Ref: INF/NSE/2025-26/18 **Date: April 29, 2025**

To,
The Manager - Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051,
Maharashtra, India

SCRIP SYMBOL: INFOLLION, ISIN: INE0NNZ01013

Subject: **Submission of Transcript of Earnings Call for H2 - FY 2024-25 pursuant to Reg 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

Respected Sir/Madam,

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of Listing Regulations, please find enclosed herewith the Transcripts of the Earnings Call for H2 – FY 2024-25 held on Wednesday, April 23, 2025 at 4:00 PM IST.

Further, please note that transcript of Earnings Call for H2– FY 2024-25 will also be available on website of the Company at https://investors.infollion.com/schedule-of-analysts-or-investors-meet.

We request you to kindly take the above information on record.

Thanking you,

For Infollion Research Services Limited

MADHUMITA PRAMANIK
Digitally signed by MADHUMITA PRAMANIK
Date: 2025.04.29 12:18:42 +05'30'

Madhumita Pramanik
Company Secretary and Compliance Officer
M. No. 35693

INFOLLION RESEARCH SERVICES LIMITED

Transcript of Earnings Call of H2 FY24-25 held on Wednesday, April 23, 2025 at 4:00 PM

Corporate Management:

- Mr. Gaurav Munjal, Managing Director
- Mr. Varun Khandelwal, VP-Research
- Mr. Abhay Sangal, VP-Operations
- Mr. Abhishek Jha, Chief Financial Officer
- Ms. Madhumita Pramanik, CS and Compliance Officer

Investors Relations ('IR') Agency: M/s. Valorem Advisors

The transcript of the Earnings Call is:

Purvangi Jain: Good evening, everyone. My name is Purvangi Jain from Valorem Advisors. We represent the Investor Relations for Infollion Research Services Limited. On behalf of the Company, I would like to thank you all for participating in the Company's Earnings conference-call for the second half of the financial year 2025. Before we begin, let me mention a short cautionary statement.

Some of the statements made in today's earnings call may be forward-looking in nature. Such forward-looking statements are subject to risk and uncertainties which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and information currently available to the management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions.

The purpose of today's earnings call is probably to educate and bring awareness about the Company's fundamental business and half-year financial under review.

Now let me introduce you to the management participating with us in today's earnings-call. We have with us:

- Mr. Gaurav Munjal, Managing Director,
- Mr. Varun Khandelwal, VP Research,
- Mr. Abhay Sangal, VP Operations,
- Mr. Abhishek, Jha, CFO, and
- Ms. Madhumita Pramanik, CS and Compliance Officer.

Without any delay, I request Mr. Gaurav Munjal to start with his opening remarks.

Thank you and over to you, Sir.

Gaurav Munjal: Thank, thank you so much Purvangi. A very warm welcome to everyone who's joining us today for our Earnings conference-call, so to discuss the performance of second half of this financial year, which is 25. So, I understand there might be a few new participants, so, for, for their benefit, I'll give you a quick brief about the Company. So, Infollion operates as a marketplace where we connect experts or subject matter experts who are typically senior professionals and freelancers from the industry to companies which are primarily Consulting firms, Private Equity Funds and Corporates on an on-demand basis.

We have been doing this for almost 15 years and most of our experts are around 20-25 years of experience plus. We operate as a platform, as a marketplace where one side gets connected to the other side. The key IP we bring on the table is the ability to predict who knows what.

So, we have almost, now, we have almost 100,000 experts on our, on our panel. Two years ago, we had about 60, 55, 60,000. So, we've been adding about 15-20,000 experts every year and for for those who have been with us for a while, and who are aware of our our Company, I'll switch to that, so, we had a a pretty decent yaar, no surprises at all. This is almost the 5th year running, actually pre-IPO as well, so, a lot of years, we have been witnessing a very similar growth rate. So, we had a pretty decent year while we would share the numbers, we had almost 40-50% growth rate over the past few years, and we continue to have that. I'll I'll I'll focus mostly on the operational metrics and leave the financial metrics for my colleague Abhishek to share.

So, the most interesting thing that has happened in in this year, is that we have witnessed almost a quarter, or even more than or that business now being driven by experts primarily outside India. So, this was probably in single digits, or even lower a few years ago, it became double digits last year and now, I think almost a quarter of a business is being driven by experts primarily in the US.

To support our growing international operations, we have established a US subsidiary, which was disclosed earlier. But since we are closing the year, it happened during this financial year, I'll state it again. Also, at least, for the last 3 3 quarters or so, 2-3 quarters, we have been maintaining a physical presence in US for at least 15 days, if not more, every quarter.

So, that is, our India business has also given us a pretty decent growth rates and combined with US business this is where we are right now. Our new initiatives, which we had promised at the time of IPO that we would be taking, initiating new peripheral marketplaces or any adjacencies, so, for the 1st year we experimented a bit. By the end of 1st year, after 2 or 3 experiments, we kind of zeroed in, on Learning and Development or a training marketplace or upscaling marketplace and this financial year, we had a pretty decent response, or at least encouraging early responses. So, while the revenues are still not material enough, but we have done our research, we have a sizable team

now, and I think we would be going a lot deeper in that, in that, in that segment now. On the strategic front, we do have some cash on books. We are actively exploring multiple growth avenues, including growing the current L&D bit, we are also exploring to build other things within the Infollion umbrella. We also looking at inorganic opportunities, and we are also looking at, buy and build opportunities where we may not acquire something for a, for the revenue, but for for the core IT, maybe, early-stage company and then try to build further with the help of our team and our leverage.

On the, on the AI driven initiatives, we've been taking a lot of care that you know, we should not go too early, and we should not be left behind as well. One thing which we have figured out is analyst as a service or an enhanced search capabilities where we can offer secondary research, data sources and a mix of different kinds of research agents and loaded with our experts with the help of recordings and transcripts, we think that we are onto something, although it is at a very experimental stage but that's the direction which we believe is the, has got the best ROI, if I can say in terms of our time and money. We would not be investing too deep into AI tools like VCs but we are definitely going to be at the cutting edge of that front wherever we think there is an opportunity available. So, besides that, I think that that's it from my side on the operational bit.

I would request my colleague Abhishek, who also takes care of the the financials, he would brief you on the detailed numbers for this year.

Abhishek, over to you.

Abhishek Jha: Yeah, thanks Gaurav. So, coming to the financial numbers, so, it gives me immense pleasure to present our financial performance for the Financial Year 2024-25. So, our gross revenue has witnessed a robust 49% increase reaching 79.51 Crore, EBITA has grown by 45% to 14.66 Crore, PAT has also surged by 45%, reaching 12.44 Cr, and positive cash flow from operations stand at 5.62 Cr. So, this is the achievement we have achieved through our teams, our steadfast commitment to innovation and our operational discipline. So, over to Madhumita.

Purvangi!

Purvangi Jain: Yes, thank you, Abhishek. A reminder to all participants to kindly raise the hand icon if they want to join for the question queue please.

Participants, kindly raise the hand icon.

Yes, Mr. Man Asher, you can go ahead.

Mann Ashar: Hi! Gaurav Sir, and team, congrats for very great set of numbers. Sir, I just had 2 questions. It it was more of a request if you could emphasize on the platform part where

you were basically exercising some sort of Value Chain mapping, and then it it would be like beneficial for the end customer who's using Infollion platform. It was in a Beta phase so just wanted to understand the progress of the same. And as you said, right you you are, you are basically L&D bit, you are refining the same and then analyst as a service and transcript monetization. So, I just wanted a a more detailed part of that extension if that's possible.

Gaurav Munjal: Okay.

Mann Ashar: And that's it.

Gaurav Munjal: So, first question, was the Value Chain bit, yes, so, we've been, we have seen a lot of clients discover a few experts every now and then through that tool. We haven't really integrated that tool into our main dashboard as of now, but we are using it separately. It has got some good responses but the the version which we are using as of now is still the same. While it is a way more developed, Beta, in the sense that clients are using it, and there are no, it is, it is a very robust Beta if I can say that. But we're yet to integrate into the main main dashboard, we should be doing it this year.

Second question was on the HUKSA front, so I think, I already mentioned that L&D bit is something, we don't even know whether to call it L&D or not to be honest, it is essentially a marketplace of courses, so, it could be Ed Tech, it could be upskilling thing, or it could be even B2C, it could be even L&D. The key thing is, we would be offering a lot of courses with the help of our experts, now, whether it translates into a short training program or a long-term course, we don't know yet to be honest. So, it was an experiment which we think has kind of given us enough numbers, or even enough confidence to go deeper. But in terms of material revenue, it is, it doesn't feature in the scheme of things as of now. Your third question was....

Mann Ashar: Transcript monetization and...

Gaurav Munjal: So, no, I never use the word transcript monetization. I don't think we are entering that thing right now, I, what I said, was that we would be offering Research Agents or a marketplace of Research Agents where we would be listing those various, so, what has happened is and then there is a flavour to it. So, there is a, in, in the market we observe that a lot of initiatives happened around AI, right, so, so there are people who are trying to use secondary data, there are people who are trying to use voice bots, there are people who are trying to do, they're trying to offer Analyst services. So, lots of things happening in AI, right so, so, what we believe is that, Analyst as a service, or or, you know, a marketplace of Research Agents where which we could offer, where we could load various data sources paid and free, we would not, we would just be aggregating them. As of now, we have no plans to offer them ourselves plus we can load it with our experts, that let's say you figure out this particular report, or you figure out this particular company, and then you decide to engage an expert. Then we would be

available with our experts, and you can enhance or enrich your secondary data sources with the recordings and transcripts which would be available with the expert which you said earlier. What you mean by transcript monetization, I think, is a transcript library, I don't think, I said, that we haven't really decided to enter that market as of now.

Mann Ashar: Got it, so, how it is different from the sell side brokerage is that this guy, matlab many brokerage houses are doing the same right. So, if you decide, for example, if I were to invest in X company, then I then I do my primary research, and then I go and approach the brokerage houses. It is very similar to what you guys are planning to do the same, right?

Gaurav Munjal: Not sure, if you're referring to the same thing but what we are essentially planning is company reports on on demand.

Mann Ashar: Company reports on demand, okay, okay, yeah, yeah. That's very similar. Okay, that helps, sir. Thank you so much. All the very best.

Gaurav Munjal: As of now, again, it's an it's an experiment, I mean, maybe in the next earning calls, we may say……..

Mann Ashar: No worries, sir

Gaurav Munjal: It's a very early stage. Yeah.

Mann Ashar: No worries, sir, thank you so much.

Gaurav Munjal: Cool.

Purvangi Jain: Thank you.

Purvangi Jain: Next person, Mr. Siddharth Gangal. Please go ahead.

Siddharth Gangal: Hi, Team, congrats on a great set of numbers. I wanted to ask how your US go-to market is going, you know, given going to market in US is expensive, and you know there are, I'm sure, already entrenched competition, so, what's the strategy? And you know, how do you see this part of the business actually scaling up over the years? And what percentage of revenue will this account for?

Gaurav Munjal: So, I, I think, reasonably happy with what what's going on in US. In fact, as I said, the surprising part was that a lot of Indian clients are using US experts which we didn't expect, so we probably expected, we would need more money to make the network over there. But thankfully, Indian clients have been kind enough that they are trying to use a lot of US experts, so, while it may not be classified as US revenue, but it is definitely a big chunk of our revenue because of US experts.

So, my sense is that your question is more about generating revenue from US, so, it, it is a typical marketplace yaar, so, both sides move together, we have already made some strides our network of experts in US is sizable now. I think Abhishek, would would or the numbers, the precise numbers would be there in the presentation as well. We would be focusing on 2 or 3 domains. We are already going deep into them starting with those 2-3 domains, mapping those experts to those domains and then doing custom. So, a fairly standard playbook as of now, we believe, we have the right to win for a lot of reasons. One, we do a fair amount of Tech. Two, we think, that our mapping is much better, our approach to business is much better, our our approach of reusing the experts brings down the cost without compromising on the quality that definitely helps. So, we believe that over a period of time we should be able to get those network effects which we have already got some of them in India.

Siddharth Gangal: Thank you.

Purvangi Jain: Thank you, next question is from Mr. Neeraj.

Neeraj B: Yeah. Hello! Can you hear me?

Gaurav Munjal: Yes, Neeraj, please go ahead.

Neeraj B: Hi, Gaurav, thank you for the opportunity and congrats to you, and that, for you know great set of numbers. Just a couple of bookkeeping questions, and then a couple, you know, on the strategic side, I'm not sure if you disclose the numbers but what was our expert call count in the, in, in FY-25?

Gaurav Munjal: Nahi nahi exact diya na, 16,000 something kuch diya hoga.

Neeraj B: Okay, maybe I missed that number. Thank you and experts register as of March?

Gaurav Munjal: Vo bhi diya hoga, exact numbers all of them are on the very precise numbers are there.

Abhishek Jha: About 1,04,000 experts are there on the panel.

Neeraj B: Understood.

Gaurav Munjal: Breakup bhi hoga.

Neeraj B: Understood, understood, and maybe Gaurav, like previously, you know, we have spoken about our US Expansion, and you know, there has been slight concerns around, you know, within the investor community is around how big is the market size, you know, because we are increasingly, we are growing 40-50%. So, can you believe we can grow at a similar pace, or maybe around 30% plus minus over the next 3-4 years? Or or do

you think, as we grow, our base also becomes large, so it might incrementally be difficult to continue the same pace.

Gaurav Munjal: So, this is a this is a question which we have been facing for a long time. So, while the Indian market is likely to grow at a healthy click, we have been aggregating a lot of market share from India, but we are still far from saturation within India, both in terms of market share, in terms of client adoption of this business as well as the size of business, what India market can reach. Having said that, I think a lot of growth we are expecting from peripheral marketplaces and US markets. The core market, of course, is not very large, but you would be surprised to see the numbers which the consulting firms have been putting up.

Neeraj B: Understood and Gaurav, when we try to, you know, explore those adjacent markets. Do we think that you know our margins might compress? And I'm not saying margins might compress in the near term, you know, as we expand, it might compress but over the medium term can they compress, as we explore these adjacent areas?

Gaurav Munjal: To be honest, the very term explore means that we would still figure out those numbers. It, it depends, I mean, whatever be the, whatever market we decide to enter, it depends how, what are the, what are the, what is the leverage we have from our existing panel. If we do not have leverage then, initially, we would go at the premium end, so, my, my sense is that the kind of experts we have, usually we have been operating in a, we are expecting to operate in a a not very sensitive, price sensitive market, it is more about the availability of expert and availability of the course, if you're talking about L&D. As of now, we have no plans to get into those mass market L&D thing. Even bespoke courses, we expect, you know, sizable margins but can we predict, as of now? I think it is just too tough even for me. Once it settles down, maybe a few years down the line where we have some data to back us, we would be able to predict better. But, at this stage, I can't really comment on what are the kind of margins and growth I can expect from markets which we are exploring.

Neeraj B: Fair enough, maybe the last question, and then I will get back in queue. Gaurav, if I compare our H-2 versus H-1 on a sequential basis, you know, our revenues grew around 20%. Last year maybe the revenue growth was, you know, around 4% H-2 versus H-1, I am comparing sequentially so, and in our previous conversations I remember Gaurav, you mentioned that H2 is seasonally slight weak because of Christmas, because of holidays, so, what happened this year, like, you know, like 20% sequentially is a very, very solid growth. So, can you touch bit more on this.

Gaurav Munjal: Well, to be honest, I mean, it's it's it's a good problem to have. But, I, I don't think, I have a very concrete answer, we just continue to grow, maybe, we added at a different pace but, but, I, I don't really have a very concrete answer but, but that's true that, you know, due to Christmas, New Year's, Diwali season, it is a little subdued because of, so, we work on working day basis right, so working days are far more in the 1st half. So, so

maybe, we kind of grew a little faster compared to April 2024 to March 2023 on a monthly basis. But, or, or, maybe if we go deeper, maybe the dates were a bit different, I, I don't know to be honest.

Neeraj B: Fair enough. Thank you so much, Gaurav and team, I will be back in queue. Thank you so much. All the best.

Purvangi Jain: A request to all participants to limit their questions to 2 per person please, Thank you.

Purvangi Jain: Next, we have Mr. Rohit Balakrishnan. Please go-ahead Sir.

Rohit Balakrishnan: Hello! Am I audible?

Gaurav Munjal: Yes Rohit, please go ahead.

Rohit Balakrishnan: Hi! Gaurav! Hi! Congratulations to you and your team for fantastic numbers. So, Gaurav, just one question on, like, we were trying to get expand into the financial services space in India. So, any update, if you can share, how has that been.

Gaurav Munjal: Yes, we've been adding clients there. We've been adding clients there, I think, as as a percentage it should have increased. I'm not sure, so, as a percentage, we've been adding a few clients, we've identified some set of clients, basically, we think, we we haven't really gone after the long tail yet but for, for the larger companies, we have been trying, and I think we have been successful.

Rohit Balakrishnan: Okay. So, so, you you are able to get like

Gaurav Munjal: We are able to

Rohit Balakrishnan: Got it, got it, is, I mean, will it be possible to give any numbers or do you think it's still early to share numbers in terms of shared.

Gaurav Munjal: Yeah, usme hota kya hai, so, so a lot of times there are indirect numbers as well. Right? so, a lot of these financial clients use consulting firms as a front. So, so there are some grey areas as well right, how to, who's billing, who's actually, where is the revenue coming from, etcetera. So, but, as as a growth trend, we have definitely seen that we are gaining share in in in the private equity bit. In the public markets, large funds yes, but for smaller funds, we're still figuring out the right product. We haven't really gone for the long tail like less than 20 calls a year, or less than 40 calls a year because, you know, it is very B2B setup, so, it is a very expensive setup to do that. So, so we are trying to work through a demand aggregation route as well which we might address through HUKSA where we can offer multiple funds at the same time, so, that's something which we are exploring. But as such, I believe that the financial market is a much smaller market for expert calls.

Rohit Balakrishnan: Got it

Gaurav Munjal: in India, at least

Rohit Balakrishnan: and

Gaurav Munjal: Globally, globally, it may not be true, but in India I think the financial world is much, much smaller as a person.

Rohit Balakrishnan: And just related to this, Gaurav, I think you also mentioned to answer as an answer to the previous question, in terms of market saturation and market opportunity, globally, a lot of, I mean, not just investment, investment players, but financial services also use expert networks especially underwriters, etc. So have you started seeing some semblance of usage there, or.

Gaurav Munjal: So, we do believe that the market adoption would increase.

Rohit Balakrishnan: And any any initial signs you're seeing like adoption-wise.

Gaurav Munjal: Yes, we do get some inbound queries. Are they sizable enough? No, a lot of corporate seek external experts from us. Underwriters, I'm not so sure yet, but in general, as, as the what we have seen is a lot of small funds who are earlier in a few 100 crores AUM, are moving towards a few 1,000 crores AUM, over the last 5 years. I see no reason for them to not use it at some point.

Rohit Balakrishnan: Got it, and one more question related to just the Indian market....

Purvangi Jain: Sorry Mr. Rohit, request you come back in queue, please.

Rohit Balakrishnan: Sure, I'll come, sure.

Purvangi Jain: Thank you.

Purvangi Jain: Next, Mr. Shikhar Mundra, kindly go ahead.

Shikhar Mundra: Hi! Hi! Gaurav congrats on a good set of numbers. So, for this increase, increase in employee cost from 11 crore to 17 crores, what, what has been the for comparing year on year? What has been the proportionate increase in the number of employees, and how much of this has been for the US expansion.

Gaurav Munjal: Okay, so the increase in employees, yes, so the US team has expanded much more faster as compared to the Indian team. Indian team we still have a very high PE percentage. So, I, I'm not sure I have the exact numbers, Abhishek have you disclosed the precise numbers? If not

Abhishek Jha: No, Gaurav, we have not disclosed yet.

Gaurav Munjal: So, so overall a quick answer is that, yes, US team has increased. We have also added a fair amount of team in in our new initiatives. We also built up a tech team. So, it may not be entirely proportional but in terms of our original Research team, it would actually not just be proportional, it would actually be lower than that, is, my overall number, in the sense that got it at at a per person research team for India, where, which is bulk of our revenue coming from I think we would have been same if not better.

Shikhar Mundra: Right, and and is the US generating revenue as of now? I joined a little later.

Gaurav Munjal: So, so, as I mentioned, more than a quarter of our revenue is being generated from experts based in US.

Shikhar Mundra: Okay. Okay.

Gaurav Munjal: So, so, there is, there are a lot of teams which are working overnight now.

Shikhar Mundra: And, and how much are we spending on the US expansion, I mean, how much did you spend this year? I mean, apart from the employees?

Gaurav Munjal: So, we have a very sizable team. No, we have been traveling to US, we've been setting up the subsidiary, a, a lot of things happening, the precise numbers are already shared, but the number which we had allocated for US expansion in our IPO proceeds, I think we're almost done with that.

Shikhar Mundra: So, most of it was expensed out, was not capitalized in my understanding.

Abhishek Jha: Yeah, correct.

Shikhar Mundra: Got it and what is the 2.37 crores of intangible assets like is it for the Huksa which we are developing?

Abhishek Jha: No, it was for the Information, IT development expenses like the dashboard and software that we have developed internally.

Shikhar Mundra: And and is that supposed to be continued also? I mean, even this year we'll be developing some of it?

Abhishek Jha: Yes,

Gaurav Munjal: Nahi, nahi, I think now I I think Abhishek, the development work is mostly over. A little bit of additions would be there. We would be working on the HUKSA tech development,

we would be working on the discovery tools but our core investment into the tech part is broadly behind us.

Abhishek Jha: The put to use thing is done now, we have been using it for a while.

Gaurav Munjal: So, everything is automated now, so, the the workflows, the payments so so bulk of it is done from us.

Shikhar Mundra: Got it. Got it. Thank you, all the best.

Gaurav Munjal: Thank you.

Purvangi Jain: Thank you, Mr. Chinmay, please go ahead.

Chinmay Nema: Hello! Good evening, team! I hope I'm audible.

Gaurav Munjal: Yes, yes, Chinmay, please go ahead.

Chinmay Nema: So, my question is, on the receivables, the receivables seem to have increased in the in the second half, any, any colour around this.

Abhishek Jha: Yes, Gaurav, I should answer.

Gaurav Munjal: Yes, please.

Abhishek Jha: So, if we see the absolute number, yes, it has increased, but I think we should see it as a percentage of sales. You won't find any such difference between if we look at it as a percentage of sales.

Chinmay Nema: I mean if I compare it

Abhishek Jha: Yeah

Chinmay Nema: With the debtor days in FY 23, and 24 it was.

Abhishek Jha: Correct, yes not much difference.

Chinmay Nema: It was 64 days in FY-23, 78 days in FY-24, and 83 days for the full year FY-25.

Abhishek Jha: Yeah,

Chinmay Nema: So, oh, nothing!
Gaurav Munjal: 83

Abhishek Jha: 64, the 64 figure has come because we have been using the build date revenue only. So, from FY 23-24, we had adopted the revenue recognition model of using unbilled revenue as well. So, that's why it has, it had increased last year. So yes, it had increased by almost 4-5 days this year also.

Chinmay Nema: Sir, would it be possible to explain how the billing cycle and the collection cycle work.

Abhishek Jha: Yeah, yes, so, billing, see, the entire process is like the call, once we receive the calls log, it is sent for the approval, then the calls are invoiced after approval, so it, these things take time, so that's why, the days looks inflated. But if you see the once the calls are billed until realization, it's roughly about 25 days, on an average. So, the additional 50-55 days are for the call date till the approval date, and

Chinmay Nema: Okay, got it. Thank you

Purvangi Jain: Thank you.

Gaurav Munjal: At, at a broad level. I don't think anything has changed significantly, from what I am aware, the, the invoices are being raised on time, and we are getting on time. I don't see a significant change. You could also compare sometimes the, the, there has been a significant increase in revenues from April to March within the year. So, when you're dividing it over the year, it doesn't really make sense, and especially this year, second half has been good, so probably it is looking a little higher. Had it been, had we we had a very similar number, as last year, our, those numbers, and when you divide and divide it on a whole year, thing would have been very similar to last year. So, so we got 20% growth, so, the the numerator increased a lot as compared to the denominator.

Chinmay Nema: Okay, Sir. Got it. I'll fall back in the queue.

Purvangi Jain: Thank you. Mr. Gaurav Nigam, please go ahead.

Gaurav Nigam: Yeah. Hi, am I audible?

Gaurav Munjal: Yes Gaurav, Hii.

Gaurav Nigam: Yeah. Hi, Gaurav, thank you for taking my question. Just 2 quick questions, one is on the, so, if I look at, in the last 2 years we have diversified from our India expert network business to not now having non-India business on expert network side and on the HUKSA side, right? These are the 2 diversifications, right? I just wanted to understand for our original business, which was there, I mean, pre-IPO, how does the profitability look like, I mean, then to now, and what is the drag on our profitability because of the newer things that we are experimenting on? I mean any sense, even if you don't quantify, it's fine. Just give me a sense of how it is.

Gaurav Munjal: Well, to be on, to be honest, HUKSA, I, I think, is, is not significant enough, both in terms of investments as well as revenues. We have been just using the IPO proceeds to to an extent we've been making some money so it should not be significant. On the other bit, non-US, so US based revenue, it's actually very similar in profitability as India once, at least from a top-level perspective you won't see any changes just the ticket size a little higher, but the percentages would be very similar.

Gaurav Nigam: Got it, got it, got it, and the employee expenses, just a continuing on the, the employee expenses that we are doing since we are investing ahead of the revenue, I think that's what my thought process, so, I thought that there would be a drag but you're saying there is not.

Gaurav Munjal: So, gross is not a drag, maybe a little bit of expenses could be there. But then there are a lot of things where there is no significant clear line that, you know, that this is US expense, and this is India expense.

Gaurav Nigam: Got it, understood, and the second question was on the, the number of clients that we are trying to gather in the US, right, not the expert, that, that the client, what has been the attraction there? I mean, what are the learnings, I mean anything which is going right, which is not going right? since….

Gaurav Munjal: No, so, so after the subsidiary bit, we have been traveling, as I said, every quarter, we have been spending time there, we would probably ramp it up further as well this year, and at appropriate time we would hire people there. But, as of now, we think that you know it's a little too premature to hire and spend too much over there but we have the money the moment we realize we feel that, you know, there is enough attraction we would hire there. But or or maybe, we would but we would definitely travel more often and spend time in US. Has it, have we started generating revenue from US offices? Not yet. But we have made a lot of contacts there. This is a very B2B long gestation kind of a thing; it should materialize over the next few years. The initial few years are far more difficult than the further scaling of funds.

Gaurav Nigam: Correct understood. And what is the total number of employees?

Gaurav Munjal: We have sign-up the contracts with client, it becomes relatively easier. The the difficult part is from introduction to signing-up of the contract.

Gaurav Nigam: Yeah, understood and what is the total number of employees that we have as of 31st March 25.

Gaurav Munjal: Abhishek do you have disclosed yet?

Abhishek Jha: Yeah, as on **********

Gaurav Nigam: Okay, understood, maybe I'll wait for the annual report then.

Gaurav Munjal: Yes, it's about roughly 200 plus minus

Gaurav Nigam: Okay, sure. Thank you.

Purvangi Jain: Thank you. Mr. Harsh, please go ahead.

Harsh M: Yes, congratulations, Gaurav, on great set of numbers and just have couple of questions. One is, you mentioned that you would be looking for some inorganic acquisitions to utilize cash. Would you just put some light as to what kind of companies you would look at and what direction, you know, you would look for these acquisitions?

Gaurav Munjal: Oh, yes, so so that means very helpful, a lot of investors have asked this, and they've even referred us a few companies. So, I'll, I'll just quickly, you know try to use this occasion, just give me a second.

I'll, I'll read it out for you.

So, essentially, we have two or three categories where we look for, right? So, so, first is the HR services category, the second is the peripheral marketplaces where we can leverage our current capabilities and, then, there are three, the third category is AI initiatives. AI initiatives are mostly going to be built, not really buy, it's just too expensive. But, the first two categories is where we are actively exploring: HR services, it could be L&D, training companies, any kind of instructional design companies or VR simulation, etc. We are also exploring a managed training services market, NID learning is a very large player in that. We are also exploring, not at that scale to be honest, we don't really have the capabilities yet, but that's a market which we are exploring. A very different kind of HR services where we could get some inroads into the HR World, is like MICE and off sites, etc. is is also something which we are exploring.

And the second category peripheral marketplaces, I would say, one of which we are already developing which is built but we, we are always open to, you know, some kind of low value, high volume gig marketplaces, some blue colour marketplaces, or even a a training, trainer marketplaces or corporate venue marketplaces, or even training venues marketplaces. So, these are the broad areas which we are exposing, exploring besides anything in the HR tech World. Essentially, we are, we are looking as a, in-road where we can, where we can, you know, use the existing relationships to offer more training services because we believe that we already have the supply side settled by experts. What we are looking out for is, what we are looking out for is, some kind of vendor relationships which they have with a lot of technical, or, you know, tech-heavy companies in the, in the, in the country. So, these are the broad list, small companies, maybe a few crores, is something which we would be looking for both, both inorganic as well as some kind of tie-ups.

Harsh M: Got it, thank you. And just one more question, around the US Market, like you mentioned, we are seeing good attraction from Indian customers using US experts, so, is there a possibility to see a higher margin going forward, you know, because of higher realizations in in these set of experts, or you have optimized the margins to make sure you get good volumes and margins could still be similar range?

Gaurav Munjal: Well, to be honest, we definitely do not expect a very high margins, because that's how we have been doing it. There is scope for large higher margins in US. In India, it is quite competitive, so we would like to stay the same. We would not like to leave any opportunity on the table for our competitors. In US, there is scope for margins, because there are very few companies who work on low margins in US but as of now, I think we don't see too much variation in the margins in our core business as well as our India to US business in general, from our historical numbers, compared to our historical.

Harsh M: Thank you.

Purvangi Jain: Thank you. Yes, Mr. Rohit, please go ahead.

Rohit Balakrishnan: Yeah. Am I audible?

Gaurav Munjal: Yes, yes, Rohit, please go ahead.

Rohit Balakrishnan: Yeah, so just 2 questions. One was in terms of competition in India, given now that you're public, and I guess everybody seeing your numbers. So, are you seeing anybody like competition heating up or anything on that front, if you can share either the global guys becoming more aggressive or anything on that front? That was one question and then I'll ask my second one after that to you.

Gaurav Munjal: Well, the competitive intensity in India, my sense is that we've been actually growing faster than even our smaller players, although I do not have the precise numbers but anyone who's in single digit crores or double-digit crore, we have actually averaged faster or clocked a higher growth rate. Global peers, any increase in the competitive intensity in India, I don't think so, it has been pretty much the same. Fundamentally, they operate on a far more margin, 70-75 margins, they're they're completely priced out of the market, most of them. Those who are not priced up through the market are the ones who have access to global experts whom we don't have. So, that's something which that's some that's a muscle which we are building. Hopefully, we would be able to push them out, test them out, in the, in years to come.

Rohit Balakrishnan: Got it and you, and on your two, two new initiatives, one is HUKSA and the US as well. So, first on HUKSA, so, do you think this, so you said that whatever you are getting in terms of the experiments that you're doing, you're getting positive response from there.

So, from here on, what, what are the next steps maybe for next 6 months, or for this financial year from that, for that vertical? And then I'll ask the US after this.

Gaurav Munjal: See, to be honest, we're still figuring out the product market but we are experimenting from a lot of ways, we are, we are making modules, we are doing long tail invest, long tail financial investors, we are doing corporate L&D, we are doing bespoke courses, we are doing executive succession planning. So, we're trying out a lot of new things, we are not going to jump in, on any specific thing as of now. In fact, we are even building a repository of AI courses as well. So, we're not going to…. you know, back ourselves too early to generate revenue. We'll just evaluate areas where we think the customer acquisition cost is not extremely dependent on performance marketing. So, once we establish that side, be it through vendor relationship, through our clients, or some specific brand names which only we have, or owning specific IP of certain kind of courses. In short, I think we are still figuring out the product market fit. The only thing I can say with, for which I'm 100% sure is, now we are going to operate in that market in the training/upskilling/market for a while now. The experiment stage is over but have we figured out the market yet? No.

Rohit Balakrishnan: Got it, got it, no, fair enough, and just on US, you, you mentioned in the call that you've got revenues from the US experts, already, Indian, Indian companies are using US experts so that is a good start but from from signing up US clients and signing up people from there, how far you are from there, your sense, given that the team build out has has has started to happen, and you are expanding there and already expanded a fair bit. So, any sense you think from your vantage point, is financial year 26 will be, see a US Client signing up?

Gaurav Munjal: It's very difficult to put a number on which year, but we did expect the first few years to be tough. They've been relatively easier than what we thought, so that's the only good point. But I think regular supply will happen only when, you know, we have, we maintain more physical presence over there. The short answer is, I don't think it's a good idea to predict when, by when we would be….

Rohit Balakrishnan: Sure. No, no, actually what, my, let me rephrase my question. Actually, my question, my, what I was trying to ask is, so, to get, to like signing up regular clients, what else, what, what are the things that we need to do? How far we are from that journey? So, let's say we, it's a 10-step process where we are.

Gaurav Munjal: Fair enough. So, I get the point, so, we're from that perspective, you're not too far, I think we're ready, we, we're ready from that perspective. It's just a B2B sales process, yaar, it's it's a heavily regulated environment, and and as you obviously know that there are a lot of good players already over there, so we'll have to prove ourselves with 1 or 2 teams before they sign-up long-term contracts, it is a long gestation kind of a process, we should be able to get there. But I, I, do not have the visibility right now.

Rohit Balakrishnan: No, no, fair enough. No, I think, I, I get, I got my answer. Okay, thank you, Gaurav, and all the very best, thanks for being candid, thanks.

Purvangi Jain: Thank you. A reminder to all participants to raise the hand icon, please.

Yes, Mr. Shikar.

Shikhar Mundra: You said 1/4th of your revenues came from

Gaurav Munjal: Expert based in US

Shikhar Mundra: But US experts, right? So,

Gaurav Munjal: Experts based outside India, primarily, US, that's the precise word I used.

Shikhar Mundra: If I remove that, so, it's roughly around 50 to 55 crore of revenues is basically from Indian experts to Indian clients.

Gaurav Munjal: I I would say so, yes. No, so, so, hold on, so, so what happens is, yeah, but you can assume that's a range.

Shikhar Mundra: Right, so, if I compare it to last year, so last year F.Y. 24, we were purely Indian experts and Indian clients, right? We didn't have experts abroad.

Gaurav Munjal: No, no, we were already in double digits last year. So, what you can do is, you can divide the, you can figure out the ratio of expenses between money which we are paying to experts outside India to money which we are paying to experts within India. So, that, then that will give you a sense of how it has been progressing over the last few years.

Shikhar Mundra: Okay, okay, and is there a significant difference in growth rates the way we are growing? I mean, Indian clients, Indian experts versus experts abroad to Indian clients?

Gaurav Munjal: We are seeing steady growth rate from Indian clients.

Shikhar Mundra: Okay, okay, good and and coming back to the employee part, I mean, this year we must have made some additional expenses and the employees, you know, since we're setting up our expansions in US, so just trying to figure out, won't there be an operating leverage if we are able to, you know, scale up our US business. Won't there, won't we see an increase in margins?

Gaurav Munjal: Maybe yes, maybe yes but I, I think at least, the gross margins are not going to be significantly different, if we, if we empanel expert in India at ₹20,000, we try to sell at 40. If we empanel expert in US at $400, we try to sell at 800 or a little lesser. But

fundamentally, if we compare our margin profile to, for, US clients, US experts, which is a very small part as of now. It is going to be much lower than our US peers.

Shikhar Mundra: Okay, no gross margins, I can understand but on the EBITA level, won't we see a big jump because employee costs basically our back-end team is a major part of our expense post the gross, gross profit. So, now we are already on 17 crores of employee expense.

Gaurav Munjal: If, if we do that, we would rather increase the cost and go for further expansion.

Shikhar Mundra: Okay, all right. Alright. Thank you.

Purvangi Jain: Thank you. Since there are no further questions, I request Gaurav Sir, to give his closing remarks.

Gaurav Munjal: Thank you, Purvangi.

So, thank you everyone for joining the call. Hope, I have been able to answer all the questions, we have been trying very hard to live up to your expectations. Thanks for being a part of this journey. Hopefully, for the years to come, we should be able to continue the, continue the journey in the same way which we've been doing for the last few years. Thanks a lot everyone for joining the call. We would be giving more details out at least my thoughts in the annual reports, etcetera.

Thank you everyone.

Purvangi, we can close there?

Purvangi Jain: Yes, Sir. Thank you. Thank you, everyone for participating in today's call.

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