DISH TV INDIA LIMITED

3Q FY19 EARNINGS TELECONFERENCE
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Moderator: Ladies and Gentlemen, good day and welcome to Dish TV Limited Q3 FY19 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' and then '0' on your touchtone phone. I now hand the conference over to Mr. Tarun Nanda. Thank you and over to you, sir.

Tarun Nanda: Thank you. Very good evening, ladies and gentlemen. Thank you for joining us today to discuss the third quarter performance of Dish TV India Limited. To discuss the results, we have with us Mr. Jawahar Goel – Chairman & Managing Director of Dish TV India Limited; and the senior management team comprising of Mr. Anil Dua – the Group CEO; and Mr. Rajeev Dalmia – the Chief Financial Officer.

We will start with a brief statement from Mr. Anil Dua, and we will then open the discussion for questions and answers. I would like to quickly remind that anything that we say during this call that refers to our outlook for the future is a forward-looking statement that must be taken in the context of the risks that we face. I will now request Mr. Dua to address the participants.

Anil Dua:

Good evening ladies and gentlemen and thank you for joining us today for the 3Q FY19 Earnings Call.

I am sure you would have had the opportunity to go through the results and the Earnings Release, both of which have been uploaded on the Company's website.

It was an eventful third quarter with the TRAI Tariff Order approaching its erstwhile deadline and regular business activity picking up speed during the festival period.

Leading by example, Dish TV during the quarter leveraged months of pro-active preparedness and research to kick-start processes that were designed to adopt the Regulation.

We continue to believe that the Interconnection Regulations and Tariff Order, as notified by TRAI, will lay down new norms for the television industry ushering in an era of growth, transparency and non-discrimination.

Dish TV added 142 thousand net new subscribers during the quarter.

Consolidated subscription revenues and operating revenues for the quarter were Rs. 14,126 million and Rs. 15,174 million respectively. EBITDA for the quarter stood at Rs. 5,176 million, up 4.0% YoY with an EBITDA margin that was almost at an historical high of 34.1%, up 330 bps YoY.

A delay in the implementation of the Tariff Order, before the erstwhile deadline, triggered a hesitation amongst subscribers leading to a noticeable fall in recharges during the month of December. The trend is expected to reverse in February, as the Tariff order gets implemented, and should become normal by the end of this quarter.

Sustainability review of long term packs had some impact on activations in select markets. That said, barring the fluctuations in December, the business delivered in line with expectations in the festival months of October and November.

Phase 4 markets, increasing TV households, urbanization, growing multi-TV households, rural electrification and an improving consumer sentiment shall continue to remain the primary drivers of DTH subscriber addition.

During the quarter, significant cost synergies were realized in transponder costs, call-centre expenses and programming costs. Overall cost of goods and services (COGS) was down 4.2% YoY. Finance cost was lower by 9.3% YoY as debt repayments continued as per schedule. The Company aims to be debt free in two years.

Investment in brand building and marketing for both, Dish TV and d2h brands continued with both brands launching new brand campaigns for the festival season. Marketing expenses thus remained high during the quarter.

We are optimistic about exiting FY19 with a high single digit growth in EBITDA considering back-to-back cricketing action during the fourth quarter and further realization of synergies.

The Dish SMRT Stick was launched during the quarter at an introductory price of Rs 599 only.

The device enables low–cost and modular access to internet based services on Dish HD boxes. With the SMRT Stick, Dish TV's existing 3.5 million NXT HD boxes can become connected boxes overnight.

I am glad to inform that during the quarter, Watcho, the much-awaited in-house OTT app of the Company was also launched in Beta mode.

With that, I would like to open the floor for the Q&A session.

Moderator: Thank you very much, sir. Ladies & gentlemen, we will now begin the question-and-answer session. The first question is from the line of Abneesh Roy from Edelweiss. Please go ahead.

Abneesh Roy: My first question is on your strategy of preponing the tariff implementation. So, your key competitor, Tata Sky in fact tried to postpone it in the last minute. So, what were the key benefit arising from this? What was the thought process? Because when I see your subscriber addition numbers or any of the other metrics, at least in Q3, the benefit seems has not translated. So, will it come in Q4, will it come in Q1, what is the thought process?

Anil Dua: Thanks, Abneesh. I think that is a very important question, because Dish TV has been at the forefront even more than a year back when we launched Mera Apna Pack on Dish TV. And similarly, D2H had launched Mera Wala Pack. We had spoken about it that we are actually doing advanced implementation of Tariff Order. We have been waiting for it, and so we have been really welcoming it. Throughout the month of December, we have done several activities on both our platforms to make that known to everyone, especially to our customers. We have been educating customers all about channel. We have been sending them one-on-one messages. Now what has happened is that the date got moved from 29 December to 1st February. So, that has led to some uncertainty, which is the net adds that you spoke about. But I think this is a short-term trend, which we should not worry about. In long term, we have maintained that this is very good for us, and we continue to believe in that.

Abneesh Roy: And sir, what is your sense on broader impact of the Tariff Order? Because when I check with customers, basically ARPU has not changed much, but number of channels for them has reduced. So, net-net, customer doesn't seem to be gaining. So, could there be backlash? Could there be some negative impact? Because ultimately, he is getting less number of channels and ARPU has not changed.

Jawahar Goel: Abneesh, this is Jawahar here. Actually when we started Mera Apna Pack, there were two concerns about it. Number one, to familiarize the concept to the consumer. And Dish TV has familiarized its concept to almost 8 million subscribers to choose a channel on a-la-carte basis. This was not in existence in the country. That is one. Number two and so also to have our subscriber base a little bit more educated than any other direct-to-home that you are talking about. Number three, this is like a toll road, a national highway, where you pay some toll and then you enjoy the pleasure of driving. So, this is the new regime, which the country is moving towards. The consumer, of course, first they will decide how much they need to spend and which channels they need to subscribe. So, that way, the ratings of broadcasters will get affected. And the broadcaster will reset their pricing. The big four broadcasters, are a responsible lot, they have a big base, a big stake. I am not talking about them. But small broadcasters who are running a channel by buying content are asking Rs. 3 per channel for each channel. The channel may not be worth even 10 paisa per month. So, these broadcasters will be forced out of the market.

You must have seen there are around 15-20 Hindi movie channels. They are surviving on connectivity as well as the capacity to buy content compared to lower established players. I think they will go out from the market. So, I think movie buying rights will get reset.

So, we will have to wait. This is a totally new regime. It is like a woman is becoming a mother for the first-time. Her life is going to change. The same thing is going to happen with us. The broadcasters, so far, they were collecting the subscription from DTH operator and getting the reach from the cable companies. So, the per subscriber payout for the DTH company and for the cable consumer has got disrupted. This discrimination will go away, the new rule book will be written. So, let us wait, we are on the market, we are in the job, we have a substantial size of subscriber base and we will convert this into a comparable content cost and customer experience. Thank you.

Abneesh Roy: And sir my second question is on the marketing spends. So, your group is, of course, known for very high focus on cost control. So, now having two brands and when you are doing so much innovation, any thought process on having just one brand or merge the two brands and just advertise one single brand, any thought process, anything which is preventing you from doing this?

Jawahar Goel: Abneesh, that we have done, but the marketing will be done this year. And for the new budget we will talk separately. But we have maintained the marketing spend within the range, which we have been maintaining almost for Dish TV, about Rs. 100 crores for so many years. Sometimes we spend less. And number two, we are getting a lot of free airtime from the broadcaster and that availability is increasing. So, that will keep our marketing cost low. Let us remember, this is a festival quarter.

Anil Dua: So, this festival quarter is the only quarter where we really spend. And that is where you see. But otherwise, Jawahar ji just said, the spend for the year is pretty much in control.

Jawahar Goel: Yes. And we will be depending on FCT in a great way

Abneesh Roy: But no plans to merge the two brands?

Jawahar Goel: We will continue both the brands. As we have said that D2H brand eventually become a south language brand.. And both the brands will be sold in the market throughout the country. But the platform-wise, we are focusing south as D2H to service satellite in south market.

Abneesh Roy: And sir, last question. You had said you want to be debt free in the next two years. So, how easy is this given tariff change and overall liquidity tightening? Of course, interest rate cut, we will have more clarity in the near term, but could you give us free cash flow, how you are seeing in the light of Jio, in the light of Tariff Order, what is the conviction level on this?

Rajeev Dalmia: No, this quarter the free cash flow was around Rs. 225 crores, which was utilized for the dividend payment and repayment of bank loans. If we continue to generate around Rs. 250 crores to Rs. 300 crores per quarter, then we are pretty confident that in the next two years we will be more or less debt-free.

Abneesh Roy: And what is the current gross and net debt, sir?

Rajeev Dalmia: Gross was Rs. 2,450 crores and net was Rs. 2,050 crores.

Abneesh Roy: Thank you. Our next question is from the line of Piyush Chaddha from Serendip. Please go ahead.

Piyush Chaddha: Just wanted to learn a little more about this investment that you are making in Dish Infrastructure, your wholly owned subsidiary of around Rs. 3,000 crores. What is the money being used for, and how will you finance this investment?

Rajeev Dalmia: Actually, Dish Infra, when it was formed, the revenue line was different and in actuality the revenue line is not matching with the expense line. We had to incur a lot of expenses because of the expansion planned, especially after the D2H merger. We financed around Rs. 2,550 crores to Dish Infra for mitigating the day-to-day expenses. Now by issuing equity we will try to equalize the same so that there is no debtor, creditor relationship between the holding and subsidiary.

Piyush Chaddha: I see. So, the money has already been invested in a sense. Right now, it has been recognized as loans, and those loans will be converted to equity?

Rajeev Dalmia: Absolutely. And it was part of our annual report also. There was a note on the same.

Piyush Chaddha: Okay. Second question on this SMRT boxes that you are trying to launch with the SMRT Stick, what has been the kind of take-up and acceptance you are seeing on the services?

Anil Dua: Yes, Piyush. So, these are actually SMRT Stick are meant for the existing HD boxes, which are already there in the market. There is no new box that we are especially launching for this. The boxes that have been there they can pair up with the SMRT Stick and talk to the Internet in your house and show you a lot of online content, besides just continuing to see the linear services on your television. We have just started this, and we are seeing good response. We will be able to share numbers with you probably in the next couple of quarters, but initial response has been pretty encouraging.

Moderator: Thank you. The next question is from the line of Mayur Gathani from Ohm Portfolio. Please go ahead.

Mayur Gathani: Sir, considering that the deadline was implemented from 1st Feb, you will have some impact in Jan and hence quarter four additions will also be poor? Or because of the cricketing season, you might see a positive number?

Anil Dua: No. I think two months is a good enough time. We will only know as the quarter progresses. But yes, the uncertainty has continued from December into January. But as we said in our release, we are expecting this trend to become to reverse and become favorable. And certainly we feel that in the long-term or medium-term to long-term there is going to be no adverse impact of the short period of changeover.

Jawahar Goel: Also, we are a pan-India service and some of the MSOs have not done preparation for coming on to the new Tariff Order. So, obviously the content provider will shut their content. So, there will be opportunity for DTH companies to grab more subscribers. So, we should be in good position to expand our margins. Even EBITDA goes low we will expand our margin and maintain, in net basis the margin will grow.

Mayur Gathani: Great. And so what was ARPU for this quarter?

Rajeev Dalmia: ARPU was Rs. 200.

Mayur Gathani: Somehow you missed mentioning this in the note, or you will not be mentioning going forward?

Jawahar Goel: Going forward, I think it is difficult to calculate, because we are in the different model. We get paid for the pipe and margin from the broadcaster. We are not happy with this 20% margin that is being given by the broadcaster. So, we are negotiating with them, talking to them. These things will start happening after the broadcaster gets first or second weekly report of their channel viewership. Thereafter the new discussion will start happening.

Mayur Gathani: Okay. And I missed the number, what did you say was the cash flow for quarter three and for the nine months?

Rajeev Dalmia: Free cash flow of Rs. 225 crores.

Mayur Gathani: That is for which period?

Rajeev Dalmia: December.

Mayur Gathani: Quarter three?

Rajeev Dalmia: Yes.

Mayur Gathani: Okay. And for nine months?

Jawahar Goel: Nine months was around Rs. 700 crores - Rs. 750 crores.

Mayur Gathani: Okay. And for the Dish Infra Service, is there anything more inputs that you have to provide, I mean you said Rs. 3,000 crores.

Rajeev Dalmia: After the infusion of this equity, it will be able to sustain on its own.

Mayur Gathani: Okay. So, you have already infused. Any more funds to be infused, is my question?

Rajeev Dalmia: No, not any more fund in the near-term.

Mayur Gathani: Okay. Whatever had to done is done, now it will just be converting to equity?

Rajeev Dalmia: Yes.

Mayur Gathani: Okay. And the churn percentage, sir?

Rajeev Dalmia: Churn was 1% per month.

Moderator: Thank you. The next question is from the line of Himanshu Shah from HDFC Securities. Please go ahead.

Himanshu Shah: Can you help with the CAPEX during the quarter and nine months?

Rajeev Dalmia: The CAPEX was Rs. 260 crores in the quarter.

Himanshu Shah: Okay. And nine months?

Rajeev Dalmia: Nine months, you have to add another Rs. 420 crores, total Rs. 680 crores.

Himanshu Shah: Okay, Rs. 680 crores?

Rajeev Dalmia: Yes.

Himanshu Shah: Sure. Sir, secondly, there has been a substantial decline in other operating income and other operating expense versus 2Q FY19. Can you just help on that front?

Rajeev Dalmia: Yes. That was because of the import of set-top box on a high sea sale basis. It was ultimately used in D2H. In this quarter there was no such arrangement. So, all the boxes were imported on the basis Dish TV was importing earlier. So, that is why there was no income of around Rs. 40 crores in the quarter, and there was no expense of around Rs. 39.5 crores in the quarter. So, the revenue downfall which you see of around Rs. 75 crores, Rs. 80 crores, actual downfall or reduction is only Rs. 30 crores, Rs. 35 crores. Balance was due to this entry of high sea sale of set-top boxes.

Himanshu Shah: Sir, sorry, can you just help, what is this exactly, high sea sales?

Rajeev Dalmia: Yes. The effective date of the merger was 1st of October, so whichever LC was opened in the month of August or September, but the goods arriving after October, so we had to change the name of the importer. So, that could be done only by the way of high sea sale. So, the accounting part of that is that we have to book it as income or purchase and then sales. So, that is why there was a contra item of Rs. 40 crores in the second quarter and also around Rs. 20 crores, Rs. 25 crores in the first quarter. But this quarter, there was no such income or expense, because all the LCs was opened before August or September is no more open.

Himanshu Shah: Sure, sir. So, just one last question. Can you help with the active and paying subs on a monthly basis, including the subscribers that would be on long-term recharges maybe quarterly or six monthly? So, what would be active and monthly paying subs on a regular basis?

Jawahar Goel: We continue to maintain the 23.6 million subscribers are paying on a regular basis. And some of them paid with the lag and around 17%, 18% subscribers are long-term subscribers, mainly from two months to 12 months.

Himanshu Shah: Okay. 17% to 18%, and that is all on a monthly basis?

Jawahar Goel: Yes. Of the total pool of 23.6 million subscribers, around 18% subscribers are on a long-term basis. And this is fluctuating.

Moderator: Thank you. And the next question is from the line of Rohit Dokania from IDFC Securities. Please go ahead.

Rohit Dokania: Just two questions from my side. I am sorry, I joined the call a bit late. Can you sort of talk about the sort of guidance, especially in light of the nine months performance that we have done across subscriber addition and revenue and EBITDA as well? That will be very helpful.

Anil Dua: Yes. So, our EBITDA guidance stays on track, Rohit. We have said 35% as well for this year. So, this quarter, as you have seen is 34.1%. We are pretty much confident of delivering 35% plus. On the revenue guidance, with the new Tariff Order implementation, uncertainties, and as was being explained a while back, we have to watch how things go. But we pretty much remain confident about this long-term positive impact on our financials.

Rohit Dokania: Okay. And anything on the subscriber addition guidance, or that is also difficult to sort of say?

Anil Dua: So, it will continue to increase. But the exact number, given the Tariff Order, as you know, we are in the middle of Tariff Order implementation, exact number is difficult to share, but we will continue to add subscribers.

Rohit Dokania: Sure. And I think in the opening remarks, you probably gave some guidance on the EBITDA, if I am not wrong. Can you repeat that, because I missed that?

Rajeev Dalmia: The fact that the ARPU and the total revenue will be more in the new regime, but the profitability will continue to be maintained on a long-term basis.

Rohit Dokania: Okay. Understood, sir. And the second question was, if you can sort of talk about, during the transaction we had spoken about the synergy that we expect from the transaction. Where are we on that synergy trajectory, if you can talk about across sort of above EBITDA and also on the below EBITDA line, that will be very helpful?

Jawahar Goel: On the content side we have been able to keep the content cost at par. Because of the Tariff Order we could not discuss the new payout to the broadcaster. This will start happening from this quarter, we will have a resetting, the model is changed, and we believe that our overall content cost will come down by at least 20%.

Rohit Dokania: Okay. This is post the Tariff Order you are talking about?

Jawahar Goel: Yes.

Rohit Dokania: Okay. And are we on track on the financial expenses as well in terms of synergies? Is this quarter a right reflection or are there any sort of Forex related adjustments?

Jawahar Goel: We are working on some items. So, we are working on things like subscriber management system, conditional access, the back-end operations, satellite costs. So, some has been achieved and some is yet to be achieved.

Moderator: Thank you. The next question is from the line of Basant Patil from Mentor Capital. Please go ahead.

Basant Patil: Sir, just wanted to understand on the interest, what is the cost of debt actually?

Rajeev Dalmia: See, the combined cost of debt is around 8.5%, but we have to provide for the unpaid part of the license fee. That is why it is slightly higher. But the actual interest payout is 8.5%.

Basant Patil: Sir, even considering that license fee cost, so what would be the actual cost? Actually sir, if you see the gross debt, I think it is Rs. 2,450 crores, is that correct, sir?

Rajeev Dalmia: Yes.

Basant Patil: Sir, if you look at the interest outflow for the quarter, so the cost seems to be pretty high. So, is the differential cost is because of the license fee cost?

Rajeev Dalmia: Yes. It is around Rs. 60 crores for license fee, and the balance is for the actual business operation.

Basant Patil: Okay. Sir, regarding the CAPEX, this year we are hitting the CAPEX of Rs. 900 crores, is that correct, Rs. 900 crores to Rs. 950 crores for the year-end?

Rajeev Dalmia: It can be even less because of the reduction of set-top box prices recently. So, we have Rs. 680 crores in the nine months. It could be ending with Rs. 850 crores to Rs. 875 crores.

Basant Patil: Okay. And can you highlight any CAPEX guidance for next year, anything on that?

Jawahar Goel: Next year will be even lower, because the recently concluded price for the set-top box is very low. So, I don't want to make a comment, but it can be even within Rs. 700 crores.

Basant Patil: Okay. Around that range?

Rajeev Dalmia: Yes.

Jawahar Goel: We are still making our budget for next year.

Moderator: Thank you. The next question is from the line of Rajiv Sharma from SBICAP Securities. Please go ahead.

Rajiv Sharma: Just a couple of questions from my side. Firstly, you mentioned about reduction in content cost by 20%. But I was just trying to understand that your content cost should not be there with the new Tariff Order. I understand you may be passing discounts to some of your subscriber, is that what we are talking about? Just help me understand this line, please. Secondly, with the Jio trying to consolidate the cable space, could we see a sharper reduction in CAPEX going forward? And how much of your CAPEX is non-set top box?

Rajeev Dalmia: Non-set top box CAPEX was around Rs. 75 crores. And that was primarily the alignment of D2H add-in with our add-in. And some of the expenses were on Watcho, which is the OTT platform. But otherwise more than 95% of the CAPEX is on set-top box and it is fluctuating.

Rajiv Sharma: Okay. And your content cost line, please?

Rajeev Dalmia: Content cost reduction?

Jawahar Goel: Yes. See, we have to collect the content cost and pay to the broadcaster. Currently, our pay channel cost is 35% to 38%. In case for D2H it is roughly around 40%. So, the benefit in comparison I was talking about. If we are paying Rs. 2,300 crores, so what we are expecting that the content cost in net basis will be around Rs. 1,800. This is what we meant.

Rajiv Sharma: Okay. So, let me rephrase the question, so next quarter onwards, assuming maybe in the 2Q FY20 we will see low content cost line coming in?

Jawahar Goel: It is going to be pass-through item. So, we have to consult our auditor and we will see how do we do it.

Rajeev Dalmia: Right. And how do you see this whole Jio consolidating the cable TV business?

Jawahar Goel: This we have discussed in length in every quarter. And almost four quarter we have been discussing. So, far we have not seen any impact, and those companies are also preparing and they are struggling do the new Tariff Order. So, it is actually hard. And at this moment they cannot work, talking to the LCO and make them business partner, that will get delayed by another three to six months.

Rajiv Sharma: You mean the new Tariff Order implementation?

Anil Dua: Yes, everybody is busy these days. He is not saying that new Tariff Order will get delayed, he is saying that anyone else with other plans, right now everybody is busy with the new Tariff Order implementation. So, new Tariff Order is, of course, happening immediately as we speak.

Moderator: Thank you. Next question is from the line of Sunny Gosar from MK Ventures. Please go ahead.

Sunny Gosar: What I want to understand is what is the license fee liability outstanding as of December 2018?

Rajeev Dalmia: It is around Rs. 2,850 crores, out of which interest is Rs. 850 crores and principal is Rs. 2,000 crores.

Sunny Gosar: And what is the status in terms of payment of this liability, where is it held up currently?

Jawahar Goel: It is held up in Supreme Court. So, we are all waiting for the judgment. Then we will decide how to make a payment plan and how to address these issues. Though we are making payment of around say 5.5%, 6% per annum and balance amount is provided for.

Sunny Gosar: Okay. And suppose if the decision comes against you, you will have to upfront pay the entire Rs. 2,850 crores?

Jawahar Goel: Not likely, because this matter is pending for last six, seven years, so there will not be any upfront payment. And it is an industry issue. All the four, five players are fighting for the same. So, the time will be given. And let us see how the judgment is providing relief to the overall industry.

Sunny Gosar: But it will have a cash flow impact, there should not be any P&L impact for us?

Rajeev Dalmia: No. There is no P&L impact, it will have liquidity impact.

Moderator: We will take the question from the line of Jay Doshi from Kotak Securities. Please go ahead.

Jaykumar Doshi: I think the question was asked before, but still not very convinced with the response. So, now whatever we gather is cable players, by and large, are not ready to implement Tariff Order in the right manner or in principle. And with elections ahead, there is a good possibility that we may not see them implementing for another three to six months. So, during this period the offering of DTH players, including yours, will probably not be as competitive, either on the content side or on the pricing side, at least at the lower end of the packs. So, and again, from your commentary I also understand that you are not very happy with the 20% commission that you are getting from broadcasters as of today, which means that it will not result in any big revenue upside as well in the near term. Given these two aspects, why did you choose to implement it ahead of everyone else and the take the risk of possibly some churn from DTH to cable, if cable continues to stick to the old rates and the old packs? And is there any sort of guarantee or assurance you have received from broadcasters that they will switch off or blackout will happen, or even that looks like a low probability scenario?

Jawahar Goel: Jay, as far as I understand, every MSO is busy in implementing the Tariff Order, new Tariff Order. You can ask them, Hathway, Den and Siti Cable, even Calcutta, any of the MSO, they are working on it. There may be some pockets that would be left in the tier III or tier IV markets, they must be running analog. But the broadcasters will not, they cannot continue the same pricing model or a fixed fee deal. So, under the new rule they have to be clear of the subscriber number. And we, as well as all the cable companies have to file the number of subscribers for each channel on the website of TRAI. And not once in a month, it is four time in a month. So, you have to give your data. And based on that the broadcasters they have declared they have to invoice the MSO. And it is being implemented. It's not that Dish TV has implemented, I think the whole industry is implementing. So, there is no question of delays. Yes, there are a few vested interests that are spreading rumors in the market, for which probably TRAI is taking action.

Jaykumar Doshi: Right. And finally, so what is your understanding, is there some sort of, have the MSOs reconciled with the fact that the content cost will go up significantly versus earlier? Or you still think that will there be transparency expected, do you expect that to play out?

Jawahar Goel: I think we the MSOs are under pressure. Their content cost was going up by 30% to 40% every year after DAS implementation. Their carriage fee was coming down and it was very difficult for the MSOs to continue the operation. So, that is why the managements of all the MSOs, their associations, they are working day and night to get this implemented. Dish TV could manage the content cost as flat in whole of this year, because we have created a firewall which is called Mera Apna Pack. The 4 million subscribers, which were on a-la-carte, we have created a firewall so that the broadcaster could not ask us to increase.

Jaykumar Doshi: Understood. And sorry, one more question, final one. What are you hearing on Free Dish? Any updates that you can give on what the industry intends to do?

Jawahar Goel: Free Dish, I think the most popular channesl of Zee, Star, Sony and Colors and GEC as well as movie channels, they have decided that the new auction will come and from the 1st of March, they are going to withdraw from the platform. They have decided not to go on that platform, especially

Zee Pal and Bharat and what not. So, all these channels will not be there on DD Free Dish. That is why you must have seen that in a-la-carte they are priced channels, they are no more a free channel.

Moderator: Thank you. As there are no questions from the participants, I would now like to hand the conference over to Mr. Tarun Nanda for closing comments.

Tarun Nanda: Thank you once again, ladies and gentlemen. The transcript of this call will be on our website, www.dishtv.in. We look forward to speak to you again, any time, if you have any queries. Please feel free to get in touch. Thank you, and have a great day.

 # This transcript has been suitably edited for ease of reading