



“GTPL Hathway Limited
Q2 FY2024 Earnings Conference Call”

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ANALYST: MR. PULKIT CHAWLA – EMKAY GLOBAL FINANCIAL SERVICES

**MANAGEMENT: MR. ANIRUDHSINH JADEJA – PROMOTER & MANAGING DIRECTOR – GTPL HATHWAY LIMITED
MR. PIYUSH PANKAJ – BUSINESS HEAD CATV & CHIEF STRATEGY OFFICER – GTPL HATHWAY LIMITED**

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Moderator: Ladies and gentlemen, welcome to the Q2 FY2024 results of conference call of GTPL Hathway hosted by Emkay Global Financial Services. 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. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded. I will now like to hand the conference over to Mr. Pulkit Chawla from Emkay Global Financial Services. Thank you and over to you Sir!

Pulkit Chawla: Thank you Akshay. A very good evening everyone and welcome to the GTPL Hathway earnings call. We have with us today Mr. Anirudhsinh Jadeja, Promoter & Managing Director; Mr. Piyush Pankaj, Business Head, CATV and Chief Strategy Officer; and Mr. Anil Bothra, Chief Financial Officer. Without any further delay, I shall now hand over the call to the management for their opening remarks. Thank you and over to you gentlemen!

Anirudhsinh Jadeja: Thank you Pulkit. Good evening everyone. A warm welcome to everybody to the earnings call of GTPL Hathway to discuss financial performance of Q2 FY2024. As one of the largest MSO and broadband player in this country, it pleases me to see us going from strength to strength. We have added 800k subscriber in digital cable TV business and 120k subscriber in broadband business year to year and look forward to maintain our growth. The main strategy is to consolidate the industry and enhance customer experience through layering of services. I will now hand over the call to Mr. Piyush Pankaj who will take you through the quarterly business and financial performance of the company.

Piyush Pankaj: Thank you Mr. Jadeja. Good evening everyone. The company has recorded its highest ever quarterly revenues beating the previous quarter and is well on track to be the highest revenue grossing in financial year. Our KPIs have also increased both on a quarterly and yearly basis. First I will talk on the digital cable TV business. Active subscriber base as on 30th September 2023 stands at 9.4 million increasing by 350k Q-o-Q and 800k Y-o-Y. Paying subscribers stand at 8.70 million. Paying subscribers increased by 400k Q-o-Q and 700k Y-o-Y. In the Broadband business, we have added 120k new subscribers, an increase of 14% on Y-o-Y basis to reach 990k. Homepass subscribers stood at 5.55 million as on 30th September 2023 of which 75% are available for FTTX conversion. Homepass grew by 550k on Y-o-Y basis and 150k on Q-o-Q basis. The broadband RPU for Q2 FY2024 stood at Rs.460 an increase of Rs.10 on a Y-o-Y and stable on quarterly basis. The average data consumption per customer per month stood at 310 GB, a 25% increase Y-o-Y. This quarter we announced Mr. Kartik Aaryan and Ms. Rashmika Mandanna as the new brand ambassador of our company. They will be part of our new ad campaign the ab ke jamane ka

connection to highlight the variety of services that we are well equipped to provide. On a consolidated level revenue grew by 19% Y-o-Y to Rs.7900 million.

The digital cable TV subscription revenue stood at Rs.3226 million up by 17% Y-o-Y and 8% Q-o-Q. The broadband revenue stood at Rs.1317 million an increase of 10% Y-o-Y and 2% Q-o-Q. The consolidated EBITDA stood at Rs.1351 million with an EBITDA margin of 17.1%. Profit after tax for Q2 FY2024 stood at Rs.344 million. The standalone revenue stood at Rs.5121 million an increase of 21% Y-o-Y. EBITDA stood at Rs.765 million with an EBITDA margin of 14.9%. PAT for Q2 FY2024 stood at Rs.243 million. The net debt equity continues to remain negligible as the company remains conscious of its capex and leveraging efforts. This is all from my side. Thank you everyone. We can now begin with question and answer session.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Vinit Manek from Karma Capital Advisor. Please go ahead.

Vinit Manek: Hello Mr. Piyush. Hi Mr. Jadeja. Thank you for this opportunity. So our first question is on the side of the margins so we had marked an improvement in the margins from Q1 to Q4, but still we committed to stay on the 20% EBITDA margin by the end of Q4 so can you help us understand that how do you plan to achieve this 20% margin journey by Q4 with our expenses, which are increasing at a faster rate versus the revenue growth so can you help us understand that.

Piyush Pankaj: Yes Vinit. Actually if you see we have improved by 100 basis point this quarter from 16.1% we have gone up to 17.1% in the EBITDA margin and as you will see that the NTO 3 implementation has happened and because of that Q2 is still showing a higher side of the cost, which has stabilized now so we have increased our revenue and we have increased the cost also. So now the cost has stabilized so we are looking forward that somewhere the EBITDA margin is again going to improve. Last year we were at 20% that we are going to achieve by Q4 and many projects are outsourced, which I cannot disclose but yes we are confident that with those new projects coming into the fold of GTPL, our margin is going again back to the 20% as whatever hit we have to take for that, it has already happened in Q1 and Q2.

Vinit Manek: Okay so on the pay channel cost the 434 Crores that we reported this quarter you expect that expense to be at a steady rate versus the revenue growth going forward.

Piyush Pankaj: Yes if you say the increase in the pay channel cost is not going to happen on that pace whereas the increase in the revenue is going to happen in the higher pace because revenues are still getting realized, cost has already stabilized.

Vinit Manek: Okay and how should we look at the other expenses which is 182 Crores for the quarter so do you expect the similar growth rate going forward in the following quarters or do you expect that to decelerate.

Piyush Pankaj: The other expenses are going to be on the normal rate now. As you see other operating, admin and saving expense which has gone up by 4% quarter to quarter and if I talk about the H1 to H1 it has gone up to by around 19%, but 182 Crores which we are seeing right now already considered whatever increase we have to do. As whatever the expansion we have to do in the north and all which is we have to take. It is taken in Q4 and Q1 and Q2 of the cost so we are not seeing that it is going to go up much and it will be on the normal rate.

Vinit Manek: Okay and my second question comes to the broadband segment so even under broadband segment our growth rate is now coming down to a 10% kind of a growth versus in the previous year in few quarters where we were growing upwards of 15% to 20% so how are you looking growth over there and has the B2C component of the subscribers that we were adding it on an inorganic basis or has that come in or it is yet to come in for us.

Piyush Pankaj: No B2C is coming in still. B2B as last quarter we have added good numbers. This quarter it could be a bit down as some of the technical problems and all we have faced on some of the network so B2C whatever the numbers you are seeing that 30k we have increased in the quarter. Around 25k is around B2C so we have increased from 960 to 990k we have gone that is 30k increase in the quarter out of that 25k is B2C right now and 5k is B2B.

Vinit Manek: Okay so the B2B revenue is yet to come in the coming quarters.

Piyush Pankaj: That is right.

Vinit Manek: Okay and should we expect that growth rate coming back to 15% kind of a growth rate.

Piyush Pankaj: Y-o-Y we are looking forward to, we are down to 10% right now. Y-o-Y we are looking forward that it should come back to 15% again.

Vinit Manek: Okay and just one last question from my side. So even on the depreciation side we had seen a slight acceleration versus the previous quarter run rate during this quarter, which is 820 Crores so any one off in that or this is a steady state number that will be there going forward.

Piyush Pankaj: As we consolidate Metro Cast so that is why you have seen some increase in the depreciation over there so we have added the assets of Metro Cast in our case where the Metro Cast have some on the asset side so that comes into the depreciation.

- Vinit Manek:** Okay so this is steady state number that will go forward.
- Piyush Pankaj:** Yes that is stable number I will say which is going to be.
- Vinit Manek:** Okay. Thank you very much for taking my questions.
- Moderator:** Thank you. The next question is from the line of Rahul Jain an individual investor. Please go ahead.
- Rahul Jain:** So, with the World Cup going on we may expect higher margin on marketing incentive so can you help me understand the typical structure between an advertiser say Pepsi and the channel for example Star Sports and the broadcaster such as ourselves.
- Piyush Pankaj:** Rahul no we do not get the margins on the advertisement side. Advertisement is only for the broadcaster. Yes we get the enhancement in our subscriber base because of that I am seeing that right now I am seeing that around 120,000 customers has come back within the first week of October, you can say from 4th October till date and more are coming back on that so I am seeing the surge in our subscriber base especially the subscriber base who has already have the boxes in all their homes and they have stopped the services, they are coming back so that surge I have seen within a week's time. We got around more than 120,000 subscriber base back in our port.
- Rahul Jain:** Okay so my second question is like do we have some leverage for the placement of marketing incentive when it comes to our 50 plus channel that we own and operate.
- Piyush Pankaj:** You are talking about leverage on what, on the World Cup or you are talking about in general leverage.
- Rahul Jain:** In general leverage.
- Piyush Pankaj:** In general yes the number of revenue are higher then we get more incentives from the broadcasters because they have to put all 50 channels together. We should put them in our packages also and all so that is the case so we get more incentives so the number of channels are higher.
- Rahul Jain:** I understand the whole effect of pay channel cost and placement revenue are higher on a year on year basis but can you explain the performance on a quarter on quarter basis.
- Piyush Pankaj:** We have just two quarters so we have started implementing on Q1 somewhere from the mid of the April and by this quarter the whole market has got stabilized so whatever increase has

to happen at the pay channel side has already happened and now we are at stable stage from Q3 onwards where cost side is at least totally stable now.

Rahul Jain: Thank you for this.

Moderator: Thank you. The next question is from the line of Urvi Shah from Dolat Capital. Please go ahead.

Urvi Shah: Good afternoon. Apologies I got disconnected earlier. Sir so I had a quick question. We can see that there is higher increase in depreciation and interest on Q-o-Q basis so what is the reason for that.

Piyush Pankaj: Hi Urvi, the reason is that we have consolidated Metro Cast in this quarter and their depreciations and their fixed assets also came into our books and because of that you are seeing that around from 73 to 74 Crores it has gone up to 82 Crores that is increase of 8 Crores happened, about 11% increase because of that.

Urvi Shah: Okay thank you.

Moderator: Thank you. The next question is from the line of Rahil Shah from Crown Capital. Please go ahead.

Rahil Shah: Hi sir, good afternoon. This ARPU which has stayed flattish quarter on quarter basis so what is the outlook on that, I mean do you see this increasing.

Piyush Pankaj: You are talking about broadband business.

Rahil Shah: Yes broadband yes.

Piyush Pankaj: I explained in earlier calls also Rahil that the broadband we are looking for more of volume gain rather than the value gain, but being sensitive market the ARPU range will be between 400 to 460 and this increase is also what you are saying that we have gone up from somewhere 450 to 460 and last two years if you see our trend from 400 to 460 that is only because that people are going for the higher packages that they are going from 50 MBPS to 80 MPBS to 100 MBPS where the prices are high so that is the way. We still consider if you ask me that broadband business is more of a startup business out of 315 million homes only 35 million homes are there in broadband so still a long way to go and it is going to be a more of a volume game like the telecom rather than value game right now.

Rahil Shah: Okay so headroom is huge and you see near term good traction for that.

Piyush Pankaj: Yes from the traction the way it is going to increase because as you know all the focus is there in the Digital India and broadband government is pushing it, everyone is pushing it, everyone is going for digital and more and more as more consistency we are going to require as more financial transactions are going to happen through this then wired broadband is one of the most, most consistent provider and most consistent you can say giving the wire bandwidth and everything so it is a proven technology, worldwide proven technology so we are going to in fact wire broadband is going to grow as it has grown in other markets if we talk US already penetration is more than 70%. You talk about Euro zone it is already more than 60%, China 55% so already those markets have already gone up so we are looking forward so that India will come to close to 50% at least in wired broadband.

Rahil Shah: So based on your knowledge about the industry by when do you expect India reaching that stage in general?

Piyush Pankaj: Yes we are looking forward that half a decade five years, we should be there.

Rahil Shah: We will be more than ready to capture a good market share there.

Piyush Pankaj: Yes 50% penetration that is going to be 150 million household that will be wired broadband.

Rahil Shah: Right, right okay and lastly you said the pay channel cost increase will not happen at the same rate as the revenue growth so what are your expectations about the full year then in terms of revenues you have seen a good growth in Q2 so is this sustainable quarter on quarter any outlook there.

Piyush Pankaj: As I talked about that we are already Y-o-Y 17% increase is already happening there. I am looking forward that if you see my trend from last five years to six years we have the CAGR of subscription revenue is between 18% to 21% that is what we are going to maintain in this year also, already we at 17% so we are going forward, also we are seeing that somewhere 18 to 21% of subscription revenue, yes free channel is now stabilized so we are looking forward that as revenue will grow and the cost will be stabilized main cost so that we will see that the margin will improve and from 17% margin right now we are going to go up and again the normalized margin of 20% that is what we are trying to achieve.

Rahil Shah: Perfect okay and GTPL Genie how is that doing.

Piyush Pankaj: GTPL Genie is doing good, initial days I will say because still the product is new for the subscribers around 90k subscribers has come mainly more towards the contract cable, but

yes right now we are re-jigging the whole you can say the offer and by end of Q3 we are going to relaunch Genie in a newer product so that is the plan right now but yes this Genie is I think is a good traction 90k around but we are seeing that slowness has come there at that point of time so it is required a rejig which we are going to do in this quarter.

Rahil Shah: Okay perfect Sir. Thank you and all the best.

Moderator: Thank you. The next question is from the line of Saloni Sha an individual investor. Please go ahead.

Saloni Sha: Hello Sir, good afternoon. Thank you for the opportunity. Sir I have few questions specific to the different revenue items. The first one being revenue based from activation so we have seen an increase in active and paying subscribers yet the activation revenue is lower if we see the Y-on-Y and Q-on-Q basis so I think if you can just throw some light on how the subscriber base has moved on gross basis, addition of new subscribers Metro Cast subscribers rather than the net basis.

Piyush Pankaj: Yes activation revenue is more of what you are recovering at the time of putting the boxes in the subscriber home, which is for activation of the boxes what revenue you are getting it yes activation revenue was very high in the past and it is getting deferred according to the accounting standard, it is getting deferred for five years, it is a deferred revenue which is coming back to our books. The realization of the money has already happened in the past. See this revenue is continuing at the time when the digital DAS that as you know the digitization of whole industry was happening and the whole boxes are getting placed in the customers room that was happening and at that point of time you are giving the boxes in bulk because every customer the new boxes has to go into their household and you are collecting the activation income from them as you are putting the assets in their households and those are getting deferred for 5 years according to the Ind AS and those revenues are coming back so right now Ind AS I will say the activation revenue is very less because whenever you are giving the box activation is normal course of business now rather than a special course of business at the time of DAS implementation when you are doing the whole digitization of the industry so that is why you are seeing there is a decline and we are looking forward that activation revenue will be in the range of negligible you can say in the whole P&L and you can see that in Q2 also it is hardly 4 Crores which is there. It will remain in the same range 3 to 4 Crores every quarter, not more than that.

Saloni Sha: Okay Sir my next question being what is the increase in the subscription income from cable TV attributable to and like what portion of it is NTO effect and how much is the natural growth.

- Piyush Pankaj:** If you talk about subscription income right now 8% growth will happen from there. The Q1 and Q2 if we talk about there is increase in the numbers of around 400k which is mainly because of Metro Cast you can say, in this around Metro Cast has contributed of around 18 Crores the rest is the NTO 3. If you talk about H1 to H1.
- Saloni Sha:** Okay and Sir my last question is I think our other income is mostly attributable to EPC work that we do, so do we have any EPC contract expected to win and also if it is there what is the tenure left on the existing EPC contract.
- Piyush Pankaj:** So right now we do not have an EPC we have the ONM, operation and maintenance of what EPC project we did and right now the 3 years has been lapsed, 4 years is more there of O&M of Bharat Net Project which we did earlier. Yes there is in the pipeline as you know that parliament has just passed the Bharat Net Project and sanctioned the amount and we are expecting that the tender will start coming from December, January. We are going to be one of the prominent player to go for the tender especially our strategical team. Apart from that yes we are looking forward for some of the government projects which is in pipeline and some will come in Q3 some will come in Q4 so yes we have the capabilities and we are looking forward to take big projects for the government projects also and Bharat Net Projects also.
- Saloni Sha:** Okay Sir. Thank you so much for answering my questions.
- Moderator:** The next question is from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.
- Madhur Rathi:** Thank you for the opportunity Sir. Sir you had guided that going forward 50% of our subscribers will be from organic acquisition, organic based and 50% will be through acquisitions so if you could highlight the strategies that we are following as well as what kind of valuations are looking when we are going for acquisitions as well as at what rate have we acquired Metro Cast like what multiple have we acquired Metro Cast.
- Piyush Pankaj:** Metro Cast already we have given the consol to the public and already given the amount of subscribers which we have gained by that, the circular which we have posted so from there you can make way what is the per subscriber base is given over there. Right now yes the strategy is the same that we can go for consolidate the industry which Mr. Jadeja has also mentioned that we are going consolidate the industry and do the layering of the services also both the cases both the things, yes the strategy is same. This quarter we have not made any acquisitions yet but the acquisitions are in the pipeline. Already we did one big Metro Cast as acquisition in the first H1 and we are looking forward for the next two Quarters also to get acquisition. Yes organic always going to be a continuous effort on the organic side

which is going on. The strategy is the same and we have not changed the strategy for those and we are working towards that only.

Madhur Rathi: Sir the multiples that we will get for the acquisition will be similar to the Metro Cast that we have given or it will be like in those range.

Piyush Pankaj: No it depends on the scale and the market the target is working on.

Anirudhsinh Jadeja: It actually varies market to market.

Madhur Rathi: Okay Sir can you just like quantify what will be the minimum IRR or the ROC that we will expect from this kind of investment going forward.

Piyush Pankaj: Minimum IRR if we talk about we look forward that it is going to be more than the cost of capital which is somewhere around 14% so we look forward that IRR should be more than 14% being invested.

Madhur Rathi: Thank you Sir. My next question is so Genie we have seen 90,000 subscriber base so is this a profitable business for us right now or as the subscribers grow we will see profitability coming in.

Piyush Pankaj: Not much profitable you can say but right now what we seeing that we are not incurring any losses on this business whatever we have to keep our OTT margins we have given it plus whatever operation cost is there we are making it and we are making very high margins moving up but yes as I said that we are rejigging the whole thing and coming up with more attractive prices and more attractive packages on this and re-launching it so that is going to happen but yes there is no loss in this whole business, it is more of profit but very small very small margin.

Madhur Rathi: Okay thank you Sir, so like the margin that we are guiding 20% but what kind of subscriber base can we achieve that 20% EBITDA margin.

Piyush Pankaj: We are looking forward to close subscriber base of around 10 million by this financial year that is the target on which we are working and in the broadband side we are looking forward for around somewhere between 1.05 million to 1.07 million.

Madhur Rathi: Okay so between 1.05 to 1.07, we could achieve a 20% EBITDA margin going forward.

Piyush Pankaj: That is it.

- Madhur Rathi:** Thank you Sir. That was very helpful and all the best.
- Moderator:** Thank you. The next question is from the line of Karan Mehta from Mirzar Securities. Please go ahead.
- Karan Mehta:** Thank you sir for the opportunity. I just have a couple of questions so firstly there is a new concept of LAN sports where people playing online games stream their videos and performance over the web this is more like a social media handle where good videos attract a lot of viewership so do we have any plans to enter into LAN sports and what is the opportunity size in this also what is the business model that could be employed in this to create a new robust revenue stream.
- Piyush Pankaj:** Right now we do not have any plan on this Karan. Yes we are going to introduce gaming as we are talking about the layering of the business but that is going to be with our partners like we are doing it for the OTT and we are going to play on the margins like we playing on the OTT but this type of product is still we have not configured in our stable Karan.
- Anirudhsinh Jadeja:** Yes actually such ideas did come to us before earlier but we have not yet considered or tried to go ahead with it but in future maybe we might. I am not sure.
- Karan Mehta:** Okay but Sir just wanted to understand like we have seen that cable business is a very stagnant business, broadband is the new leg of growth that I think would be there in the media industry so do not you think having this kind of diversification in the broadband business itself will create a new revenue stream.
- Piyush Pankaj:** Karan first I disagree with you that the cable business is not a growing business. We are looking forward that we will grow as a cable company. I am not talking about the industry, industry might be stable but yes as a company as we are consolidating and we have lot of opportunities to grow as around 45 million subscriber base is with the smaller MSO which is up for the grab plus the TV industry or you can say the whole cable and satellite industry is growing, it is still growing or TV is growing at the rate of 1.68% CAGR. Still 100 to 150 million subscriber base is not having TV in their homes are not having TV in the country so still we look forward that cable business is a growing business and you can look at in our numbers also that our subscription in mainly in the cable and the numbers are still growing. Yes the second thing which is coming on the broadband you are right that broadband is more of like a sunrise as I said earlier in this call that it is more of like a start up business and it is a sunrise sector so lot of more growth, rate of growth is going to be higher in that and you are right that this type of product which is more of innovative products and going to attract more and more younger people and the social media friendly so yes we should

consider this so thanks a lot for bringing it to us. We will see that what innovative product we can introduce.

Karan Mehta: Okay Sir just one related question so Reliance has initiated RISE program which is Reliance Initiative for Sports and Entertainment which has acquired IPR for streaming online games so now being a Reliance Group Company what could be the potential benefit that we can gain from this.

Piyush Pankaj: See right now we have not talked about the content sharing with our parent company. We have to talk about those strategies and all. We are more focusing on our cable and broadband business and how we are going to layer the more and more services to broadband that is more of it. Yes content sharing we have to see because lot of things comes into play on that whether they can share their subsidiaries or their associates or not so all those problems come into play but yes we have not explored that right now.

Karan Mehta: Okay Sir just one last question what are our expansion plans for this fiscal in both cable as well as broadband business, this and next fiscal.

Piyush Pankaj: Expansion you can say that already we are at 22 states. We are looking forward to go for one more state and two more UT so somewhere that we are going to consider in this next two quarters. Already the plan is there and we are working towards that. In the broadband side yes main focus or the known expansion part is going to be from the B2B, already we are covering some of the states, slowly we have to cover all 22 to 23 states where we are present and we are working towards that.

Karan Mehta: What is our presence right now in the broadband, how many states?

Piyush Pankaj: Right now if we talk about we are present in around 9 states which I have given you in my presentation also if you see. The first slide of my investor presentation you will get our presence in the cable and broadband, also which states we are.

Karan Mehta: Okay fine that was very helpful Sir. Thanks a lot.

Moderator: Thank you. The next question is from the line of Ketan Athavale from Robo Capital. Please go ahead.

Ketan Athavale: Hello Sir. Thank you for the opportunity. Can you please reiterate your guidance for FY2024, 2025 and 2026 on consolidated basis.

Piyush Pankaj: Ketan right now I can just say that we are looking forward to come back to our growth area which is if you see total revenue was somewhere between 18% to 28% and the same was growing in the range of 18% to 20% in the case of TV and around 15 to 16% in the case of broadband that is what we are looking forward for the next two years also. EBITDA growth was the range of somewhere around 12% to 13%, which we are looking forward and we will maintain that. This quarter we did around 7% growth that is almost 125.8 Crores to 135 Crores. We look forward that somewhere we will maintain that CAGR which we did over the years in the EBITDA side, subscriber base and all yes in the next two years as I said that we are going to cross around 10 million this year. We look forward to have a million more subscriber base in next two years in the cable side and in the broadband side I have said that we are going to cross 1.05 million to 1.07 million somewhere and we looking forward at the next two years so will be close to 1.2 million to 1.25 million in the broadband side. As your B2B business will have to be scaled.

Ketan Athavale: Okay got it. Thank you so much.

Moderator: The next question is from the line of Sahil Bajoriya an individual investor. Please go ahead.

Sahil Bajoriya: So thank you for the opportunity so I have a couple of questions besides the smaller LCO acquisition, what is our natural expansion strategy like in the current presentation as we have shared that we are expanding aggressively in states such as Delhi, Tamil Nadu, Andhra or Haryana, so Sir can you share like our progress in these states for like year to date.

Piyush Pankaj: Yes sure so if I talk about Andhra and Telangana where already crossing million subscriber base which we achieved in last three years and still we are going very strong and looking forward that we will continue to grow in Andhra, Haryana markets both together. If I talk about Maharashtra we have already more than a million in Maharashtra and going very strong over there Maharashtra market is a bit tapped market you can see but lot of opportunities are there for the acquisitions which we looking forward to grow as an acquisition side in the Maharashtra. Tamil Nadu already in last two years we have got more than a million subscriber and we look forward that more and more to come into the fold, here the idea is more in the organic side rather than inorganic or acquisition side, acquisition is more happening in the north market where we are talking about Delhi, Haryana, Uttarakhand, Uttar Pradesh there more of acquisitions market we looking for. We will do more acquisitions over there and that is the strategy on which we are working. Every state has different strategy based on their dynamics, based on the numbers availability, based on the number of players investing over there, based on the number of persons working on those market and based on what ARPU is going into that market, what

type of packages are making benefit so all things are there but specifically for state I have given you what all are the strategies which we are looking forward to.

Sahil Bajoriya: Okay Sir just a followup question like given our strong position in Gujarat and West Bengal so like what is the headroom of further expansion or like consolidation in these states.

Piyush Pankaj: Yes there is lot of headroom in the West Bengal market. We are number two player over there, not the number one so still lot of headroom to become number one over there so we are looking forward to that. In Gujarat we are number one and dominant. Main competition is DTH which we are doing that so that is the case in these two markets.

Sahil Bajoriya: Thank you Sir. Thanks for the perspective.

Moderator: Ladies and gentlemen this was the last question of the day. I now hand the conference over to the management for closing comments.

Piyush Pankaj: Thanks I would like to express my thanks to every participant who took their time out to attend the call. For any queries, please feel free to connect with Orient Capital which is our investor relations advisor. Thank you once again. Have a good day.

Moderator: Ladies and gentlemen on behalf of Emkay Global Financial Services that concludes this conference. Thank you for joining us and you may now disconnect your lines.