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VCAI

The build-up to another PE wave.

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Contents

Message from ASSOCHAM

Private equity can play a pivotal role in bridging the gap between domestic sources of funds and the capital requirement for nation-building.

Policy makers should re-evaluate the investment environment and regulatory framework around private investment in key sectors like Education, Healthcare and infrastructure, and explore opportunities to invite private capital to participate. The unique character of private equity as patient capital and its capacity to shoulder the risk in ventures differentiates it from conventional sources of funding. Creating a more conducive environment for private equity to attract funds and invest could make private equity an important contributor to the realization of India's growth story.

Deal activity in India was robust in 2013 as funds invested grew at 16% and the number of deals jumped by 26%, driven by IT and ITES, healthcare and BFSI. Healthcare, Technology & IT and Consumer Products are expected to be the most attractive sectors for investment over the next two years due to underlying secular growth and dollar denominated cash flow.

The Private Equity & Venture Capital Association of India, an ASSOCHAM initiative is deliberating on the key issues of current state of the Private Equity industry, fundraising in 2014 and beyond, LPs view on India, why are Indian Private Equity exits stuck, at it's 6th India Private Equity Annual Convention 2014 and we are confident that the Private Equity industry would be able to address most of these issues.

I convey my good wishes for the success of this Annual Convention.

With warm regards,

(D. S. Rawat)
Secretary General
Private Equity & Venture Capital Association of India

Message from Deloitte

Private equity investments have become a part of emerging India's growth for over a decade. During this time, numerous events and circumstances have shaped the investment climate in India. Even during the brief lull in perception of India as an investment destination, equity funds continued to find value and support growth, albeit in a moderated manner. Conclusion of the world's largest general elections and emergence of a stable government with clear reform indicators, India is once again on the global investor's radar. The country's growing global stature and perception of value residing within the fabric of the economy is once again encouraging investments into the country. Such enabling factors combined with global macroeconomic cues are expected to power India's GDP growth rate to over 6% in 2015 according to The International Monetary Fund (IMF) and World Bank. In a nutshell, optimism has returned to the investment environment.

However, private equity (PE) investors resonate what the rating agency Moody's summarised in a recent comment that while measures taken by the government will likely boost growth, it will take several quarters before the impact of these measures is visible in GDP growth.

As we progress into the second half of this decade, we need to understand investor sentiments in order to leverage on opportunities that lie ahead. Despite issues of the recent past, the Indian domestic consumption market coupled with a growing entrepreneurial cadre, still holds an allure for PE investors. It is therefore up to the Indian policy makers / government to give the right message to investors for enhancing funds flow into our economy.

This is an effort towards understanding top-of-the-mind matters of PE investors and how those matters are likely to shape their India investment thesis in the near future.

We thank all participants of the PE community who contributed to this Thought Paper. Without their inputs, this paper would have been incomplete.

Kalpana Jain
Senior Director
Deloitte Touche Tohmatsu India Private Limited

Introduction

Recovery in optimism and revival in confidence has shaped renewed interest in India's growth story. Domestic events supported by global macro-economic factors have helped create a conducive environment to propel the country's growth trajectory. Growing domestic consumption, results of the recently concluded general elections that gave stability at the Center and declining global commodity prices has created a trifecta to position India as one of the top investment destinations in the world.

The sentiment of this trifecta is reflected in resurgence in deal activity. Deal value in 2013 saw approximately USD 8.5 billion worth of private equity deals across 410 deals while 2014 has recorded approximately USD 8 billion invested in 460 deals till September 2014. Average deal value remained in a similar range between USD 20 million to USD 25 million in 2013 and 2014, due to a few large deals.

Typically investors aim to satisfy two preconditions: care for capital and realisation of expected returns. Looking at trends in private equity investments more closely, there has been a distinct preference for investments in line with the economic climate and consumption patterns of the country. Such trends have defined India's private equity landscape and will continue to do so. These trends are manifestations of larger adaption, adoption and acceptability of investors in Indian companies.

Trends that have laid the investment framework in the private equity ecosystem and those expected going forward are discussed herein. Trends are identified and analysed based on observations coming from the recent private equity activity in India. Recent PE activity over the last few years is topped up with the views of select private equity players who shared in discussion with us their perspective on the current investment climate and expectations for the near future. Discussions centered on key themes such as their preference for investment sector, entry stage, equity stake, geographic preference, holding period, exit and PE-promoter expectations. We also sought to get their views on Limited Partner's (LP) perspective on India's investment proposition.

Current state of the Private Equity industry

India has always been an investment destination of high interest. The sub-prime crisis and subsequent global economic slowdown moderated private equity inflows into the country. In 2008 and 2009, PE inflows into Indian companies stood at approximately USD 10 billion and 12 billion, respectively; a sharp drop from the 2007 peak of about USD 20 billion.

As the global economy recovered, investments in India too began to see a recovery. This recovery was attributed to the relatively limited impact of the global crisis supported by the country's sound financial system. Opportunities have given rise to growth in private equity investments; however, that growth had been limited by domestic macro-economic issues and market-related matters. So while during CY 2013 business sentiment was reflected by the stock market's gain of 9%, PE investments recorded a jump of 16% over 2012. PE investors were looking for value investments in a challenging economic environment that had a track record of rebounding. The same period also saw GDP growth fall to a low of 4.4% in 2013Q2.

Public market exits, however continued to remain on hold for investments on 2006-2007 vintage.

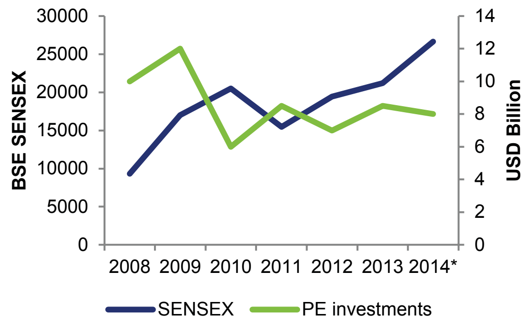

Chart 1: Private equity investments in India during 2008-2014 Q3 in relation to benchmark index

* Till September 30, 2014

Source: BSE SENSEX, Published news articles

Investors are optimistic about the likely improvement in India's economic climate compared to the recent past due to emergence of a stable policy direction at the Center. As business sentiment improves, the stock market too has seen a gain of over 25% (1 January to 30 September, 2014). This would be beneficial in creating conditions for exits in the coming years.

Increasing domestic consumption by a burgeoning middle class, which in combination with the strong private sector and intellectual base, has fuelled cross-sector growth in India, making India a promising candidate for private equity investment in the coming years. The GDP growth rate in 2014Q2 touched 5.7% reaffirming the India growth thesis.

Expectations of growth in the Indian economy are returning

Deep Mishra, Everstone Capital

Current state of the Private Equity industry (continued)

Target	Bidder	Deal value (USD million)	Stake	Sector
Flipkart Online Services Pvt. Ltd.	Morgan Stanley Investment Management, GIC, Accel Partners, DST Global, Iconiq Capital, Sofina	1000	14.3%	E-Commerce
Jasper Infotech Private Limited (Snapdeal)	SoftBank Internet and Media, Inc.	627	30.0%	E-Commerce
Syngene International	Silver Leaf Oak Mauritius	623	10.0%	Pharmaceuticals
Flipkart Online Services Pvt. Ltd.	DST Global	210	Undisclosed	E-Commerce
Kalyan Jewellers India Private Limited	Warburg Pincus	196	10.0%	Precious metals/ jewelry
Intas Pharmaceuticals Ltd	Temasek Holdings	186	12.5%	Pharmaceuticals
L&T Infrastructure Development Projects Limited	Canada Pension Plan Investment Board	166	Undisclosed	Infrastructure
ReNew Power Ventures Pvt. Ltd.	Asian Development Bank, GEF SACEF India	140	Undisclosed	Energy - Renewable
Jasper Infotech Private Limited (Snapdeal)	eBay Inc., Kalaari Capital Advisors	134	Undisclosed	E-Commerce
Avantha Group	KKR	110	Undisclosed	Energy

Source: Merger Market

The Indian consumption story is reflected in recent deals (announced since June 2014). E-commerce has found a place as the foremost recipient of PE investments. This was primarily reflected in two rounds of investment into Flipkart and Snapdeal. In addition investments have also been made companies that cater to core infrastructure development in line with expression of the government's interest to direct spending in sectors such as renewables and infrastructure.

These 10 deals represent a PE investment inflow of approximately USD 3.4 billion primarily as minority stake in investee companies.

In addition to traditional PE investors, non-traditional equity investors such as SoftBank and Canada Pension Plan Investment Board have shown interest in Indian assets.

Sector preference

India's strength in the IT/ITeS sector first received prominence in the late 1990s and early 2000s. Numerous factors contributed to the rapid growth and development of the sector over the past years giving global investors confidence in India's IT capabilities. Consequently, not only has this sector attracted most PE investments over the years, it continues to lead by contributing to about 40% of equity inflows. So far, the year 2014 has recorded one large (USD 1 billion) deal in the technology space with Flipkart's existing and new investors valuing the Internet start-up at approximately USD 7 billion.

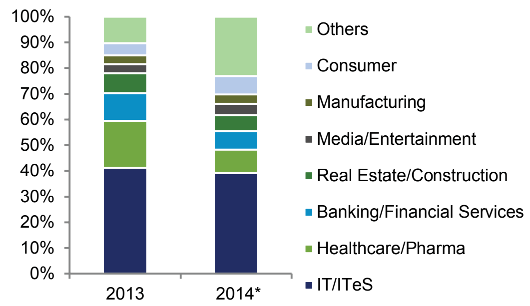

Chart 2: Private equity investment by sector (in volume terms)
* Till September 30, 2014
Others include: Education, Automotive, Power, Cement, Plastics and Chemicals, Hospitality, Textiles, Engineering, Retail
Source: VCCEdge, Published news articles, Deloitte internal analysis

Healthcare and pharmaceuticals continue to be an avenue for PE investments into the country. Between 2013 and September 2014, PE investments of approximately USD 1.8 billion were made in segments such as single-specialty hospital chains, diagnostic chains and medical device manufacturers. Investors are of the opinion that the healthcare sector driven by favourable demographics, an ageing population, growing lifestyle-related diseases such as cardio vascular diseases, obesity, diabetes and cancer provides an ideal platform for investment.

The banking & financial services sector has attracted approximately USD 1.5 billion over the past two years because of its potential to make inroads into rural areas and invest in new banks that do not have legacy issues.

Easing Foreign Direct Investment (FDI) norms and prevalence of revenue generating assets attracted investments in the real estate and construction sector in 2013 and 2014 at a total investment of around USD 1.3 billion of equity inflows.
A noticeable trend between 2013 and 2014 is an increase in 'Other' investments, signifying a shift from the most favourable sectors to sectors that until now were considered 'out of favour'

There is far more activity and vibrancy expected going forward

Sumit Tayal, Helix Investments

Going forward, PE players said that their appetite would continue to be directed towards companies that benefit from the strength of domestic consumption. More specifically, those supported by an Internet enabled technology platform. Recent estimates peg domestic Internet user access at about 300 million compared to 213 million at the end of 2013, a 40% increase supported by proliferation of mobile platforms. Rural India, where Internet penetration is under 10% holds potential for growth.

The technology sector is expected to continue to find uniform attractiveness amongst investors. While the combination of adoption or smart phones and tablets combined with mobile internet is viewed as a winning combination. Over a decade of investments in IT companies had developed a breed of professionals who have been exposed to global best practices. This generation of professionals is turning entrepreneurial and honing their expertise on developing indigenous solutions/products for the local and global market. Potential beneficiary segments include e-commerce, small retail, agriculture, healthcare, financial services, education and media & entertainment.

Besides consumer-driven plays, government's policy initiatives emphasising on areas such as development of smart cities, high speed rail connectivity, food processing & agro industry (including cold chain) and clean energy are expected to generate 'excitement' across industry sectors and geographies. Given that money is needed for core infrastructure development, the investing community is of the opinion that although it may take time, investment in backbone sectors such as infrastructure, education, healthcare and renewables will continue to see more traction as government policies take effect on ground.

Entry stage

Among the various stages of growth, early and growth stage were clearly a preferred mode of investment during 2013 and 2014 based on deal volume. Early stage capital and growth capital accounted for nearly 60% of investment by volume due to euphoria around e-commerce deals and large ticket sizes for companies operating across mobile, Internet and related verticals. Late stage investments and private investments in public equity (PIPE) accounted for about 30% by volume and 45% by value while buyout funds participated to a lesser degree over the last two years. Buyouts are the less preferred option because typically promoters have built the business or inherited family business and less willing to give up control. Hence, from a promoter's perspective, initial public offering (IPO) is usually a better alternative instead of selling control in the business.

During discussions, respondents indicated that barring sectors such as e-commerce (including e-tail) there is a shift in early and growth stage PE focus from purely projected revenue-based growth to value-based growth. Recently, the trend is towards taking a broader view of investee quality in terms of developing and introducing new product/ service offerings, entering new markets, targeting new customer segments, building a professional team, strengthening corporate governance and raising follow-on rounds of capital. For example, investments in last-mile logistics businesses, innovative transportation business models (such as taxi and bus booking), banking services with potential for rural growth and healthcare diagnostics & delivery services are of high interest to PEs.

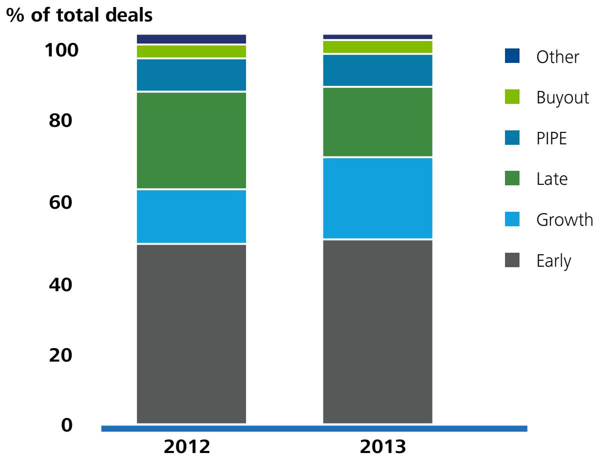

Chart 3: Private equity investments by stage of investment
Source: India Private Equity Report 2014, Bain & Company

Equity stake

Over the years, private equity investors have primarily remained minority, 'less than 25%' stakeholders in investee companies. In addition to it being part of the Indian promoter's cultural mind-set towards external investors, PE investors also understand that promoters know the business and industry best and business control is of keen interest to Indian promoters.

Investors have started accommodating their investment outlook from merely backing the business to backing the entrepreneur or promoter. So in instances where the promoter has strong industry credentials or a successful track record of growing a business, PE investors are open to backing such ventures. For example, a promoter who has experience in automotive plastic injection molding is likely to attract PE interest in a venture with other products using the same/ similar technology.

Another emerging trend is the increasing flexibility provided by the investors to their investees regarding use of invested funds. Recent transactions are indicative of funds being provided to companies for scaling up through inorganic route especially in the e-commerce space. Investors focus is also towards investing in companies (in some cases second and third round funding of their own portfolio companies) which have provided good returns in the past.
Based on discussions with investors, the sweet spot for equity investment is expected to continue to be minority stake.

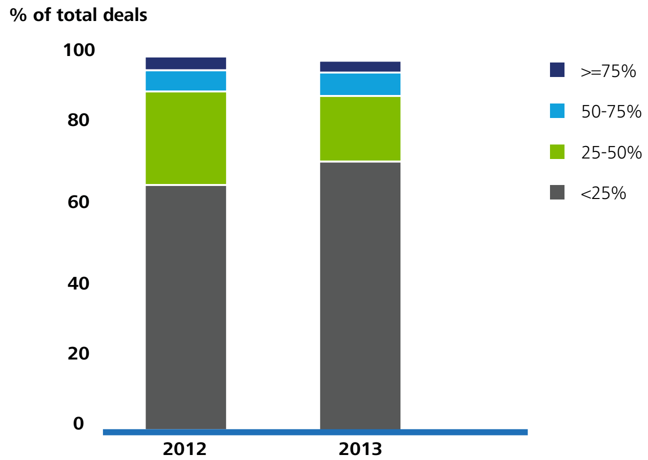

Chart 4: Private equity investments by stake acquired
Source: India Private Equity Report 2014, Bain & Company

Geographic preference

Private equity investors continue to be location agnostic in terms of geographical preference. However, in line with precedence, 2013 and 2014 have seen approximately 65%-75% investments occurring in the large metro such as Bengaluru, Chennai, Delhi, Kolkata and Mumbai. While PE investments in Kolkata were lowest, the number of investments going into that metro has seen an up-tick. Investments in other towns and cities are yet to gain momentum. Investments in south and west India remained robust supported by concentration of IT/ITeS companies in the south and pharmaceutical industry in the west.

PE investors corroborate an emerging trend and highlight the depth of interest in other large cities such as Hyderabad along with tier II towns such as Ahmedabad and Pune. PE activity is also likely to grow in east India over the next few years.

Respondents mentioned the growing ease of access and connect with companies in tier II and III cities. Entrepreneurs and promoters in tier II and tier III towns have been reaching out to PE investors through their professional or personal networks.

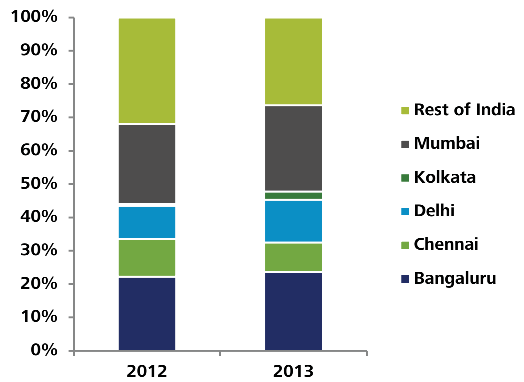

Chart 5: Private equity investments by geography
Source: Dealtracker Annual Edition 2012, 2013-Grant Thornton, Published news articles, Deloitte internal analysis

Holding period and exit preference

Historically, IPO has been the preferred mode of exit. Due to a less than buoyant stock market in the years leading up 2013, other modes of exits were explored. Of the 160 exit transactions that took place in 2013, strategic sale, secondary sale, IPOs and buybacks each accounted for approximately 25% each of PE exits. In value terms, 2013 returned approximately USD 3.6 billion to investors.

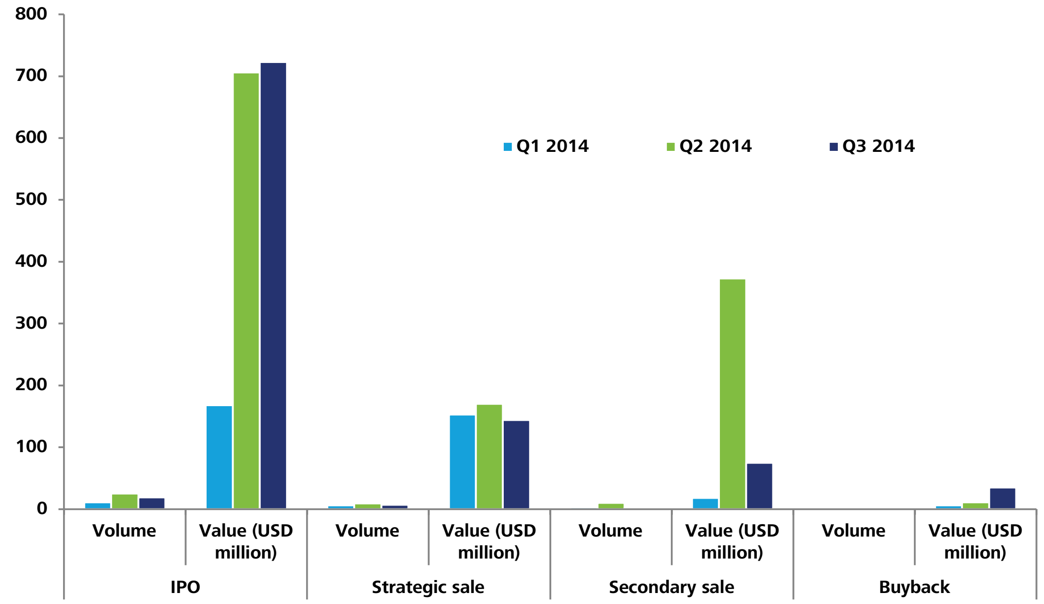

Chart 6: PE exit preference
Source: Venture Intelligence, Business Standard article on PE Exits

Based on the first three quarters in 2014, of the 96 exits made, over 55% (by volume) were via the IPO route, which is a significant change from 2013. With a revival in buoyancy of the stock market, investors expect an increase in exit via IPO.

Since the holding period for a number of investments has either matured or exceeded, especially for investments made in 2006 and 2007, such investments are now maturing. PE investors are of the view that the immediate and near future is likely to see an increase in exit transactions returning average holding periods to 3-5 years instead of the current 5-7 years.

Growth in the economy will give rise to investment opportunities across sectors. Existing investors and strategic market participants began taking investment positions during the recovery phase. As 2014 rolls into 2015 and beyond, the market for good investment opportunities is likely to heat up with global and domestic equity investors, global and domestic strategic investors and high net-worth individuals making a bee-line for valuable companies.

Investors highlight that the competitive play would depend on exit landscape in the coming years. Successful exits will not only encourage stronger investment interest in Indian companies by existing PE funds but it would also support the case of new funds to enter India reversing the 20% decline number of domestic and global funds investing in India.

New fund raise and deployment would typically take about 12-18 months. PEs and strategic players would play a competitive role in investing in valuable companies driving up valuations.

Challenges to overcome

Indian private equity investors highlight that while optimism exists 'on ground' not much has changed yet. The market place has been challenging for funds invested in the industrials/ manufacturing space. A trend analysis reveals that since 2012, on an average 15 investments have been made in manufacturing companies annually compared to approximately 10% of total deal volumes during the boom period 2004-2007. Although capex/ spending plan discussions have started, new monies are likely to be deployed in the coming months.

In addition, due to macro-economic concerns and unclear policy direction of the recent past, investee companies did not meet projected growth targets. As a result, investors have had to stay invested for periods longer than typical holding periods.

For investments where funds deployed are of foreign origin, there has been a 'double downside' effect. In addition to lower returns, depreciation in value of the Indian Rupee from INR 45 to INR 60 has hurt investments in US dollar terms. That share price appreciation of 33% has to take place before the investment starts yielding returns.

Investors are optimistic that as the interest rate cycle reverses and government spending increases, industrials/ manufacturing sector will revive investment interest.

Limited Partner perspective

Raising India-focused funds has not been easy during the recent past. Limited Partners (LPs) have not seen returns expected. General policy paralysis was not viewed positively. As a result, scrutiny of funds deployed increased and funds were encouraged to utilise existing dry powder to make investments, often making incremental investments in existing portfolio companies.

LPs essentially use a combination of yardsticks to gauge a fund's performance. Measures such as Net Asset Value (NAV) of the fund, exit track record, General Partner(s) contribution and team credentials & effectiveness are leading indicators.

While NAV and exit track record have not met LP expectations, many are taking a long term view of India. LPs are optimistic that even if India's GDP reverts to its 20 year mean of 6.2%, sectors such as banking & financial services and IT services, that grow faster than the GDP growth rate will have a multiplier effect on investment returns. In addition to favourable exits, LPs are on the look-out for promising investment opportunities. In fact, LPs are optimistic about the policy environment and potential stability in policy implementation.

Promoter-PE expectations

Indian companies have come of age over the last decade and a half since the first private equity investments were made. While Indian promoters have become more receptive to inducting investors and investors adapt to different styles of promoter control, the extent of PE investor participation in investee companies is seeing a shift.

The value equity investors bring, coupled with inherent value residing in investee companies can have a significant multiplier effect.

The operative word is partnership

Karthikeyan Ranganathan, TVS Capital

Investors can add value in the areas of mentoring, improving operations and strategy, assisting with financing, management and team building, however promoters are most keen on leveraging the fund's portfolio companies and network to grow the business. In some measure, promoters now seek advice on strategy and operations. Investors follow the 'as needed' approach to providing support to investee companies. As and when required, PE investors are willing to step in and guide.

We help out where we can

A PE investor

As the investor-investee relationship develops further and as Indian promoters graduate to more holistic roles, the synergy value derived by an investee company could be much greater.

Conclusion

Recent global and domestic conditions have imbued private equity investors with positivism. India's relatively higher growth rate supported by a consumption driven economy and emergence of a stable policy regime have given investors reason to cheer. However, due to time lag between implementation of reform measures and their effect on the economy, traction on ground is yet to materialise. PE firms are reassessing and refocusing on the way they do business to optimise their investments and exits in the light of improving economic fundamentals. As the global outlook picks momentum and India's GDP growth rate shows the potential to improve—albeit with relatively high inflation and elevated deficits—investor confidence at the moment can best be summarised as 'optimistic'.

Looking ahead, early and growth stage investments are expected to increase with the equity sweet spot continuing to be a minority shareholding. The emergence of a new breed of first time entrepreneurs is expected to promote investments in technology across the mobile and internet space. Segments leveraging technology for deriving growth from domestic consumption would find favour in the near future. Government's endeavour to increase investment in core infrastructure is also expected to receive PE support in the areas of infrastructure, healthcare, education and renewable energy.

Limited Partners are revisiting their India investment outlook, more so, buoyed by a rising stock market and increased acceptability by Indian promoters.

As the government spearheads policy reforms and growth initiatives, a number of economic sectors are set to benefit. For India to return to a 9% growth rate, there needs to exist a synergy between the role of PE and government led initiatives.

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About ASSOCHAM

The knowledge architect of corporate India

Evolution of value creator

ASSOCHAM initiated its endeavour of value creation for Indian industry in 1920. Having in its fold more than 400 Chambers and Trade Associations, and serving more than 4,50,000 members from all over India. It has witnessed upswings as well as upheavals of Indian Economy, and contributed significantly by playing a catalytic role in shaping up the Trade, Commerce and Industrial environment of the country.

Today, ASSOCHAM has emerged as the fountainhead of Knowledge for Indian industry, which is all set to redefine the dynamics of growth and development in the technology driven cyber age of 'Knowledge Based Economy'.

ASSOCHAM is seen as a forceful, proactive, forward looking institution equipping itself to meet the aspirations of corporate India in the new world of business. ASSOCHAM is working towards creating a conducive environment of India business to compete globally.

ASSOCHAM derives its strength from its Promoter Chambers and other Industry/Regional Chambers/Associations spread all over the country.

Vision

Empower Indian enterprise by inculcating knowledge that will be the catalyst of growth in the barrierless technology driven global market and help them upscale, align and emerge as formidable player in respective business segments.

Mission

As a representative organ of Corporate India, ASSOCHAM articulates the genuine, legitimate needs and interests of its members. Its mission is to impact the policy and legislative environment so as to foster balanced economic, industrial and social development. We believe education, IT, BT, Health, Corporate Social responsibility and environment to be the critical success factors.

Members our strenght

ASSOCHAM represents the interests of more than 4,50,000 direct and indirect members across the country. Through its heterogeneous membership, ASSOCHAM combines the entrepreneurial spirit and business acumen of owners with management skills and expertise of professionals to set itself apart as a Chamber with a difference.

Currently, ASSOCHAM has more than 100 National Councils covering the entire gamut of economic activities in India. It has been especially acknowledged as a significant voice of Indian industry in the field of Corporate Social Responsibility, Environment & Safety, HR & Labour Affairs, Corporate Governance, Information Technology, Biotechnology, Telecom, Banking & Finance, Company Law, Corporate Finance, Economic and International Affairs, Mergers & Acquisitions, Tourism, Civil Aviation, Infrastructure, Energy & Power, Education, Legal Reforms, Real Estate and Rural Development, Competency Building & Skill Development to mention a few.

Insight into 'New Business Models'

ASSOCHAM has been a significant contributory factor in the emergence of new-age Indian Corporates, characterized by a new mindset and global ambition for dominating the international business. The Chamber has addressed itself to the key areas like India as Investment Destination, Achieving International Competitiveness, Promoting International Trade, Corporate Strategies for Enhancing Stakeholders Value, Government Policies in sustaining India's Development, Infrastructure Development for enhancing India's Competitiveness, Building Indian MNCs, Role of Financial Sector the Catalyst for India's Transformation.

ASSOCHAM derives its strengths from the following Promoter Chambers: Bombay Chamber of Commerce & Industry, Mumbai; Cochin Chambers of Commerce & Industry, Cochin: Indian Merchant's Chamber, Mumbai; The Madras Chamber of Commerce and Industry, Chennai; PHD Chamber of Commerce and Industry, New Delhi.

Together, we can make a significant difference to the burden that our nation carries and bring in a bright, new tomorrow for our nation.

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About PEVCAI

- Private Equity & Venture Capital Association of India (PEVCAI), a premier Business Association in India was established in April 2008 and is based in New Delhi, India.
- PEVCAI is a non – profit ASSOCHAM initiative representing Venture Capital and Private Equity Industry in India.
- PEVCAI is a Member-based organization, consisting of Venture Capital and Private Equity firms that manage pools of Equity Capital dedicated to invest in high growth entrepreneurial companies and service providers like Lawyers, Chartered Accountants, Consultants and Investment Bankers.
- PEVCAI represents the public policy interests of the Venture Capital and Private Equity community. Strives to set and maintain high professional standards, provides reliable industry data, sponsors professional development and facilitates interaction among its Members, Decision Makers in the Government and other Stakeholders through meaningful programs round the year.
- PEVCAI endeavors to foster greater understanding of the importance of Venture Capital and Private Equity to the Indian economy and support Entrepreneurial activities and Innovations.
- PEVCAI seeks to create an environment which will instill investor confidence in Venture Capital/ Private Equity Industry and expand the flow of funds into Enterprises and Sectors on a bigger scale.
- PEVCAI will educate enterprises about Venture Capital and Private Equity as a partner in creating value for the business.
- PEVCAI will provide a regular forum for exchange of views among Members and a platform for networking on a local, regional as well as international level.
- PEVCAI will act as an information disseminator to its Members. Moreover PEVCAI, attempts to provide information on investment trends.
- PEVCAI's endeavor is to promote sound public policy on issues related to tax, regulation and securities through representations to the Securities and Exchange Board of India (SEBI), Ministry of Finance (MoF), Reserve Bank of India (RBI) and other Ministries, Government Departments and Multilateral Institutional from time to time.

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Notes