

**WESTERN INDIAN REGIONAL COUNCIL,
THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF INDIA**

Workshop on Transfer Pricing

**Transfer Pricing Law in India- An
Overview**

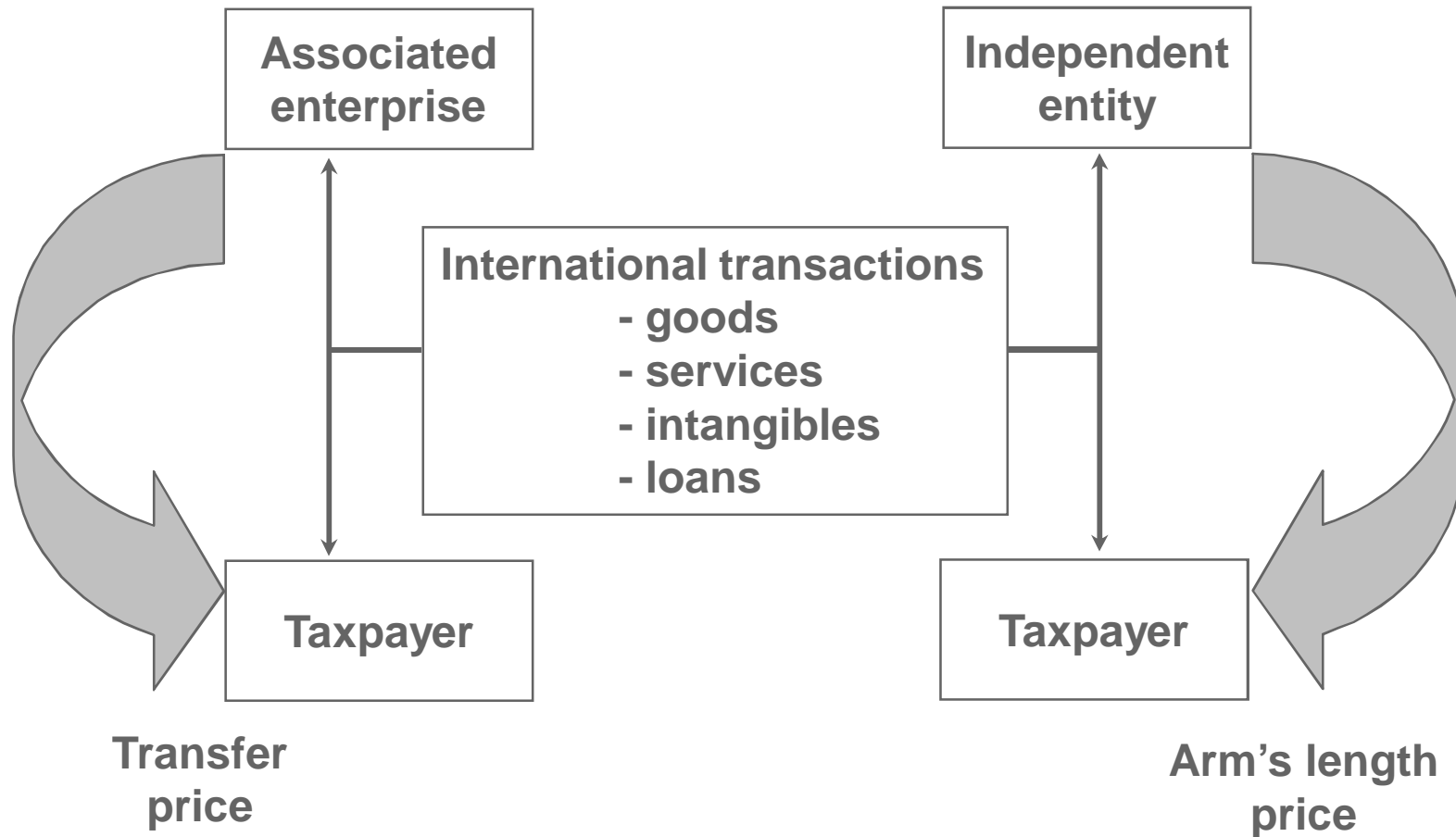
25 October 2013

Sanjay Kapadia

Agenda

- Applicability
- International Transaction
- Meaning of Associated Enterprise
- Arm's Length Price
- Prescribed Transfer Pricing Methods
- Advance Pricing Agreement
- Tolerance Band to determine the arm's length price
- Transfer Pricing Documentation
- Accountant's report
- TP Penalties
- TP Assessment Process
- Specified Domestic Transaction

Concept of Transfer Pricing (TP)



Rationale for regulating transfer prices

- Differences in tax rates across jurisdictions
- Pricing flexibility (between associated enterprises)
- Presumption : prices between associated enterprises are not at arm's length
- Every government wants to prevent erosion of their tax base and plug potential tax leakages

Applicability

- The provisions of **Section 92 to 92F** of the Act are applicable only if:
 - There are two or more enterprises (defined in Sec 92F); and
 - The enterprises are **AEs** (defined in Sec 92A); and
 - The enterprises enter into a transaction (defined in Sec 92F); and
 - The transaction is an **International transaction** (defined in Sec 92B).
- Further w.e.f. 1 April 2012, TP provisions shall also apply to specified domestic transactions (SDT) (defined in Sec 92BA)
- Consequences of these provisions:
 - Computation of **income/ allowance of expenses** having regard to the **Arm's length price** [Section 92]
 - Maintenance of prescribed **Documentation** (Section 92D & Rule 10D)
 - Obtaining of **Accountant's report** (under Form 3CEB) (Section 92E)
 - To ensure compliance with the arm's length principle, stiff **Penalties** have been prescribed

Applicability (contd.)

- Section 92(1) –

Any income arising from an **international transaction** shall be computed having regard to the **arm's length price**

Explanation - the allowance for **any expense or interest** arising from an international transaction shall also be determined having regard to the **arm's length price**

- Section 92(3) –

The provisions are not intended to be applied in case determination of arm's length price reduces the income chargeable to tax or increases the loss as the case may be

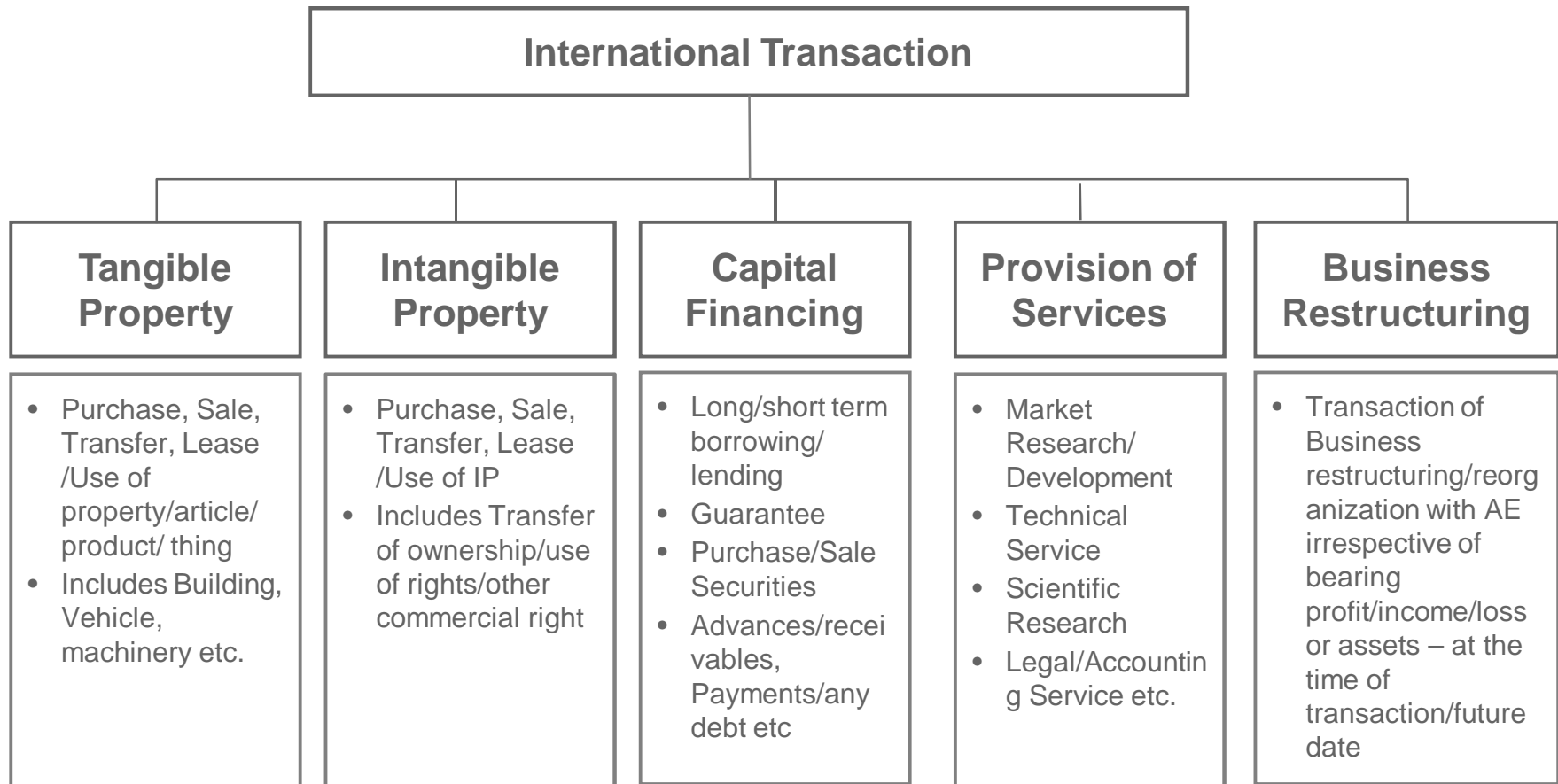
International transaction (Sec 92B)

- Transactions between two or more AEs, **either or both** of whom are non-residents
- Transaction relates to:
 - Purchase, sale or lease of tangible or intangible property; or
 - Provision of services; or
 - Lending or borrowing money; or
 - Any other transaction having a bearing on the profits, income, losses or assets of the enterprises; or
 - Mutual agreements or arrangements for allocation or apportionment of, or any contribution to, any cost or expense incurred

As per Section 92F(V):

- “transaction” includes an arrangement, understanding or action in concert –
 - (A) whether or not such arrangement, understanding or action is formal or in writing: or
 - (B) whether or not such arrangement, understanding or action is intended to be enforceable by legal proceeding.

Enhanced definition of International transaction (w.e.f. 1 April 2002)



Definition of Intangible Clarified

Marketing

Trademarks, Trade Names, Brand Names , Logos

Technology

Process Patents , Patent Applications, Technical Documentation,
Technical know-how

Artistic

Copyrights, Literary work, Musical Compositions, Maps, Engravings

Data Processing

Software Copyrights, Proprietary software, Automated databases,
Integrated circuit Masks & Masters

Engineering

Industrial Design ,Product Patent ,Trade Secrets , Engineering
Drawings , Blueprints , Proprietary Documentation

Customer

Customer Lists , Customer Contracts, Customer Relationship, Open
Purchase Orders

Definition of Intangible Clarified (contd.)

Contract

Favourable Supplier Contracts, License agreements , Franchise agreements , non-compete agreements

Human Capital

Trained & Organised work force , Employment agreements, Union Contracts

Location

Leasehold interest, Mineral exploitation rights, Easements, Air rights, Water rights

Goodwill

Institutional / Professional Practice / Celebrity goodwill , Personal goodwill of professional, General business going concern value

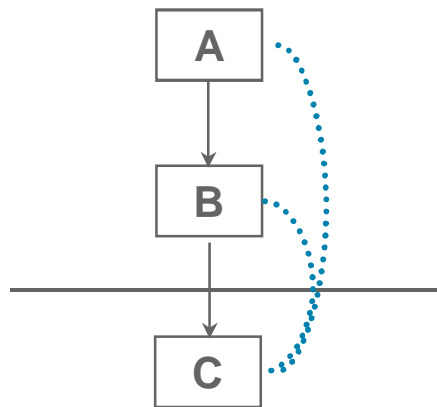
Similar

Similar Item deriving its value from its Intellectual content rather than its physical attributes

Others

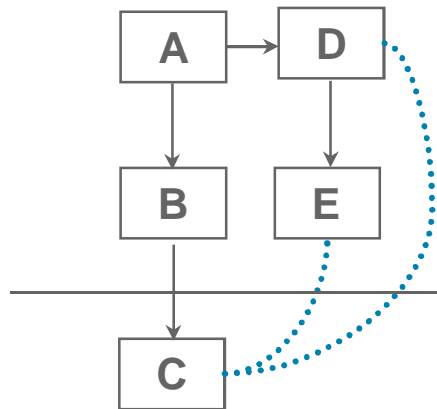
Methods , Programmes , Systems, Procedures, Campaigns, Surveys, Studies, Forecasts, Estimates, Customer Lists or Technical data

Meaning of Associated enterprises (Sec 92A)



Both A and B are associated enterprises of C

Direct or indirect participation (through one or more intermediaries) in management, control or capital



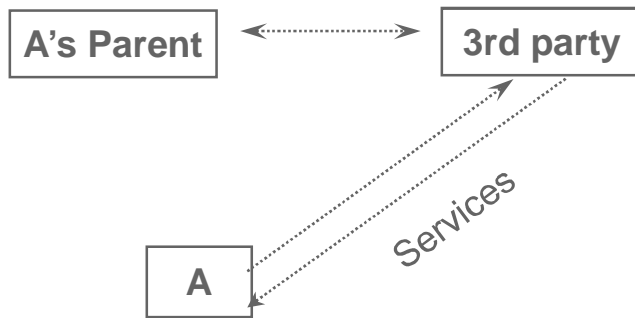
D and E are also associated enterprises of C since they have a common ultimate parent (A)

Deemed Associated enterprises (Sec 92A(2))

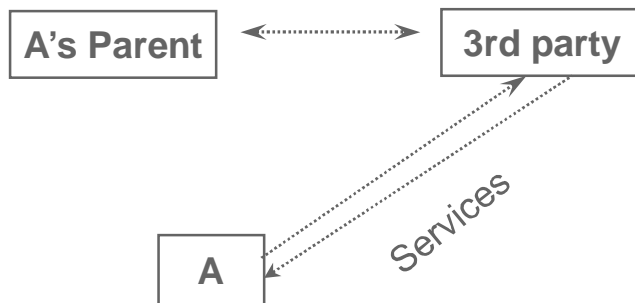
Holding	Management	Activities	Control
<p>1. $\geq 26\%$ direct / indirect holding by enterprise</p> <p><u>OR</u></p> <p>2. By same person in each enterprise</p> <p>3. Loan $\geq 51\%$ of Total Assets</p> <p>4. Guarantees $\geq 10\%$ of debt</p> <p>5. $> 10\%$ interest in Firm / AOP / BOI</p>	<p>6. Appointment $> 50\%$ of Directors / one or more Executive Director by an enterprise</p> <p><u>OR</u></p> <p>7. Appointment by same person in each enterprise</p>	<p>8. 100% dependence on use of intangibles for manufacture / processing / business</p> <p>9. Direct / indirect supply of $\geq 90\%$ Raw Materials under influenced prices and conditions</p> <p>10. Sale under influenced prices and conditions</p>	<p>11. One enterprise controlled by an individual and the other by himself or his relative or jointly</p> <p>12. One enterprise controlled by HUF and the other by</p> <ul style="list-style-type: none"> - a member of HUF - his relative or - Jointly by member and relative

Deemed international transaction- Sec 92B(2)

Prior agreement



Determination of terms



- An transaction with an unrelated company (3rd party) is deemed to be an international transaction and subject to transfer pricing regulations if
 - a **prior agreement** exists between A's AE and 3rd party in relation to services rendered by A to the 3rd party; or
 - **terms of transaction** are determined in substance by A's AE and 3rd party

Specified Domestic Transaction – Sec 92BA

- Scope of TP provisions expanded w.e.f AY 2013-14 by including “SDT” if aggregate value of such transaction exceeds INR 50 Million (5 Crores)
- Applicability of TP regulations (including procedural and penalty provisions) to specified transactions between domestic related parties and payments made to related parties.
- **“Specified Domestic Transactions “** in case of an assessee means any of the following transactions , not being an international transaction , namely -
 - i. Any expenditure in respect of which payment is made or to be made to a person u/s 40A(2)(b) ;
 - ii. Any transaction referred u/s 80A ;
 - iii. Any transfer of goods/services u/s 80-IA ;
 - iv. Any business transaction u/s 80-IA(10) ;
 - v. Any transaction under Chapter VI-A or u/s 10AA – to which provisions of Sec 80-IA (8) or (10) applies ; or
 - vi. Any other transaction as may be prescribed.

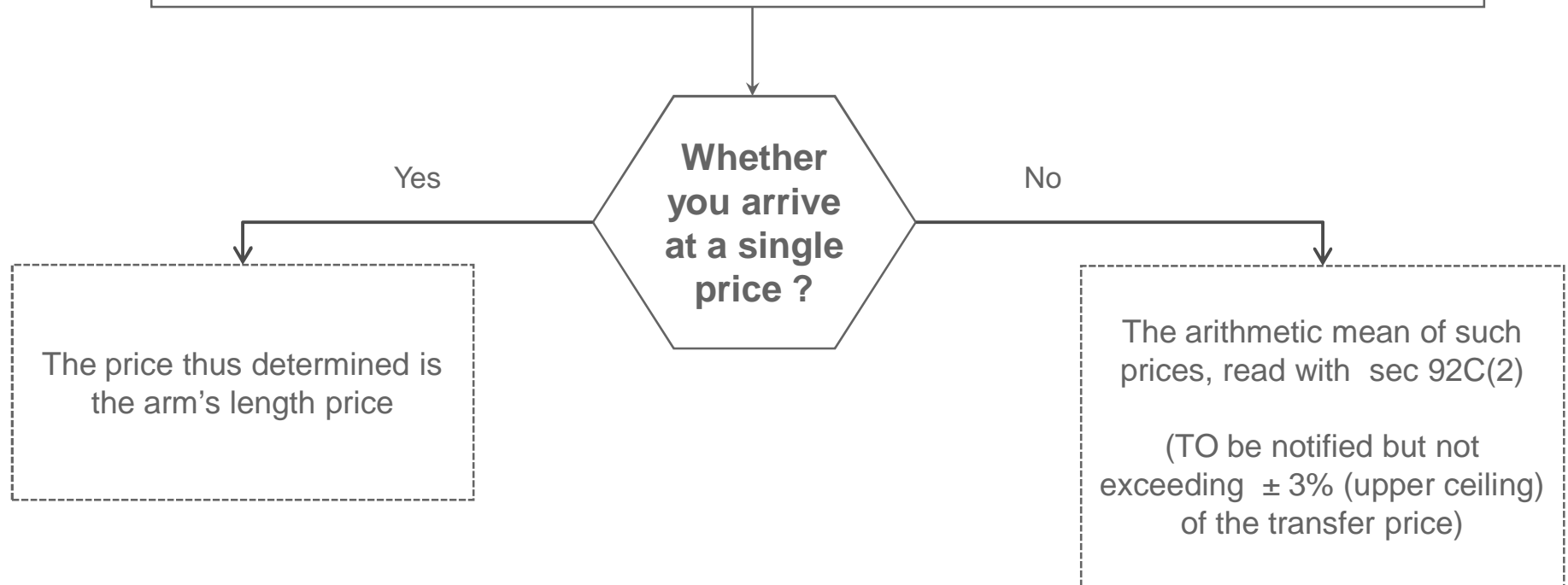
Specified Domestic Transaction – Sec 92BA (contd.)

- Meaning of related party of domestic transaction u/s 40A(2)(b) to include companies having same holding company.
- All provisions applicable for determination of ALP for international transactions would apply in case of SDT also. Also penal provisions applicable to international transactions would apply to SDT
- Remuneration to Key Managerial Personnel also covered under SDT

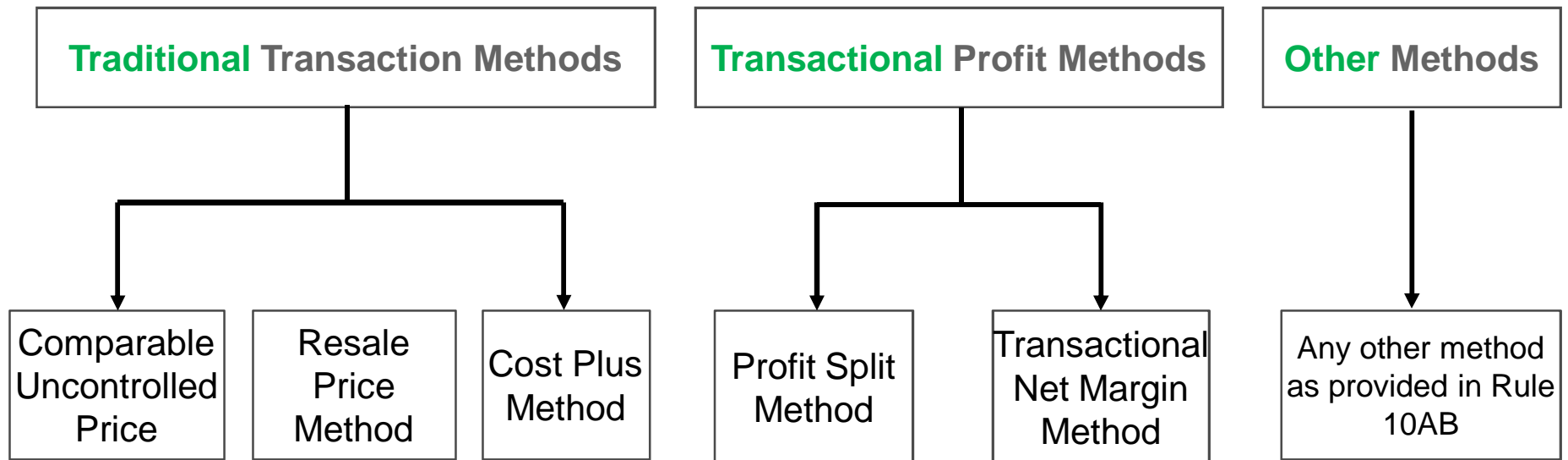
Arm's length price

Price applied or proposed to be applied in a transaction between persons other than AEs, in uncontrolled conditions

Determination of arm's length prices using one of the [Prescribed methods](#)



Prescribed Transfer Pricing Methods



- Tax payer may apply any of the above methods that is considered most appropriate for a transaction

Advance Pricing Agreement (“APA”)– Sec 92CC/CD

- CBDT empowered, with effect from 1 July 2012 to enter into APA with any person in relation to an international transaction for determination of ALP
 - As per method referred in S. 92C or
 - Any other method with such adjustments or variations as may be necessary/expedient
- The agreement shall be valid for period not exceeding **five consecutive previous years**
- APA is binding on the concerned person and on the tax authorities provided there is no change in law or no change in facts

APA - Sec 92CC/CD (contd.)

- With approval of Central Government, APA can be regarded as void ab initio (as if the agreement was never entered into) if obtained by fraud or misrepresentation of facts
- CBDT given the powers to prescribe a scheme specifying the manner, form, procedure and any other matters in respect of APA
- Taxpayer to furnish modified return, limited to the impact of APA, within 3 months of date of APA, including for years for which assessments have been completed.
- Taxpayer may be disentitled to claim the impact of APA in the event of delay in submission of modified return

Permissible Tolerance Band to determine arm's length price

- Range benefit is no more available as a standard deduction
- Amendments in Finance Act (No. 2) 2009 to be applicable to all AY pending after 1 Oct 2009
- The +/-5% variation allowed in determining ALP has been capped to a limit of +/-3% from 1 April 2013
- CBDT to notify the exact applicable tolerance limit

Tolerance band : Tweaked with non tolerance

Position prior to proposed amendments		
Particulars	1.4.02 to 30.9.09	1.10.09 to 31.3.13
Transfer price	100	100
ALP (Arithmetic mean)	120	120
Permissible Range	114-126 (5% of 120)	95-105
TP adjustment	Arguably, 14 (114-100)	Arguably, 20

Position post amendments by Finance Bill, 2012			
Particulars	1.4.02 to 30.9.09	1.10.09 to 31.3.13	1.4.13 onwards
Transfer price	100	100	100
ALP	120	120	120
Permissible range	114-126	95-105	To be notified but not exceeding $\pm 3\%$
TP adjustment	20 (no benefit of $\pm 5\%$ band)	20 (if assessment pending as of 1.10.09)	Will depend on notification
Remarks	Concluded assessment not to be subject to rectification reassessment		

Comparables

- All methods require comparables
- Transfer price is set/ defended using data from comparable transactions
- Comparable transaction should be independent and similar to tested transactions
- Factors for judging comparability (Rule 10C(2)):
 - nature of transactions undertaken (i.e. type of goods, services etc.)
 - company functions
 - risks assumed
 - contractual terms (i.e. similar credit terms)
 - economic and market conditions

Transfer Pricing Documentation

- A detailed list of mandatory documents are given in Rule 10D(1) of the Rules.
 - Ownership Structure
 - Profile of multinational group
 - Business description/ Profile of industry
 - Nature and terms (including price) of international transactions
 - Description of functions performed, risk assumed and assets employed (functional analysis)
 - Records of economic and market analysis (economic analysis)
 - Record of budgets, forecasts, financial estimates
 - Any other record of analysis (if, any) to evaluate comparability of international transaction with uncontrolled transaction(s)
 - Description of method considered with reasons of rejection of other methods
 - Details of transfer pricing adjustment(s) made (if, any)
 - Any other information e.g. data, documents like invoices, agreements, price related correspondence etc.
-
- Entity Related**
- Price Related**
- Transaction Related**

Transfer Pricing Documentation (contd.)

- Detailed documentation not required in case aggregate transaction value is less than Rs. 1 Crore
- List of supporting documents are also provided in the law
- Contemporaneous data requirements
- Documents to be retained for a fixed period from end of the assessment year
- Need to obtain Accountant's report (under Form 3CEB) to be filed along with the return of income

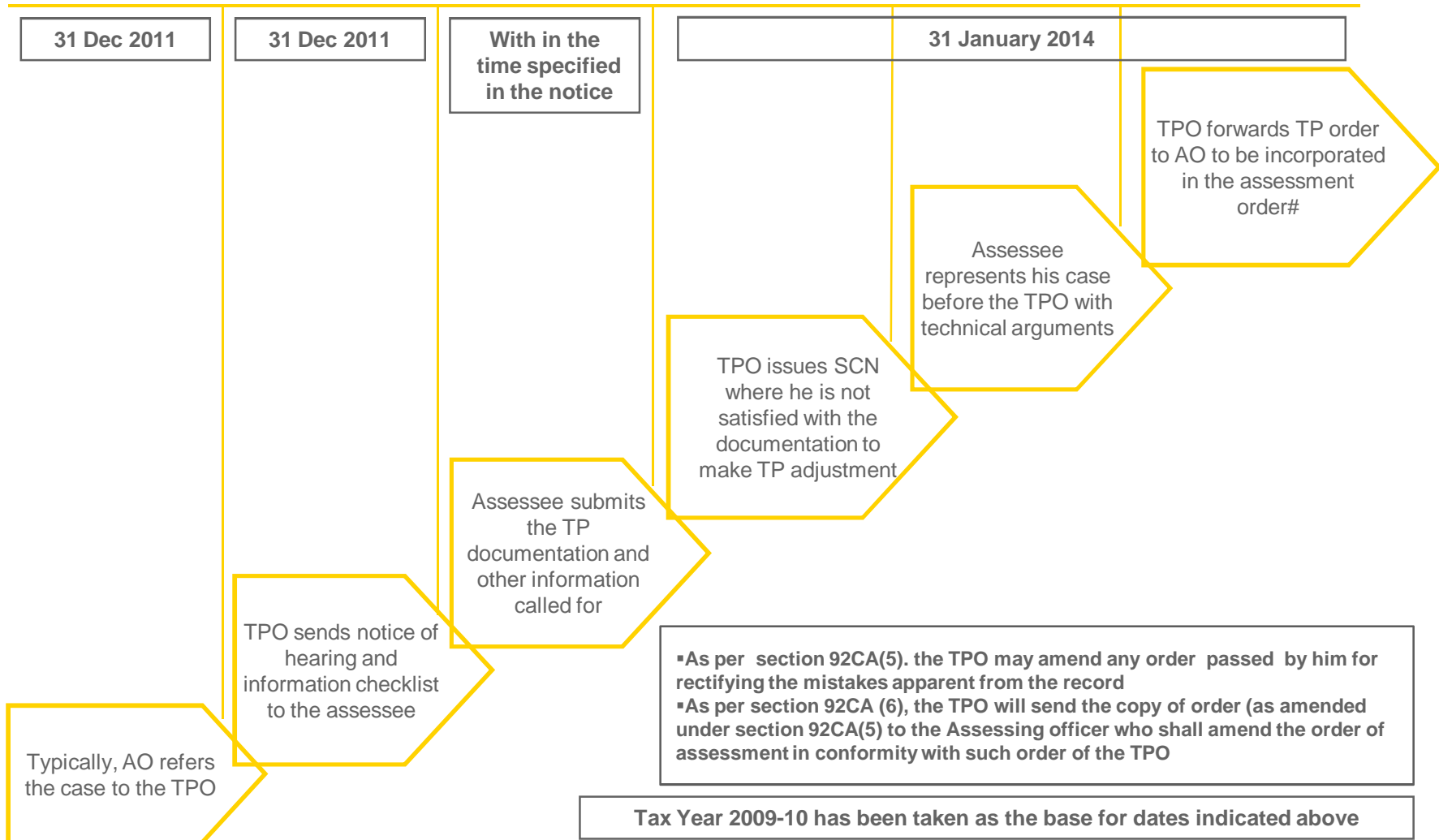
Accountant's report (Form 3CEB) - Rule 10E

- Obtained by every tax payer filing a return in India and having international transaction or SDT
- To be filed by due date for filing return of income
- Essentially comments on the following:
 - whether the tax payer has maintained the **transfer pricing documentation** as required by the legislation,
 - whether as per the transfer pricing documentation the prices of international transactions are **at arm's length**, and
 - certifies the value of the international transactions as per the books of account and as per the transfer pricing documentation are **"true and correct"**

TP Penalties-Section 271

Default	Penalty
Post-inquiry adjustment (deemed concealment of income) → u/s 271(1)(c)	100-300% of tax on the adjusted amount
Failure to maintain documents / Fails to report transactions / Maintains or furnishes incorrect documents → u/s 271AA	2% of the transaction value
Failure to furnish documents → u/s 271G	2% of the transaction value
Failure to furnish accountants report → u/s 271BA	Rs 100,000

Walk Through of a typical TP assessment



Specified Domestic Transactions

Introduction - Pre Finance Act, 2012

- Tax officer empowered to disallow payments to “related parties” which are “excessive” or “unreasonable”
- Tax officer empowered to re-compute tax holiday eligible profit if undertaking makes more than ordinary profits as a result of arrangements with closely connected persons or otherwise
- In case of inter-unit transfer of goods or services, tax officer/ taxpayer allowed to determine tax holiday profits based on FMV of goods/ services
- No specific methodology prescribed for disallowance/ tax holiday profit adjustment
- Hon’ble SC in the case of CIT Vs. Glaxo SmithKline Asia
 - Recognized complications arising in determining FMV in such cases
 - Suggested that Finance Ministry should consider making TP provisions applicable to aforesaid transactions as well

Introduction - Finance Act, 2012

- Based on SC's suggestion, TP provisions extended to certain SDTs
 - Payments to related parties
 - Inter-unit/ inter-company transactions that impact tax holiday profits
 - Other transactions as may be specified
- Seeks to create legally enforceable obligation on taxpayers to maintain proper documentation
- Is intended to provide objectivity in determining reasonableness of expenditure and income eligible for tax holiday
- Has recognized that extending provisions to all taxpayers will increase compliance and administrative burden
- Monetary threshold of INR 50 Million (approx. USD 900,000) provided for applicability of the provisions

Domestic TP – Applicability

- Allowance for **expenditure or allocation of cost or expense or any income** in relation to SDT to be computed having regard to ALP
- Applicable from FY 2012-13 onwards
- SDT defined as any of the following transaction(s), **which are not international transactions** (i.e. transactions where either one or both the parties to the transaction are non-residents)
 - Payments to related parties as defined under section 40A(2)(b)
 - Tax holiday related transactions (eligible business)
 - Any transaction referred to in section 80A
 - Any transfer of goods/services referred to in section 80IA(8)
 - Any business transaction referred to in section 80IA(10)
 - Any transaction under Chapter VI-A or u/s 10AA – to which provisions of section 80IA (8) or section 80IA (10) apply
 - Any other transaction as may be prescribed

Domestic TP – Applicability

- Taxpayer cannot apply TP to SDT so as to reduce total income that is subject to tax
- Tax holiday denial to adjusted income, if SDT TP adjustment results in enhancement of total income
- Monetary threshold of INR 50M to be computed based on aggregate of payments and receipts to which the provisions apply
- Definition of the term “related parties” for the purposes of expense disallowance expanded to cover entities which have common beneficial ownership
- TP provisions applicable to international transactions are largely applicable to SDT as well, with the exception of APA provisions

Eligible business covered

Section	Tax payers covered	Deduction
10AA	Persons with income from SEZ units	100% for the first 5 years 50% for the next 5 years 50% of the profits or amount credited to SEZ re-investment reserve, whichever is less for next 5 years
80-IA	Infrastructure developers	100% for a period of 10/15 years out of 15/20 years, as the case maybe from the date of commencement of operation
80-IA	Telecommunication service providers	100% for a period of 5 years 30% for the next 5 years out of 15 years from the date of commencement of operations
80-IA	Developers of Industrial park	100% for a period of 10 years out of 15 years from the date of commencement of operations
80-IA	Producers or distributors of power	100% for a period of 10 years out of 15 years from the date of commencement of operations
80-IAB	Developers of SEZ	100% for a period of 10 years out of 15 years from the date of commencement of operations
80-IB	Small scale industry engaged in operating Cold storage plant	30% of profits for the first 10 years
80-IB	Industrial undertaking in Industrially backward state as mentioned in VIII Schedule (ex: Jammu and Kashmir)	100% of profits for 5 years and 30% for the next 5 years
80-IB	Multiplex theaters and convention centre	50% for the first 5 years

Eligible business covered (contd...)

Section	Tax payers covered	Deduction
80-IB	Company carrying on scientific research and development	100% of profits for first 10 years
80-IB	Eligible housing projects	100% of profits from such business
80-IB	Eligible hospitals	100% of profits for first 5 years
80-IC/ 80-IE	Persons with units in North-eastern states claiming deduction	100% for a period of first 10 years
80-ID	Hotels located in districts having World Heritage site	100% of profits for first 5 years of commencement of business

Concept of ALP

- Concept of ALP applicable for determining taxable income arising from international transaction introduced in 2001, now extended to SDTs
- ALP defined to mean a price which is applied or proposed to be applied in a transaction between persons other than AEs, in uncontrolled conditions
- Comparability and FAR fundamental to the concept of ALP
 - Comparison of conditions in a controlled transactions with conditions in transactions between uncontrolled enterprises
 - Compensation usually reflects functions performed (taking into account assets used and risks assumed)
- ALP concept usually relevant for transactions between “separate enterprises”; may need to be applied by analogy to SDT involving inter-unit transfer of goods/ services

Methods for computing ALP

- ALP is required to be computed using any of the following methods being the most appropriate method
 - Comparable uncontrolled price method
 - Resale price method
 - Cost plus method
 - Profit split method
 - Transactional net margin method
 - Such other method as may be prescribed by the Board - method prescribed in May 2012 by inserting Rule 10AB
 - Reference in Rule 10AB to international transaction – possible extension to cover SDT for FY 2012-13 onwards?
- Rules provide guidance on application of the methods and factors to be considered in selecting the most appropriate method

Domestic TP – Documentation, Penalties, Form 3CEB

Same as International Transaction

- Documentation to be contemporaneous
- Due dates for FY 2012-13:
 - Form 3CEB & Maintenance of documentation - November 30, 2013
- Penalties – Section 271

Section 40A(2) – Payments to related parties

- Payments by taxpayers* to certain specified persons are covered within the ambit of section 40A(2)
- The following persons are regarded as ‘specified persons’
 - Directors of the taxpayer company or any relative of such directors
 - Individuals having SI in the business of taxpayer company or any relative of such individual
 - Persons having a SI in the business of the taxpayer company
 - Directors of the entities having SI in the business of the taxpayer company or any relatives of such directors
 - Any company having the same holding company (which holds a SI) as that of the taxpayer company
 - A company of which a director has a SI in the business of the taxpayer company, any director of such company or any relative of such director
 - Persons/entities in which taxpayer company/its directors/ their relatives have a SI

**While payments by an individual, firm, association of persons and Hindu Undivided Family to certain specified persons are also covered within the ambit of section 40A(2), however the aforesaid list covers persons who are regarded as “related parties”, where the taxpayer/assessee is a company*

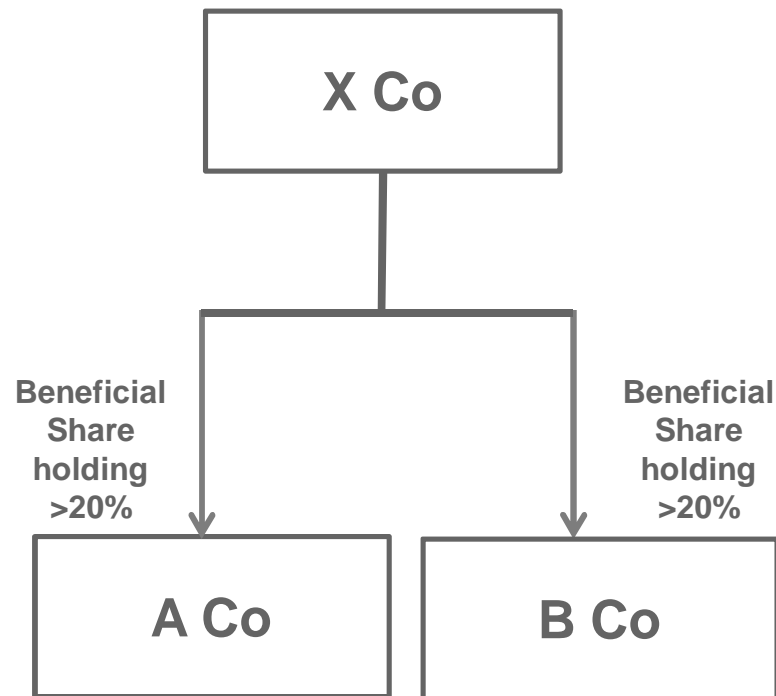
Section 40A(2) – Payments to related parties

- A person shall be regarded as having a SI in a business if at any time during the previous year
 - Such person is the beneficial owner of shares carrying not less than 20% of the voting power (in case of a company)
 - Such person is beneficially entitled to not less than 20% of the profits of such business (in any other case)
- Beneficial ownership
 - Term not defined but can be understood as a person who ultimately enjoys the income/asset and also controls it
 - While a registered shareholder may generally be presumed to be the beneficial owner, under certain circumstances, an indirect shareholder could be regarded as beneficial owner
 - Need not be in existence for the entire year but is sufficient if it is in existence for only part of the year

Section 40A(2) – Payments to related parties

- General scope of Section 40A(2)
 - Applicable to taxpayers making the payment/incurred expenditure and not to recipients of such income
 - Can ALP testing of recipient be relied upon to support arm's length nature of expense?
 - No correlative relief for recipient if payer subject to a TP adjustment
 - If no payment is made or payment is less than ALP, cannot be considered as "excessive/ unreasonable"
 - Expenditure should be towards 'goods', 'services' or 'facilities'
 - Generally, following payments may be covered:
 - Payment towards purchase of raw materials, services, use of asset
 - Payment towards sharing of common premises/facilities
 - Payment of interest on loan
 - Payment of managerial remuneration, salary, bonus etc to directors
 - Capital expenditure, depreciation outside the purview of section 40A(2)

Payments to related parties - Illustration



Any payment towards expenditure by

- ACo to its own directors as remuneration, salary, bonus etc
- ACo to XCo
- ACo to directors of XCo
- ACo to Relatives of directors of A Co and X Co
- ACo to BCo

Any payment towards expenditure by

- XCo to ACo/BCo

Tax holiday eligible business

- SDT provisions apply to business transactions/transfers referred to in section 80A, 80IA(8), 80IA(10), 10AA, Chapter VI-A provisions
- Section 80A(6) and Section 80IA(8) require adjustment to tax holiday profits where
 - Goods and services of eligible business are transferred to any other business carried on by the **same taxpayer** and *vice versa*
 - Consideration for such transfer **as recorded in the accounts** of eligible business does not correspond to market value of such goods/services
 - In such cases, tax authorities/ taxpayer required to recompute tax holiday claim by reference to **ALP** of such goods/services
- Overlap between 80A(6) and 80IA(8) not of much consequence
- Applies to all tax holiday claims under Chapter VI-A/ Section 10AA
- Applicability to investment-linked tax incentives under Section 35AD?

Tax holiday eligible business

- General scope of Section 80A(6)/ 80IA(8)
 - Covers transfer of goods/ services held by “eligible business” to another business or *vice versa*
 - Existence of two or more separate businesses of the same taxpayer
 - Transfer of goods/ services between the businesses
 - Does not contemplate an artificial or hypothetical segregation of profits between tax holiday unit and the rest of the enterprise
 - Once threshold is satisfied, inter-unit transfer price may be need to be determined by hypothesizing the businesses as separate & distinct enterprises for determining ALP
 - Provides for a “two-way” adjustment (both favorable as well as adverse) and is a mandatory provision
 - Is in the nature of notional adjustments for determining profits eligible for tax holiday

Tax holiday eligible business

- General scope of Section 80IA(10)
 - Tax officer empowered to re-compute tax holiday profits if:
 - more than “ordinary profits” have arisen in the eligible business due to transactions between closely connected persons or for other reasons
 - Provides for only “one way” adjustment i.e. only adverse adjustment at the discretion of the tax officer
 - Is in the nature of notional adjustment for determining profits eligible for tax holiday
 - Tax officer may invoke the provision in case of SDT on the basis of ALP determination
 - Onus still on tax officer to establish that the course of business was arranged to produce more than ordinary profits?

Meaning of goods, services, facility

- Goods, services and facility are those which are commercial / marketable in nature
- Goods
 - Every kind of movable property other than actionable claims and money; and includes stock and shares, growing crops, grass, and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale
- Services
 - Section 28(va) explains the term “services” to mean service of any description which is made available to potential users and includes the provision of services in connection with business of any industrial or commercial nature such as accounting, banking, communication, advertising etc
- Facility
 - Could include not just physical facility.
 - The term could also include, extending credit facility

Implications

- Related party payments likely to be subject to detailed scrutiny to assess whether payments are consistent with ALP
 - Economic double tax exposure in the absence of correlative relief
- Intra-enterprise arrangements may be reviewed to assess reasonableness of tax holiday eligible profits
 - Impact on extent of profits that may be eligible for tax holiday
- Profit levels of tax holiday eligible taxpayers may be evaluated to assess whether more than ordinary profits are derived on account of dealings with closely connected persons
 - Impact on extent of profits that may be eligible for tax holiday
- Documentation/ compliance and reporting obligation on taxpayer
 - Stringent penalty for non-compliance
- Assessment of transactions by specialized transfer pricing officers

Key challenges/ issues

- Difficulty in benchmarking certain unique transactions for which comparability data may be difficult to obtain
 - Director's remuneration
 - May be difficult to apply any of the TP methods – TP not applicable as computation not possible?
 - Whether regulatory/ corporate governance approvals can be considered as an evidence of arm's length conditions?
- Comparability standards for bench-marking profits/ margins of eligible business
 - For evaluating ALP for Section 80A(6)/ 80-IA(8)/ 80-IA(10) transactions, should comparability be with enterprises that do not enjoy tax holiday?
 - Alternatively, determine ALP return for “non-eligible business” and allocate residual to “eligible business”?
 - Availability of adequate data/ information in public domain

Key challenges/ issues

- Identification/ demarcation of eligible business and non-eligible business for determining existence of “80A(6)/ 80IA(8) transactions”
 - Determining allocation of functions/risks/ assets between eligible business and non-eligible businesses
- Identifying parties with whom taxpayers have “close connection” and assessing reasons for more than arm’s length profits, if any

What taxpayers need to do

- Analyze SDT provisions and applicability thereof
- Analyze and document technical positions relating to scope/ coverage/ applicability of SDT
- Undertake impact assessment on current practices and policies
- Take corrective action as may be necessary
 - Reset inter company/inter unit pricing policies, wherever required
 - Properly document inter-company/ intra-company pricing policies
- Initiate steps for preparing SDT TP documentation

Questions ??

Contact Details

Sanjay L. Kapadia
Chartered Accountant

All the views expressed during the presentation are personal opinions of the presenter and the presenter is not liable for any consequences arising out of reliance on the same

Thank you