

Management Discussion

Pawan Agarwal - Deputy Managing Director, DB Corp Ltd.

Good evening, everyone, and thank you for joining the Q2 FY '27 D.B. Corp earnings conference call. We will begin the call by highlighting the key financial performance for the quarter ended September 30, 2026, followed by key operational updates across our businesses. Our consolidated total revenues for the quarter stood at INR 614 crores compared to INR 635 crores in Q2 FY '26, EBITDA stood at INR 124 crores compared to INR 115 crores in the corresponding quarter last year, while profit after tax stood at INR 69 crores against INR 93 crores. As you know, last year Navratri festival season was in Q2, and this year it falls in Q3. So on a like-to-like basis, D.B. Corp's advertising revenue and EBITDA registered positive single-digit growth in Q2, excluding the impact of this festive shift. This underlying growth reflects the continued strength of the company's established franchise and the steady momentum of its core business. Coming to advertising revenue, our consolidated advertising revenue stood at INR 411 crores compared to INR 439 crores in Q2 FY '26. While the timing of festive advertising impacted the year-on-year comparison, we remain focused on strengthening advertiser relationships and sustaining engagement across our key markets. Circulation revenue stood at INR 116 crores compared to INR 121 crores in the corresponding quarter last year. On the cost front, newsprint costs increased by 14% [Phonetic] during the quarter, primarily due to broader geopolitical uncertainties and related cost pressures. We continue to focus on procurement efficiencies, cost optimization, and disciplined inventory management to mitigate the impact of higher input costs and preserve operating profitability. Let me now briefly take you through our first-half performance. For H1 FY '27, consolidated total revenue stood at INR 1,246 crores compared to INR 1,222 crores in H1 FY '26. Advertising revenue increased to INR 843 crores from INR 832 crores, while circulation revenue stood at INR 236 crores compared to INR 241 crores. EBITDA for the first half stood at INR 289 crores against INR 297 crores, and profit after tax was INR 169 crores compared to INR 174 crores in the corresponding period last year. Moving on to our Radio business, revenue for Q2 FY '27 stood at INR 39 crores compared to INR 43 crores in Q2 FY '26, while EBITDA stood at INR 11 crores against INR 13 crores. For H1 FY '27, Radio revenue remained stable at INR 82 crores, while EBITDA improved to INR 26 crores from INR 24 crores in the corresponding period last year, reflecting an improvement in profitability. Our Digital business continues to be an important long-term growth pillar for the company. We remain focused on strengthening our digital presence through investments in content, technology, and user experience while building on the reach and credibility of our established media brands. With this, I would now like to hand over the call to Mr. Girish Agarwal. Over to you, Girish.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Thank you, Pawan, and good evening, everyone, and thank you for joining us on this call today. A shift in festival-linked advertising activity impacted the quarter's year-on-year comparison. Despite these challenges, our underlying business remained broadly stable, supported by our strong reader relationships, trusted brands, and continued relevance among advertisers. Looking ahead, we remain positive about the opportunities in the second half of the year, with the festive season expected to support advertising activity across our key markets. We will continue to strengthen our advertiser partnerships, enhance reader engagement, and build on our competitive advantage across newspapers, radio, and digital. With a sustained focus on efficiency, innovation, and long-term growth, we remain committed to strengthening our market position and creating sustainable value for all our stakeholders. With this, we can now open the floor for the questions-and-answers

session. Thank you.

Questions & Answers

Operator

Thank you very much. We will now begin with the question-and-answer session. [Operator Instructions] Your first question comes from the line of Mandowara with Aequitas. Please go ahead.

Abhinav Mandowara - Analyst, Aequitas Investments

Hi, good evening. My first question was regarding the seasonality. As you mentioned, Navratri was there in Q2 last year, and this time we are seeing it in Q3. So what is the revenue guidance on our advertisement for Q3 and for the whole year as a whole, and also circulation business?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

See, on the advertising front, as we mentioned to you, because of the eight days of shift of the season from September to October, we believe there is an impact of almost around INR 40 crores. Now with that shifting into Q3 and the overall momentum what we believe is there, though in certain parts of India it is not playing well because in Rajasthan even there are rains happening even today. So I don't know how the overall three or next six months are going to pan out. Especially, I'm more concerned about the geopolitical situation. But having said that, looking at the overall momentum which our country has, I'm pretty optimistic on the next two quarters also.

Abhinav Mandowara - Analyst, Aequitas Investments

Right. I guess in one of our interviews you had mentioned that we are confident of reaching high single-digit to early double-digit revenue for the full year for advertisement. Do you think considering the festive demand we'll be able to reach somewhere there?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

That's what our endeavor is. Looking at this, what we see in the last seven, eight days of festival, overall momentum is good. Let's hope this continues.

Abhinav Mandowara - Analyst, Aequitas Investments

Now, what would have led to the circulation decline, however, since you've mentioned?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

We are at around 38 lakh copies. If you compare the last quarter numbers, they are almost the same. So all efforts are there to make sure that we continue having the base, but a few percentages here and there is the one which is bothering us. But we are working all efforts on that, especially what we are doing in our noncore markets. And that's the area where we are not much bothered about a few copies going down. But in the core markets of ours, we're putting all our efforts to make sure that we maintain the number.

Abhinav Mandowara - Analyst, Aequitas Investments

Got it. And are we taking any further price hikes?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

No, we have taken this call, if you remember, a year back or so, that overall, let's face it, there is a challenge on the number of copies. And furthermore, if we increase the cover price, that will further accelerate the decline. So we don't want to do that.

Abhinav Mandowara - Analyst, Aequitas Investments

Got it. And in terms of print and the newspaper cost, we have a mix of imported as well as domestic. I assume that we would be also bearing the incremental freight cost. So going further, how is your guidance on the newspaper cost per tonne? And what inventories do we hold for the same?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

See, if you look at the last year to this year, in terms of per tonne cost, there is an increase of 20%.

Abhinav Mandowara - Analyst, Aequitas Investments

Right.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

What we were paying, INR 47,000 per tonne average cost, we are paying right now almost INR 57,000. So there is almost 20.8% -- to be more precise, 21% [Phonetic] is the impact on the newsprint cost. And that is all because of the geopolitical situation. And because the imported prices are up, domestic prices also follow the same route. So once -- and also the freight is on the higher side. So we believe that in the next Q3 and Q4, these prices should go down by maybe 2% or 3%, but not more than that, as what we hear from our suppliers. I think that's one pain area which the industry is facing and going through right now.

Abhinav Mandowara - Analyst, Aequitas Investments

Are we facing any issues in shipments or availability of imported paper or anything on those points?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

See, this becomes the rate. So when somebody says, "I have this much quantity to offer," and the market is tight, so you lose the leeway on the pricing if you want to secure the supply. That's the problem.

Abhinav Mandowara - Analyst, Aequitas Investments

And inventories, how much do we keep?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Inventory, generally speaking, we keep a few months for the Indian because Indian transportation takes 10 to 15 days maximum, and imported around a quarter.

Abhinav Mandowara - Analyst, Aequitas Investments

So ideally now, since I think a major price hike happened in Q1, Q2, the further inventory which will come in, say, in Q3 would be of much higher price versus Q2?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

No, as I mentioned to you, compared to Q2, the prices may soften down by 2%, but if we compare to last year of Q3 and this year Q3, there's an impact of almost 18% to 20%.

Pawan Agarwal - Deputy Managing Director, DB Corp Ltd.

Right, right.

Abhinav Mandowara - Analyst, Aequitas Investments

Sure, sure. Got it. And next, regarding the segmented split, how have all the segments done in Q2, and going forward, where do you see the demand traction from?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

So I can give you the breakup, but those breakups will not be useful.

Abhinav Mandowara - Analyst, Aequitas Investments

Why?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Because the festival season, nine, eight days of Navratri, is in Q3 this year. So the number looks not apple-to-apple comparison. Also, furthermore, just to add on, we also lost on some of the government advertising because there was some panchayat election happening in a couple of states because of the code of conduct. So that advertising also went down.

Abhinav Mandowara - Analyst, Aequitas Investments

Okay, but still the sectors are seeing traction on good growth?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Real estate single digit. Ideally, this should have been good double digit, but because of the festival season going this way. So most of them are on the almost flat or single digit.

Abhinav Mandowara - Analyst, Aequitas Investments

Okay, I'll join back. Thank you.

Operator

Thank you. Your next question comes from the line of Lohit Saini with Jay Ram Stock Brokers. Please go ahead.

Lohit Saini - Analyst, Jay Ram Wealth Managers Pvt Ltd

Hello, thank you for the opportunity. Recently, the company has increased its app subscription price from INR 149 to INR 199. So what is the current revenue contribution from paid subscriptions in Q2, and how has the price hike impacted our subscriber growth and retention? And one more question regarding the upcoming UP elections: how is the company positioning its Digital business to capture the ad opportunities there?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Okay, let me answer one by one. First of all, the price hike which we have taken from INR 149 to INR 199, this is all on an experiment basis. It's not a flat. Some places we have even tried slightly lesser, even monthly price and all that. So as we mentioned to you, we are doing multiple experiments in digital. The advantage is that I can do an experiment on a cohort of almost 1 lakh subscribers also. So that's the experiment we are doing, and happy to inform you that the results are pretty decent and good. So this experiment will continue. So taking the second question of yours, that what will be the impact on the revenue, it's too early to say because this is all just the experiment phase right now. So in a couple of quarters this will get settled, and then we'll get the real number out of it. Coming to the third question of yours, which is about UP election, as we mentioned to you in a couple of calls earlier also, the election advertising is uncertain. So though we are working hard for it in terms of reader engagement in UP, today we have got a huge connect with the readers in UP. We have got very sizable downloads of our monthly active users as well as DAU. Also, we have got a huge network of our journalists in UP. I can proudly boast that today, compared to any news organization, our coverage, ground coverage on UP, would be far, far, far higher. So we are very

hopeful that during the election time, our subscriber base in UP will certainly go up.

Lohit Saini - Analyst, Jay Ram Wealth Managers Pvt Ltd

Okay, okay. And are you seeing any recovery in FMCG ad spends?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

If I look at this quarter, where is the FMCG right now, it is at minus 2%. But as I mentioned, this quarter would be a wrong way to compare them. So it's, I would say, almost single-digit growth, even considering the festival in this quarter.

Lohit Saini - Analyst, Jay Ram Wealth Managers Pvt Ltd

Okay, okay. Thank you.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Thank you, sir.

Operator

[Operator Instructions] The next question comes from the line of Bhavi Chauhan [Phonetic] with Care PMS [Phonetic]. Please go ahead.

Bhavi Chauhan - Analyst, Care PMS

Good evening. So my question is, with regards to the digital app, our MAU have declined from 20 million in Q4 to 18 million in Q2 currently. So there is a consistent decline from the past two quarters. Any key reason for this, and how is management looking forward to increasing our MAU growth?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Two things just to let you know. The reason is this: we have tried to reduce the marketing spend on this entire activity because we believe now brands should be able to sustain the reader base based on their own merit and the organic. So we have reduced the marketing spend. There's some impact because of that also. Furthermore, we are trying to do many experiments, as we just mentioned, about the subscriber value. So there is some impact here and there of that. But as you will appreciate, between 18 million, 19 million, and 20 million, the difference on -- if I look at the quarter-on-quarter, is around 3% to 4%.

Bhavi Chauhan - Analyst, Care PMS

Okay. And another question, that our other expenses have been increased, in both absolute terms and in a percentage of revenue. So could you please define which costs are driving this? Is it majorly the freight cost which the company is bearing right now?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Sorry, I'm not able to hear this question of yours. Can you go again, please?

Bhavi Chauhan - Analyst, Care PMS

So if I look at our other expenses, it has increased in both as a percentage term and in the absolute terms also. So could you please provide the breakup that led to this increase in cost?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

So if you look at this cost of the other cost, if you are -- I think you are comparing between the Q1 and the Q2, correct?

Bhavi Chauhan - Analyst, Care PMS

Yes, yes.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Because if you compare from the last year, there's a reduction on this, but between Q1 and Q2, the increase is because these are the sales-based events. So they generate revenue from a particular event, and they also book it as a cost. So the full cost is taken as a cost, and the revenue is taken as a revenue with the profit margin there. So this keeps moving quarter to quarter depending on the events what they do on the ground.

Bhavi Chauhan - Analyst, Care PMS

Oh, okay. That's it from my side. Thank you.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Thank you.

Operator

[Operator Instructions] The next question comes from the line of Vivek Ganguly with TCG Asset Management Company. Please go ahead.

Vivek Ganguly - Analyst, TCG Asset Management Company

Thank you for the opportunity.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Pleasure.

Vivek Ganguly - Analyst, TCG Asset Management Company

In the recent past, you all hired a senior executive for head of revenue or head of business for your Digital SBU. So we assume that you all continue to invest in the digital initiatives and your digital assets. Can you give some commentary on that, how it is shaping up and some metrics, and at what point you all would be more comfortable giving out how the trends have been so that the investors can better appreciate the good work that you all are doing there?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Thank you very much, and a very appropriate question you have asked. We have hired a team; they are working hard on it. Unfortunately, there has been an exit also on that because there was an expectation and the delivery mismatch over there. So right now what is happening, the whole digital genre, if you look at the advertising, is pretty, I would say, unclear for everybody. Because at one side there's extra inventory coming from multiple sources. At the same time, certain brands like us are looking for a premium rather than a commodity advertising. So it's yet pretty early to say how it is shaping up, but I can assure you it is going in the right direction.

Vivek Ganguly - Analyst, TCG Asset Management Company

Right. And also, advertisement is not the only source of your digital revenue. So you'll have subscription, and you also have, I think, contracts with technology companies. So--

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Correct. All three are there, but they all are, I would say, to be very honest, they are all in a nascent stage because advertising also on the app, you must have noticed, we have just recently started the

advertising on our app from the last, I think, four quarters now.

Vivek Ganguly - Analyst, TCG Asset Management Company
Right.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

So we are again checking that it should not happen that my experiment where I'm charging some money from a customer, if he's not happy about advertising, I'm not showing him any of the ads over there. So everything is evolving together because we are pretty clear that going forward it cannot be only one vehicle of advertising which can give me the revenue going forward on digital. It has to be subscription, tie-ups, and the ad revenue, all three. So we are doing all three in such a manner that the consumer experience should not get impacted negatively because of any of the three activities.

Vivek Ganguly - Analyst, TCG Asset Management Company

No, so we absolutely appreciate the effort that you'll have put in and the way you'll have gone about institutionalizing the entire Digital business. But from an investor's perspective we wanted to have some idea as to at what point would you all be comfortable to give us the trends, historical trends, and the way forward?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

I will take your point to my board in the next board meeting, and let's see what the board decides. Because if you remember, a couple of quarters back, based on the board recommendation, we took the approval from the investors that we can avoid giving out, because of the competitive scenario, details, much more in details in the marketplace right now. So we'll come back to you after the board discussion on this.

Vivek Ganguly - Analyst, TCG Asset Management Company

Thank you.

Operator

Thank you. The next question comes from the line of Himanshu Upadhyay with SteadFort Investments. Please go ahead.

Himanshu Upadhyay - Analyst, SteadFort Investment Managers LLP

Yeah, hi, good afternoon. I missed the first five to seven minutes, so if this question has been taken, then I'm sorry. But--

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Don't worry.

Himanshu Upadhyay - Analyst, SteadFort Investment Managers LLP

I wanted to know, see, we are not raising prices, okay, on the readership. And what we are seeing, somehow the readership is not increasing. And the advertisement is a function of my readership, okay, or how my readership is moving. How are you thinking about the longer-term strategy, let's say from a four or five years' perspective, that how will this whole business look like? Because if readership does not come, one is obviously my circulation, which is a smaller part of revenue, which is not increasing. And we are saying that we don't want to raise the prices also. And then my advertisement, which is also a larger portion of the revenue, and that's a function of my readership.

And if I cannot show the growth, how will my numbers look like? Or how do you think three to five years down the line the top line, or let's say the organization, will look like? Because costs will only steadily increase. Means we have reduced the cost, and we have done a very good job on that. But then how do I think about my fixed costs and my revenue line? And some thoughts on that in your longer-term strategy from here on, that will be helpful. Okay.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Sure. So see, three things. One is that if you notice, post-COVID we have gained the numbers which were lost in COVID, and unfortunately we have not been able to grow from there. Whatever number we gained, we are largely maintaining a few percentages here and there only. Nothing major growth happening. I totally agree with you. At the same time, we understood that it may not be possible, though we are putting all the efforts to grow the circulation number, but can we increase our engagement with our readers and impact? Because today we have got 38 lakh copies. And we have got crores and crores of readers; that also is a very, very large number. How do we deliver the response to the advertiser more impactful from that number? And that is the reason why, in spite of the circulation being flat, we've been able to continue showing the good single-digit growth on advertising quarter on quarter, barring out this, which is a festive shift otherwise. So I guess what we have understood is the impact to the advertiser, and I think we've been able to deliver it pretty well. Having said that, it's not that we are going to just sit idle and let the circulation be there. We are putting all our efforts to increase the circulation, increase our market share also. So for example, in a particular market, if I'm not able to increase the circulation number, over there I've ensured that if a competitor is declining much more, I'm at least maintaining the number. So my market share goes up, and hence my revenue share in advertising also goes up in those markets. So I totally understand your apprehension, but I guess this is the formula what we have understood right now. And let's see how it evolves in a couple of years.

Himanshu Upadhyay - Analyst, SteadFort Investment Managers LLP

And one more question on this only. See, in some of the newspapers, which are, let's say, language or, let's say, niche newspapers where they are the dominant players, we have seen the prices increase quite materially for them, or they are in, let's say, more than INR 10 something, it's INR 15 also. And I am not talking about financial newspapers, but some regional language newspapers here and there.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

I have totally understood. I know the names also.

Himanshu Upadhyay - Analyst, SteadFort Investment Managers LLP

And we have gained market share in certain markets. Okay, but are we at a dominant stage that in some marketplace we can have a better pricing or increase in pricing, and in certain markets where we are still not at that place and hence pricing we will not like to touch in those markets? Or you are saying that when you are talking about pricing and you are saying that we don't want to raise prices, so it is for all across the markets, or that would be only for a market where you are still, let's say, fighting the challenger, or the difference between you and the first person or a second person is very low? So how are you thinking in your strategy on those aspects will be helpful.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yeah, see, largely our concept is very clear. We don't want the newspaper to become unaffordable

for any household. Today our average price, monthly average cost to a consumer, is roughly around INR 150 to INR 170. Out of that also, he recovers, or he or she recovers, some amount by selling the wastage of the newspapers at home. So the net cost comes to, say, INR 100. Now we don't want to create a situation where this becomes much higher and people start rethinking. Please try to understand, this is almost -- we are talking about a INR 1,200 net annual cost to a consumer. It's not a cheap one. So we don't want to unnecessarily make it much more expensive. And also, if I increase the cover price in any of my markets, the delta is not like -- I can't, for example, today I'm priced at INR 5, will I make it INR 10? Answer is no. So even if I make it INR 6, the delta is not that large. And having said that, that lever is with us; we can use it at any point of time. But as of today, we believe we should not. We should let the consumer be happy with the pricing, let the circulation be continued like that.

Himanshu Upadhyay - Analyst, SteadFort Investment Managers LLP

And see, I know you have spoken on this, but some sense on how the paid subscribers are moving. Okay, we can -- let's not in terms of absolute number, but in terms of growth, what you are aspiring and what you would have aspired, let's say, two years back versus now. So what are you seeing and yeah--

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

In the last two, three years -- two years actually -- whatever experiment we have done in the market, some were very successful, some were not so successful. But overall, the results are in the right direction, positive direction. That's the reason why we continue to be committed in our Digital business. We are spending money in the Digital business, we are investing there and making sure that at the right point of time we get the right dividends out of that business.

Himanshu Upadhyay - Analyst, SteadFort Investment Managers LLP

Okay, okay. Thanks from my side.

Pawan Agarwal - Deputy Managing Director, DB Corp Ltd.

Thank you, sir.

Operator

Thank you. Your next question comes from the line of Yash Rangaswamy [Phonetic] with JP Associates [Phonetic]. Please go ahead.

Yash Rangaswamy - Analyst, JP Associates

Hi, good evening.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Good evening.

Yash Rangaswamy - Analyst, JP Associates

My first question is with regards to the copies. Now we've been at about 38 lakh copies, right?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Correct.

Yash Rangaswamy - Analyst, JP Associates

But versus our previous quarter, the revenue has gone down. It is at INR 116 crores, and in last

quarter it was reported at INR 120 crores.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yeah, yeah, around 30,000 copies lost.

Yash Rangaswamy - Analyst, JP Associates

But copies are almost the same, so I mean 30,000.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Okay, so it's 37 lakh. Yeah, as I mentioned to you, 38 lakh, so it's actually 37.68 lakh.

Yash Rangaswamy - Analyst, JP Associates

Okay, and versus that was around 38 lakhs more or less?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Correct.

Yash Rangaswamy - Analyst, JP Associates

So that has caused the revenue to go down?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yeah.

Yash Rangaswamy - Analyst, JP Associates

Okay, and what about the advertising pricing? Are we seeing any improvement in that, or what are we doing on that? I know the third quarter is not comparable, but then have we taken some stand of what happened during the quarter on the pricing front? Because there will be a point when we'll have to not just focus on volume, but also get the pricing as well in place.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Correct. What we are doing on the pricing side, we are able to increase the ticket size, which means the advertiser who was advertising on an inside page, we've been able to upgrade them, take some extra money from them, and bringing them onto the premium pages of back page, third page, and the front page also. So that's the way we have been able to increase the unit price with the advertisers. Even on the front page jackets, we've been able to take some extra margin over there. But overall, the focus is both ways, that we get more volume, and wherever possible, we'll be able to increase the unit price also.

Yash Rangaswamy - Analyst, JP Associates

But how are we getting those advertisers to spend on premium pages? Are we giving discounts compared to what the market price would be?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yeah, we're upgrading them. For example, if somebody is paying me INR 100 for an inside page, I'm saying, "Why don't you pay INR 140 and come on the front page?" So they get more exposure, we get more value out of that.

Yash Rangaswamy - Analyst, JP Associates

Okay, but then that INR 40 or INR 140 in your example would have some sort of discount, right?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

No, that's the prevailing price of that particular page.

Yash Rangaswamy - Analyst, JP Associates

Okay, okay, all right. And I just missed one point. I know you've covered this, but I couldn't gather the entire point that was discussed. The other expenses which seem to be on a lower side for Print business by around 10%, so you said that is on account of events?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

No, no, the other costs which decreased over last year, but it has increased from Q1 to this quarter because these are the costs on the sales-based event. So for example, if sales is doing a particular conclave, so that is the cost of the conclave which goes on the cost, and the revenue comes and fits in the revenue side with the profit.

Yash Rangaswamy - Analyst, JP Associates

So that's a part of the Publishing segment, right?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yeah, yeah.

Yash Rangaswamy - Analyst, JP Associates

Okay. And that would be the only thing that would be mainly attributable to the lowering of costs?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Correct, correct. Or otherwise, if you look at my personnel cost, look at my other cost, we are very much under control. In fact, we have taken a cut on most of the cost elements.

Yash Rangaswamy - Analyst, JP Associates

Okay.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Only one thing which is not in our control is the newsprint prices, which has taken a steep of almost 20.8% hike over last year's quarter. So that's a painful thing.

Yash Rangaswamy - Analyst, JP Associates

Okay. And what about our major industries or verticals? Like you mentioned that even though it's not comparable, you said the real estate [Phonetic] share has grown by single digit. That is in spite of the festive, or was it excluding the festive impact?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

No, no, this is in spite of the festive shifting. So if I assume the festive was in this quarter itself, this could have been a double-digit growth, right? Jewelry is very good, FMCG is down, lifestyle is down, hypermarkets is almost down because the festival season is yet to come for them. So that way I think it's a mixed bucket.

Yash Rangaswamy - Analyst, JP Associates

But which other -- I mean, apart from real estate, which other sectors have done well in spite of the festive being different?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

So jewelry has done well in spite of the festive shift because they start early. The banking and financial services have done -- in fact, IPO business has done a fantastic job compared to last year, very much double-digit, 50%, to be very honest.

Yash Rangaswamy - Analyst, JP Associates

Oh, okay, 5-0.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Okay, but let's not get carried away by that because the volume is much--

Yash Rangaswamy - Analyst, JP Associates

It was the IPOs that drove--

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

That must have driven it. Correct, right. And healthcare is doing very good, again, a strong double digit. Else automobile is flat. Yeah, education is single digit because last year, if you remember, because of the NEET issue and all that, the advertising came to the second quarter.

Yash Rangaswamy - Analyst, JP Associates

Okay. So that--

Pawan Agarwal - Deputy Managing Director, DB Corp Ltd.

All right, that's about it.

Yash Rangaswamy - Analyst, JP Associates

Thank you so much.

Operator

Thank you. The next question comes from the line of Vikram Hirawat [Phonetic] with Hirawat Holdings and Investments [Phonetic]. Please go ahead.

Vikram Hirawat - Analyst, Hirawat Holdings and Investments

Good evening. Am I audible?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yes, very much, sir.

Vikram Hirawat - Analyst, Hirawat Holdings and Investments

Yeah, hi. So, I'm trying to understand the industry structure, and I would love your perspective on it, right? And although the results over the midterms seem to be stable, I'm worried about the long-term perspective of the long-term problem of the print media industry. I'm trying to compare it with Western publishers, and they've had a major decline in the long run. What makes the Indian market different, and will the next generation continue to read the newspapers? Do you have any demographic breakup if the next generation is reading newspapers, and why, and how will this structure evolve over the next 10 to 15 years?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

I appreciate all your questions, and I would request you, sir, to have a meeting with us, our investor relationship team, one-on-one, because this is a much loaded and larger discussion. So I would

encourage you to get in touch with us, and we can have a one-on-one meeting with you to explain to you much more in detail, which we keep doing with other investors on a timely basis.

Vikram Hirawat - Analyst, Hirawat Holdings and Investments

Okay, thank you.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Thank you.

Operator

Thank you. Your next question comes from the line of Alok with SW [Phonetic]. Please go ahead.

Alok Nath - Analyst, SW

Am I audible?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yes, sir.

Alok Nath - Analyst, SW

Okay, sir. My question was regarding the Q2 only. Actually, the first caller also asked a similar question, but I have the same question. Like in Q2, now the main reason with these results, the dip is due to the festive season getting postponed or half completed. So that was one of my main questions. And also along with that, in other income also we have some INR 11 crores or something as part of this one. So I wanted to get a clarification on that part.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Let me explain to you the other income which has come. Now this income has come because, as you know, our registered office, which is in Ahmedabad, was on a long-term lease basis where we have paid the security deposit at the time of commencement of the lease. And the same has been recognized at present value. So the lease agreement of Ahmedabad has been terminated because the builder from whom we have taken the premise, they are going for redevelopment. So we have derecognized the ROU assets and lease liability, and booked the gain of around INR 13.39 crores under the head of other income as per the Ind AS 116/109 regulation.

Alok Nath - Analyst, SW

Got it. Yeah, sir. And regarding this festive impact, is it only going to be the short term, or how good is it?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

So there's just a shift of around INR 40 crores in the Q3, but now the most important thing what we are focusing on, and I'm sure looking at the overall economy, is that the festival season should do good for everybody so that we are able to continue the momentum.

Alok Nath - Analyst, SW

Okay, so one more question. Can I go ahead? I mean, can I go ahead with that, or should I come back in the queue?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Totally your call, sir.

Alok Nath - Analyst, SW

Sir, only one question was that: will cash actually reach the shareholders going forward? Because now I also heard in the last few quarters you are increasing the capex and digital spend also. Keeping that in mind for a long-term shareholder, how will this have an impact? Mainly on three things I wanted to ask. One is the capex cash flow will -- and then, yeah, please go ahead.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

So capex cash flow, as I mentioned to you on the call in a few quarters also, we don't have any large capex planned because all the machines, production equipments, and all are in place. So we don't foresee any major capex coming in a couple of quarters or maybe four, five quarters ahead. As of today, the company has a total cash and bank balance of around INR 1,120 crores. And as you know, the company has already paid INR 5 per share as the first interim dividend in Q1. Now the board will decide how we want to further distribute the cash lying in the company to our stakeholders and shareholders.

Alok Nath - Analyst, SW

Okay, so based on the meeting only, then you will be deciding on the dividend part?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Okay, correct, sir.

Alok Nath - Analyst, SW

And any update on the Digital business? From the last two to three years, we had even one strategic advisor from the U.S., and a few developments were happening.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yeah, happy to inform you we are on the right track. We are doing multiple experiments on the subscription also, and overall things are in a good shape, I would say.

Alok Nath - Analyst, SW

Got it, sir. And so just for the previous caller, you told him he can get in contact with the investor relations. So is it through email or through the direct call? If you want to have some detailed conversation, how to get in touch?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Email it to us, and we can fix up a time with you. Our team will certainly reach out to you on that.

Alok Nath - Analyst, SW

Okay. Is it through the Investor Relations email only I need to set up this?

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Yes, sir. Yes, sir.

Alok Nath - Analyst, SW

Okay, got it, sir. And that's all. I have one, how can I say, one strategic input also, how to increase the revenue through the ads only. And also you were already saying to another caller, even though we have the same viewership or readership, you were trying to improve the connection with people. Yeah, so I think I have one really good plan. Maybe post this call or anytime once you're free, I want to connect with you and share it with you directly if possible.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

It'll be a pleasure to discuss with you on this idea. So Lalit ji, you can reach out to this person, and we can fix up a call with them.

Alok Nath - Analyst, SW

Yeah, my name is Alok Nath. Yeah, I will be really looking forward to it.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Thank you, Alok. Thank you.

Alok Nath - Analyst, SW

Thank you.

Operator

Thank you. Ladies and gentlemen, we take that as our last question for today. I now hand the conference over to the management for closing comments.

Pawan Agarwal - Deputy Managing Director, DB Corp Ltd.

Thank you, everyone, for your participation today and time on this earnings call. I hope we've responded to your queries, and we'll always be of assistance to you through our Investor Relations Department headed by Mr. Prasoon Kumar Pandey and our CFO, Lalit Jain, for all your further queries. Thank you, and have a great evening. Further wishing you and your family a very happy and prosperous Diwali in advance.

Girish Agarwal - Non-Executive Director, DB Corp Ltd.

Thank you, everybody. Wishing you a very happy Diwali in advance. Thank you.

Operator

[Operator Closing Remarks]