



“PVR Limited Q1FY17 Post Results
Conference Call”

August 01, 2016



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Moderator: Ladies and gentlemen, good day and welcome to PVR Limited Q1 FY2017 post results conference call hosted by Motilal Oswal Securities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask the questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing “*” “1” and then “0” on your touchtone telephone. I now hand the conference over to Mr. Niket Shah from Motilal Oswal Securities. Thank you and over to you Sir!

Niket Shah: Thank you so much. We at Motilal Oswal are extremely pleased to hold this call on behalf of PVR to discuss the first quarter FY2017 earnings. From the management, we have Mr. Nitin Sood – CFO of the Company, Mr. Gautam Dutta – COO of the Company and Mr. Saurabh Gupta – VP Finance. I will handover the call to Nitin for his opening remarks post which we can open the floor for Q&A. Over to you Nitin!

Nitin Sood: Thank you Niket. Good afternoon everyone and thank you for taking out time for this call. I will just give you a quick snapshot of Q1 numbers after which we can go to Q&A.

Our consolidated revenues for Q1 FY2016-2017 were Rs.576.6 Crores, which is up by 18% as compared to Q1 of last year. Consolidated EBITDA for this quarter was Rs.122.9 Crores as compared to Rs.113 Crores in the same period last year, which is up by 9%, and consolidated PAT for the quarter is Rs.43.2 Crores, which is almost flat as compared to the similar period last year. Overall, I think it has been a decent quarter for us if you look at the fact that it is coming on the backdrop of a very good FY2015-2016 that we had. I think Q1 has been able to sustain itself and we have had some decent films like Jungle Book and Kung Fu Panda 3, which is kind of held up very strongly and given a momentum to our numbers. Also I think an important thing to note is that this has also been one of the few quarters where the Hollywood regional, and dubbed Hollywood as a genre have done exceedingly well, so the share of Bollywood has come down to less than 50% in this quarter because the regional film like Sairat and the dubbed films which is like Hindi version of Jungle Book etc., have done exceedingly well, which is very interesting in terms of how people’s viewing behavior is evolving.

Our overall footfall during the quarter was up by 9% to 20.7 million as compared to last year and an average ticket prices grew by 7%. F&B revenues also grew overall by 14% and sponsorship grew by 13%. During this quarter, we added about 37 new screens, 8 screens on organic basis and 29 screens from the DT Cinemas portfolio which came on board effective June 1, so our total screen count now is 551 screens across the country and we hope to surpass 600 screen count by the end of this fiscal year.



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The films slate I think for this year continues to be as good as what we saw last year I think there will be quarter-on-quarter aberrations depending upon how each of the movie pipeline performs, but we have got a fairly strong film slate in Q2-Q3 and even running up to Q4 of this fiscal year, so looking forward to good box office year.

Now I like to open the floor for Q&A and we will be more than happy to answer any question from you.

Moderator: Thank you. We will now begin with the question and answer session. We take the first question from the line of Abneesh Roy from Edelweiss. Please go ahead.

Abneesh Roy: Congrats on very strong set of numbers Sir. My first question is on the ad revenue front, it has been slowing down for the past three quarters from 28%, 19% to 13% this time with just 7% like-to-like growth so clearly industry seems to be growing faster than that if you see TV ad industry is growing at around 13%-14% so why like-to-like growth is only 7%, you are around 30% to 40% premium to the second player so is there some undercutting which is happening I understand the base etc., but still last three quarter the ad growth is coming off, so what is the issue here?

Nitin Sood: Largely two reasons because ad sales is always on account of some big films that get released so markets as I have spoken earlier works on perception of bigger film, the Q1 did not have so many of the bigger films so where we got our numbers were from movies like IRIS and Jungle Book, Jungle Book being one of the very, very big film so technically we did not have that kind of appetizing on both these films which cater for lot of supports, but we are very confident that going forward Q2 and Q3 is going to be as strong quarter for advertising so there is no reason for us to be frantic at this end. You also spoke about some bit of undercutting, in fact there is consolidation in the market in the sense every party is trying to hold on to this discounting which is good, the only thing is that sometimes clients take and market take a bit longer for them to realize that media would be available at a certain cost. So we just believe that this consolidation and more respect being garnered for the medium which is extremely positive and going forward I think it should only get better.

Abneesh Roy: Sir you are saying that ad deals are happening based on how big perception of the movie is, so what happens in a movie like Sairat for example, very low budget movie, unknown stars, in that case in the second week and third week, do you get back the commensurate ad revenue or in such cases it is not?

Nitin Sood: More than the first week but normally in our business what happens is the people believe that the first week is bigger, so technically once you lose that opportunity yes the



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advertising definitely for Sairat in week two and three went up by closer to 40%-50%, however everybody understand from this business that the first week is always phenomenal and what you can charge at the beginning of the opening of that film is bigger than this whole role of a set simply because by that time you get to know that the film is talking big numbers the team per se in the field also have only about three four days to convert for week two because the film gets released on a Friday by the time the news come it is already Monday, you have only got two or three days to really convert some advertising for week two, so technically whichever film opens with a larger perception and holds for longer will end up garnering the maximum revenue, second would be films that opens very, very large at least the week one is always insulated and we get greater advertising that week.

Abneesh Roy:

My second question is on the regional movie trend Sir, again coming back to that Marathi movie Sairat, you have presence more in the bigger cities clearly Sairat would have vouched more in the non-metro cities because clearly in Bombay Hindi and English movies have a much higher market share. In that context in these kind of non-south so Marathi and Bengali how are you placed in terms of capturing the fair share of such movies?

Nitin Sood:

Yes, so Abneesh contrary to the popular public perception, I think we are the largest player in Maharashtra, we have the largest circuit of cinemas in Mumbai, in Pune, in Nasik and Latur, Aurangabad and some of the other local cities, obviously we cannot compete with single screen cinemas and like this, but our contribution to movies Sairat will be far bigger than any other chain in the countries simply because of our very strong local presence in Maharashtra and especially the Cinemax side, which are more widespread within the Maharashtrian belt have done exceedingly well on this film.

Abneesh Roy:

My last question is on SPH. This time the growth was slightly lower than the full year expectation and so if you could elaborate on that part and Popcorn brand which you had acquired there if you could tell us how things are shaping up, how many distribution points you have scaled up anything beyond the PVR screens also have you managed to tie-up, how is the brand doing?

Saurabh Gupta:

On this SPH front, as Nitin explained, there was huge contribution from the dubbed and the local regional films whenever there is a regional film you get a certain kind of audience which is slightly more value conscious and because of which while we come up with new combos to sort of attract them but technically this is a trend that we have been seeing for a long time that SPH takes a bit of a hit because their ability to be able to spend on bigger combo is slightly lesser so that is largely the reason. The moment we saw Sairat numbers going up in Jungle Book, in other languages doing well, we knew exactly what the trend is



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going to be, but again I would say nothing to worry at all, we are back on track and doing the kind of numbers that we were planning.

Nitin Sood:

Yes, so I think Abneesh, if you look at our annual outlook, which we have kind of looking at, a double-digit growth on spends ahead, that continues to remain intact. I think we had one slow month on SME which is May which really pulled down the numbers for us, but I think Q2 is looking very strong and whatever we have lost in Q1 on account of our lower SPH growth will get made up in Q2 and Q3, so I think we stick to our annual guidance of about 10% growth in spend per head, which we anticipated at the beginning of the year and I think we should be able to do that on an annual basis. Coming back to your second question about the Popcorn brand that we have acquired, so I think that work-in-progress. Currently the focus is really to put the brand outside of cinemas because we believe there is a huge market for both Gourmet Popcorn in India, which is still unexplored and unexploited, and we have already launched the product at least in Airlines. If you go to Air Asia, Spice Jet and Go Air, the product is already getting served in these three airlines. We have also launched the product across all Café Coffee Day outlets in India and we are trying to work at the first phase in more and more institutional customers to get the product visibility out so it is work-in-progress, it is a small initiative right now, but I think added progress and as we kind of get the product out for people to experience the ultimate objective will be in some months to kind of look at the retail option of taking it to modern trade and retail.

Abneesh Roy:

Okay that is all from my side. I will come back in the queue. Thank you.

Moderator:

Thank you. We take the next question from the line of Rohit Dokania from IDFC Securities. Please go ahead.

Rohit Dokania:

Good afternoon. Thank you for the opportunity. Just two three questions from my side. Can you talk about the screens that we would have shut down in this quarter and what was the reason for that?

Nitin Sood:

Yes, we have shut down one single screen property that we had in Bandra in Mumbai, the lease had come to an end and this property was not doing too well. The existing owners were willing to kind of meet up with some of the additional requirements that we had to make the place more safe and secured and we took a call to kind of shut it down, so it had no big numbers and it was not contributing anything to the bottomline, so that is a single screen that we shut down at Bandra in Mumbai.

Rohit Dokania:

So that is the only screen we shut down?



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Nitin Sood: Yes, that is the only screen that we shut down and there was post the quarter end we have also shut down one small screen with about 40-odd seats in one of our properties in Goregaon, Cinemax properties in Goregaon which again we felt was not conducive given the new fire and safety regulations and we decided to shut that down in the month of July.

Rohit Dokania: Okay and the other question, can you talk about the ad growth for the year where you guys are looking it to stand up?

Saurabh Gupta: Like Nitin said, we have given certain guidance in the start of the year while we stick to that plan. Q1 has been marginally slow but we believe that the biggest two quarters are yet to come which are Q2 and Q3, so we will be right on track to deliver those fronts.

Rohit Dokania: Sorry can you refresh our memory as to what is the guidance?

Nitin Sood: It will be about 13% to 17% overall ad revenue growth and if you add DTAT it would potentially be the average being 18 to 20 as well. I think the DT integration is in play but it will take us about 4 to 6 months for that to fully integrate in terms of delivering synergies, so I think once that comes into board that number would be closer to 18 to 20.

Rohit Dokania: Sure, and lastly if you can talk about there is almost like 50%-60% jump in the other operating revenue on the standalone side of the business, I believe it is almost 31-32 Crores versus 22 Crores in the base quarter, what is leading to that?

Nitin Sood: Yes, what is happening is that there are two things, which are impacting our other operating revenue. We formed a new alliance with lot of online aggregators and partners with the whole objective of making our inventory available to more and more channel partners, to more and more customers who can book, which include Paytm and Just Dial so that part of the income is surged because of the new initiatives and partnerships that we have undertaken and secondly I think there is a small incremental growth in our DTS income that we earned because in under our existing model we had taken all the projectors on a long term operating lease and we had given away rights to DTS for the first five years for the duration of purchase of this equipment in view of a very low rental on that equipment so as more and more projectors are kind of coming off from that five years period I think we are beginning to accrue small amount of a DTS income increased on those sides. Thirdly I think under the revised Ind-AS guideline you need to kind of segregate your entertainment tax subsidy holiday that you are availing and reclassify that amount instead of classifying it as a box office revenue need to classify separately as other income and that is the third reason why the other income is looking higher due to reclassification.



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- Rohit Dokania:** Sure thanks for this. Just one quick follow up so in terms of on an aggregator that you spoke about, could you talk about you know what kind of deals would that be, would it be 6 feet from their share or how is that going to be?
- Nitin Sood:** I would not be able to share specific contours on what deals we have with them because that is very business sensitive information, but we have a share in whatever online booking fee that they collect.
- Rohit Dokania:** Sure thank you very much for answering my question. All the best.
- Moderator:** Thank you. We take the next question from the line of Prakash Padala from Investor Capital. Please go ahead.
- Prakash Padala:** Thank you for the opportunity. Sir regarding the revenue and operating profit can we have the like-to-like revenue numbers excluding the DT cinemas number?
- Nitin Sood:** Yes, so DT Cinemas contribution is very insignificant in the overall scheme of things when you say, you only want me to exclude DT Cinemas number or you want me to exclude the other non-comparable sites as well, because the other non-comparable site revenue is about if you look at the overall revenue the other non comparable site revenue is about 90 Crores so the growth on same store on revenue front is about 6% if you look at box office SMB and advertising put together.
- Prakash Padala:** Okay, so if you just exclude the DT Cinema number?
- Nitin Sood:** DT Cinemas would contribute roughly about 10 Crores revenue to 12 Crores revenue because only one month of revenue is there and it was I think it is not significant.
- Prakash Padala:** And Sir can we have the share of the regional cinema for the like full year FY2016 and this quarter?
- Nitin Sood:** So basically I can give you comparison of what it was in this quarter against the same period last year the Bollywood contribution in terms of that mix Q1 FY2015-2016 was around 52% which has come down to 37% in this quarter, Hollywood from 28% to 39% and Regional Movies has also moved by 400 BPS from 20% to 22%.
- Prakash Padala:** This is comparing Q1 FY2016 to this quarter right?
- Nitin Sood:** Yes, Q1 FY2016-2017 to Q1 FY2015-2016.



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Prakash Padala: Do you have the number for FY2016 roughly what would be the percentage of three months?

Nitin Sood: FY2016 it was more like a 55% to 66% was the Bollywood contribution and 44% was split between regional and in terms of Hollywood.

Prakash Padala: Thank you. That is it from me.

Moderator: Thank you. We take the next question from the line of Megha Hariramani from Pi Square Management. Please go ahead.

Megha Hariramani: My question is on the new law that has been passed by the government that you know the movies theaters can now be open for 24 hours does that impact us are we planning to increase our show timings the late night ones?

Nitin Sood: I think in the way the law will eventually work is the central government has put down a model law and referred it to the various state governments to adopt that law. I think the state governments still have to adopt the revised option establishment act for us to become implementable in various states. And yes it would help us because in lot of states there are restrictions on the number of shows that we can run and what time the last show can start, so like markets like Karnataka etc., we need to start the last show by 10-10.30 so that we finish on a certain time. In some markets like Delhi and Mumbai we have much greater flexibility to do this so I think once the model law has adopted by lot of state governments it will help us in managing the more shows over the weekend. We also think there is an opportunity for big films about eight to ten big films which are released every year which has a huge amount of advance or pre-booking interest to do late night shows for those, so it will definitely be more helpful.

Megha Hariramani: Okay and my next question is on the growth that if you can just share the details with us. I joined the call late I do not know if that been answered but what is our growth targets for the next two years, FY2017 and 2018 on sales and profit growth also the margins are we looking at increasing our margins?

Nitin Sood: Yes, so I think broadly we are expecting a 20% CAGR growth in our revenue and I think the margins we are kind of looking at sustaining and growing from where we were and if the GST bills come into effect I think that will be a big revenue burner or impact on our overall margins post GST so we are looking and waiting hopefully for the law to get passed.

Megha Hariramani: That is it from my side, thank you so much.



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- Moderator:** Thank you. We take the next question from the line of Rajiv Anand from Narnolia Securities. Please go ahead.
- Rajiv Anand:** Thanks for the opportunity. Out of total property what is the percentage of leased property?
- Nitin Sood:** All the properties are on lease only we do not own any property.
- Rajiv Anand:** Okay and what is the outlook regarding rental going forward?
- Nitin Sood:** Rental will continue to remain in the range of what they are about 16% to 17% of revenues I think we maintain the same outlook on rental cost.
- Moderator:** Thank you so much. We take the next question from the line of Amit Kumar from Investor Capital. Please go ahead.
- Amit Kumar:** Thank you so much for the opportunity. Just a couple of questions from my end, the film distribution revenue seems to be higher in terms of like strongly on a Y-o-Y basis can you just call out two or three major films on this side?
- Kamal Gianchandani:** The film distribution revenue Nitin can you quote the numbers please, just to ensure that, I do not quote the incorrect numbers.
- Nitin Sood:** The numbers are 27 Crores of revenues came from the distribution business.
- Kamal Gianchandani:** Right, so this number is fairly comparable to last year when the topline was. Saurabh what was the top line last year?
- Saurabh Gupta:** It is about 7.5 Crores.
- Kamal Gianchandani:** So this is a mix of Hollywood films and the Indian films that PVR Pictures has distributed in Q1 and going by what we did last quarter and what we have done this quarter the topline is fairly comparable, Saurabh please correct me if I am incorrect here.
- Saurabh Gupta:** Basically we distributed couple of Hindi films in this quarter which was like Azhar, Udda Punjab, we did Team and an English movie now **(inaudible) 24.41** as against the same period last year we had no major movies which got distributed last year; however, we had income of 7.5 Crores but that was predominantly on account of other rights. This time because of the Hindi movie the way it reflects the revenues are higher and so is the distribution cost because we would work on a commission in Hindi movie.



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Kamal Gianchandani: That is right. So just to conclude this point Uda Punjab and Azhar what has contributed to the revenue as far as Q1 this year is concerned.

Amit Kumar: I got Sir. And just very quickly Saurabh could you just break down the tax number this time around into current and deferred tax?

Saurabh Gupta: If you look at the numbers I think if you go through the chart that we have presented which explains the impact of the accounting adjustment, we continue to be chargeable under MAT. We have provided for the full-deferred tax on our book and accordingly if you look at our average tax rate in the current quarter is about 35%.

Amit Kumar: Sir just a quick follow up on this, till what time period do you anticipate to remain under MAT and when will the current tax be paid?

Saurabh Gupta: I think we expect that we will get under full tax paying situation by the end of this fiscal year but because we have a lot of MAT credits available we will be ending up utilizing those MAT credits over the next two to three years before from a cash flow perspective we actually start paying full tax.

Amit Kumar: Okay, just one final point, when I looked at your standalone numbers and the consolidated numbers the film distribution cost the standalone number seems to be higher than the consolidated one I just wanted to understand how to sort of reconcile this gap, I think the standalone number is about 130-odd Crores and the consolidated number is 121 or 122-odd Crores with a 8-9-odd Crores gap in that if you could just help me you know reconcile that please?

Saurabh Gupta: Okay, so what happens Amit any movies which are distributed by PVR pictures and which is shown at PVR Cinemas so in terms of consolidated and get nullified so intercompany elimination happen and so that is why it is in consolidated it will always reflect at lower as compared to the standalone numbers.

Amit Kumar: Okay so basically saying that the standalone studio share would probably be the better one to look at?

Saurabh Gupta: Right so if you are calculating the film distributive share that is standalone if you look at standalone numbers.

Amit Kumar: Okay great. Thank you so much for this team and all the very best.



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Moderator: Thank you, we take the next question from the line of Sanjay Bembalkar from LIC Mutual Fund. Please go ahead.

Sanjay Bembalkar: Thanks. Some of the question from the execution business when we are seeing 20% kind of growth expectation we can distribute this into price and volume so volume may be lead by number of shows or occupancy so I just wanted to understand your assumptions in this 20% growth number which you are talking off?

Nitin Sood: Yes, so broadly I think we are looking at a 6% to 7% growth from same store and a balance growth coming on account of new store additions this 6% to 7% I think will evolve year-on-year some year you will have a better footfall growth and some year you will have a better pricing growth it is difficult to anticipate it at this stage on what will contribute to what but broadly at 6% to 7% revenue growth from chain store and the balance coming from new store additions.

Sanjay Bembalkar: Great. Thank you.

Moderator: Thank you. We take the next question from the line of Jagdish Bhanushali from Florintree Advisors. Please go ahead.

Jagdish Bhanushali: I wanted to understand that this is one of the quarters where we have seen the advertisement revenue growth have slowed down for us, so any specific reason for that I mean I am specifically talking for the organic part?

Kamal Gianchandani: No there is not any big reason for it for any worry on this end. As I just explained that the mix of content really determines the advertising revenue we did not see too many blockbusters getting released and was the only one which got huge amount of advertising but beyond that there was Sairat and Jungle Book which really got a lot of footfall, advertising works on the backing off some big names and blockbuster films Q2 and Q3 are completely in line with some big films getting released and we are hopeful that we be able to post the good numbers for the coming quarter.

Jagdish Bhanushali: Okay so do we see that again 15% to 20% growth organically is possible for us from here on as well?

Kamal Gianchandani: Yes, very easily. There is a certain amount of value and volume growth both that we are taking so there are new media that is getting identified within the spaces off-screen and on-screen and there is a price elasticity within this whole market and as cinema as a medium is garnering more respect and volume there is definitely play for us to take the pricing hike.



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- Jagdish Bhanushali:** Thank you. That is it from my side.
- Moderator:** Thank you. We take the next question from the line of Deepak Gupta from Progress India Opportunities. Please go ahead.
- Deepak Gupta:** Hi, can you give us some perspective on other expenses of subsidiaries that has gone up quite sharply on a Y-o-Y and on a Q-o-Q basis?
- Nitin Sood:** When you look at other expenses they are largely in relation to the film distribution business because as the revenue goes up the corresponding expenses for that business also go up and we only get a pass through margins on that business so in this quarter since the expenses got in distribution business the revenues have surged so as the corresponding expenses because it works on a low margin basis. It is directly variable directly dependent on what films are we distribute.
- Deepak Gupta:** Sir could you give us some idea what kind of EBITDA the film distribution business have obtained for the quarter?
- Kamal Gianchandani:** Nitin, I can jump in. The EBITDA for this quarter Q1 this year is 94 lakhs, which is an EBITDA margin of 3.6%. The reason the expenses are high or I would put it the other way the revenue is a tad lower than what we expected it to be is because certain revenue numbers have got deferred to Q2 of this financial year so which is a reason at PAT level there is a negative result of 1.70 Crores that said we are on track to recoup the deferred revenues in Q2 and make up for the negative impact that we have seen in Q1. We are on track to grow this business as compared to last financial year not just at the top line level but also at the EBITDA as well as the PAT level.
- Deepak Gupta:** Okay thank you.
- Moderator:** Thank you. Next question is from the line of Niket Shah. Please go ahead.
- Niket Shah:** Thank you so much for the opportunity. I just had one question the advertisement part of the business, typically you would be getting lot of advertisement revenues when clients approach you directly and I presume there will be also an other stream of revenue opportunity for advertisement where the third party comes to you and asks for if they have a particular client and then they will come to you for some advertisement. So is it possible to give us a broad sense that how much is directly coming through PVR I mean there is no middlemen or the no third party in between and how much is coming from the third party



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and are you seeing the trend changing where people are directly come into PVR now for advertisement which means more realization and more margins?

Nitin Sood: Actually realization has no bearing on which route it comes from either direct or from the agencies because it is your decision on how much you want to give and what is the kind of policies you have laid down for discounting. Technically this is just a relationship management and how you build the medium. We have indicated and kept our team stronger simply because we believe that this medium needs to be sold so that is the primary job of the team. So in the current split it is close to about 65% comes from the agencies and 35 is direct.

Niket Shah: Sure and you would have a like a monopolistic kind of thing or these agencies work for you as well as the other guys?

Nitin Sood: They work for everyone. They work for cinema, as a medium so there is no monopolistic situation in.

Niket Shah: Sure and the margins will be substantially different right, because there would be some amount of...?

Nitin Sood: As I explained you they are not different because the policy is laid down are identical because as a client if you begin to tell them that if you come to me directly I will give you 10% extra discount if you come through an agency I would not, it would not work, so even the agencies send you because they know that the policies are in place and no matter what the client does in which route he take the rate offered to him will be identical.

Niket Shah: And this 65 has remain constant or it is now shifting more towards directly coming to PVR?

Nitin Sood: No in fact largely remains constant more in terms of agencies as they are growing bigger, we need to open up our inventory and media to many more reseller because there is a certain limit to how many people you can add within your own team so there is a city head; however, we work through a lot of alliances of an agency because agency is pivotal for the entire share of wallet for the client. It is not just cinema as a medium, client wants to buy many more media auction and for that an agency is crucial to be kept within the loop.

Niket Shah: Got it. Thank you so much. Best of luck.

Moderator: Thank you. We take the next question from the line of Amit Kumar from Investor Capital. Please go ahead.



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Amit Kumar: Thank you so much for the opportunity again. Just a couple of questions from my end, one is that I am looking at the employee cost now the employee cost has gone up by almost 32% on a Y-o-Y basis and actually that has sort of been the trend for the last couple of quarters I understood, second half of the year you had some one of pressure from if I remember correctly the Bonus Act and few other elements if you could please call out as far as this quarter is concerned?

Nitin Sood: You are right and if you look at the broad breakup of the increase that we have had, I think one issue is the payment of Bonus Act, which we did not which came into effect only in Q3 last year so bulk of that cost was accounted in Q3. This financial year that cost is allocated over all the quarters so if you look at the impact about 7% increase is attributable only because of that, then we have almost 9% to 10% annual wage inflation which is been accounted for in this, and the balance growth is essentially on account of new store additions that we have done including the DT properties that came on board in June so for about 37 new screens that we have added in this quarter as well as other 49-odd screens that we added in the previous year so if you look at around 85 new screens people cost has come in hit the P&L this year the balance is due to new store additions.

Amit Kumar: Thank you so much.

Moderator: Thank you. That was the last question. I now hand the conference over to the management for their closing comments. Over to you, Mr. Sood!

Nitin Sood: Thank you everyone for taking out time for the call. I really appreciate your questions and if you have any follow up questions, please feel free to reach out to me and Saurabh and we shall be happy to answer them. Thank you very much.

Moderator: Thank you. On behalf of Motilal Oswal Securities that concludes this conference. Thank you for joining us. You may now disconnect your lines.