



“Delta Corp Limited Q4 FY19 Results Conference Call”

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Moderator: Ladies and gentlemen, good day and welcome to the Q4 FY19 Results Call of Delta Corp 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 ‘*’ then ‘0’ on your touchtone phone. Please note that this conference is being recorded. At this time, I would like to hand the conference over to Mr. Anubhav Gupta from Emkay Global. Thank you and over to you Mr. Gupta.

Anubhav Gupta: Thanks and good evening everyone. Thanks for stopping by. I would like to welcome Mr. Hardik Dhebar, the CFO of Delta Corp and thank him for giving us this opportunity. I would now handover the call to Mr. Dhebar for opening remarks and then we will have followup Q&A session. Over to you Mr. Dhebar.

Hardik Dhebar: Good evening, good afternoon, good morning to all the people from wherever they have joined in. Thank you very much for coming on to this call. It’s heartening to get on to a call at the end of the year. First of all so early being able to do a call for the audited results itself is satisfying. Secondly it has been an eventful year and an eventful quarter as such. Eventful year because we scaled new heights during the previous 3 quarters and the eventful quarter more so because we have had a couple of transactions that we entered into in this quarter both of which are of strategic value and strategic importance to us. First one obviously is the investment by a subsidiary of Delta Corp Limited into a Mauritian company called Jalesh Cruises Mauritius Limited which basically is an owner and operator of the first ever cruise that is going to be operated in India. Obviously Delta’s perspective is predominantly and purely from a gaming perspective and since like all international cruise liners this cruise liner also is going to be offering casino gaming. It made strategic sense from a Delta perspective to be having a foot in the door or dot on the map as we have always felt it important from our perspective. That is where this investment is very strategically important. Further another reason to invest into the cruising company itself is because this also gives Delta a right not only to be operating and managing the casino on the first cruise vessel that is getting operational from 17th of April 2019 but also gives the right to operate all further cruise vessels that this company will own and operate in the near future. As far as Jalesh’s game plan is concerned they are looking at adding at least another 3 to 4 vessels in the next 18 months to 24 months which means that Delta will have the right to operate all those casinos over the next 18 months-24 months and you know this basically means that I will have 3 to 4 additional casinos getting operational in the next 18 months-24 months period which obviously is of immense strategic value to Delta and therefore that is the investment. The investment that Delta has committed as of now is \$10 million which was supposed to happen in 2 tranches or more. The first tranche happened before 31st of March which was of a \$5 million value. The second tranche of \$3 million has also been invested which happened in the first week of April and as and when required the balance 2 million will happen before 30th of June thereby we will complete our \$10 million of investment. As I said the cruising commences from 17th of April. Eight months of the year this

cruise will operate within Indian territory that means it will cruise from ports in India that is Mumbai to Goa or Mumbai to Chennai, Mumbai to Cochin, Mumbai high seas and back and from four months of the year which is the monsoon period when sailing is not possible in Indian waters this cruise will operate out of Abu Dhabi as its hub and will cruise the gulf countries. So this is as far as Jalesh is concerned as a business. From an opportunity perspective the casino there in the cruise liner is about a 25-30 table operation to begin with. As far as Delta is concerned, Delta has a fixed cost that it will be paying the owner and the operator of the cruise which is \$5 per person per day which is the fixed cost and there are no additional other cost involved. The entire revenue and the profit thereafter belongs to Delta. This is as far as Jalesh is concerned.

The second investment obviously was in the online space. As we all know that we had 3 verticals that we were operating in the online space which was Poker, Rummy and Daily Fantasy. We were a very minor or small player, fringe player as far as the daily fantasy was concerned given the fact that the leader is a much larger player called Dream11 as we all know and there was a distant second called Halaplay Technologies Private Limited. Halaplay was looking at raising some financial investments into their company and was offering some equity stake which gave us an opportunity basically to invest into the number two player which we thought was a great opportunity because the business model was right. They were doing the right thing. It is just that they were looking at funds to raise so that they could fuel the growth and sustain going forward, the competition. So that opportunity we thought was a good opportunity. Hence we went ahead and made investment commitment of 15.5 crores to invest into Halaplay. Now that we had committed this investment it also makes logical sense not to have a competing business being funded by you simultaneously competing with the company with the company in which we have invested and therefore we **(Inaudible) 6:59** a business transfer agreement sold our Daily Fantasy sport business to the Halaplay Technologies Private Limited and in consideration we received equity shares of Halaplay Technologies Private Limited over and above the 15.5 crores primary investment which Delta did in Halaplay. Therefore Halaplay hence becomes a 20% kind of investment of Delta into Halaplay and with the few money that has been pumped in both by us as well as Nazara because it was a joined investment by Nazara and Delta into Halaplay, the business has started showing signs of growth. Whatever was the business prior to our investment during the IPL season the business has already grown at least 3 to 4 times what it was pre IPL. 2019-2020 is a very busy cricket calendar as we all know starting obviously IPL is already underway that will be followed by the world cup. Then you have a couple of good India series and then leading into January which is the T20 world cup. So that is a very busy season from a Daily Fantasy perspective and we believe that this business is going to grow to the next level and we are hoping that with our investment, our support and all the future game plan that we have for the Daily Fantasy sport we should be able to cross the 100 crores revenue mark as far as Halaplay is concerned. This basically takes care of the two investment and the two developments that have happened during the quarter. By and large the quarter has been extremely satisfying despite a shorter quarter than normal we have been able to maintain the same run rate as one would see. We

have closed the quarter at 198 crores with about 3 days lesser to operate in the quarter. If one was to extrapolate it for the same number of days as previous quarter we should have done almost same number in terms of revenue and therefore it is very satisfying that once despite the fact that you are getting into the so called lean season we have been able to not only maintain the run rate but also maintain the momentum. Going into of course this first quarter is going to be a little bit of a challenge given that one IPL always has thrown a challenge to us to be able to garner the kind of footfalls coming in early into the gaming zones. But this year first quarter is coupled with elections which brings in its own shares of restriction and issues whether it is serving of alcohol, timing by till when you can serve alcohols and the number of dry days and etcetera so on and so forth which obviously for a business which Delta is in is a bit of a hindrance but you know we have been resilient in tough times and I am pretty confident that even these hurdles or challenges we will overcome. One other challenge obviously in the first quarter that we are going to face which is a routine thing as far as we are concerned but obviously impacts the revenue is that our vessel Deltin Jakq is to go into its regular dry dock which will be out of operation for 15-20 days between April and May, but other than that I think the first quarter also we expect the momentum to continue of course we will have to adjust the first quarter for these events, but other than that I think the momentum continues. The business has shown robust and resilient growth trajectory and we are hopeful that this continues for the coming year and years to come.

With regards to obviously certain data points that normally people want to know, we have grown significantly well when it comes to visitations between March 18 to March 19. Our Visitations as of March 18, for the quarter of March 18 was about 85,000 people in the same period of March 19 we have 120,000 people. So we have grown about 40% in visitations. As if on the quarter, on a per day visitation basis also we have grown from 925 people a day to 1300 people a day which is another 40% growth on a daily visitation which is obviously translated into the quarterly growth as well. Obviously once the visitation grows, your GGR is bound to get reduced because it is a volume game. So our GGR currently for the current period would be about 13,700 as against 15,800 in March, but that has obviously gotten compensated by the huge growth in terms of visitations and therefore you see we have, year as a whole and as a quarter between March 18 to March 19 have been able to show sustained growth. It is very also heartening to see the 1000 crores mark being broken for this financial year by Delta which we believe is a landmark. It's journey of 10 years, in the 10th year we have been able to breach this mark. I think we believe that it has been a great effort by the entire team at Delta especially the gaming team, the marketing team, who a lot of them at senior levels have been with us from the beginning, that only shows the dedication and the hard work of all the people coming together and obviously the foresight of our senior management which led by our Chairman has always believed in this business and we continue to believe in this business very strongly. With that opening remarks I would now leave the platform open for question which I would be happy to take and answer 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 Chintan Modi from Motilal Oswal Securities Limited. Please go ahead.
- Chintan Modi:** Sir, first question is on Jalesh. Just to clarify one thing, this \$5 per person, is the only operational cost that we will have to bear?
- Hardik Dhebar:** Yes.
- Chintan Modi:** Okay. So if I were to do that math and considering that at full scale up you would be doing close to 3 crores per vessel per month. Should we be doing something looking at something like 50% EBITDA margins? Is that the right way to look at it?
- Hardik Dhebar:** EBITDA and profit here is going to be the same thing because there are no other cost involved.
- Chintan Modi:** Correct. But then 50% is the right estimate?
- Hardik Dhebar:** Well, you are assuming 3 crores to begin with. I don't think I am able to give you a number because it is a new line of business. However we believe in the casino business and we believe that it is going to be a robust business like the one that we have in Goa. But to be able to tell you that whether it will be 3 crores a month, I am not very sure at this point of time. Our internal estimates we believe to begin with we should be able to do anywhere between 2-2.5 crores a month and corresponding costs would be anywhere between 16-18 crores. So that is the kind of number that we are looking at.
- Chintan Modi:** And Jalesh, first one it has already begun the operation or it is yet to?
- Hardik Dhebar:** No. It is yet to commence. The vessel is on its way from Singapore after the necessary refurbishment and everything and it is expected to come to Mumbai on the 17th which is when the first maiden voyage of the vessel is going to commence from Mumbai. It will go to Goa and comeback to Mumbai on the 19th. So the first visit is on 17th of April.
- Chintan Modi:** In terms of any kind of booking that would have, I am sure that would have started. Any sense that you can share like how has been the initial booking?
- Hardik Dhebar:** We are not into operating that company on the cruising side of it, so it is difficult for me to answer that question.
- Chintan Modi:** Sure. Coming to sir, Deltin Jakq which is going for dry docking, approximately how many days it will be there?
- Hardik Dhebar:** I mentioned in my opening remark that will be out for at least 15 to 20 days.

- Chintan Modi:** Okay. And should we consider, I mean, historically I have seen like 30 crores per quarter is the runrate for Deltin Jakq, correct me if I am wrong, so accordingly the match would...?
- Hardik Dhebar:** Of course, whatever is the pro rata reduction in the revenue, which of course it won't be exactly pro rata because we will obviously try and push as many guest as we can on to Deltin Royale and Deltin Caravela trying to salvage the revenue loss on Deltin Jakq. But yes, whatever effectively we will have some loss of income on account of the dry docking we will have to be accounted for.
- Moderator:** Thank you. The next question is from the line of Shaleen Kumar from UBS Securities. Please go ahead.
- Shaleen Kumar:** Sir, your opening remarks have broadly answered my most of the questions. I have more of a book keeping question relating to the balance sheet.
- Hardik Dhebar:** Shaleen, you want to do it on the call or you would want to do separately because...?
- Shaleen Kumar:** Just one question, I just want to understand other current asset, sir. It has gone up from 38 crores to 152 crores, if that you can help me out.
- Hardik Dhebar:** Shaleen, just to answer your question in a very simple way, 100 crores of that is on account of the prepaid license fee that is the basic increase.
- Shaleen Kumar:** For FY21?
- Hardik Dhebar:** The financial year 19-20 we have to pay the fees in the month of March and we amortize it or write it off over the whole financial year. Since we have paid it prior to 31st of March it has gone in other current assets and that is why the current assets have gone up by 100 crores.
- Shaleen Kumar:** Okay. So this will be getting amortized over the next financial year FY20?
- Hardik Dhebar:** Yes, but again you will have the same amount coming back next year because while this gets amortized you will have the next year's fee become payable and we would have paid it by then. So this difference kind of remain steady.
- Shaleen Kumar:** But sir this was not visible in March number because we paid in later in the month of April or something like that, is it?
- Hardik Dhebar:** That is because the increase came in later and we paid it later and because this year it was anyways payable on 31st of March and there was no increase or no change in the fee and it became payable on 31st of March we had to pay it. So you would not see it last year because we paid it later because the increase got effected later.

- Shaleen Kumar:** And sir on Jalesh thing, 8 million we have paid and also this Halaplay we have paid 15 crores, right?
- Hardik Dhebar:** Halaplay we have only paid about 7.75 crores and Jalesh we have paid \$8 million.
- Shaleen Kumar:** And Halaplay is in last financial year or this year we have paid?
- Hardik Dhebar:** Halaplay, part went in last year, part went in this year. So about 1.75 crores was paid in the current year or the first quarter of this financial year and the balance was paid earlier. 6 crores was paid earlier.
- Moderator:** Thank you. The next question is from the line of Pritesh Chheda from Lucky Investment Managers. Please go ahead.
- Pritesh Chheda:** Just as a followup on that previous question of prepaid license, so the 38 crores that we see in the balance sheet last year that would refer then to the prepaid license fee on a lower number last year? That is how it would be?
- Hardik Dhebar:** Yes.
- Pritesh Chheda:** Okay. My second question is how much capital expenditure we would have done this year and which heads, where would have spent the capital expenditure?
- Hardik Dhebar:** There is no significant capital expenditure except some amount that we have spent in Nepal which is about 12 or 15 crores for our casino which is commencing operations in the next 60 days hopefully given that the license for the 5 star hotel is awaited which obviously the Marriott and the local guys there are working on. But I believe in 60 days' time the license, the 5-star should be accreted and we should be able to operate the casino. But I think the bulk of the capital expenditure that has happened, that has happened in Nepal which is about 12 crores to 15 crores in the current year and I don't think anything else substantial or worth mention is carried out under any head.
- Pritesh Chheda:** So the arithmetic says about 35-40. So 15-20 is growth CAPEX and balance should be considered as maintenance CAPEX that you would have spent?
- Hardik Dhebar:** Say that again please.
- Pritesh Chheda:** I said the arithmetic works out to about 35 crores to 40 crores of CAPEX that would have spent looking at the balance sheet. You called out 15 crores in your Sikkim, so that is your growth CAPEX.
- Hardik Dhebar:** No, Nepal I said.

- Pritesh Chheda:** Sorry Nepal. So balance is it maintenance CAPEX?
- Hardik Dhebar:** I don't know exactly where you are getting that number from. But there would be obviously an ongoing maintenance expense at all the hotels and the casinos that would be continuously happening which are not capital in nature but are maintainable or normal CAPEX as we call it, but I will have to look at the exact number. I don't know whether it is 40 crores that we have spent in the year. But if there is anything else which is there then obviously it is maintenance CAPEX.
- Pritesh Chheda:** And lastly on the growth part on the gaming business, any comments there on the incremental growth that you have to call out for?
- Hardik Dhebar:** I have already said what I believed about the way the growth is and where we believe that it is going to continue in my opening remarks and I am again reiterating that we are still not 100% on our capacity as I said the numbers were 1300 people a day whereas my capacity is 2200 a day. So one we have organic capabilities of growth and we have always maintained that we also have the option of changing one of our smaller vessels to a larger vessels there by increasing our capacity till the time the transition to land happens.
- Pritesh Chheda:** 2200 per day is your weekend capacity?
- Hardik Dhebar:** It's my capacity at points of time. I have 2200 people who can gamble at any point of time of which my average is currently at 1300 people. That means I have technically 900 more seats to go. Which means, I have enough space to grow in my existing resource itself.
- Pritesh Chheda:** But how much capacity on a weekend available?
- Hardik Dhebar:** See it all fluctuates. On certain weekends you are 100% occupied, on certain weekends you are 80% occupied. So in a 365 day calendar year you will have 100 days or 120 days where you will be 100% occupied.
- Moderator:** Thank you. The next question is from the line of Akshat Chandak from SMC Global. Please go ahead.
- Akshat Chandak:** Sir, so basically I have two questions. The first one is on the EBITDA guidance and the license cost guidance for FY20. And the second question is regarding the Daman hotel. So as I can see from your hospitality division numbers this quarter I think we have kind of breakeven in Daman Hotel or is it still not breakeven at an operating level?
- Hardik Dhebar:** It has always been broking even. This year we have been positive EBITDA. So it was not losing money in any case. It was only at the post depreciation that it lost money.
- Akshat Chandak:** Okay, right. And the EBITDA guidance for FY20?

- Hardik Dhebar:** We normally don't give guidance as a practice. But one thing we have said that we will continue our growth trajectory and we will continue to maintain the 20%-25% growth on the topline which obviously will translate into whatever number in terms of bottom line and the EBIDA margins. We have been in the 38%-40% and we believe that it can only be better from here and it won't go down.
- Akshat Chandak:** Okay, right. Sir one more question. When are we starting off with the operations in Nepal?
- Hardik Dhebar:** I just said in the previous question that we are ready as the casino portion is concerned. We are waiting for the hotel to get its 5 star license and commence its operations because hotel is not in my control, but we believe from the activity that has been taking place there. In another 60 days or so we should be able to commence operations.
- Moderator:** Thank you. The next question is from the line of Nishit Shah from Ambit Fincap. Please go ahead.
- Nishit Shah:** Hardik, few questions. On Daman you filed a case. Now what is the status?
- Hardik Dhebar:** In the case there have been two hearings that took place. One got cancelled because the judge was not available and he was unwell. In the last two hearings the government has been seeking time. I am told that the next date is on 16th of April. I am not very sure whether the government would be ready and would file its response on them. But we believe that if they take one more extension of a date, the judges these days especially in cases of writ petition have taken very strong stance. So while they may get away with one extension but this would be the final extension if at all they get. Otherwise we believe that if the government does file a reply then the case will start getting argued.
- Nishit Shah:** Okay. And on the Goa land policy what is the current status?
- Hardik Dhebar:** So as we all know the new Chief Minister is in place now, obviously till the 23rd of May nothing is going to happen. We are using the time to obviously take him through and explain to him what the policy is all about and what was the benefits and stuff like that and we believe that once the election, the code of conduct and the results and everything is out of the way, we should have some action happening. So I believe that the earliest one can look at some movement or some traction happening there is June. So we will have to wait. But there is no change in stance of the government as far as the policy or the basic decision on the policy is concerned.
- Nishit Shah:** That is useful. And what is the growth in the online business, if you can give some color on your online?
- Hardik Dhebar:** So between from March 18 to March 19 we have grown at 30%. If you look at the numbers in the balance sheet you will see an 86 crores number but obviously last year we had only 9

months of operations of online business. So you extrapolate the 9 months to 12 months we should have done last year something line 116 crores - 117 crores that is against 148 crores - 149 crores this year which is a 30% jump. And we are expecting a 30%-40% jump happening this year again.

Nishit Shah: Your capital employed in casino business has gone up from 586 crores to 747 crores. It is a huge jump, where has that money gone?

Hardik Dhebar: 586 crores?

Nishit Shah: Quarter-on-quarter growth.

Hardik Dhebar: Just one second. I have some data which I will just pull out. Give me a second please. So Nishit bhai, 100 crores as I explained is on account of the prepaid license fee. That is where the cap employed is gone up and secondly is obviously our Jalesh Cruises because that is classified with buyers as investment in casino space itself.

Nishit Shah: And finally on Sikkim, what is the status?

Hardik Dhebar: So Sikkim, the airport and everything is functional and unfortunately when the airport started it started in winter, so you had lot of light cancellations and airport closures and runway closures. We believe that this is the right time we will have to see how the traction picks up during the summer because that is the peak season as far as Sikkim and Gangtok and those places are concerned. So I think we should start seeing some traction and with the regularity of flights and everything coming back to normal we will have some impact.

Moderator: Thank you. The next question is from the line of Amar Kalkundrikar from HDFC Mutual Fund. Please go ahead.

Amar Kalkundrikar: Sir, you shared presentation number for quarter four, could you please share the number for the full year and the growth in that?

Hardik Dhebar: I don't have the full year numbers readily available. In the sense they are there for all the quarters. But I will give it to you in some time, if possible during the call or maybe separately Amar.

Amar Kalkundrikar: Sure. And secondly on online business, you mentioned that for the next year also 30%-40% growth should continue.

Hardik Dhebar: Right.

Amar Kalkundrikar: In the current year I think our margins are somewhere around 18%-20%.

- Hardik Dhebar:** That is right.
- Amar Kalkundrikar:** Similar levels will continue or any improvement?
- Hardik Dhebar:** I think so we will be at similar margins because you know to be able to achieve a growth rate that we are estimating we will have to continue to maintain the spends at least if not increased and therefore I don't see improvements in margins happening beyond the 18%-20% mark.
- Moderator:** Thank you. The next question is from the line of Anubhav Gupta from Emkay Global Financial Services. Please go ahead.
- Anubhav Gupta:** We have some questions from our FI clients who couldn't join because of different time zone. Shall I ask you a few questions from them?
- Hardik Dhebar:** Anubhav, what I suggest is if you can be last on the queue then we can finish the call with that. If there is anyone other than you will take that question and then take your questions.
- Moderator:** Thank you. The next question is from the line of Shaleen Kumar from UBS Securities. Please go ahead.
- Shaleen Kumar:** Yes, sir just one bit on online gaming. This quarter has been softer, is it because base was high, something we are missing over here in the base?
- Hardik Dhebar:** Why do you say it was softer? It was identical to last quarter.
- Shaleen Kumar:** No, year-on-year growth in terms of that. So the kind of growth we have been seeing, 11% growth in that because obviously base quarter is high. So I was of the understanding that there is something in the base quarter, because there is a big jump in the base quarter.
- Hardik Dhebar:** There is nothing out of the ordinary or nothing different that has happened. It is just that when you transition from a level to another level then obviously to go to the next step up it takes a little while.
- Shaleen Kumar:** I got you. Okay, one bit sir, the poker tournament that we organized that doesn't fall under online gaming. That is formed part of our gaming operation.
- Hardik Dhebar:** The poker tournament is more of a marketing activity. It is honestly not a money making proposition honestly from the tournament per say. Because whatever tournament participation we get we are more or less paying that out as winnings. So that is more a promotional activity. And there is ancillary because you get so many people coming in on those days and those guys who are getting knocked out of the tournament continue to be on the floor of the casino and they indulge into any other live gaming which is where the revenue comes first.

- Shaleen Kumar:** Okay. But whatever the poker tournament revenue we captured. It forms part of the...
- Hardik Dhebar:** No, that obviously is not an online piece, so that is obviously a part of my.... Just if Amar is still on the call, Amar's question about the visitations for 17-18 stood at 317,000 people and visitations for 18-19 stand at 431,000 people.
- Shaleen Kumar:** Can you repeat for FY19 again?
- Hardik Dhebar:** 431,000 visitations as against 317,000 previous years which is a 35% annual growth in visitations.
- Moderator:** Thank you. The next question is from the line of Anuj Momaya from Valuequest Research. Please go ahead.
- Anuj Momaya:** Sir, we have seen an improvement in the number of hospitality. So any particular reason you are seeing this loss reducing or this is the...?
- Hardik Dhebar:** No, it is just the business matures people become more aware, people recognize you as a destination as a place to visit and therefore obviously especially Daman. Daman has done better in the last 2 quarters and this quarter again we are expecting the similar traction given that we are mostly occupied for the entire April and May because of a tie up that we have with a client. So once you start getting recognition, you start becoming known, this is bound to happen in this business and we hope that this continues.
- Moderator:** Thank you. The next question is from the line of Anubhav Gupta from Emkay Global Services. Please go ahead.
- Anubhav Gupta:** First question, the Q3 online segment EBIT was 7 crores which you reported in the December quarter and in March quarter you reinstated it to 8.5 crores. So what has changed? Why the restatement?
- Hardik Dhebar:** The only reinstatement is because the loss on the continuing, we have the loss on the count of discontinued operations of the Daily Fantasy sport. So basically because we sold the Daily Fantasy business in the month of March, we have to restate the income as if that business did not exist in the previous quarters as well and therefore we had to restate it. And that is why if you see even December 18 numbers on a standalone as well as consolidated basis would have changed and that is where in the P&L you will see a 4.27 crores loss on account of discontinued operations and 4.40 odd crores on capital gains on account of sale of that business. Both the items are appearing, one is exceptional item and one is loss on discontinued business on the phase of the P&L.
- Anubhav Gupta:** Correct. Now second question is on the nature of arrangement with Jalesh, so as per the arrangement do you get 25% share in all revenue streams of the company or it is....?

- Hardik Dhebar:** Of course as a shareholder in Jalesh whatever revenue I am entitled to I will obviously get, but the casino revenue is not a part of that and casino revenue will entirely come to the operator of the casino except the \$5 revenue which will go to Jalesh and 25% of that \$5 will also come to me.
- Anubhav Gupta:** Right. And the third question is, what is the gross debt on the books as of March 2019?
- Hardik Dhebar:** We are a debt free company. There is no debt.
- Anubhav Gupta:** Okay. So all the OCPs have been fully converted?
- Hardik Dhebar:** Everything is got converted, yes, of course. That is why my other current liability if you see last year was some 180 odd crores has gone down to a smaller number this year because 94 crores of conversion has happened and 82 crores of cash has been paid out.
- Anubhav Gupta:** Right. The fourth question is the tax rate in Q4 19 which was 39% versus 29% in Q4 of FY18. So why this increase in the tax rate?
- Hardik Dhebar:** Tax rate has increased from 29% to 39%?
- Anubhav Gupta:** Yes sir.
- Hardik Dhebar:** It's only on account of deferred tax which we obviously make provisions towards the end of the year end.
- Anubhav Gupta:** Understood. And the last question is, so the license fees for FY20 should remain same as 97 crores?
- Hardik Dhebar:** We have already paid for 19-20.
- Anubhav Gupta:** So there is no increase as per the...?
- Hardik Dhebar:** Anubhav, we have already paid.
- Anubhav Gupta:** Sure. So that is all from our side. And we can end the call. Your closing remarks please?
- Hardik Dhebar:** Like I said in my opening remarks we continue to believe very strongly in this business. We continue to believe that we still have huge potential to go from here. We are working towards making sure that the growth trajectory that we have been achieving in the last few years we continue to maintain for the foreseeable near future and you know there are lot of positives and lot of upsides that we see for ourselves as a company and as a business. The transition to land is obviously a trigger. The Daman matter which is going on, hopefully the courts rule in our favor. That is another trigger and addition of Jalesh with one vessel going on to 2-3-4 vessels,

that means four more casinos and the Nepal operations, all these are very good and positive events that we believe that will unfold in the near future and that will help us not only maintain but surpass our growth expectations. Thank you very much for all the help and support that all my investor friends and my analyst friends have been lending to us as a company and covering us from time to time. Thank you very much for all the support.

Moderator: Thank you very much. On behalf of Emkay Global Financial Services, that concludes this conference. Thank you for joining us and you may now disconnect your lines.