

INVESTOR PRESENTATION - JUNE 2016

# HATHWAY CABLE & DATACOM LIMITED

BSE : 533162 | NSE : HATHWAY | Bloomberg : HATH:IN | Reuters : HAWY.NS

[www.hathway.com](http://www.hathway.com)

STRICTLY CONFIDENTIAL



# INDIA'S LARGEST CABLE & BROADBAND FOOT PRINT



## Key Highlights

12.3 Mn Universe

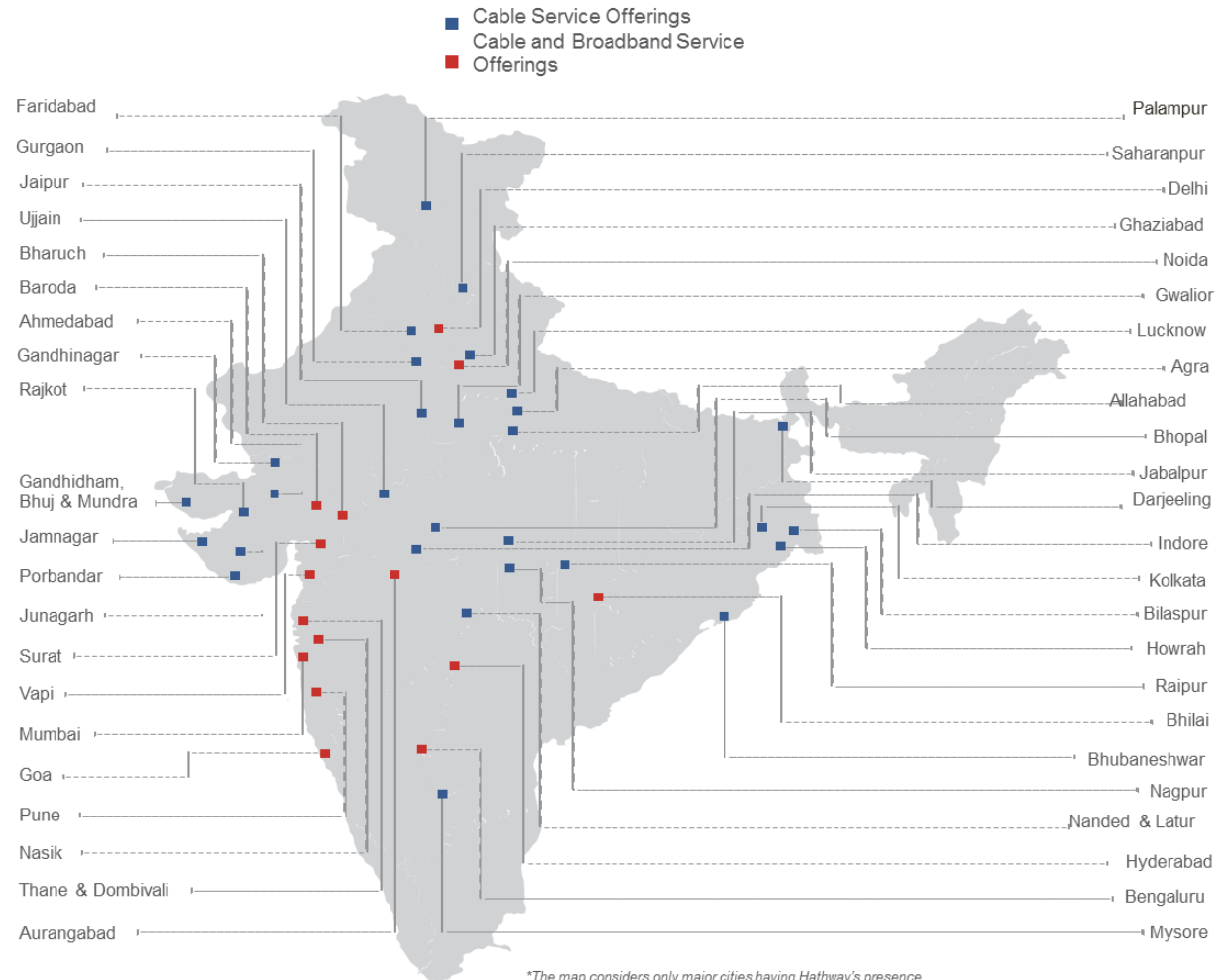
10.6 Mn Digitized (87%)

0.6 Mn Primary Subscribers

3.3 Mn Broadband Homes Passed

0.62 Mn Broadband Subscribers (266K Docsis 3.0 Subscribers)

Present in 200+ cities and towns



Our vision is to be a single point access provider, bringing into the home and workplace the converged world of information, entertainment and services.

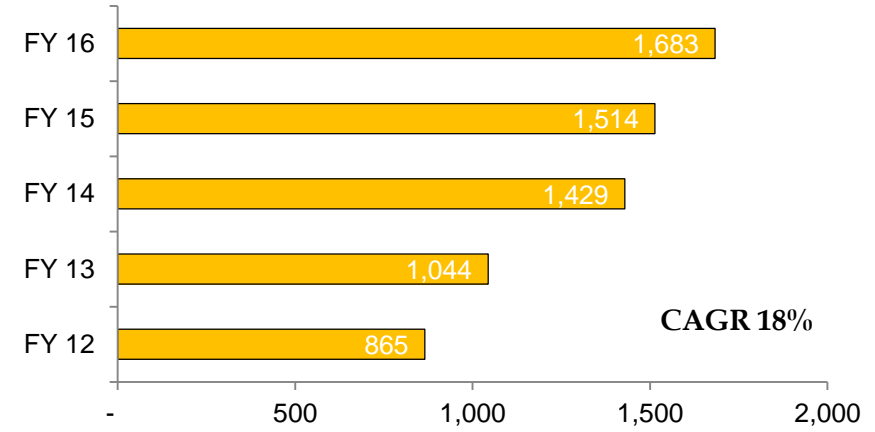
# COMPANY OVERVIEW



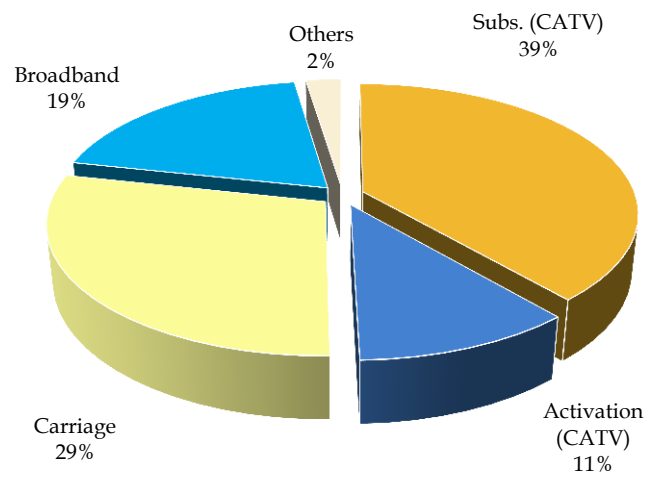
## Financials

INR Crs	FY12	FY13	FY14	FY15	FY16	% over FY12
Revenue	1,011	1,139	1,583	1,832	<b>2,082</b>	206%
<i>Growth</i>	14.70%	11.90%	39.10%	15.69%	<b>13.65%</b>	
Cable Revenue	865	989	1414	1584	<b>1683</b>	95%
Broadband Revenue	146	150	169	248	<b>399</b>	273%
EBITDA	168	274	301	260	<b>389</b>	<b>232%</b>
Margin	16.60%	24.10%	19.00%	14.19%	<b>18.67%</b>	

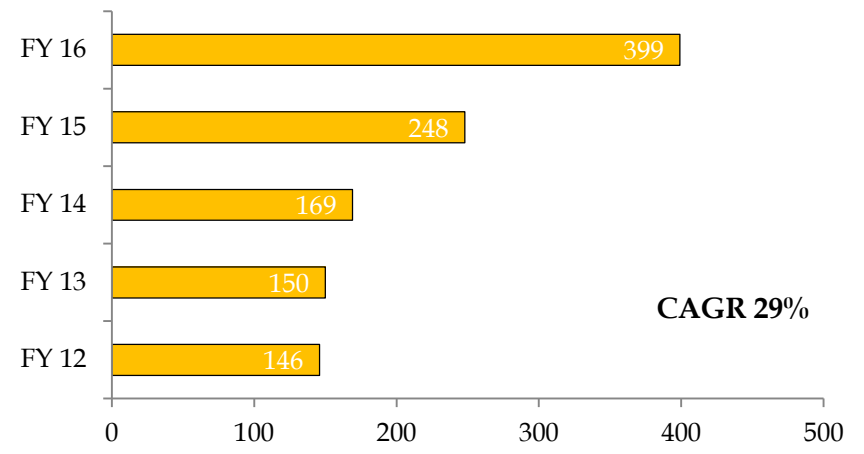
## Cable Revenue



## Revenue Mix FY 16



## Broad Band Revenue

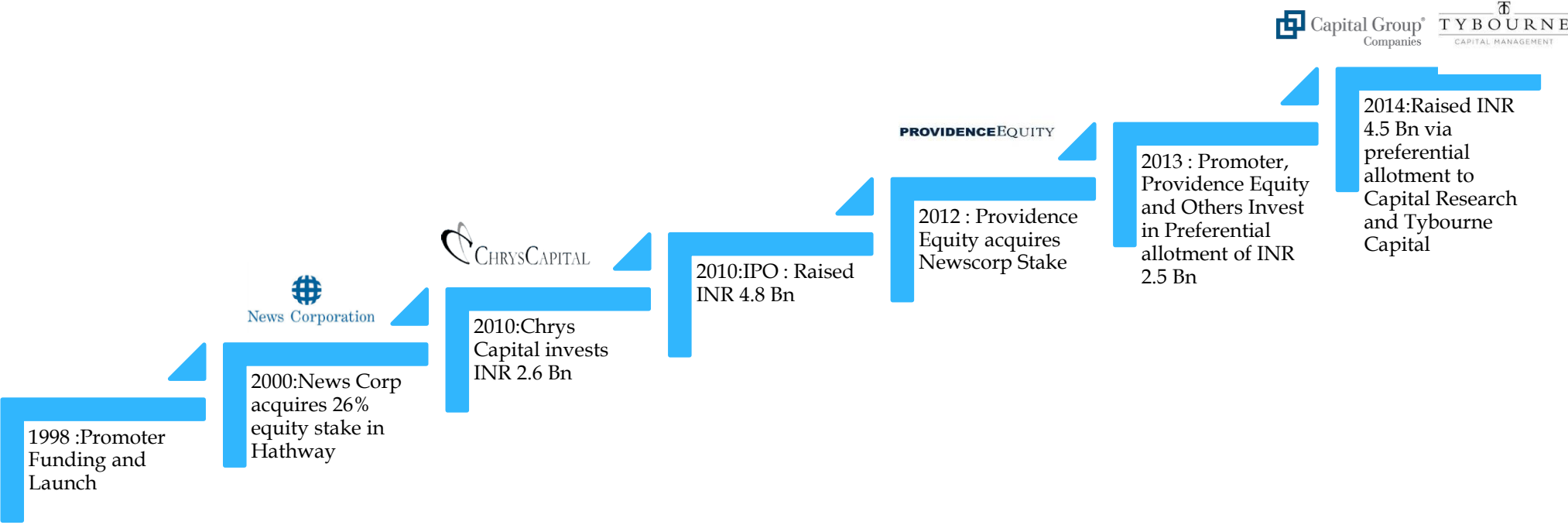


\*Note : Revenues normalized for comparison

# COMPANY CAPITALIZATION TRACK RECORD



Promoted by the Rajan Raheja Group with Marquee Investors such as Providence, Capital Research and Tybourne Capital.





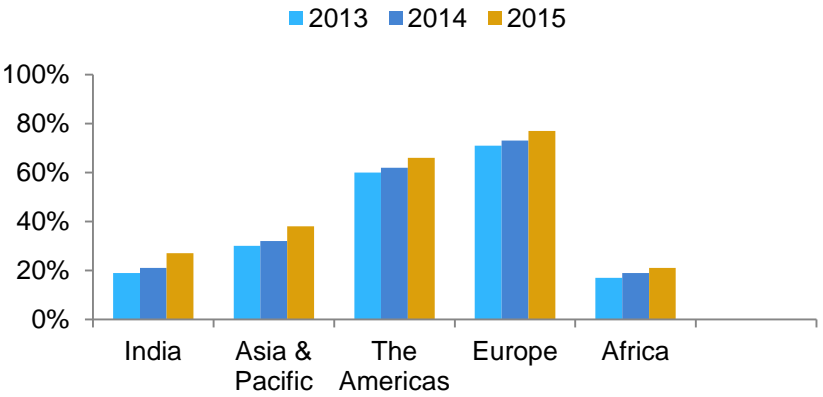
BROADBAND

# WIREDLINE BROADBAND - "FIXED IS THE NEW MOBILE"

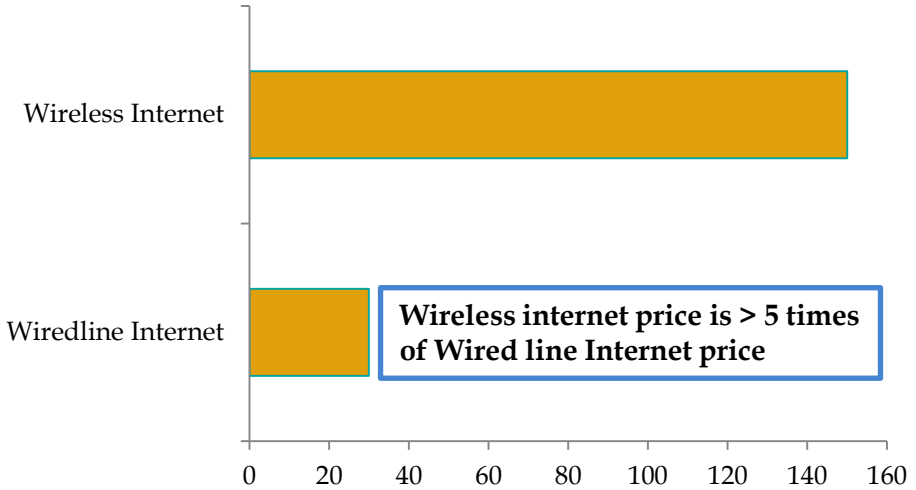
CABLE BROADBAND - THE PRIMARY BENEFICIARY



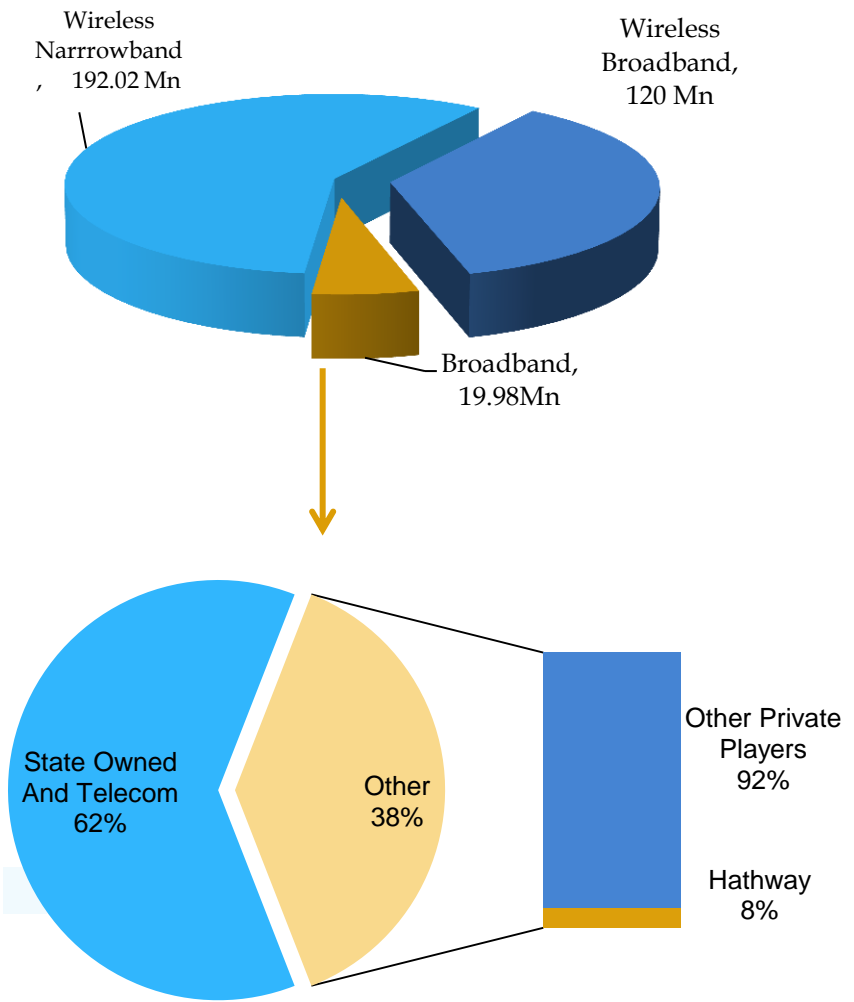
## Low Internet Penetration in INDIA



## Price Per GB



## Hathway's Share in Broadband Space



Source : TRAI, UBS Report May 2016, Bloomberg intelligence, ITU, OVUM ,Company website

Source : TRAI - Dec - 2015

# WIRELINE BROADBAND - "FIXED IS THE NEW MOBILE"

CABLE BROADBAND - THE PRIMARY BENEFICIARY

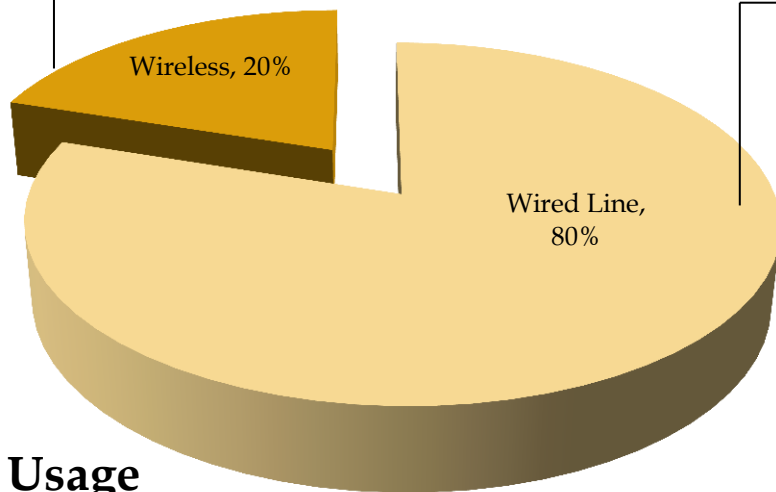


## WIRELINE BROADBAND - PREFERRED MEDIUM FOR VIDEO DOWNLOADS



### MEDIUM USAGE

Smartphones, Tablets : Around 1 GB per month @3G/4G  
Used Majorly for Social Media, You Tube, Mobile apps, Music



### MAJOR USAGE

PC, Laptop, Smart TV : Around 10-20 GB per month @2-10 Mbps+  
Used Majorly for video, Rich media downloads and Others



### LOW USAGE

Smartphones/ Tablets through wifi : Around 500Mb - 3GB per month @ 2-10 Mbps+  
Used majorly for social media, Mobile Apps, Mail, You Tube, Music.



# HATHWAY DOCSIS 3.0 SERVICES COMPETITIVELY PRICED



Company	Network	Speed	FUP Download	Price
	Wireline	50 Mbps	15 GB	Rs. 799/-
	Wireline	50 Mbps	50 GB	Rs. 1,499/-
	Wireline	50 Mbps	15 GB	Rs. 899/-
	Wireline	50 Mbps	50 GB	Rs. 1600/-
	Wireline	40 Mbps	60 GB	Rs. 1699/-
	Wireline	10 Mbps	33 GB	Rs. 1,444/-
	Wireline	4 Mbps	50 GB	Rs. 1250/-
	Wireless	4G	6GB	Rs. 1247/-
	Wireless	3G	6GB	Rs. 1099/-
	Wireless	4G	3GB	Rs. 650/-

Source : Company Website

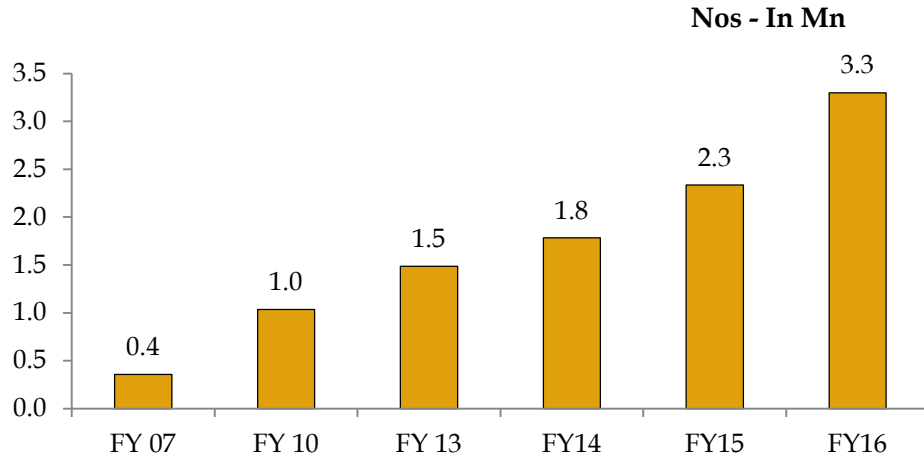


# PIONEER IN CABLE BROADBAND SERVICE

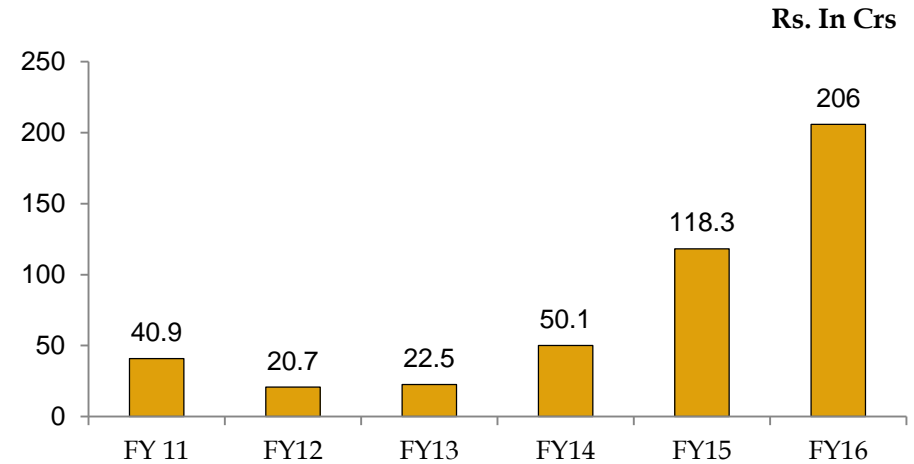
## LARGEST CABLE BROADBAND OPERATOR



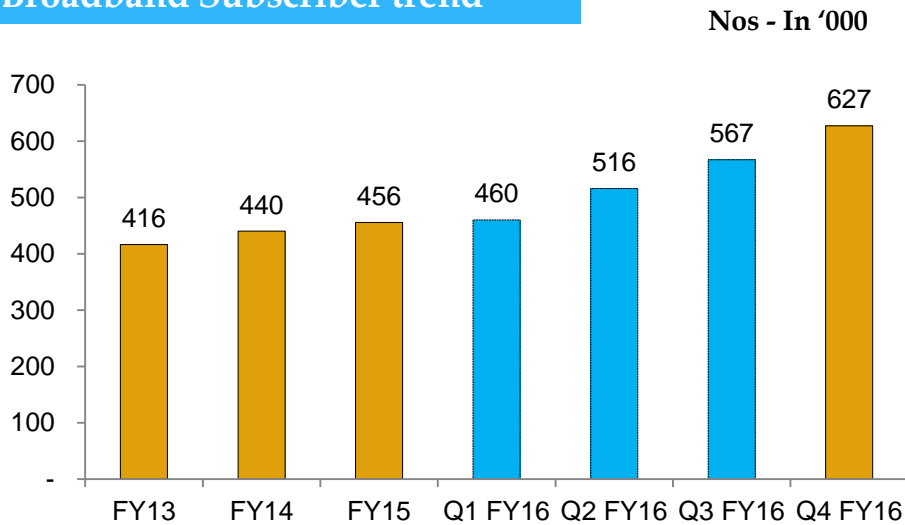
### Homes Passed



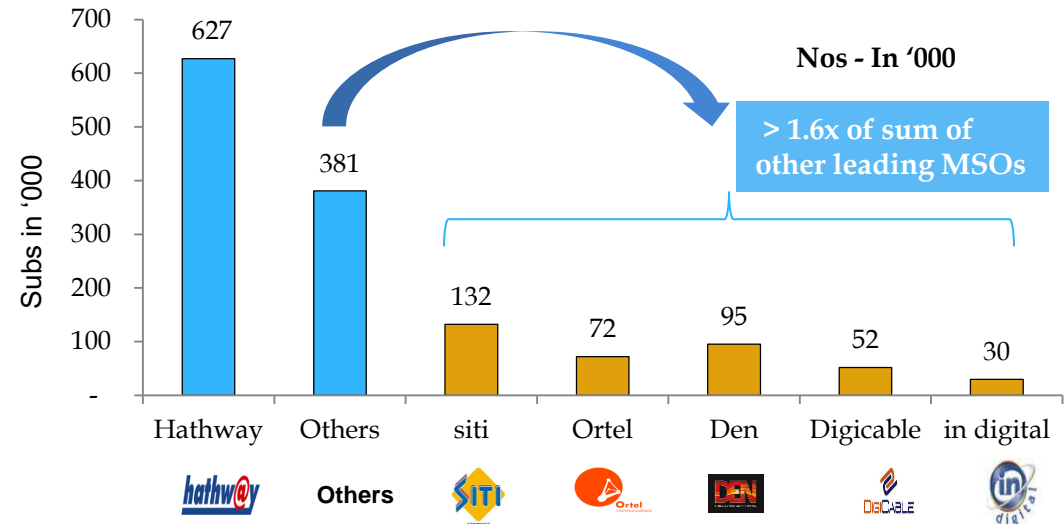
### Standalone Capex



### Broadband Subscriber trend



### Broadband Subscribers Hathway v/s Industry



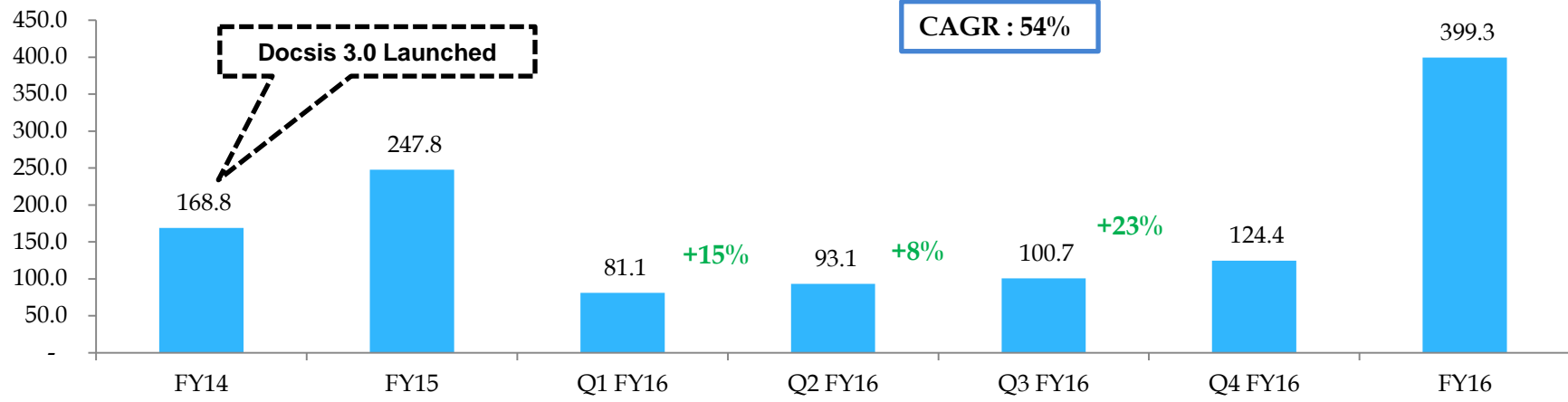
# DOCSIS 3.0 DRIVES ARPU & REVENUE GROWTH



## Revenue Growth Trend

Revenue up by 2.4 X since FY14

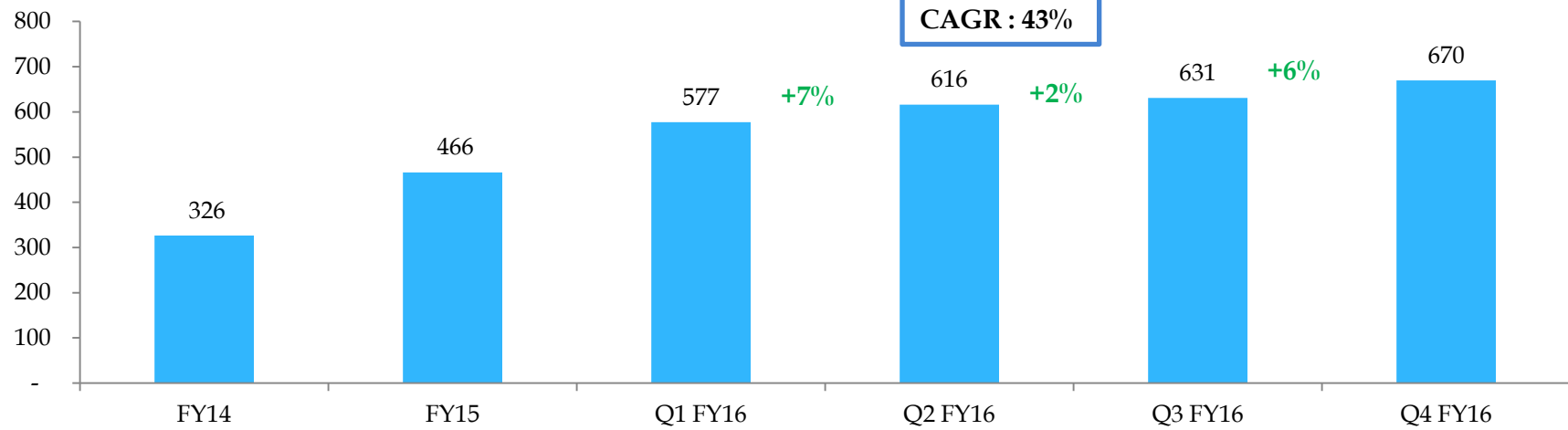
CAGR : 54%



## ARPU Growth Trend

ARPU up by 2X since FY14

CAGR : 43%



# BROADBAND UNIT ECONOMICS



## Revenue, Margin and Payback

Particulars	Rs. / Unit	% Age
Consumer Price	978	115%
Service Tax	128	15%
<b>NET REVENUE</b>	<b>850</b>	<b>100%</b>
Bandwidth and Leaseline Cost	98	12%
Commission	85	10%
Call Centre and Network Maintenance	23	3%
Marketing & Advertisement	22	3%
Fixed Cost	325	38%
<b>Net Margin / Unit (EBITDA) - A</b>	<b>297</b>	<b>35%</b>
Capital Cost / Subscriber - B	8,990	
<b>Payback Period In Months - (A/B)</b>	<b>25</b>	

## Investments / Subscribe

Particulars	Rs. / Unit
Cost Per Home Pass	650
Penetration	20%
<b>Home Pass Capex Per Sub</b>	<b>3,250</b>
Last Mile Capex (Incl Labour)	1,500
CPE (Wi Fi Modem)	2,240
NOC Capex	2,000
<b>Capital Cost / Subscriber</b>	<b>8,990</b>

\* Management estimates, for illustrative purposes only



## CABLE TELEVISION

# ATTRACTIVE CABLE INDUSTRY DYNAMICS

## FAVOURABLE IMPACT OF DIGITIZATION



### Digitization timeline

Phase	I (completed)	II (completed)	III * (on-going)	IV (on-going)
Regulated date of implementation	31 Oct 2012	31 Mar 2013	31st Dec 2015	31st Dec 2016
Date of conversion	Spread over FY13	Completed by 1 <sup>st</sup> Qtr. FY14	Ongoing	Ongoing
Areas	Four metros	All cities > 1mn population	Urban Areas 100K - 1 Mn Population	Rest Of India
Total market size (137 Mn)	12.5	18.5	36	70
Digital subscribers (72 Mn)	12.5	18.5	30	11
Cable Penetration %Age	64%	65%	46%	

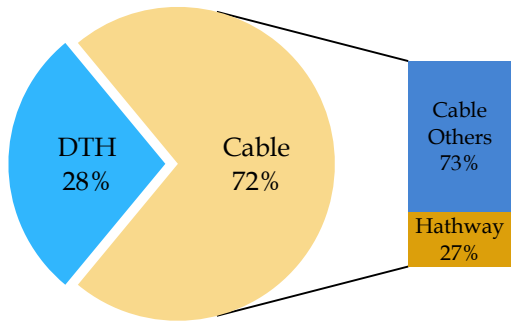
\*By an order the Supreme Court has moved all stay petitions granting extensions of Phase III to Delhi High Court. The Delhi High Court has already dismissed the Petition relating to the State Of Karnataka and Madhya Pradesh.

Source: Company and Industry estimates, TRAI

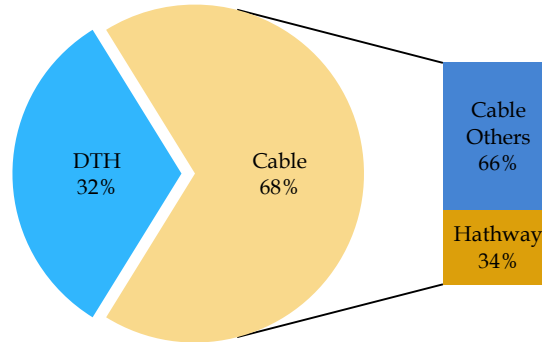
\* Management estimates, for Illustrative purposes only

# LEADING DIGITAL CABLE TV PLATFORM

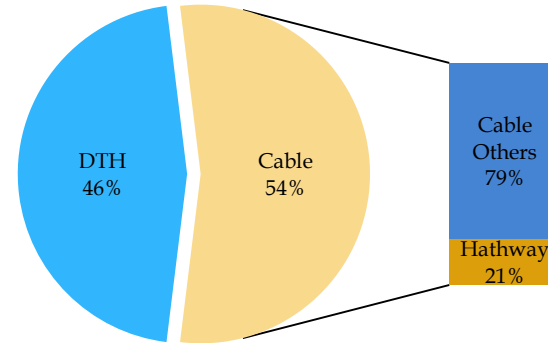
HATHWAY HAS BENEFITED THE MOST DUE TO DIGITIZATION



Phase I



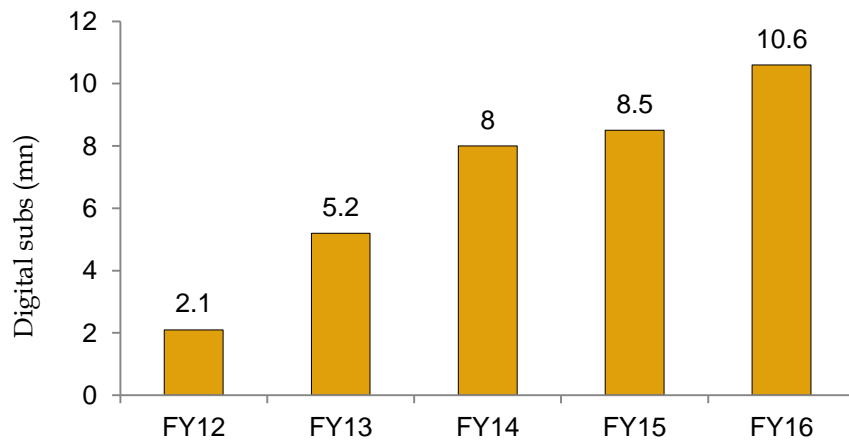
Phase II



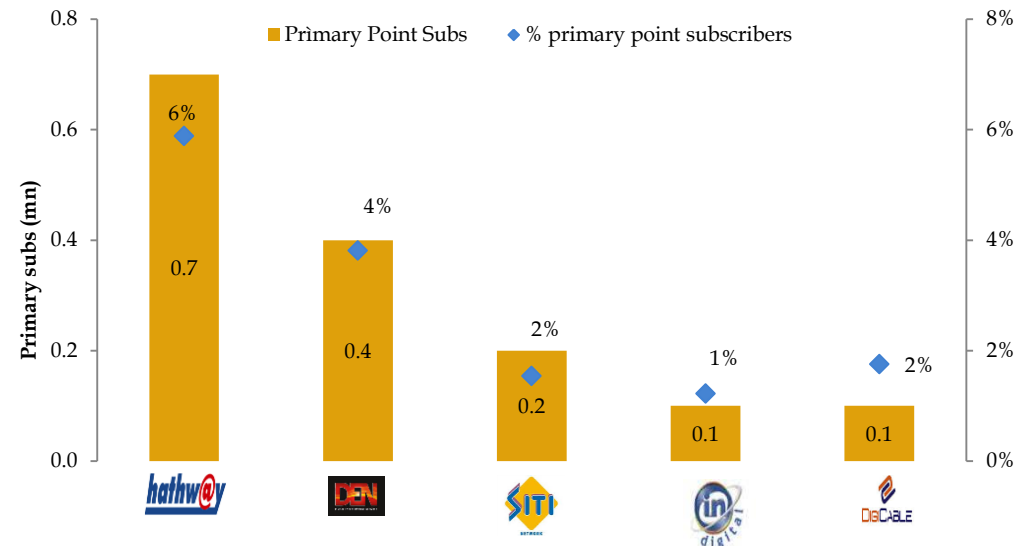
Phase III

Phase IV  
Opportunity  
= 70 Mn HH

## 5x Growth in Hathway's Digital Subscribers

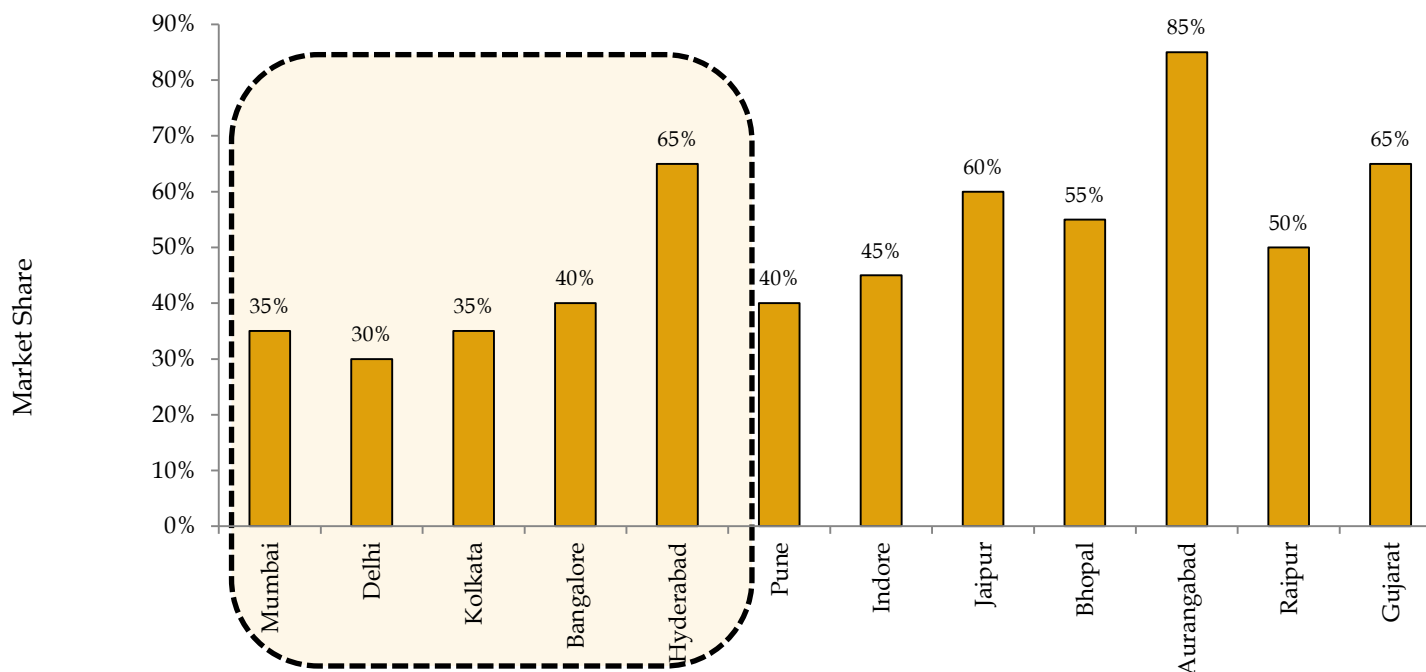


## Largest Primary Subscriber base



Source : Public sources, MIB press Releases; Data as of Nov 2012, updated numbers not released by MIB, Company estimates

# DOMINANT MARKET SHARE IN KEY GEOGRAPHIES



Serving 200+ cities and towns

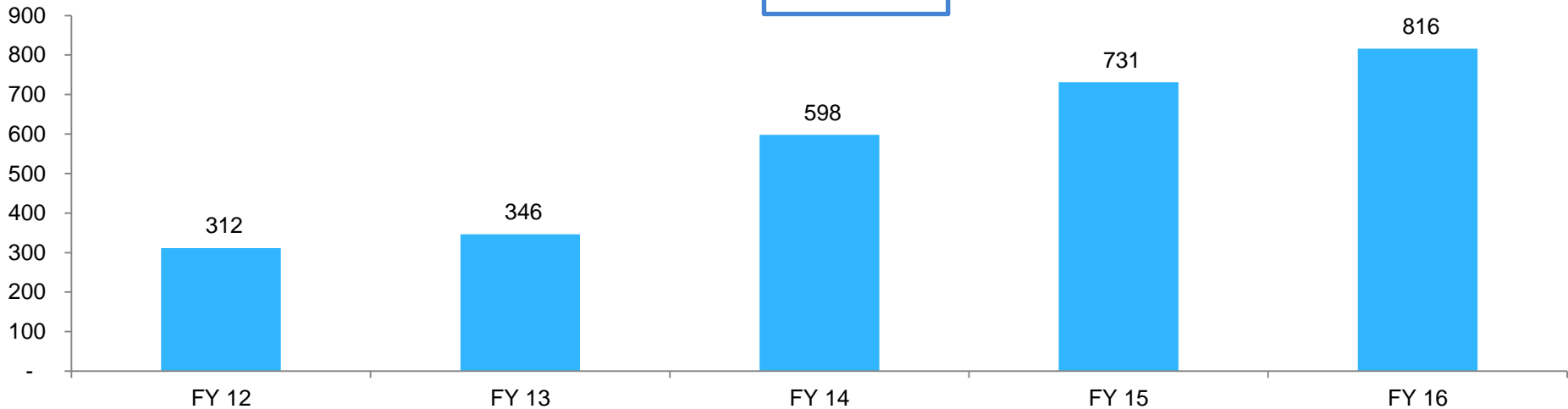
# CATV ARPU & REVENUE TREND



## Subscription Revenue Growth \*

Revenue Up by 2.6 times since FY12

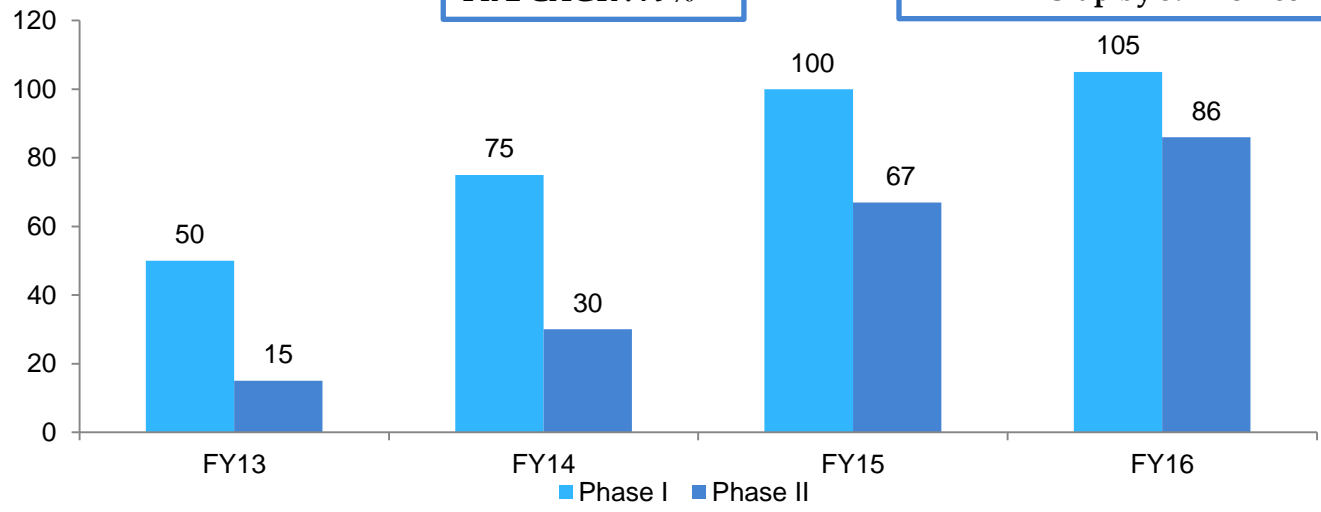
CAGR : 27%



## ARPU Growth Trend

Ph 1 CAGR : 28%  
Ph 2 CAGR : 79%

Ph 1 ARPU up by 2.1 X since FY13  
Ph 2 ARPU up by 5.7 X since FY13



\*Note : Revenues normalized for comparison



## Technology Initiatives

**Customer Friendly Electronic Program Guide (EPG)**



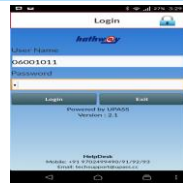
**Telco Grade Billing & Revenue Management System (SMS)**



**Prepaid billing for Primary Points**



**Hathway Connect - LCO Portal**



**Self Care - Web Based, Mobile App - Android and IOS**



## Revenue Initiatives

**Customer Friendly Packaging**



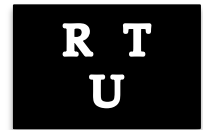
**Expansion of HD Channels**



**Revamp in House Channels**



**Right To Use Business Model**



# UNIT ECONOMICS - DIGITIZATION EVOLUTION

INR / Sub/Month

Particulars	Secondary Point			Primary	Primary
	Digital	Digital With Tiering	HD+	Digital With Tiering+ HD	RTU
Monthly Consumer Price	235.0	275.0	425.0	425.0	275.0
- Entertainment tax	25.0	25.0	25.0	25.0	25.0
- Service tax	31.5	37.5	60.0	60.0	37.5
<b>Consumer price (net)</b>	<b>178.5</b>	<b>212.5</b>	<b>340.0</b>	<b>340.0</b>	<b>212.5</b>
- LCO Margin	89.3	106.3	131.3	-	90.0
- Content Cost (Net of C&P)	33.0	33.0	78.0	78.0	33.0
- Customer Service (variable)	3.0	5.0	5.0	5.0	5.0
- Fixed overheads	35.0	37.0	35.0	35.0	35.0
<b>Net per unit EBITDA</b>	<b>18.3</b>	<b>31.3</b>	<b>90.8</b>	<b>222.0</b>	<b>49.5</b>
<b>EBITDA margin (%)</b>	<b>10%</b>	<b>15%</b>	<b>27%</b>	<b>65%</b>	<b>23%</b>
Subscriber Acquisition Cost				-	
- STB/Modem - Net	300.0	300.0	1,200.0	1,200.0	300.0
- Miscellaneous					20.0
<b>Total SAC</b>	<b>300.0</b>	<b>300.0</b>	<b>1,200.0</b>	<b>1,200.0</b>	<b>320.0</b>
Payback period in months	16.4	9.6	13.2	5.4	6.5

As per Management Estimates

# PARTNERSHIP WITH BEST IN CLASS TECHNOLOGY PROVIDERS

Pan-India presence - 23 digital head-ends with over 16,000 kilometers of HFC back-bone network



# EXPERIENCED SENIOR MANAGEMENT TEAM



## Board members

**Sridhar Gorthi** - Chairman & Independent Director

**Rajan Raheja** - Non-executive Director – Founder and promoter

**Akshay Raheja** - Promoter & Non-executive Director

**Viren Raheja** - Promoter & Non-executive Director

**Vinayak Aggarwal** - Non-executive Director

**Sasha Mirchandani** - Independent Director

**Devendra Shrotri** - Independent Director

**Biswajit A. Subramanian** (Providence Equity Partner) - Non-Executive Director

**Ameeta Parpia** - Independent Director

**Jagdish Kumar** - Managing Director & CEO

## Experienced management team with strong track record

<p><b>Jagdish Kumar</b> MD &amp; CEO</p>	<ul style="list-style-type: none"> <li>More than 25 years of experience across companies such as Reliance Industries Ltd. STAR TV and ITC Ltd.</li> <li>Worked on several aspects of the Broadcast business including content, distribution, marketing, broadcast infrastructure, digital platforms, business development &amp; finance</li> </ul>	<p><b>Ajay Singh</b> Company Secretary</p>	<ul style="list-style-type: none"> <li>Ajay Singh is FCS, MBA (Finance), with 18 yrs of experience across various sectors which include Telecom, ICT, Manufacturing &amp; Real Estate and has worked across diverse areas such as Legal, Secretarial, Finance, Treasury Operations, Project and Risk Management</li> </ul>
<p><b>Vineet Garg</b> CFO</p>	<ul style="list-style-type: none"> <li>Has experience of 22 years in organisations like Idea Cellular, Loop Mobile, Tata Teleservices and Reliance Communications</li> <li>Extensive Experience in areas of Revenue Assurance, System Design &amp; process reengineering in addition to Finance &amp; Controllershship .</li> </ul>	<p><b>Sujit Agarwal</b> CIO</p>	<ul style="list-style-type: none"> <li>Has extensive experience of over 29 years with organizations like IBM, Tata Communication and Vodafone</li> <li>Worked in Telecom BSS &amp; IT, amongst other industries</li> </ul>
<p><b>Tavinderjit Panesar</b> President-Video Business</p>	<ul style="list-style-type: none"> <li>Worked with Star Tv for past 17 years. . He was a part of the team, which launched and successfully managed the sports channels of STAR TV network.</li> </ul>	<p><b>Jagdish Babu</b> EVP Operations</p>	<ul style="list-style-type: none"> <li>Over 20 years experience in senior management roles across India and abroad working with Star TV, Channel [V], Radio City, Radio City, Tata Sky DTH, News Outdoor, OOH Media (3i Private Equity) and Ignitee Digital (Astro Group)..</li> </ul>
<p><b>Rajan Gupta</b> President-Broadband Services</p>	<ul style="list-style-type: none"> <li>Completed MBA from IIM Bangalore and over 16 years of experience in blue chip companies</li> <li>Worked with Asian Paints, Coca Cola and Tata Tele Services in leadership roles</li> </ul>	<p><b>D. Mahadevan</b> EVP- Finance</p>	<ul style="list-style-type: none"> <li>Over 25 years of experience in accounting and finance</li> <li>Earlier worked with Orkay Industries Limited, H &amp; R Johnson India Limited and Shaw Wallace Limited</li> <li>Chartered Accountant and holds a Bachelors Degree in Commerce from Mumbai University</li> </ul>
<p><b>Dulal Banerjee</b> Executive Vice President</p>	<ul style="list-style-type: none"> <li>Post Graduate from Calcutta University, Member of CMA (Australia).Over 20 years work experience.</li> <li>Founder member of Hathway Broadband Team &amp; &gt; 15 years association with Hathway, Heading Commercial and Broadband – Finance functions.</li> </ul>	<p><b>Rajaraman S</b> Sr. Vice President – Business Operations</p>	<ul style="list-style-type: none"> <li>A Chartered Accountant with over 17 years of post qualification experience of which 15 years have been spent in the Media and Entertainment space with leading global media companies like 21st Century Fox, NBCU</li> </ul>



## KEY FINANCIALS

# PROFIT AND LOSS STATEMENT



Financial (INR In Crs)	CONSOLIDATED				STANDALONE			
	FY13	FY14	FY15	FY16	FY13	FY14	FY15	FY16
<b>Income</b>								
Subscription CATV	291.9	584.5	838.9	816.4	125.5	336.6	449.5	447.6
Subscription Broadband	149.7	168.8	247.8	399.3	130.1	142.8	196.0	306.5
Placement	467.0	573.5	626.9	598.8	213.9	314.1	313.9	322.0
Activation	197.6	163.3	82.4	227.9	149.8	110.2	44.0	83.4
Other Operating Income	26.3	93.1	35.8	39.2	35.1	76.8	19.6	19.3
<b>Total Income</b>	<b>1,132.5</b>	<b>1,583.3</b>	<b>1,831.6</b>	<b>2,081.6</b>	<b>654.3</b>	<b>980.4</b>	<b>1,022.9</b>	<b>1,178.8</b>
<b>Expenditure</b>								
Purchase of stock-in-trade	6.2	13.8	0.8	2.1	11.0	13.0	0.2	0.4
Employee Cost	96.1	122.8	152.2	181.4	42.2	52.3	61.6	82.4
Pay Channel Cost	432.5	666.4	813.1	821.6	170.4	325.9	384.0	421.3
Other Expenses	323.9	470.4	605.5	687.8	262.2	397.3	437.7	478.3
<b>Total Expenditure</b>	<b>858.7</b>	<b>1,273.5</b>	<b>1,571.7</b>	<b>1,692.9</b>	<b>485.8</b>	<b>788.5</b>	<b>883.5</b>	<b>982.4</b>
<b>EBITDA before Other Income</b>	<b>273.8</b>	<b>309.8</b>	<b>259.9</b>	<b>388.7</b>	<b>168.5</b>	<b>191.9</b>	<b>139.5</b>	<b>196.5</b>
<b>EBITDA before Other Income Margin %</b>	<b>24%</b>	<b>20%</b>	<b>14%</b>	<b>19%</b>	<b>26%</b>	<b>20%</b>	<b>14%</b>	<b>17%</b>
Other Income	15.7	10.5	26.6	19.9	13.6	7.7	14.0	11.0
<b>EBITDA After Other Income</b>	<b>289.5</b>	<b>320.3</b>	<b>286.6</b>	<b>408.6</b>	<b>182.2</b>	<b>199.6</b>	<b>153.4</b>	<b>207.4</b>
<b>EBITDA After Other Income Margin %</b>	<b>25%</b>	<b>20%</b>	<b>15%</b>	<b>19%</b>	<b>27%</b>	<b>20%</b>	<b>15%</b>	<b>17%</b>
Depreciation / Amortization	165.9	299.3	327.9	379.6	122.7	210.3	227.0	254.5
Finance Cost	60.2	134.5	153.5	137.5	46.1	92.5	105.8	90.8
Exceptional Items	7.9	-	(50.7)	3.7	9.3	10.6	(3.8)	36.3
Tax	17.9	16.2	28.0	42.5	-	-	-	-
Minority Interest	24.9	8.8	(13.9)	(29.8)	-	-	-	-
<b>PAT</b>	<b>15.9</b>	<b>(111.1)</b>	<b>(180.4)</b>	<b>(163.1)</b>	<b>3.2</b>	<b>(125.3)</b>	<b>(175.2)</b>	<b>(171.3)</b>

# BALANCE SHEET

Rs.in Crs



STATEMENT OF ASSETS AND LIABILITIES	Consolidated		Standalone	
	FY16	FY15	FY16	FY15
<b>A. EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' Funds</b>				
a. Share Capital	166.1	166.1	166.1	166.1
b. Reserves and Surplus	880.8	1,044.3	844.7	1,016.1
<b>Sub Total - Shareholders' funds</b>	<b>1,046.9</b>	<b>1,210.4</b>	<b>1,010.8</b>	<b>1,182.2</b>
<b>2. Minority Interest</b>	<b>302.9</b>	<b>241.9</b>		
<b>3. Current &amp; Non- current liabilities</b>				
a. Long-term and Short-term borrowings	2,052.9	1,325.6	1,583.6	1,086.4
b. Trade Payables - Long & Short	390.0	349.0	146.6	120.8
c. Other Liabilities	626.7	563.9	298.8	192.3
<b>Sub Total - Current &amp; Non- current liabilities</b>	<b>3,069.6</b>	<b>2,238.5</b>	<b>2,028.9</b>	<b>1,399.5</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>4,419.3</b>	<b>3,690.9</b>	<b>3,039.7</b>	<b>2,581.7</b>
<b>B. ASSETS</b>				
<b>1. Non- current assets</b>				
a. Fixed assets	2,754.5	2,204.1	1,722.8	1,429.1
b. Goodwill on Consolidation	255.1	236.0		
c. Long -term loan and advances	234.3	151.7	228.8	155.8
d. Other non - current assets	53.7	90.2	455.4	443.3
<b>Sub Total - Non - current assets</b>	<b>3,297.7</b>	<b>2,682.0</b>	<b>2,407.0</b>	<b>2,028.1</b>
<b>2. Current assets</b>				
a. Trade receivables	648.7	566.8	372.8	302.2
b. Cash and bank balances	136.0	105.6	27.2	20.4
c. Other current assets	336.8	336.4	232.7	231.0
<b>Sub Total - Current assets</b>	<b>1,121.6</b>	<b>1,008.9</b>	<b>632.7</b>	<b>553.6</b>
<b>TOTAL - ASSETS</b>	<b>4,419.3</b>	<b>3,690.9</b>	<b>3,039.7</b>	<b>2,581.7</b>



PROMOS



# HATHWAY RELAUNCHES BROADBAND WITH SANIA MIRZA AS BRAND AMBASSADOR



**hathway@**  
Broadband Internet

**NO WAITING**  
for live streaming  
Hathway lightning fast broadband  
**10 times faster\***, 50Mbps  
Wi-Fi Router Free

No waiting for downloading    No waiting for streaming    No waiting for gaming

**DOWNLOAD MUSIC**  
**10 TIMES FASTER**  
50 Mbps | UNLIMITED\* | ₹799

**ADVANTAGE HATHWAY!**

**hathway@**  
Broadband Internet

PHO

• Latest DOCSIS 3.0 High-Speed Broadband Technology  
• Secured Network • Dedicated 24/7 Helpline  
• Fiber Broadband Network

Call: 040-66989898, 9948949494  
SMS 'HOME' to 575759  
Email: [hydsales@hathway.net](mailto:hydsales@hathway.net)  
[www.hathway.com](http://www.hathway.com)

TBC Agency

**hathway@**  
Broadband Internet

**NO WAITING**  
for gaming  
Hathway lightning fast broadband  
**10 times faster\***  
50 Mbps @ ₹849  
Unlimited download

India's Most Loved Broadband

\*T & C apply. 10 times faster in comparison to other ISP offering 5 Mbps. Speed indicated is only up to our ISP node.

# HATHWAY CABLE TELEVISION



**hathway**  
Where lives connect

## Go HD With Hathway Book Now !!!

T&Cs Apply



Attractive Offers For Yearly Subscription.

To buy a **Hathway HD box** and subscribe to a **HD pack**, contact your local operator  
Or Give Us a "Missed Call" on **07677576775** Now!

1080i  
RESOLUTION

16:9  
ASPECT RATIO

DOLBY  
DIGITAL

3D  
READY



**hathway**  
Where lives connect

### Power to Choose

Flexibility | Convenience | Simplicity

Now, the power is in your hands to choose your entertainment your way with the right ingredients:

- Personalized Doorstep Service
- Value for Money
- Uninterrupted Service in Extreme Weather Conditions

Pick the add ons of your choice to create your own pack

Strong Base Packs + Genre Add Ons + Regional Add Ons

Base Packs	Prime	Royal	Royal HD
	185+ Channels @ ₹265/-	240+ Channels @ ₹375/-	260+ Channels @ ₹525/-

- 1 Free Regional Pack with respective Base Pack
- 7 Regional Languages Add Ons to choose @ ₹50/- each
- 6 Genre Add Ons to choose @ ₹50/- each
- HD Pack of 24 Channels @ ₹150/-
- 45+ HD Channels\*
- 20 Sports Channels\*

STRONG BASE PACKS	Channel Count	Free Regional Pack	MRP (₹ Inc. Taxes)
Prime	200+	1	330/-
Royal	250+	2	425/-
Royal HD	275+	2	550/-

All Marathi Regional Channels are included in the Base Pack.

GENRE ADD ONS	PACK NAME	MRP (₹ Inc. Taxes)
	SPORTS	50/-
	KIDS	50/-
	INFOTAINMENT	50/-
	ENGLISH MOVIES	50/-
	ENGLISH & BUSINESS NEWS	50/-
	ENGLISH ENTERTAINMENT & MUSIC	50/-
	ENGLISH SPECIAL ADD ON	65/-
	HINDI SPECIAL ADD ON	115/-
	HD	152/-















REGIONAL ADD ONS	PACK NAME	MRP (₹ Inc. Taxes)
	BANGLA + ORIYA	50/-
	GUJARATI + RAJASTHANI	50/-
	TAMIL	50/-
	TELUGU	50/-
	MALAYALAM	50/-
	KANNADA	50/-
	HINDI - BHOJPURI	50/-

BST Pack consisting of FTA channels is available.  
A La Carte is also available for all channels.  
For terms & conditions and more details log onto website: [www.hathway.com](http://www.hathway.com)

**hathway**  
Where lives connect

# CABLE VS DTH - A COMPARATIVE ANALYSIS



	Cable	DTH
Bandwidth & technology	<ul style="list-style-type: none"> <li>Able to support 1000+ channels </li> </ul>	<ul style="list-style-type: none"> <li>Channel capacity limited by transponder availability. Frequency band has rainfall attenuation issues </li> </ul>
Localization	<ul style="list-style-type: none"> <li>Has the ability to change channel mix depending on region &amp; hence better localized content </li> </ul>	<ul style="list-style-type: none"> <li>Single pan-India feed based on transponders, often resulting in limited choice in regional content </li> </ul>
Broadband Capability	<ul style="list-style-type: none"> <li>Technology allows reverse path, and hence ability to carry broadband </li> </ul>	<ul style="list-style-type: none"> <li>One way broadcast (satellite to consumer) and hence no ability for broadband </li> </ul>
Marketing	<ul style="list-style-type: none"> <li>Traditionally a B2B model, post digitization expected to move to B2C. </li> </ul>	<ul style="list-style-type: none"> <li>Marketing - a key driver &amp; strength in the DTH business. </li> </ul>
Funding	<ul style="list-style-type: none"> <li>Except for few large MSOs, most MSOs are founded by individuals. Hence limited capability to aggressively fund the business </li> </ul>	<ul style="list-style-type: none"> <li>All DTH entities founded by corporates with significant funding. Some of them vertically integrated, other have synergistic businesses (Telco) </li> </ul>
Technical Assistance	<ul style="list-style-type: none"> <li>Traditionally serviced by LCOs, provides a personal touch point and thereby quicker service typically </li> </ul>	<ul style="list-style-type: none"> <li>Process driven methodology through call centers, service engineers, etc to handle technical problems </li> </ul>
Additional Costs	<ul style="list-style-type: none"> <li>Of the end ARPU, LCOs take their share of the pie </li> </ul>	<ul style="list-style-type: none"> <li>License costs, Transponder costs and higher subscriber acquisition costs </li> </ul>

## SAFE HARBOR

The information contained in this presentation is only current as of its date. All actions and statements made herein or otherwise shall be subject to the applicable laws and regulations as amended from time to time. There is no representation that all information relating to the context has been taken care off in the presentation and neither we undertake any obligation as to the regular updating of the information as a result of new information, future events or otherwise. We will accept no liability whatsoever for any loss arising directly or indirectly from the use of, reliance of any information contained in this presentation or for any omission of the information. The information shall not be distributed or used by any person or entity in any jurisdiction or countries were such distribution or use would be contrary to the applicable laws or Regulations. It is advised that prior to acting upon this presentation independent consultation / advise may be obtained and necessary due diligence, investigation etc may be done at your end. You may also contact us directly for any questions or clarifications at our end. This presentation contain certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects, and future developments in our industry and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words 'may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential or continue and similar expressions identify forward looking statements. Actual results, performances or events may differ materially from these forward-looking statements including the plans, objectives, expectations, estimates and intentions expressed in forward looking statements due to a number of factors, including without limitation future changes or developments in our business, our competitive environment, telecommunications technology and application, and political, economic, legal and social conditions in India. It is cautioned that the foregoing list is not exhaustive This presentation is not being used in connection with any invitation of an offer or an offer of securities and should not be used as a basis for any investment decision

**THANK YOU**