term is too long to think about right now, so let us think about 6%.

**Pradeep:** What is the kind of policy transmission that you are looking for because as a result of a cut in the SLR bond prices might actually fall, and the net-net impact on interest rate where do you see it? Do you really see funds moving towards the productive sector as it promises?

**Dr. Raghuram Rajan:** We are trying to sort of do management in a difficult environment, difficult in the sense that growth is lower than one would like it to be in the best of our worlds, while inflation is higher than one would like it to be again in the best of all worlds, right. So do we push growth even lower or do we try and enhance the aspects of growth that can also help inflation. So one, we are thinking about what we are trying to do is we are creating an environment where perhaps we can enhance the supply side without at the same time giving us too much, too much, let me emphasise 'too much' encouragement to the demand side. So we need projects to completed, we need infrastructure to pick up, because they are holding back the supply side of the economy. So we need to create the environment for that to be possible, even recognising that while you buy more coal or you put in more concrete into the ground that will enhance demand. So these things cannot be completely separated, but we are trying to ensure that the supply side is encouraged without providing too much of a fillip given the growing demand to demand once again and then creating more inflationary pressures. So it is a fine balance that we are trying to draw. And as often stated we do not have too many tools, the interest rate tool is a very blunt tool, we are trying to use some of the other tools. Now, all this is being done at the same time as we have to recognize that the economy itself is changing, and we have to give space to our financial institutions to adjust to the new economy. So when you think about an SLR cut, we could stay with the SLR where it is forever, but that is an old obligation which puts constraints on the balance sheet of the banks. So given in the space to deal with the new economy, we have to steadily think about bringing it down once the government gives us the fiscal space, and that is what we are trying to do. So there are lots of moving parts here. To see this only in terms of A or B is I think a little unwarranted.

**Pradeep:** So you do not really expect the loans to be cheaper for anybody because of the policy action you have taken, right?

**Dr. Raghuram Rajan:** The SLR cut was not intended to make loans cheaper today. It was to give banks more flexibility on their balance sheet going forward as some of the demands on the banks pick up, as credit growth picks up.

**Pradeep:** We are getting information that CBI has started collecting data on NPA and CDRs from various banks, could you confirm that?

**Shri S. S. Mundra:** We know as much as we read in media, we do not have any specific information on that.

**Pradeep:** So no information has been sought from RBI as such?

**Shri S. S. Mundra:** As you mentioned, the information where it is being collected from the individual banks, and I think they will have more regular information on the case.

**Pradeep:** Post-Syndicate are you asking for any further information from the banks and is the RBI seeking any information?

**Dr. Raghuram Rajan:** There is an inspection underway of Syndicate Bank, but I think one has to be very careful about extrapolating this issue to the entire banking system without thinking further through it, it does raise troubling issues this particular situation, and it is important for the law and enforcement agencies to ensure that full investigation is done and I think they are doing that. I would emphasise that one should not extrapolate from this to the entire public sector banking system and assume that all the problems in the public sector banking system are because of criminality rather than because of other factors. I think the balance has to be maintained, and we have to be also careful that while we do a thorough investigation and culprits are brought to book, it does not become a witch hunt which then stalls the entire credit process. So we have to be careful and I think the investigative agencies will do their job appropriately.

**Gopika:** Governor if I can add to it. There is a larger question of pricing of loans. We remember RBI has set up a working committee to look into this pricing of loans. There was no consensus that emerged after that, in the sense that RBI had not come out with final guidelines. Bankers say that probably that is something which could solve this issue. Is that something that we could expect, that probably the transparency in pricing of loans and that could solve these kind of anomalies from happening?

**Dr. Raghuram Rajan:** The whole point about banking is about taking risks and using your discretion in taking those risks, right, you have to know how. Somebody you may trust a little more because there is some chemistry that works, that is relationship banking. So for the outside to dictate this is the price that you are going to have to charge in this case, takes the banker out of the equation. In that case we might as well put a machine there and give loans based on the machines, and some machines do that but it is basically for small loans this is what is called 'Credit Scoring.' But I think for some of these large loans it is impossible to take out banker judgment. So when there is banker judgment you have to be careful about what is genuine banker judgment and what is not genuine banker judgment and that is to some extent a very-very hard thing to do. So I do not think the answer is to make all loans uniform based on some observable characteristics because then you might make some very, very bad decisions because you are not using your feel, your intuitions for the character of the borrower; character loans are far big part of lending. So we have to live with this. I think these episodes of the kind that is alleged to have happened suggest that we need to look again at the governance of public sector banks and understand the deficiencies there and try and improve it. There are lots of highly qualified, highly reputable people working in the public sector banks, they should not all be tarred with the same feather. We were lucky enough to welcome Mr. Mundra on to the RBI just a few days ago, and there are many people of high calibre there. And what we have to see how to encourage them, how to give them the space to work because they work in the nation's interest.

**Gabriel:** Gabriel from Wall Street Journal. You are saying in the statement that the investor risk appetite has buoyed financial markets and that has increased portfolio flows to emerging market economies and that could always revert. Now I would like to ask you what is the RBI doing to ensure that there is no capital flight or decline in the value of the rupee ahead and what do you think are the main risks in international financial scenario and the geopolitical risks that you mentioned in the statement?

**Dr. Raghuram Rajan:** First, in terms of what we have done. I think it has been a joint effort by the government and the Reserve Bank to try and improve the macro fundamentals of the economy. Amongst other things the fiscal deficit has been kept on a glide path that has been suggested by the government. Second, the current account deficit has come down significantly since there were concerns last May from about 4.5% of GDP on annual basis, something closer to 1.5% to 2% today. Third, our reserves have increased substantially since then we are in a much healthier reserve position. And fourth, this I do not want to diminish, I think the expectation that we will confront and deal with inflation is much stronger now than it was earlier. Now, one of the big concerns investors have coming in and I hear this frequently is are you going to take away the benefits from Indian growth from us by inflating and thereby depreciating the rupee, and the answer is no, we have no intent to doing that, we want to bring inflation under control and more like the inflation in other countries, so that the rupee is not seen on a continuously weakening path. So all these things are I think big differences from where we were in

May. I keep saying in international fora, India is not a problem anymore. I think there is perception of a problem, I do not think there was a real problem last year but I think today that perception also does not exist. Perhaps most important thing, I declined to mention, was the fact that we have a stable government, and political stability to my mind is worth a tremendous amount as far as the external situation goes, and that is a big change. Now, in terms of what risks, I will tell you that nobody in the world knows what will happen, when the interest rates cycle changes, because there has been so much money flowing on the basis of interest differentials that are anticipated to stay that way for a long time, when the perception of interest differentials change and money starts flowing back who is, in Warren Buffet's inimical phrase, "Who is swimming naked?" we will find out then. But, for sure I do not anticipate that it would be us.

**Mayur:** Mayur from Times of India. You have taken a number of measures to promote the long term bond market for infrastructure. In this context I wanted to know whether you feel that there is a need to recalibrate the yield curve to make it more attractive for long term investments, sort of steepen the curve a bit?

**Dr. Raghuram Rajan:** The question is suggesting I have a wand where I sort of move it up and move it down. No, what we can do is really create a macro environment which is comfortable to all investors, and I see a long end, perhaps the most important things we can work on is improving liquidity in the bond market as well as bringing down perceptions of inflation; both those things are the things we can work on. At the short end smoothening out liquidity is important and building out the curve at the short end is also important. We are working on all these things. If you look at the moves today, for example, reducing HTM people say "Why do it?" Well it will improve liquidity in the bond markets because banks will trade a little more, that will improve liquidity, that is a good thing. So when we take decisions we are not looking at the immediate effect on any market, we are not trying to see whether we get the vote of approval from the Sensex or from the GSec market. We are thinking about the medium to long term, how is this going to play out – is it going to strengthen these markets, and that is precisely why the decisions we took today.

**Alpana Killawala:** Can we quickly check if there is a question outside, Inba?

**Moderator:** Sure, ma'am. Our first question is from Manju of DNA. Please go ahead.

**Manju:** The global financial markets are exuberant, and they are just moving towards the higher interest rate, the quantitative easing is also on course, and is expected to end by October. What do you think would be the impact on the Indian market? And also your outlook on the NPAs and credit growth for the banking system?

**Dr. Raghuram Rajan:** This is sort of a version of question I addressed, but let me see if I can say in another way. When interest rates start turning, I do expect that people will revisit all the investment allocations and try and figure out where they want to pull out from. I would hope at that time they will see enough signs in the Indian economy to understand that it probably is one of the better places to put your money at that point, and that we should not see as big a change here as some other places might see. But as I said, nobody really knows how the money will behave because some of it is based on short term calculations and not necessarily on longer-term fundamentals, we have tried to immunize ourselves to that by pushing some of the money towards the longer end. But I do suspect volatility at least initially will be widespread. But, as people sit down and take a more balanced view, I hope they will see these differences. So over and above some volatility I do not see a longer-term effect, given the many things that are happening in this economy relative to some of the things that are happening elsewhere. To your second question, NPAs we are working very hard on tackling, over the next few days I hope we will be able to announce our measures on ARCs - Asset Reconstruction Companies. I think the idea is broadly to ensure that financial assets are dealt with in a way to ensure the maximum value for the underlying real assets and to put the economy back on track in terms of growth. So, if there are distressed assets, can we bring in new equity? If there is a restructuring that is needed, will the banks do that quickly? If there are assets to be sold, can that be done speedily? Time often is the most important; the longer you wait the more distressed the asset becomes. In an environment where we see growth picking up, I think if we can deal with some of these problems and put these assets back on track quickly they will add to growth, and the overall losses to the system will be substantially diminished relative to where they are now. So our main effort is to try and get movement on all these sides and to prevent in some sense parking or neglect of these assets. I think the bankers tell us that some of our measures since April, the large loan data base, the move towards joint lending fora are starting to work, there are some teething issues which we are dealing with, but it is picking up. So, I am hopeful that all the measures together with growth, growth is going to be the thing that lifts a lot of ships together with the tight growth, I am hopeful that the NPA problem will be diminished over time.

**Govardhan:** Govardhan from Economic Times. Taking that 6% is the new target we have to look at.

**Dr. Raghuram Rajan:** It is not a new target, it has always been the target.

**Govardhan:** And you mentioned about the government is creating a congenial setting for steady improvement and then you also mentioned that as consumer and business confidence pick up, aggregate demand will also strengthen and the Reserve Bank will act as necessary. So that is you are forecasting kind of inflation to perk up if the demand picks up. Does that mean the conventional down cycle is not going to happen as has been expected because of these factors?

**Dr. Raghuram Rajan:** I do not think one should make too many assumptions. I think what we are saying is that remember, our whole park has to play out; it is 8% at the end of this year, 6% at the end of next year. We are confident we can get to 8%, at the current setting we are also confident we can get to 6% . Now how the setting changes over time we are saying depends on developments. If inflation comes down faster than we anticipate, the language we used in the last statement still holds – if it goes up faster than we anticipate, the language that we used in the last statement still holds. So, in a sense, I think all we are saying is there is a path which is not just 8% next year, but 6% after that, both are part of our program.

**Govardhan:** And then you mentioned about the current account deficit improving. After the relaxation on imports of gold, the gold imports have shot up. So isn't it worrying ultimately when it comes to current account deficit numbers for the full year?

**Dr. Raghuram Rajan:** I don't think the intent is, the Government's intent is to sit on these special measures for ever. But, let us see, as the economy improves, as exports improve, that will create room for unwinding these measures more. I am not overly worried about the blip up in imports of gold, but we are watching that, to see how that moves.

**Shobhana:** Sir, on Andhra Pradesh, I believe that RBI has asked for yield data and I think the debt waiver kicks in if the yields are less than the half of the average. So just wanted a status, it has been going back and forth, it we are not sure what it is exactly, as they have their version, the Government theirs. So what is the status on Andhra Pradesh?

**Dr. Raghuram Rajan:** The issue is as you well know is that certain election promises were made both in Andhra Pradesh and Telangana. Now, there is a RBI Master Circular which allows a certain category of loans to be restructured if a area subject to catastrophic weather or other sources of damage, which hurt production. Typically, a rule of thumb has been that in such situations if yields are anticipated to fall below 50%, the collector can declare a state of emergency which also triggers according to the Master Circular, possibility of loan restructuring. Of course, loan restructuring is completely voluntary for the banks, but in such situations we offer that restructuring better regulatory treatment, they are not treated as NPAs. Now, what has happened in Andhra Pradesh and Telangana is because of a variety of factors, no such emergency was declared, no request for this restructuring was made, and subsequent to that we have had the full harvest come in. So unlike the typical situation where the cyclone Phailin hits nobody knows what extent of damage is, you have to act quickly, in this situation we have to harvest after Phailin also. And so, we have asked for those numbers, we are looking at those numbers. Prima facie, sort of 50% criteria does not look like it has been met by any of the districts. Now, that is not a hard and fast rule, but it is a rule of thumb that we have used or that is in the Master Circular. So, we are in discussion with the government to say where exactly is the distress, so that we can take more reasoned and focused view. It does not appear to be that from the production data, that the cyclone had widespread damages, not to say there may not be localised damage, which we are not picking up, but we need the government to tell us how a more focused assessment can be made.

**Latha Venkatesh:** Banks are already facing a problem of farmers not paying back loans. Andhra bank announced a three-fold jump in its agricultural bad loans. Don't you think you have to do something proactive to stop this?

**Dr. Raghuram Rajan:** We have been quite categorical about the dangers of talking about waivers, about putting the idea of waivers, because it creates the possibility that anticipating such waivers both beneficiaries, the ultimate potential beneficiaries as well as everybody else would think there is a chance they might benefit stop paying for fear that they will not benefit when a time comes. We have some assurances that whatever ultimate scheme is devised will not reward just the non-payers, that there will be a scheme which does not encourage more. But right now, there is no scheme on the table, I think there are statements, there are discussions, but nothing really has been concretized.

**Alpana Killawala:** Thank you very much, Sir. Thank you all.

**Moderator:** Thank you very much. Ladies and Gentlemen, on behalf of Reserve Bank of India that concludes this conference. Thank you for joining us and you may now disconnect your lines.