DISH TV INDIA LIMITED

4Q FY13 EARNINGS TELECONFERENCE
MAY 23, 2013, 4.00 P.M. INDIA TIME

Moderator Ladies and gentlemen good day and welcome to the Q4 FY13 Results conference call of Dish TV India Ltd. As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions at the end of today's presentation. If you should need assistance during this conference call please signal an operator by pressing * and then 0 on your touchtone telephone. Please note that this conference is being recorded.

I would now like to hand the conference over to Mr. Tarun Nanda of Dish TV India Ltd, thank you and over to you sir.

Tarun Nanda Good afternoon ladies and gentlemen and thank you for joining us today to discuss the results of Dish TV India Limited for the quarter ended March 31st, 2013.

To discuss the results and performance, joining me today is Mr. Jawahar Goel, Managing Director, Dish TV India Limited, along with the senior management team of the company including Mr. R.C Venkateish – CEO, & Mr. Rajeev Dalmia – CFO.

We will start with a brief statement from Mr. Goel and will then open the discussion for questions and answers. I would like to remind everybody 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.

Also, before we proceed, may I request all media representatives who may have joined in to please disconnect immediately since this call has been organized purely for our investors and analysts.

I would now request Mr. Jawahar Goel to address the participants.

Jawahar Goel Good afternoon ladies and gentlemen and thank you for joining us today.

Dish TV retained its market leadership through fiscal 2013 achieving a cumulative net subscriber base of 10.7 million subscribers at the end of the period.

The year saw most players in the Indian DTH industry evolve to the next level. Under Dish TV's leadership, the industry pulled off a significant increase in the acquisition price over the last several months thereby reducing the effective cash burn per subscriber. Though the price hike resulted in a marginal decline in industry gross additions, from 10.5 million in fiscal 2012 to 10.2 million in fiscal 2013, it is expected to be well compensated by quality of subscribers. There was no respite though, from the multiple taxation which the DTH industry is reeling under. Uncertainty on the rollout of Goods & Services Tax (GST) continues to be an overhang on the earnings potential of the industry.

In the absence of an enforceable contract for set-top box recovery, Dish TV looks forward to move to a virtually nil subsidy model over the medium term. It is expected that with a strong service backup and an increasing focus on value growth rather than headline subscriber numbers, DTH is well-positioned to develop as a premium offering compared to cable.

On the digitization front, the MSO's readiness on encryption, packaging, dunning and effective business processes is taking undue time. With increasing expectations, customers however will gradually align to a technologically progressive and service oriented mass-scale platform, albeit at a premium. Dish TV has experienced strong though early signals of churned subscribers getting back to its platform in select markets in the current quarter.

Coming over to business performance; Dish TV's ARPU for the quarter was Rs.157 compared to Rs.160 in the immediately preceding quarter. However, on a like-to-like basis, ARPU for the quarter would have been Rs. 160 considering that revenue is recognized over a 90 day period in the fourth quarter compared to 92 days in the third quarter.

Higher entry level price drove the SAC down to Rs.1,996 from Rs. 2,201 in the preceding quarter. A renewed focus on quality additions coupled with higher win backs reduced average churn for the quarter to 0.8% per month compared to 1% before that.

Subscription revenues for the fourth quarter were Rs.5,001 million, recording a growth of 15.3% as compared to the corresponding period last fiscal. On the expenses front, a 5.1% YoY increase in content cost for the fiscal remained well within the guided range of 10-12% hike. Marketing and other related expenses were within budget and lower in the fourth quarter due to previous quarter investments to capitalize on the digitization opportunity.

EBITDA of Rs.1,200 million registered 6.5% increase over the corresponding quarter last fiscal. EBITDA margin for the quarter stood at 21.6%. Net Loss of Rs.436 million, though lower compared to the corresponding quarter last fiscal, continued to be influenced by depreciation and write-off policy. Free cash flows during the quarter totaled Rs. 220 million making fiscal 2013 the first full year of positive free cash flow.

With this, I would like to open the floor for the question and answer session.

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

Abneesh Roy My first question is on the ARPU front. We are seeing signs of consumer sentiments being down in other consumer categories. Our ARPU is also lower this time, even if we take that two day impact. We had also taken increase in pack price a couple of months back. How are you seeing APRU pan out in FY14 also taking HD into impact?

R C Venkateish Abneesh, the price increase that we took was in the last week of February. So effectively there has been no impact of the price increase yet being seen in the ARPU. We would expect around 5% to 5.5% increase overall for the average ARPU. The average ARPU for FY13 was around 158 so we are looking at something in the region of about 166-167 for FY14.

Abneesh Roy Sir two follow-ups on that, how worried are you from possible downgrading of packages by consumers? Is that a secular trend that is firming up and secondly what are the plans for HD? I guess more number of channels is the answer but anything we can do proactively on that?

R C Venkateish Firstly as far as the downgrading and upgrading is concerned, you are right, the overall macroeconomic environment has been such that the customers have been sort of pulling back a bit in this thing. We do notice that every time we do take price increases, there is some increase in down-gradation. That tends to stabilize over a period of about 3 to 6 months. But net-net we come out positive at the end of the day so if you look at it the overall impact is accretive and we need to keep moving the price table forward to actually break some of the psychological barriers that are there with respect to pricing in this industry. As far as HD is concerned that is doing extremely well, in fact with the addition of the MediaPro channels, our offering now is the strongest in the industry. We have about 25 HD channels compared to our nearest competitor who is at 21. So we have seen not only strong traction but the HD segment is very sticky in the sense that they do not mind paying and the payment metrics are much superior to the standard definition, most of them are already paid for a long period, so that continues to be a strong story, we expect that now it is gaining some sort of reasonable mass. It will actually start impacting ARPU.

Abneesh Roy Sir my last question is on content cost, now that the major deals are done, how are you looking at FY14?

RC Venkateish We have already guided that the total increase should be in the range of 8% to 10%.

Moderator We will take our next question from Shobhit Khare of Motilal Oswal. Please go ahead.

Shobhit Khare My question is on your comment about nil subsidy model over the medium term, so if you could share what is the subsidy per box currently and what is the timeframe we are looking to achieve this?

Rajeev Dalmia The subsidy is around Rs. 1450 today. The total SAC is around Rs. 1996 and we are trying to go to a level where the subsidy will be minimal. We increased the prices by Rs. 600 in the last 12 months, going forward we will try to increase more, so that the subsidy level becomes negligible.

RC Venkateish Actually if you look at it the last price increase we took was in February, so the SAC of the previous quarter does not fully reflect the impact of the increased prices. The SAC would further come down in this quarter, so at this level in 12 to 18 months, we can look forward to almost completely eliminating the subsidy.

Shobhit Khare Sir and a related question is what is the expectation for subscriber additions given that we have seen some slow ads in this quarter.

RC Venkateish What you would have also seen is that we have moved from gross reporting to net reporting. As in the telecom industry, when the industry matures it is important to focus not just on the headline numbers but the actual additions. So what is important for us is to get good quality customers and maintain value leadership. Yes, there will be some impact on the gross additions as the absolute low strata customers which are coming in might not opt for DTH. We are already seeing that in many of the markets where the customers paying about Rs. 70-80 in cable, are not coming onto DTH. But we are not really worried about that because at the end of the day the prospect of actually making money from these customers with the subsidy in place is low because though they come on the platform, they do not stick around for long, they tend to hunt for alternatives and churn out before we are able to realize the economic value which we have already invested by way of subsidies. So it is important for us to refocus the business towards the value proposition. The dynamics of a prepaid model does not allow us to have these low value subscribers, I think overall we have taken a step forward and overall DTH industry also seems to be following that path.

Shobhit Khare Sir would it be fair to assume a similar kind of net add what we have seen in FY13, which is around 1.1 million?

RC Venkateish Yeah, around 1.1 to 1.2 million but as Jawaharji said earlier this whole digitalization progress has been extremely patchy. Now if some of that lives up then there could be room for some upside. There are lots of dynamics, which we are still working on the ground, which are preventing actual execution in the implementation of switch off of analog signals because those are still running concurrently in most of the places where there is digitization. So if that goes behind there could be some improvement but otherwise that should be prudent to assume similar kinds of net adds.

Moderator Our next question is from Ankur Agarwal of Nomura. Please go ahead.

Ankur Agarwal Sir I want to understand that if you look at the free viewing period that existed in Q3 and clearly that depressed the reported ARPU, now those subscribers would have contributed to revenue in Q4, so it seems that there was a big element of down trading because of which the ARPU came down. Can you elaborate a bit on that?

RC Venkateish I think there were two other elements which we have to consider. In Q3 we had 827,000 subscribers. Now part of that acquisition revenue which is the activation fee of about Rs. 275 that we charge upfront also gets reflected in the subscription revenue and that also tends to have a positive effect on the ARPU. As against 827,000 subscribers we did around 400,000 subscribers in Q4 so that activation revenue is lower in Q4 as compared to Q3. So net-net we are not seeing a major downgrading, yes, post the price increase there has been some shift downwards but that is a normal trend. It happens for about two or three months and then it stabilizes.

Ankur Agarwal Other question is on cash flow, clearly with the set-top-box price increase this year, we have generated positive free cash flow, and next year probably we would be aiming at a much higher cash flow. Can you indicate the exact free cash flow you generated this year?

Rajeev Dalmia This year it was around 65 crores and next year we think based on the budget that we have it will be around Rs. 200 crores.

Moderator Our next question is from Bijal Shah of IIFL. Please go ahead.

Bijal Shah My question is on churn. We saw churn dropping significantly to 0.8%, so is it an underlying trend? Can we go with this number or is it only because of the fact that there was some analog switch-off or digitization.

RC Venkateish Bijal, I think the biggest comforting factor here has been the increase in price of entry. The minimum entry price for DTH has now gone up to Rs. 2,250 so the earlier free movement in and out which was there has got severely curtailed and that is the reason why the churn has dropped. So there has been a table shift, I would like to see on exactly where it would stop and whether the churn could trend down further lower also or it could hold on. I would give it another quarter or two to see the metrics but suddenly the position is far superior to where we were about a couple of quarters ago.

Bijal Shah So in this drop of churn what you are saying is that there is not much contribution on account of digitization where a lot of win backs have happened. Is that what you are saying?

RC Venkateish No, combination of both. So far I think the biggest impact that we are seeing is the effect of the price increase and in cities where digitization has been fully effectively deployed like Delhi, there we are again seeing the improvement because of those metrics.

Bijal Shah One more question on ARPU again. See we were at 157 in 1Q; we took up price hike in the month of July. In Q4 we are back to 157. So what is in pricing, I mean how can we actually see real ARPU going up or is there some problem with the way packages are designed?

RC Venkateish We were not at 157 when we took the price increase. We were at 151, so it has moved from 151 to 160 and as I explained the last time when we took the price increase we took the price increase only in the north, we did not take it in the south pack. You are right, after you strip off the effect of the service tax and everything what actually flows down to the ARPU line is much lower, but it is not a question of whether we should take these price increase or not. It is very effective to increase the optical barriers in terms of this entire cable and broadcasting space, the consumer price which is being paid have been stuck at these levels for almost two decades in this Rs.150-200 range. With digitization we hope that the cable will also feel the pressure and find the need to increase the prices. So we need to keep moving that bar as we go along.

Moderator Our next question is from Rohit Dokania of B&K Securities. Please go ahead.

Rohit Dokania I had just one question. You just said that you probably are not interested in those subscribers who would be yielding lower ARPUs. But I believe phase-3, phase-4 the ARPU levels would be far lower than phase-1 and phase-2 and we have always doubted great opportunity in phase-3 and phase-4 as far as digitization takes up for DTH. Could you please throw some light on that?

RC Venkateish Not necessarily because even in Phase-3 and Phase-4 markets there will be a certain section of the population which will pay the higher ARPU and secondly where there is no choice, for example where there is no cable reaching out, they have to pay higher price.

Rohit Dokania And a related question to this, do you think Phase-3 and Phase-4 are on track looking at how Phase-1 and Phase-2 happened.

RC Venkateish Phase 3 is supposed to come on in September 2014 and that is after the general elections, so I think we should wait and watch and see what happens, it is too early to guess on that

Moderator Our next question is from Pratish Krishnan of Antique Stock Broking. Please go ahead.

Pratish Krishnan Sir just one question, in terms of the lease rentals to be received I mean what is the number in the balance sheet today?

Rajeev Dalmia It is around Rs. 280 crores.

Moderator Our next question is from Kunal Vora of BNP Paribas. Please go ahead.

Kunal Vora Can you help with the industry sizing? One of the broadcasters mentioned that DTH industry is about 33 million. My understanding was that it is about 45 million. Can you help with the size of the industry right now with the net subscriber base and also the competitive intensity and how Dish TV is doing vis-à-vis competition?

RC Venkateish See on a net basis the industry should be in the region of about 38 to 40 million. But when I say net that is basically assuming similar definition of churn. Our churn is counted after 120 days. There are other players who count churn at probably different number of days. As far as competitive intensity is concerned I think we have seen a significant moderation of that competitive intensity over the last 18 to 24 months and that is sort of evidenced by the fact that every time we have taken a price hike, we have effectively seen the industry follow us with a time gap of whatever two weeks to a couple of months but they eventually come around. Incremental market share has been in the region, of about 23-24%, so it has been more or less similar to the other four players. The four players are getting more or less equal share. In a month we might be higher, in a month somebody else might be higher. So it is almost equal curve out between Tata Sky, Airtel Videocon and us.

Kunal Vora Sir TRAI was looking at regulating the price of set top box, any development, any progress on that?

RC Venkateish No, we have pushed back very strongly on that. Very clearly this is a part of the business which does not fall under their regulation. We do not require license to sell set top boxes. Anybody can sell set top boxes. So we have pushed back very strongly on that. I hope and presume they are considering all the responses from the industry and hopefully then we will formulate something which is more rational.

Kunal Vora So when do you expect this to come out, like finalize the policy?

Jawahar Goel The regulation will come in play if we are charging profit on the set-top box. When the players are subsidizing it I do not think the regulation will come and as a quality of service regulation there are already some regulations that if a customer wants to take the box on rent then the company has to do a KYC to taking the financial risk.

Moderator Our next question is from Siddharth Goenka of JM Financials. Please go ahead.

Siddharth Goenka Firstly can I get the revenue breakup for the quarter and also the gross subscriber number for the quarter?

Rajeev Dalmia On the revenue breakup, subscription revenue is Rs. 500 crores, lease rental Rs. 32 crores, teleport 5 crores, bandwidth 7 crores, and advertisement income Rs. 9 crores.

Siddharth Goenka And how much has been the gross subscriber ad for the quarter?

Rajeev Dalmia It is around 400,000.

Siddharth Goenka Sir just a few questions on the balance sheet, if you look at our liabilities on the trade payables and the other current liabilities, it has almost doubled compared to the previous year. What is the reason behind it?

Rajeev Dalmia Actually they have not doubled but some of the non-current has moved to current based on the advice of auditors plus some of the loans which have become payable during this year have shown separately.

Moderator Our next question is from Nitin Mohta of Macquarie. Please go ahead.

Nitin Mohta I have two questions. The first one was on the content cost side. We had about a 5% increase in the content cost this year versus the guidance of about 10% to 12%, just wanted to understand what exactly helped us to manage this with the broadcasters?

RC Venkateish It is a function of negotiations obviously there were protracted negotiations and since we do have the leverage being the largest platform.

Nitin Mohta Do you really see a risk in 2-3 years down the line where we might see a significant increase in content cost once digitization goes through.

RC Venkateish If you look at overall content cost which is being paid to the broadcasters by DTH and by cable today DTH accounts for 29% of the total payable subscriber base to broadcasters but they are recovering close to 51% of their revenues from DTH. So this point has been put across to broadcasters and I think this will really come on cable because DTH is already saying this is proportionately higher to broadcasters. So the real growth of the increase will have to come from the MSOs and not from DTH and this is the point which has been recognized by the broadcasters and therefore they are not pressing for those sort of increases. So the peak will be on the cable system for the next 2-3 years.

Nitin Mohta And would it be fair to say that as a percentage of subscription revenues you are comfortable from a 2-3 year perspective, where content cost would be? Is it going to be at similar levels?

RC Venkateish I think the current levels where we are at around 30-32% is a stable and sustainable level. I do not see it going substantially lower than here and neither do I see it increasing substantially from this. A band between 30-33% is where we will be comfortable.

Nitin Mohta Sure, on balance sheet side there seems to have been good deleveraging so if you can share if you have retired any high cost debt or what exactly is the gross debt and net debt position as of March 31st?

Rajeev Dalmia We have certainly paid some high cost debt but in terms of absolute amount debt has increased by Rs. 150 crores. It has moved from Rs. 1300 crores to Rs. 1450 crores but the tenure of the additional loan was only for may be 20 days i.e. from March 10^{th} to March 31^{st}.

Nitin Mohta And what is the net debt position?

Rajeev Dalmia Net debt will be Rs. 950 crores.

Moderator Our next question is from Ashish Upganlawar of Spark Capital. Please go ahead.

Ashish Upganlawar Sir on the content cost, we have seen that this quarter-on-quarter it is about 35 crore increase in the programming cost and we have been saying that YoY it will increase not more than 8-10% for the next year. So how does this match up and is this having some exceptional in the programming cost in this quarter?

RC Venkateish No, it is only a question of timing. I have sort of indicated that right from Q1-Q2 conference call that the overall increase for the year would be 8-10% and I was saying that even in the first and second quarter when our content cost was actually showing a 0% increase and because of negotiation with MediaPro which had taken a fairly long period of time to conclude, the costs came in the third and fourth quarter, partially in the third and largely in the fourth quarter.

Moderator Our next question is from Rohan Gala of Shubhkam Capital. Please go ahead.

Rohan Gala After the Phase-1 and Phase-2 what is the outlook for the Phase-3 and Phase-4. How much DTH can gain from it?

RC Venkateish As I mentioned earlier in September 2014 there is an election to take place, we will have to wait and watch and see what all factors are there.

Moderator Our next question is from Jatin Chawla of Credit Suisse. Please go ahead.

Jatin Chawla My question is, what has been the DTH market share in Phase-2 so far? In Phase-1 it was a little bit lower than what we were expecting. Is Phase-2 similar or have you seen an improvement on that?

RC Venkateish It is a very difficult to put a number here at this point of time because as we speak there is a whole lot of markets where analog is continuing to run and it is being intermittently switched off. What I can tell is our average sales have gone up about 3 to 4x in these cities, but that is not saying very much. I would say that it is difficult to guess but I guess probably about 30-35% market share for all of the DTH put together.

Jatin Chawla And the second question was I think when Mr. Goel was on TV he indicated that incrementally more and more deals with broadcasters are being done on per-sub basis. So does that mean that our operating leverage as far as content cost now going forward would be limited?

RC Venkateish No I think it is where we choose for example in sports we are tending to do this on a per sub basis because we do not take those post products right through the year. We tend to provide them on à la-carte basis. Where we have need for it we put in basic Tiers, for example we tend to do it on fixed fee. So it is a mix of both. So it is not necessarily that only one strategy is being followed.

Moderator Our next question is from Rajiv Sharma of HSBC Securities. Please go ahead.

Rajiv Sharma I have just two questions. First is on what was the CAPEX for you this year?

Rajeev Dalmia The total CAPEX was around Rs. 500 crores.

Rajiv Sharma And my second question is, you have been able to contain the marketing spends and advertisement spends this year but during the beginning of the call Jawaharji mentioned that there will be possibilities of taking or churning subscribers from Phase-1 and Phase-2 markets because of servicing gaps. Will this mean that you will run some kind of special program to churn the subscribers from the cable? Should we plot for higher spends because of that?

RC Venkateish That would not be marketing spend that would be more in terms of expanding our service infrastructure which we have actually already implanted from the first quarter of this year. But I think what Jawaharji actually meant is that we are seeing that people are not very satisfied with the cable in many places even where the boxes have been put because the boxes have simply been put. There is no service back up, it is still the same old cable operator who has no knowledge about the technology of the box. He is being entrusted with the task of managing this entire system where people get dissatisfied and they do come back. We are saying that because in a city like Delhi where digitization got over in November we are still doing on a monthly basis far higher than what we were doing before digitization. And that is really a lot of people coming back to DTH from cable because they have sampled the digital world now and so within that that movement continues to happen.

Rajiv Sharma Lastly will you be adding more cities like last quarter there were some expenses on opening new warehouses and things like that, so will there be any more incremental city expansion or you are done with it.

RC Venkateish That was for Phase-2. Now for Phase-3 which is in September 2014 we will obviously have to make some preparations but that is still about a year and three months away.

Moderator Our next question is from Kalpesh Makwana of Quant Capital. Please go ahead.

Kalpesh Makwana Just wanted to know what is the debt situation right now. I know the number but what are we planning to do with it for the next year? I know there is a substantial debt repayment schedule for the next year.

Rajeev Dalmia Yeah we have Rs. 1450 crores today, out of which 750 crores will be repaid by FY14 from the internal accruals and deposits and most of the bank balance that we have today.

Moderator Our next question is from Amit Kumar of Kotak Institutional Securities. Please go ahead.

Amit Kumar I just wanted to have a brief discussion, we seem to be indicating that the company seems to be becoming more value growth focused rather than just number focused but having said that when we look at the traction in subscription revenues that has actually fallen quite sharply both on a YoY as well as on a QoQ basis ever since we started taking our prices higher. So is it the case that we have gone overboard in some sense?

RC Venkateish Not true, subscription revenue has grown 16%. The absolute total subscriber numbers have grown 11% so obviously there has been accretion in terms of the actual value per subscriber which is reflected in the ARPU growth.

Amit Kumar Has the pace of price table going up on both the entry side and on the ARPU side has that been too much for your existing subscriber base because given the fact that almost 70% of the subscribers are really coming in from Phase-3 and Phase-4 markets and presumably the subscribers who can potentially pay 300 or above, that is going to be a reasonably small set of population. Is that what is hurting in terms of very sharp consumer downgrades because the traction in ARPU is suddenly there but significantly lower than what you would have expected.

RC Venkateish Yeah, to a certain extent downgrades are there and we prefer this situation because we have taken the price increase, then at least I have an opportunity to reach out to those customers and up-sell them. In some of the smaller market yes there has been resistance but it is more psychological and also to do with the fact that cable continues to sell at those prices. Now cable cannot continue to sustain that model if they actually end up in digitized market having to pay entertainment tax and having to pay service tax. So far they have still not demonstrated that consumer pricing. The day that happens the whole table will move up and then these will be more easily addressed.

Moderator We will take our next question from Vivekanand Subbaraman of Phillip Capital. Please go ahead.

V Subbaraman Continuing on the ARPU point you mentioned that the ARPU also includes activation that you get from the boxes of Rs. 275. So you are essentially implying that the differential in your ARPU and the other industry players is that you include only a very small component of the activation or the set-top box income. Is that correct?

RC Venkateish Not only that, the difference between my gross revenue and my subscription revenue is comprised of rental incomes, it is comprised of bandwidth charges, it is comprised of advertising income as well as the activation fees or whatever they pick from the hardware. For example cable is taking almost everything upfront and showing it as activation charge and they are depreciating box over 8 years.

V Subbaraman Okay, lastly wanted to understand what would be the proportion of customers now on the base pack after the pack price increases and down trading?

RC Venkateish Around 58%.

Moderator Ladies & gentlemen due to time constraints we will take our last question from Vikas Mantri of ICICI Securities. Please go ahead.

Vikas Mantri There are two questions. One is that we said we have gained back subscribers, so in this gain back process is there any swaps given to the consumer and is there any subscriber acquisition cost linked to our distribution network in that? Second question is more of an industry perspective that we have 7% inflation in our programming cost, and we are guiding for 8% to 10% for FY14. Just yesterday we had a leading broadcaster announcing that they made more than 27% increase in their DTH revenue. So could you map that one side we are getting just a 7% inflation whereas the leading broadcaster is gaining more than 27%.

RC Venkateish Well on the first question on the win backs, there is no cost linked to the distribution network. As I also mentioned earlier I think the major growth for broadcasters will come from cable and not from DTH, so if somebody had managed a 30% increase so largely you have to look at the timing of the deals for example, some DTH platforms had concluded long term deals with the broadcasters 3 to 4 years ago at very favorable rates because at that point of time the view of the numbers which they had from that particular entity was low but then actually the numbers went up. As far as we are concerned I think 8-10% is fine.

Jawahar Goel See every broadcaster deal is a one to many, and they deal with many customers. Same way we are one platform and we deal with many broadcasters. So you cannot make it apple-to-apple actually.

Moderator Thank you very much. I would now like to hand the floor back to Mr. Tarun Nanda for closing comments. Over to you sir.

Tarun Nanda Thank you once again ladies and gentlemen. We soon hope to have the transcript of this call on our website www.dishtv.in. We look forward to speak to you again at the end of the first quarter of fiscal 2014 or even earlier on a one-on-one basis. Thank you and have a great day.

 # This transcript has been suitably edited for ease of reading.