



“Delta Corp Limited Q1 FY20 Earnings Conference Call”

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Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY20 Earnings Conference Call of Delta Corp Limited 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 after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing ‘*’ and then ‘0’ on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Anubhav Gupta from Emkay Global Financial Services. Thank you and over to you sir.

Anubhav Gupta: Thank you, Stephen. Good afternoon everyone. I would like to welcome the Delta Corp management and thank them for giving us this opportunity. I would now hand over the call to Mr. Hardik Dhebar for opening remarks. Over to you, Mr. Hardik.

Hardik Dhebar: Good afternoon everybody and thank you for being on this call. At the outset, the results have obviously been declared last night, most of you all would have seen it and they are more or less in line with what we as the management had expected. We have been able to maintain the trajectory and the run rate. If some of you who would have been on my investor call of the last quarter would recollect that I had clearly mentioned that we have a dry docking event that is going to happen during the quarter and obviously the elections and the code of conduct and the issues around that which obviously have an overhang on the operations would need to be factored in, in this particular quarter which as can be seen from the results did have a little bit of an impact, but the good thing and the positive side about the whole issue if one analyses it and adjusts it for these events and the only event that we can technically adjust the revenue for is the dry docking. Then, I think the revenue and the profitability run rate is identical to the fourth quarter which obviously is much higher than the comparative quarter in the June previous year.

Even on an as is basis, one looks at the number, we have grown marginally on the phase of it, but if you look at the boat in contentions or the casino that was in contention during the quarter which went into dry dock. In the year June 2018 for the full 90 days of operations, we have done a revenue of 39 crores which in the current quarter for the same boat which operated only for roughly about 65 to 70 days, we have done a revenue of 35 crores. So, if you look at from a run rate perspective, the casino run rate has been in fact better than last year, but it is just because you had an absolute lower number coming in on account of the stoppage which is the dry docking which happens average once in 2.5 to 3 years. Therefore, you are seeing a lower revenue. Having said that, the other boats especially the larger boat has obviously grown at about 14% to 15% as compared to the last year June 2018 and Caravela which was the third boat has remained more or less flattish.

Given all these, I think we are very hopeful that once the third boat which has come into operation now and historically as you will all have noticed the second and the third quarter have always been the best quarter as far as the entire business cycle is concerned while there is

no cyclical as such, but second and third quarters have always outperformed the first and the fourth quarter and therefore we believe that given the trend and given the trajectory that we have been able to maintain even during the quarter where we had multiple issues, when I say issues as in nothing untoward, but genuine business hindrances which I once said is the 20 day dry docking. From 27th of March to 23rd of May given the code of conduct on account of the general elections as well as the Goa bypolls, there was a restriction on serving of alcohol after 10 o'clock which obviously does have an impact on the visitations in terms of people coming in. This obviously was coupled by the fact that IPL also happens during the same time. Now one could say that IPL is there every year. So, every year what happens is that post the IPL, the flow continues because people who are tourists who are casuals who are not gamblers, gamblers would still walk in because they would have the food, entertainment, liquor etc. still available which in this particular quarter given the code of conduct in play that also was kind of not available and which obviously impacted the overall visitations. But on the whole, as I said once you regularize and normalize or adjust for these events, I think we have been on the same trajectory and the same revenue as the previous quarter and obviously that would have been a growth of at least 15% to 20% over June 2018.

As regards the online business as well, if one recollects, we had mentioned that as a part of our plan and strategy, we are going to be looking at growing at a much larger number for the year and therefore as a part of our strategy, we had set for ourselves to try and acquire at least 60,000 to 80,000 new customers during the year to be on the online platform of Adda52 and to be able to achieve that, we had to undertake an extensive marketing spend and sales promotion activity which was mentioned. Keeping the same strategy for this quarter, there has been an excess spend over the regular spend on marketing and sales promotion by an amount of roughly about 4.7 crores which obviously goes to reflect in the segment revenue when you look at the online piece that 5 crores reduction in the EBITDA or the EBIT margins that one sees is purely on account of the excess spend on marketing and sales promotion activity. We are very hopeful that this activity obviously gets hit in one quarter of the P&L, but the benefits are long term and going forward from second quarter-third quarter onwards and for the sustained period of longer duration, we will be able to get the benefits out of these activities and it is not a one-time exercise. We will keep continuing following it up with our regular marketing and sales promotion activity which should give us the required impetus and trust for us as a business to grow as envisaged.

Given the entire scenario in terms of revenue and everything, we genuinely believe that our year end targets for our year end growth rates that we have always maintained that we will be able to grow at 20%-25% growth annually should still remain intact and like most of the years we have done, we could surprise ourselves and we hope that, that trend also will continue. There is nothing, other than this which needs specific highlighting in terms of the results, we are pretty straight forward. We have obviously some accounting entries that had to be brought in, so items like finance cost while Delta continues to be and is a cash positive, cash surplus company and a debt free company. There is an element of finance cost which gets reflected on

the phase of the balance sheet that is predominantly and purely on account of the new accounting standard Ind-AS 116 which has been brought in and most of the companies following Ind-AS have to start following that accounting standard and there is no actual interest cost that Delta has incurred. There was an element of about 4.25 crores of one time income. Last quarter which does not exist in this quarter, so this is a pure operational straight forward quarter and therefore if one looks at even the profitability of last quarter vis-à-vis this quarter and if we were to ignore that one-time income, we would have had a profit of about 52 odd crores. Current quarter as we know, we have ended up with a 42.5 crore kind of a number and if I was to adjust for the 19-20 days of closure and assume that I would have been able to operate that vessel for that many days, I would have ended up doing at least 14-15 crore additional revenue which would make it identical to the last quarter and 60%-70% of that would translate into profit which means I would have ended up with the same amount of profit as last quarter which is about 52 crores.

Given this background and given this broad overview, I would like to now open the forum to questions and clarifications if any and I will try and answer them to the best of my ability.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Anuj Gupta from Perfect Value Firm. Please go ahead.

Anuj Gupta: I have three questions; I club them together. So, every time during the elections, there are issues pertaining to casinos operating in Goa. Suppose a hypothetical scenario in which casinos in Goa are banned from operations, what is your take if such a situation arises? Are we planning to aggressively diversify internationally to places such as Nepal, Sri Lanka, Macao? Second question, why is the traction not seen on the online gaming space even on year-on-year basis and on particularly what has been the performance of HalaPlay during the current IPL and ongoing World Cup Season? How difficult is it to capture a customer from Dream11? Third question, what are the current updates, plans of shifting offshore. I read an article by Hindu I read Mr. Manohar Parrikar had announced a special designated zones on the Mandovi river for casinos to be operated which were more secured over there with the proper regulations, so please can you answer that. Thank you.

Hardik Dhebar: So, let me take your first question first and I think you yourself answered the question, the answer in the question itself by saying that it is a hypothetical question first of all. So, once the situation itself that you are saying is hypothetical because while you did say that during the election there is noise about casinos, but during the same election the same people who made that noise also came out with the clarification saying that they are not against the casino, they cannot afford to shut down the casinos because the entire economy, the entire tourism industry and the entire state has a lot of dependency on this business. So, it will be only nice to even treat that something like this is going to be happening and there are enough press articles, statements, interviews by the Chief Minister, the Minister of the Coalition Members, the independent MLAs who are supporting the governments which have all gone onto backup and

say that they all want is shifting of the casinos from the river to the land and regulate the industry and ensure that it grows and supports the state the way it has been supporting in the past. So, I do not think there is an answer to hypothetical question, but the reality is that all the articles that have come in the last maybe 3 months are all in positive tones and supporting the industry and movement of the casinos from offshore to onshore is what is becoming more and more clearer. With regards to your last question about Mr. Manohar Parrikar having made an announcement about the designated area, the designated area is on land and not in Mandovi river and the idea of the state government is to shift the casinos from offshore to onshore as it helps them achieve the political promise of freeing the Mandovi and cleaning the Mandovi and getting rid of the casinos from the Mandovi river and being them into a designated zone which as we all know is likely to be in the vicinity of the new airport up North towards the border of Goa and Maharashtra. With regards to HalaPlay's performance, I think during the IPL, the revenue has increased more than 3 times what it was pre IPL. Well, it is not difficult to get and attract players from Dream11, it is just that how much money you are willing to spend, how much cash that you are willing to burn is all what determines how soon you can scale up your size. We have scaled up from where we were post our investment into HalaPlay, but I think it will still be a little while before we can catch up or we can start running at same pace as Dream11 and this is very natural and I do not see anything alarming here because obviously Dream11 has a head start. They are way ahead of the competition and one cannot take away from the fact that they have a much larger user base than anybody else in the industry today, but HalaPlay is a by far number two and we believe that there is enough space in this market for more than one player to exist and co-exist. Lastly, you spoke about the online piece. I think we have been trying various strategies and it is a combination that is going to work. We have continued our leadership position when it comes to poker and we believe that with this more focused approach towards trying to get larger number of newer players and registers and trying to penetrate far and wide and deeper, I think we will be able to achieve a larger growth rate than what we have in the past, but otherwise the focus on poker remains continued and we are still believers in the business and we believe that this business has the potential to outgrow from here and we are making that efforts in that direction and we are hopeful that we will reap the fruits on that.

Anuj Gupta:

Sir just a followup. Regarding the international expansion...

Hardik Dhebar:

International expansion is always the strategy which we have said that we would like to be a regional player and we will have our regional imprint, but that need not be construed as a mitigation strategy to Goa because for the simple reason like I explained, we do not see any political issue or political risk when it comes to Goa and therefore in expanding our regional imprint has always been a part of our strategy and we will continue to follow that strategy whether it is Nepal, whether it is Sri Lanka as and when the opportunity does present itself, we will evaluate, examine and execute it.

Moderator: Thank you. The next question is from the line of Jai Nandwani from Perfect Research. Please go ahead.

Jai Nandwani: Sir, wanted a update on Jalesh Cruise. What is the opportunity there we are looking into?

Hardik Dhebar: So, I think when we invest at last quarter and in the annual results call we made it very clear that as far as Delta is concerned, the focus is casino and casino operations and the reason for us to invest into Jalesh Cruises because it came with a right for us to be the first and the preferred casino operator for this cruise and every subsequent cruise vessel that Jalesh adds on. It is very early days the ship has operated only for about 30 odd days in the current quarter which is inconsequential because the ship came into the country only on the 8th or 10th of April. Hence, there was not too much time to market and do promotions and attract enough traction for the current quarter and after that, we have monsoons when the ship cannot operate in the Indian water. So, it is currently in Dubai. Again because of the lack of timing in terms of marketing and doing those activities, we are looking at the September onwards leg of the vessel coming back to India and operating where we are seeing some traction in terms of bookings, advance enquiries etc. and worldwide the cruising as a business has been very successful and a very cash positive and a cash rich business. Indian cruising population has been on the increase in the last few years. So, there is nothing which is pointing anywhere against the possibility of a growth and opportunity being positive ones and we thought that as far as Delta is concerned, it is going to be an additional casino coming into play. So, today it is one, tomorrow god willing we are able to add 3-4 more vessels, we will have 3-4 more casinos. So, that is how Delta looks at it.

Jai Nandwani: Do you also see any opportunity to tie-up exclusively with any other national or international other cruisers apart from Jalesh?

Hardik Dhebar: Jalesh is the first cruise vessel of its kind. So, there is no national opportunity other than Jalesh at this point of time. As far as international cruising is concerned, every cruising company has their own casino operations. So, I do not think so anybody will look at someone like us unless it is in a country of ours types where there has been no cruising in inhouse country of Sri Lanka or Bangladesh brings up their own cruise slider, then we may have an opportunity, but otherwise internationally each of the cruise lines that are operating, they have their own casino operations.

Jai Nandwani: And one last question. Regarding Sikkim casino, so how was the turnaround in this season like the tourist season is on? So, any updates on that?

Hardik Dhebar: Sikkim casino I think like I said in the last call also, the airport obviously is operational, but it started in a season which was not the peak season for Sikkim. It is post April again season starts and I think we will have to give it a year for everything to settle, therefore I think it will

be a better assessment can be done towards the end of this financial year to understand as to what the impact has been and how well it has grown.

Moderator: Thank you. The next question is from the line of Karan Agarwal from Old Bridge Capital. Please go ahead.

Karan Agarwal: Mr. Dhebar, I have the following four questions. First, if I look at the standalone results which houses majorly Deltin Royale, it has been given a quarterly run rate of approximately 100 crores for the past 3 quarters that I observed with a PAT of approximately 40 to 45 crores. Is it on account of a renewed competition landscape with the fellow competitor commencing its new ship? What is the strategy going to be going forward to maximize value through Royale, that is my first question.

Hardik Dhebar: First of all, I think if you are just generalizing 100 crores as a number, I can understand and I can agree that it is 100 crores, but in reality it is not because if you look at March-June 2018, we had done 100 crores, this quarter we have done 116 crores that means there is a growth over last year and we are at more or less same revenue as the last quarter. So, I do not think that we are stagnant at the 100 crore number. In fact, we are growing on both the revenue side as well as on the EBITDA side because if you compare the margins on the EBITDA have also improved when you compare June of last year to June of this year. So, I think to that extent, your observation is partly not correct. With regards to renewed competition, I will only say that in the current quarter the competition may have had some impact given that and not of Deltin Royale, predominantly it will be on more on Deltin Jaqk because what happens is that the target market is the segment with which Deltin Jaqk is operating is the segment where the new competition boat has come in. So, if at all someone can get impacted would be Deltin Jaqk and not Deltin Royale that is one. Two, again because it was their launch, they had a 10-day launch celebration and they invited every other player to be a part of that celebration, they have lost money as we understand to be able to acquire those players, but I think that is the part of the game and eventually everything will settle down and we have seen it in the past that whenever a new boat comes in, there is a disruption for a while and then the market grows. So, as far as we as Delta are concerned, then Deltin Royale as the market leader or the most admire ship in the water is concerned, I think over a period of time you will realize that the market not only has grown, but Deltin Royale continues to be the market leader and will be able to acquire the share of the growth market as well.

Karan Agarwal: Sir my next question is in Q4 FY19 earnings call, you had suggested that you will concern the possibility of replacing one of your smaller vessels with the larger vessel. Any progress on that front?

Hardik Dhebar: I said we are taking a conscious call on that and as and when there is something to be disclosed and to be announced, we will definitely do that.

- Karan Agarwal:** And sir any updates on commencement of operations in Nepal?
- Hardik Dhebar:** I think the delay was on account of the hotel not being able to get their five star certification which has happened I think during the quarter. We are now waiting for the hotel to commence operations so that we can start our casino. As far as Delta is concerned, we are completely ready and quite hopeful that in this quarter we will be able to commence operations.
- Moderator:** Thank you. The next question is from the line of Gautam Trivedi from Nepean Capital. Please go ahead.
- Gautam Trivedi:** I think good set of results in spite of the challenges that you faced during the quarter. Having said that, have you possibly considered hiving off your online business in a separate company and raising P money because I believe that your products and your properties are really very good, but the fact is that the valuation that should be reflected for these online properties are not getting fully reflected in your stock price and I think if you look at your peers, some of them including Dream11 have actually raised funding and setup valuation benchmark, that is my question.
- Hardik Dhebar:** Gautam, you are absolutely right. The reason why we had kept the online business in a separate subsidiary and not merged with Delta is precisely this reason as to what you said that we will look at monetizing that particular platform at the right time, at the right valuation and at the right price. Given the current situation, we believe that as far as Poker is concerned, we are market leaders and we continue to be market leaders and I think the valuation for Dream11 or the multiple that Dream11 kind of a platform will get is very different from a poker platform given the volumes and stuff like that and therefore if you realize what we have done is a part of that strategy is to hive off our fantasy league business which we ran under the brand LeagueAdda and merged with HalaPlay and became a part of the HalaPlay platform which is a well established number two in the fantasy league space and with regards to Poker, you are right. We are focusing trying to grow it up to a certain level before we look at doing any monetization, but in a nutshell, yes that plan always is there, it will continue to be there. We will focus on that and at the right time, we will look at monetizing the platform.
- Moderator:** Thank you. The next question is from the line of Abhishek Joshi from CGS-CIMB. Please go ahead.
- Abhishek Joshi:** In your last concall you had mentioned that you had made an investment of Rs. 10 crores towards Jalesh, was it with relation to one vessel or 4 vessels?
- Hardik Dhebar:** So, first of all the amount was US \$10 million and it was not 10 crores. So, it is at a company level with that the investment has gone and if the company buys a second vessel, I automatically being an equity holder in the company, I will obviously have the second vessel under the same company, the third under the same company. So, we have not said that we will

only be in the company when it does one vessel or two vessel. I have invested at the company level which gives me the right to be the preferred casino operator in this and every other vessel that the company buys.

Abhishek Joshi: And my second question is what is your strategy going forward with regard to your revenue mix? Would you like right now your revenue mix from casino gaming division is about 75 to 77% and online skill division is about 15%. So, going in future would you be looking forward to increase your revenue share in online skill gaming division and would it result in dilution of margins?

Hardik Dhebar: I think the question is slightly not right because the offline space and the online space both are mutually exclusive, both are going to grow, both will continue to grow, but at any point of time and at all points of time, the offline space is always going to be the lion share of the revenue generator and while the online may grow and be a larger number over the years, but I think it will be a long time before it can catch up with the offline space. And given the fact that sooner or rather than later, we would be moving onto land, I think the entire dimension and the entire ballgame changes there and therefore while our focus on the online space will be there, we will obviously be making all the efforts to grow the online business and but it will never be able to kind of replace or become a big brother to the offline space and we believe very firmly and with conviction that it is the offline casino space which is going to always be the lion share of revenue earner.

Moderator: Thank you. The next question is from the line of Sajan Didwania from Frontline Capital Services Limited. Please go ahead.

Sajan Didwania: I have a few questions. What is the update of on Daman license?

Hardik Dhebar: So, the matter is sub judice as you all know. We have had about 2 or 3 hearings in the court where the government was supposed to come up with a reply to our petition which the government has failed to do so as of today. As luck would have it, tomorrow is the next date of the hearing and we will have to see what happens next whether the government is filing a reply or is still seeking time, but given the way the court has behaved nowadays, we believe that the court is not going to give too much of time to the government in any case and the government will be in force to either file a reply or we will have to start arguing the case out. So, we will have to wait and see at least for the next 1 or 2 hearings before we know what which way the matter is going.

Sajan Didwania: Sir another question I have is that in the previous concalls I heard that you are liquidating some noncore assets like Advani Hotel, land in Goa, land in Sri Lanka. So, any plan of monetizing that noncore assets?

Hardik Dhebar: The plan from our side is on. As far as Advani is concerned, we are not the promoter. So, I cannot be the decision maker there. We have been in the market to sell our stake for a long time, but whoever wants to buy wants to buy with the promoters which we have no control over and the last we know is that the promoters were looking to exit but nothing has happened so far. As and when that happens, we are sellers and we will obviously be exiting our stake. With regards to the land in Goa and Sri Lanka, again Sri Lanka land has been on the block but given the geopolitical situation in Sri Lanka in the last few months and over the years, I think it is not an easy task to sell, but yes we have been seeing interest, but at the right time at the right price we will definitely sell the land, we are sellers there too. With regard to Goa, it is not a larger number. We are either trying to exit the land completely or get it to a developer to develop it and sell it for us and we get the values out of it. So, yes, the plan to monetize each of this asset is on and we will monetize it.

Sajan Didwania: What can be the value of these approximate?

Hardik Dhebar: I think all these assets put together should be in the region of 250 crores.

Sajan Didwania: Another question I want to know that any other dry docking plan in FY20 for any other vessel?

Hardik Dhebar: Not in FY20. The next will happen I think after about 2-2.5 years.

Sajan Didwania: Sir my last question is that we are seeing a hangover on this GST case came in May and it is since then the stock...

Hardik Dhebar: Let me just correct you, there is no case. It was a speculated article or an item by a news channel which we have vehemently and categorically denied and refuted. As we speak, we have not been served any notice. We have no communication from any department whatsoever and therefore to say that GST case, I think that is not a factually correct statement.

Moderator: Thank you. The next question is from the line of Ravi Dharamshi from ValueQuest Investment. Please go ahead.

Ravi Dharamshi: In the annual report, there is a prepaid expense of 97 crores towards the casino license fee. Is this regarding the FY20 license fee we paid upfront or?

Hardik Dhebar: Every year the license is payable on 31st of March. So, effectively we do not wait for 31st of March and we paid by 30th or 31st of March and therefore it gets into the prepaid for the following year. So, over the year it will actually get amortized, but what happens is that for the subsequent year, again the fee becomes payable. So, at every point of time you will see this number coming as prepaid expense.

Ravi Dharamshi: And one more thing in your annual report is a capital commitment of 44 crores for an acquisition of a private limited company, so can you just?

- Hardik Dhebar:** As far the investment commitment under the agreement with Jalesh Cruises and HalaPlay.
- Ravi Dharamshi:** And sir what have been the footfalls for Goa this quarter?
- Hardik Dhebar:** If you compare it over June 18, we have grown about 15% in terms of footfalls. June 18, it was 92,000 visitations which is now 105,000 visitations.
- Moderator:** Thank you. The next question is from the line of Pritesh Chheda from Lucky Investment Managers. Please go ahead.
- Pritesh Chheda:** On the visitations part, you just said that it is a growth of 15%, 105,000 versus 92,000 that does not translate into revenues if you give your comments there and one more question on the online skill gaming, why we do not see a revenue growth for the quarter?
- Hardik Dhebar:** Like I explained in my opening commentary, if you normalize the quarter for the hindrances that have happened, it would definitely translate into revenue growth. So, you have to take into account that we had one lesser vessel for nearly 22-23 days. Despite of that, we have been able to achieve the same revenue, actually larger revenue than what we did in the June 18. So, I think that has translated into revenue growth and once you normalize the operations and take away all the hindrances that I mentioned in the opening remarks, we should have been at identical number or slightly more than what we did in the fourth quarter of the last financial year which would have been substantially higher than the June quarter.
- Pritesh Chheda:** On the visitations part, is it fair to assume that lot of these visitations happened on the lower end ships for you and hence there is a visitations growth, but there is no corresponding revenue growth. Is that right sir?
- Hardik Dhebar:** No, I think you are reading it completely differently. Like I explained, the revenue growth and the visitation growth both had happened given the fact that I had a lesser vessel. If I had one vessel less, then instead of 3 I am operating only 2 vessels for a part of the quarter, then obviously it is going to get impacted on the revenue right even though the visitations may have grown.
- Pritesh Chheda:** And what explains the lack of growth in online skill gaming?
- Hardik Dhebar:** I do not think that is lack of growth. I think it is a slower growth that we had anticipated. Like I said we are putting in strategies and we are putting in ideas to look at accelerating the growth and improving the growth which we believe that in the current quarter like I said we spent additional 4.5 crores on the marketing and sales promotion activity. The result of which we believe that we would achieve over a longer period of time. Again, if you are looking at it only in comparison to the previous year June quarter, we had the poker tournament entity, the poker sports league which was a subsidiary of Gaussian Network which had recorded revenue in the last year. The activity has not yet taken place in this year and therefore to that extent, you have

to knock-off 5 crores of revenue from the topline and about 80 lakhs of profit from the bottomline. Again, if you see compare it on a like-to-like basis, there is definitely no degrowth or no stagnation.

Pritesh Chheda: Is there any change in market share and what would have been the market growth rate in this space of poker and rummy?

Hardik Dhebar: It is a very unorganized market, very difficult to give you a precise number, but we continue to be the largest platform as far as poker is concerned and we continue to be the market leaders as far as poker is concerned both in terms of revenue and in terms of the players. Secondly as far rummy is concerned, we have not yet started and our platform was not yet ready like I mentioned in the last quarter, we are hoping that in this particular quarter, we should be able to relaunch our rummy platform, now that it is completely ready and therefore we are nowhere near in terms of the rummy market share. As far as poker is concerned, like I told you we are the largest and we continue to be the largest.

Pritesh Chheda: So, there is no change in market share in poker?

Hardik Dhebar: Not really.

Pritesh Chheda: And lastly what would be the market growth rate in casino for the quarter in the Goa market all ships put together, any idea what would have been the market growth rate?

Hardik Dhebar: Again most of the players are private limited companies or proprietorships, therefore their numbers are not readily and freely available. So, to be able to assess what each one of them is doing is going to be highly unpredictable therefore it is difficult. But looking at the way we had grown after taking the adjustments into account, I think the market seems to have grown about 15%-20% over last year. But that is an estimate that I can put based on my numbers and without any access to anybody else's numbers.

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

Mayur Gathani: Sir anything that you could share on the Goa shifting from offshore to onshore?

Hardik Dhebar: We are waiting for the assembly to come into session. We believe that some direction or some guidance or something will be spelled out because the last thing the CM said that he is working on the policy and giving it the final touches and he needs to do it and implement it. So, now we have to wait.

Moderator: Thank you. The next question is from the line of Sajjan Didwania from Frontline Capital Services Limited. Please go ahead.

Sajan Didwania: Sir, you had said in your previous question that due to dry docking, you have lost revenue of 14 to 15 crores and the profit figure you said 60%-70% it should have gone. So, how it can be 60%-70% the bottomline?

Hardik Dhebar: That is simple reason because the 100% of my cost is already captured. My ship did not operate, so I did not have the revenue, but my entire fixed cost which existed has already been accounted for in the current quarter also.

Sajan Didwania: And variable?

Hardik Dhebar: Variable is anyway 15% to 20%. So, variable does not impact it so much and therefore 60%-70% would translate into my profitability.

Sajan Didwania: So, you can say that the 15 crores would have translated you 10 crores PBT?

Hardik Dhebar: Absolutely.

Moderator: Ladies and gentlemen due to time constraints that was the last question. Mr. Hardik Dhebar, do you have any closing comments before we conclude.

Hardik Dhebar: Thank you everyone for being on the call and making this call more interactive. I would only like to say what I said in the beginning of my call that given the adversities and given the hindrances that we had in the current quarter, the business has shown its robustness once again and shown its resilience and has gone on to show that we have been able to maintain the growth trajectory and the growth estimate that we want to deliver and we believe that we can deliver. And I hope that for the full year, our growth plans and the growth trajectory will be intact and we will see the same robust set of numbers towards the end of the year as we have been seeing from year on year. Thank you very much.

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