

**Ref: INF/NSE/2026-27/12**

**Date: April 22, 2026**

To,  
The Manager - Listing Compliance Department,  
National Stock Exchange of India Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra East, Mumbai – 400051,  
Maharashtra, India

**SCRIP SYMBOL: INFOLLION, ISIN: INE0NNZ01013**

**Subject: Submission of transcript of Earnings Call for H2 - FY 2025-26 pursuant to Reg 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

---

Respected Sir/Madam,

Pursuant to Reg 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcripts of the Earnings Call for H2 – FY 2025-26 held on Monday, April 20, 2026.

Further, please note that transcript of Earnings Call for H2 – FY 2025-26 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**

**Megha Rastogi**  
**Company Secretary and Compliance Officer**  
**M. No. 39197**

**INFOLLION RESEARCH SERVICES LIMITED**

**Transcripts of H2 FY25-26 – Earnings Call held on Monday, April 20, 2026**

**Corporate Management:**

- Mr. Gaurav Munjal, Managing Director
- Mr. Varun Khandelwal, VP-Strategic Initiatives
- Mr. Abhay Sangal, Business Head-NAMR
- Mr. Abhishek Jha, CFO
- And Ms. Megha Rastogi, 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 2nd half of the Financial Year 2026. 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 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 financials under review. Now, let me introduce you to the management participating in today's earnings call. We have with us:

- Mr. Gaurav Munjal, Managing Director,
- Mr. Varun Khandelwal, VP, Strategic Initiatives,
- Mr. Abhay Sangal, Business Head, NAMR,
- Mr. Abhishek Jha, CFO, and
- Ms. Megha Rastogi, CS and Compliance Officer.

I now request Mr. Gaurav Munjal to start with his opening remarks. Thank you, and over to you, Sir.

**Gaurav Munjal:** Thank you. Thank you, Purvangi, for the introduction. A very warm welcome to all the investors. So, I'll quickly, before we get into the Q&A session, I'll just quickly browse, give you a brief of what happened in this financial year. So, this year, we had a pretty decent execution. We, on the volume front, were almost at the long-term growth trends at an annual level. Our core India business continued to demonstrate resilience, growth, and, so in the second half of this financial year, we saw some moderation.

So, usually, our second half of the year is, almost equal to the first half of the year. But, this year. We saw a decrease in volumes towards second half, especially in the last quarter, and which kind of peaked in March. In March On a per-day level, the number of projects we received was very low, almost 25% lower than what was the usual run rate, which almost led to a flattish annual number, but at an annualized level, it was almost 30% increase. So, besides that, Last year, we had promised that, you know, there are at least 2 or 3 initiatives which we have taken which were out of the experiment stage. So this year, we set up the teams for Huksa. It was almost a 50-member team now. We crossed the first crore, it is a, it is at least in the initial stages of a business. No longer an experiment.

Our U.S. operations, the India to US corridor, increased at a steady growth, from a quarter to almost one-third now. The US to India operations also recorded its first quarter, and a bit of surprise and a bit of positive side was that while we started MENA much later, MENA is Middle East and North Africa much later in the essentially in this year, we started traveling and started maintaining a presence over there as well and it also, actually grew faster than our other businesses, at least the other initial businesses, primarily because it is very accessible in the time zone and a presence of a lot of Indians, and we also recorded the first growth from there. So, 3 new, growth areas. We also started expanding in, EU a little. But that's probably a year away from any meaningful number.

So, on the client side, especially in Huksa, we added a lot more logos for our poor India business. We have seen that our clients haven't grown as much as they used to, so this was a relatively flat year for most of the, most of our client sets. But in Huksa, we added a lot of logos. Our target is to add a lot of clients from a perspective that Once you become a registered vendor, we can expect a regular flow of trainings from them.

So, which I think is going ahead well. We have been conducting a lot of trainings. We have got a reasonable number of repeat clients as well, and hopefully it can become a regular business in the years down to come with very reduced CSE. So, we are not using social media or online channels too much as of now. It's quite expensive too, from a CAC perspective, but vendor registrations is our primary CAC investment which might turn into a regular business flow down the line. So, we especially in Huksa, we did almost 100+ trainings this year. We are trying to move into a managed training services model where we have built up certain internal capabilities which we can Offer to our clients. More on it during the presentation.

So, in U.S, we made steady progress, although it is not meaningfully big right now. But I think over a period of time, once we build the expert base, this should start paying off. We've been maintaining a presence of at least a month per quarter in US. At a overall operational level, we added almost 70 employees, so we are 270 at the end of the year. Most of these employees have been added in relatively newer functions. So, we now have a reasonable sales team, we now have a, you know, some senior guys moving in from core businesses to newer initiatives. Abhay, Varun and one of, our senior leaders, Manika, who was heading healthcare, has also moved on to, to a larger role in MENA, so we would be trying to, in fact, we have expanded the tech team as well, so almost 20-25 people, including a few senior guys, have moved on from our

core business roles to newer expansions. This would... this has led to a bit of vacuum, in the existing business and we would try to expand that team from operational level as well, this year.

So, on the tech front, we have been building our prop platform. I think we're pretty happy where we are. We are one of the first networks to have completely open APIs. This year, we'll probably open up our MCB server as well, and in fact, should be a matter of time, where, we also did a lot of, Bot-moderated calls and overall, most of the investments which we made in the tech front are going on at a healthy click. We've expanded that team as well.

AI, so we have done a lot of, in fact, we have been saying for a while that we're using the three pillars in AI. We want some human-in-the-loop logic, we want prop data, and as of now, we are not going very aggressive on investments on that front. We're just making sure that whatever we invest is recoverable at this stage. The kind of amounts that are needed to do anything in AI are substantially larger than what we can afford at this stage after having ROI. Having said that, from within the expert network world, we should probably be at the leading edge on that front as well. So that's a quick overview, my side, on the financial numbers. We've already declared they're on your screen, but Abhishek will browse you through with some more details. Abhishek, who is also our CFO, Abhishek, over to you.

**Abhishek Jha:** Yeah, thanks Gaurav. Good evening everyone, my name is Abhishek Jha. CFO at infollion, coming to the financial performance for the financial year 2025-26, Infollion has crossed the Rs. 100,000 revenue mark this year. The EBITDA stood at Rs. 14.73 crore, and PAT reported at Rs. 12.72 crore. We were able to generate a cash flow of over Rs. 10 crore from operations and over Rs. 8 crore for as free cash flow for this FY. Precise numbers are given in the financial statements filed with the NSE. These are also available on the company website. Thank you.

Now we can move to the Q&A session.

**Purvangi Jain:** Thank you. We'll now begin the Q&A session. If you have any questions, please raise your hand icon.

Yes, Mr. Shikhar, please go ahead.

**Shikhar Mundra:** Hi, Gaurav Ji, how are you?

**Gaurav Munjal:** Hi, Shikhar, tell me.

**Shikhar Mundra:** Yeah. So, what was the volume of calls we did in H2, this year, versus H2 last year?

**Gaurav Munjal:** I think that would have been disclosed. Abhishek, can you help me with that?

**Abhishek Jha:** Yes Gaurav. So, H2 in 2025 was almost 9,000 calls. And H2 in 2026 is 9,800 calls.

**Shikhar Mundra:** Okay, and what was the reason for this March month not being so good on the volume of calls? And are we seeing a trend reversal in April?

- Gaurav Munjal:** So, I'm not so sure, but overall, the Q4 of this financial year, we saw a bit of weakness. We were observing this weakness for a while. In March, I'm not so sure what happened. To be honest, we don't really have the detailed numbers, but we saw a significant decline. We spoke to quite a few clients of ours, and they have seen a flattish growth in their own numbers as well. I'm not so sure if it is the war thing, which is kind of, seen a decline in numbers. We've seen some improvement in April, but it is still back at a same per day level. We haven't seen a meaningful increase at this stage.
- Shikhar Mundra:** Got it. And regarding our employee expenses, so, as of now, can we say, is it safe to assume that the current employee expenses have peaked out, or are we planning to add more employers for this FY 27?
- Gaurav Munjal:** Of course, we will add more people in FY 27, how can they be peaked out? So, I'm not sure what do we mean by peaked out, but what I can say is that at least, you know, one and a half, two crores of employee expenses have been besides the core business.
- Shikhar Mundra:** Oh, got it, got it.
- Gaurav Munjal:** Even newer initiatives, whether it is expansion, whether it is tech, whether it is sales, whether it is Huksa, almost a couple of crores has been spent. Had we been doing a similar in the same line of business, and continued, we could have probably saved that, but we're definitely investing in future growth.
- Shikhar Mundra:** Got it, got it. So, what I meant was, is the rate of growth of these employee expenses, will we see a slowdown over here, or a similar kind of growth in the employees we'll be seeing going ahead in the employee expenses?
- Gaurav Munjal:** So, employee expenses is not a monolith for us, right? So, there are 3 or 4 parts. I mean, for the natural course of business, which is a core business, let's say if we are about, you know, 180-200 people doing the core India business. They would probably would not see growth at the same pace as revenue, but for others if we spot an opportunity, we'll do that. In US, we still really haven't started recruiting, we are still just travelling. US is a very expensive market, so we haven't recruited. In Europe, MENA, SEA, we might try at a consultant/ commission level to begin with, but for newer initiatives, sales, we would definitely add more people. Huksa, I hope we add more people, it's a good thing, which is still a new building, new business which is coming up. For core India business, definitely the growth is going to be much slower in terms of how many number of people we add, as opposed to the revenue growth. For US business, the growth has already come down, we went from 0 to almost 35-40 in the last year, and this year we haven't added so many.
- Shikhar Mundra:** Got it, got it, got it. Thank you, Gaurav Ji, and all the best.
- Gaurav Munjal:** Thank you.
- Purvangi Jain:** Thank you. Mr. Rohit, please go ahead.
-

**Rohit Balakrishnan:** Yeah, Hi, Gaurav. So, Am I audible?

**Gaurav Munjal:** Yes, Hi, Rohit.

**Rohit Balakrishnan:** Yeah, yeah. Hi. So, a few questions. So, one was, in terms of the note that you had shared, you talked about a specific client where we had to give out, some, discounts and, to sort of tender our position and the volumes also sort of went down. So, I mean, in the past, you've also mentioned that we are probably the most competitive in terms of our positioning, at levels that we can operate in, and the kind of margin that we have. So, just wanted to understand, like, if we are, already at a very strong I would meet. why would we need to give out more discounts, etc? So, that was my first question.

**Gaurav Munjal:** Okay, so you want to ask all the questions together, or do you want to continue one by one?

**Rohit Balakrishnan:** Maybe, one by one would be better,

**Gaurav Munjal:** I think the volume growth one, I just said that, you know, we've seen a bit of decline in March, specifically in the last quarter, probably it is related to, you know, the overall economy and the clients not growing at the speed at which we expected. Plus, our baseline of US growth was much-much lower in the previous year, and this year it was much higher, so growth wasn't that high in the second half.

Next, I think your question was around discounts, right? So there is no specific client, per se, whom we give discounts to. To be honest, we are leading the charge. We don't offer upfront discounts, for sure, so what we typically do is, whenever someone is pitching to their client, we join them at the early stage. And then we say that, you know, we would help you out with the scoping initial calls, which is known as corporate development calls for them. And then, if the project converts, over a period of time, we try to recover. For newer geographies, the CD calls are offered at a higher number. But we do not have the capability to service at this stage. It is more like a relationship-building exercise that, you know, whenever you are pitching into a new client, we would be happy to be a part of that investment, right? Any service business. Pitching to a new client in itself is an investment.

Sometimes it may translate into an immediate revenue, sometimes it takes months or years to really build a relationship with the client. If the client project doesn't convert, then it kind of goes to waste. Regarding the second point which you mentioned on, why do we need to offer discounts? We don't really need to offer discounts. We have been very aggressive, in the sense that if you do so-and-so, if you continue so we operate in a multi-vendor environment. So, what happens is, in that environment, if you want some kind of client stickiness, we say that if you complete a certain amount of calls with us, towards the end, we would reward you, or we would, you know, waive off the charges of the last few. So that kind of concentrates the calls with you, as opposed to your payers in a multi-vendor setup.

So that's the only point. We believe that, structurally, we have the capability to offer those discounts, even at these margins and but that's a leverage which we have in our

business, it's usually not very price sensitive, so it's not like that it is a commoditized product where you give discounts and the volume increases and you remove discounts and the volume goes down. So it's usually a long-term building exercise for us at this stage.

**Rohit Balakrishnan:** Understood. And just related to this, then, I think, I mean, of course, the gross margin impact was pretty sharp this year. We've been operating at about 45-46%, very consistently. So, I think you called out that around Rs. 3 crore was an impact of these two things which you mentioned. So, if I were to, like, just, remove the, new initiatives, and you look at the domestic calls business, whether these calls are arising from US or, India, just the US, your core business, as you if you will. What is the gross margin level that you think, that we should look at? I'm saying that let's remove the expansion, whatever you are doing in terms of the free call, etc. So, if you were to sort of just give a rough broad number. We were at 45-46%. Do you get back to that number, or because the growth has come down, and because of other things now, maybe that 45-46% is not possible. Just highlighting again, not talking about the new initiatives at this point of time.

**Gaurav Munjal:** So, if we remove the new initiative, couple of crores out of these Rs. 3 crores, so we are at a similar net margin, right? So, less than a crore kind of a number. So, even if you're spending, let's say, two, two and a half crores on something which is not giving us immediate business, a reduction of about 3 crores in net, in overall gross is not meaningful enough. It's barely left with, in absolute terms, it's just about a crore and a half. A few trips to US, just basic stuff, you know, If we end up hiring a couple of people in US, it'll probably be 3% of our net margins. So, we have to also keep that in perspective, that in absolute terms, it is not very substantial. Even if you hire one person at, let's say, 120K-130K in sales, and if we have two people on East and West Coast, that'll amount to almost 3.5 crores. So, coming back to your question, that is it entirely the gross margin? So, if you remove the initiative part, even after reducing the gross margin, it would not have been 3.5%, 3-4%, it would have probably been 1-2%. Having said that, in our business, 1-2% is not, substantial. You can easily increase the price, if we go into the consolidation model.

**Rohit Balakrishnan:** Got it.

**Gaurav Munjal:** This business is not very price sensitive. At a very broad level, it is price. I mean, a lot of you would have done calls. People do notice the price range, but, at 1% or 2%, it doesn't really matter. It has the other things matter far more in our business.

**Rohit Balakrishnan:** No, no, fair, I think I understand.

**Purvangi Jain:** So, please come back in the queue. We have a long line of questions.

**Rohit Balakrishnan:** Okay.

**Purvangi Jain:** Thank you. Participants, since there are many people waiting in queue, I request you to keep to only two questions per person. Please come back in the queue for the follow-up question. Mr. Parth Agarwal, please go ahead.

- Parth Agrawal:** Hi, thank you for the opportunity, and Hi, Gaurav. So, first is more of a clerical error that I wanted to point out in the presentation. I think, you know, if you have mentioned in the presentation, total number of experts, that's at 1,36,461. And I think in the subsequent slides, you also shared, the breakup between domestic and international. But if you total the domestic and international, it will not add up. So probably you can just check internally, and.
- Gaurav Munjal:** Maybe one of them is not updated, we'll take care.
- Parth Agrawal:** Yeah, okay. Coming to the question, So, since, you know, we are focusing towards US market, my question is, like, you know, what kind of customers are we targeting, and what is the strategy there? Basically, are we targeting customers who are new to the expert network industry, or are we essentially trying to gain market share from our competitors in the US?
- Gaurav Munjal:** Competitors in the US, we have mostly our own, we've converted most of our contracts to global contracts. Most of our clients are global, so we are targeting, to expand within that.
- Parth Agrawal:** So how... so how does.
- Gaurav Munjal:** And of course, we're targeting new customers as well, but most of them are well aware of the network industry.
- Parth Agrawal:** So then, how does the value proposition work? So, for the exit, so what value proposition.
- Gaurav Munjal:** So, we are focusing on two or three specific domains where we want to go deep, before we start expanding into other domains. So, what we are trying to do is, we are going to, offer two, hooks. One is extreme, custom recruitments, even at the cost, So, custom recruitment is usually a high-cost affair, so we will do custom recruitments, and even if we have to take the cost on the chain, we'll do that in order to establish the relationship. Second, once we have the network done, we believe we are structurally in a very good position if we are able to concentrate our capabilities into one or two domains.
- Parth Agrawal:** But it's essentially, you're trying to break into a couple of domains to gain foothold in.
- Gaurav Munjal:** We will not go very wide initially. We might go wide in the custom part, but we will try to focus all our resources into one or two domains to really gain market share.
- Parth Agrawal:** But then, how does the value proposition work? Let's say you say, life science may have this, you know, expertise, and I have deep domain expertise.
- Gaurav Munjal:** So, structurally, we think we have a fair amount of research capabilities. We would be able to gain market share.
- Parth Agrawal:** Got it. And just one last question. So, you mentioned about acquisition in your press release that you have released. So, are you looking more likely, any opportunity in

the US market to expand, to get footprint?

- Gaurav Munjal:** Yes, we have evaluated that as well. To be honest, either they are too expensive, and if they are not expensive, we haven't really found value in them, but as of now, in US, we are inclined more towards build, but we are actively exploring if we are able to get something. We have filed our, how do we perceive the entire M&A bit and each and every segment, we have given that what is our interest level, given that we have added almost Rs. 10 crores of cash flow, we are in a far bit stronger position than last year as well.
- Parth Agrawal:** Got it, got it. And just to confirm, our Unity.
- Purvangi Jain:** Sir, please come back in a few minutes.
- Parth Agrawal:** Yes, sir, thank you.
- Purvangi Jain:** Mr. Saurav Kumar, please go ahead.
- Saurabh Kumar:** Hi Gaurav, hope I'm audible.
- Gaurav Munjal:** Yes, hi, Saurabh.
- Saurabh Kumar:** So, Gaurav, my question is around all these three new businesses, where currently we are at around 1 core mark. At what revenue level we expect these businesses to break even, and do you have any timelines or aspirations in mind for each of these three businesses to break even?
- Gaurav Munjal:** So, first thing first, MENA and US are not really separate businesses, they are just leveraging our existing core. If we include the India to US corridor, probably US business is already break-even. The key point is, at what point of time do we have a network deep enough to justify investments in US? So, I think roughly a million dollar mark should be there. If we get to about 8-10 crores, we should start hiring in US, that's the idea. MENA, I don't think we would be doing a separate hiring. We can easily service that from India, maybe a bit of sales hiring. Huksa, It is new to us, we don't know how it'll pan out. At this stage, I think we have enough number of people to take it to the next level. The MRRs, or at least the, in fact, Huksa has been a completely different trend. What was there in the first month versus what's there in 12 months is much-much different, from April 2025 to March 2026. If we continue with the numbers that you have seen in the last 2-3 months of Q4, we should be in a good position in Huksa at this stage. If required, we would add more people, but at this stage, maybe not.
- Saurabh Kumar:** So the margin drag which has come, like, will it take 3 quarters, 4 quarters, 5 quarters? Do you have any rough idea where we expect these margins to bottom out, and how many quarters?
- Gaurav Munjal:** I just cannot even, if I try to even with the best of my abilities, I cannot predict in quotas. In the longer run I don't what's going on, but in 3 quarters, 4 quarters, 5 quarters, I just don't know what will pan out, how the war is gonna pan out, what

impact AI will have, how many new clients we'll be able to get, how India, there's just too many variables for me to try and predict, even if I do my best. But in the longer run, we still believe that we would be a derivative of India economy, given that it is structurally a network business, and if we can keep on harnessing the existing data capabilities, we should be able to, you know, concentrate and kick in the network effects. Margin, I've already given a sense that margin contraction is, there are 3 or 4 conditions at play, one is we became aggressive on gross, two is we added, almost a couple of crores of extra costs in the net margin play, and even in the gross margin play, had we had a good Feb and March, or specifically March, even just 500 calls more, or 100 calls a week extra, would have given almost a crore and a half, crore, crore and a half kind of extra number. So, there are 3 different plays, happening at a margin compression. When are they likely to come back to normal? I can't predict in quarters for sure, but in the longer run, we definitely have capabilities of higher gross margins.

**Saurabh Kumar:** Sure, thanks. And last question on the current, H2 India's performance. I mean, it could be war, with war going on, but, are there any chances that structurally, in India, the growth has matured out, or you don't see any such chances? You see more at, like, a one-off event or some kind of cyclicity? Or have you seen in the past these kind of cyclicities where one or two quarters were flat and.

**Gaurav Munjal:** Yes, yes. Every now and then, it can happen that you could have an extended period. Having said that, most of our clients witnessed exceptionally good growth in the early years, in the last 6, 7, 8 years. I would say at some point of time, they would also take a breather. Consulting industry, in fact, in the entire financial industry, which also feeds into the consulting industry. It is nothing but a derivative of the broader economy, and if that's taking a breather, we can't really do much about it. We've seen our conversion rates are still similar, but our inflow of projects did come down a little towards the end of the year. So maybe, by since most of our clients are, you know, either LLPs or private, we would get to know by October, November, that what was their growth rates this year. My bet is they were probably lower than in the previous years.

**Saurabh Kumar:** So, should we benchmark? Like, we can take big four, like, KPMG, EY, and all, and we can see at what rate these big 4s are growing, and is your growth could be a proxy of that, I mean, just to correlate?

**Gaurav Munjal:** So, not the big four, but the strategy consulting arms, or big four, or other consulting arms, private equity investments, public market investments. I explicitly said that we are nothing but a derivative of these 3 or 4 categories.

**Saurabh Kumar:** Got it. Thanks. Wish you all the best, Gaurav. Thanks.

**Gaurav Munjal:** Thank you so much.

**Purvangi Jain:** Mr. Darshan Trivedi, go ahead, please.

**Darshan Trivedi:** Hello. Yeah, good evening, sir. Thank you so much for taking my question. So, just wanted to, you know, ask about our growth perspective. So, as you said, you don't

want to predict something quarters down the line, but if we had a broad, medium-term guidance, like. how would we see that, and what would be the biggest growth factors for us, sir? Like, what would be the growth drivers? Like, which part will, you know, kick in more growth? Like. What conditions will be there, which we can, you know, rely on.

**Gaurav Munjal:**

We are hoping our international business growth is going to be better than our core India growth. India growth is going to be dependent on the three factors which I just stated. How does the, you know, overall strategy consulting grow? How does the overall private equity investments grow, and how do public market's AUM grow So, these are the three grow drivers for our core India business.

India to US business, it will probably be dependent on how soon we are able to build out the network in US. Besides that if we are able to crack the L&D market, that's a much bigger market, at this stage, it is still speculative, so I would not be able to point out that what can be the growth in the L&D market. We are still, it is almost a VC-ish business, to be honest, at this stage. It is too early to say anything. It might take years to even pan out.

**Darshan Trivedi:**

Fair enough, Answer with, regards to, like our volume, you know, we just wanted to understand, is it that the research that, you know, maybe there would be levels to high level of medium-term level of research required? Is it that some part of our clients are using AI for it, and maybe they're just coming to us for verification, whereas Previously, they would come to us with 4 to 5 calls, and now they're just coming to us or asking ourselves the last one, two calls, where they're just validating the data or research that they've gotten from AI. Like, how do you look at it? Have we had any, you know, customer interaction there? where you can see the volumes of calls, and is that a reason, you know, something that we can assume that is this a hit because of AI? Because, personally. I feel there can be some hint because of that, sir. So, any kind of idea that you've gotten, feedback from clients, or something that you could...

**Gaurav Munjal:**

Yeah, we collect this kind of feedback a lot with our client. At this stage, the ratio of projects to clients is and their revenue still remains the same, whatever numbers we had. But it's a very dynamic number, we don't know how it'll pan out. But what I believe is that, with the advent of AI, primary data rarely gets impacted. It is the secondary data which is likely to get impacted. For the simple logic that unstructured data, available data, available reports, you know, things which were usually done by research reports for a few thousand dollars, all this will get collated and get discoverable. So, whenever someone is doing shallow and wide research, trying to understand the basics of the market, they'll do it. But our business has never been that, so while you may classify us as a research business, but no one pays \$500 an hour for basic research which is available. So your point is that they would be just validating. Maybe not, but if everyone has access to all that data. Then, all the more reason that primary data becomes far more valuable. But, the data which has never been written down. Is what we bring on the table, and it is not that we have been saying this after AI started, you know, when, you know, these LLMs turned up. We have been saying this right from our 3-4 year IPO Roadshow days, that the reason we exist is because this information and human in the loop and that intuitive ability of

experts is what we bring on the table. So, AI is definitely going to reshape the research setup. How will we how will it pan out? Your guess is as good as mine, but what I believe is that we would like to be at the forefront of it, we will try, definitely try to, you know, procure best ways of primary data. AI has helped us a lot. We see it both as a threat and opportunity. In fact, a lot of other things have opened up. As I mentioned Bot-moderated interviews, so instead of 4 or 5 interviews, some clients have started taking 30 minutes, lots of interviews with bots, because the limiting factor in some cases was not just the price, sometimes it was also about analyst time, and the ability to synthesize. So, which also means that they can probably collect more data. So, there are both, positive and negative drivers. Having said that, shallow and wide research is definitely going to be impacted, but primary research not and there are enough opportunities as well for it to cover up.

**Darshan Trivedi:** Okay, fair enough. And this is the first question, so the medium term? sir, that's what we were seeing, sir.

**Gaurav Munjal:** Yes, yes, go ahead, Darshan.

**Darshan Trivedi:** Yeah, I was just asking in terms of medium-term growth, like, even if you don't want to comment a year-to-year basis, like, any kind of, like, a broad growth guidance that, you know, you would be like to build out?

**Gaurav Munjal:** I can just think of it in a, you know, 3-5 year perspective. I've already explained everything I could, I can't really put a number at this stage, let it stabilize, and we'll be able to do that. The new businesses, they are too small to really, you know, share a sample at this stage and the old business, there are too many, it's a bit volatile to predict. So, even year-on-year level, I don't know, but at a 5-year level, I probably know that this business is going to be larger.

**Darshan Trivedi:** Fair, fair enough, thank you.

**Gaurav Munjal:** We do not have the capability to do that, to be honest.

**Darshan Trivedi:** No, no, fair, fair enough. Thank you.

**Purvangi Jain:** Thank you. Mrs. Sarthak, please go ahead.

**Sarthak Nautiyal:** Hi, Gaurav Ji.

**Gaurav Munjal:** Hi Sarthak, go ahead.

**Sarthak Nautiyal:** So, in the previous call, you had mentioned that you'd be disclosing the data for free calls and total paying clients. Could you please quantify these for the current period, and also help us to understand how these.

**Gaurav Munjal:** So, free calls?

**Sarthak Nautiyal:** Yes, yes. free calls and pain points are conversion of these recalls into wait time.

- Gaurav Munjal:** I'm not sure we don't have it ourselves, I'm not sure we could disclose it, but overall, how it works is that we give CD calls from the projects get converted, and they become a part of it. And the volume discount happen at the end of the project. So, it's never that this call is free or this call is not free, it's usually the project which gets compressed that the last few calls, we give a, you know, a 2% or a 3% volume discount, or something like that. For CD calls, again, some of them, you know, so you could assume that CD calls in India would probably be doing about 10 lakh a month of sorts. I mean, never more than that.
- Sarthak Nautiyal:** Thank you, Sir.
- Purvangi Jain:** Thank you. Ms. Shalini Gupta, please go ahead.
- Shalini Gupta:** Yeah, can you hear me?
- Purvangi Jain:** Yes, ma'am.
- Shalini Gupta:** Okay, great. So, sir, I just wanted to ask if you can just please repeat why the gross margins in this quarter have been hit and you said that you've said it before if you can please explain yourself again.
- Gaurav Munjal:** Okay, so, you've actually given that in the commentary. Is there... if there is a specific question, I would be happy to answer that?
- Shalini Gupta:** No, it's okay, if you can just, just please explain again.
- Gaurav Munjal:** I'll just read out the same thing. So, gross margin, so, we have been trying to expand into newer businesses, especially newer geos outside India, and we would like to, you know, build up relationships or long-term relationships with newer partners and newer companies. So, plus, we would like to become quite aggressive from a pricing perspective, within the industry, we believe that we, structurally, we are very well capable of absorbing that, and we want to lead that thing rather than being driven by competitors. In fact, it makes it difficult for competitors to match those kind of gross. Structurally, we are at a very good position at a per person, per call level. Especially in the India business, we have a lot of data capabilities which we can harness.
- So we are very aggressive, we want to be dominated within our India market. We want to gain market share. Maybe just 3 years ago, or even 5 years ago, we were amongst the top 1, top 2 kind of a number. We are probably equal to the next 2 or 3 combined now, so we are gaining market share at a steady state. I mean, amongst the India growth players. We are gaining that at a steady state and, we believe that, you know, we can easily work with those kind of gross margins at this stage. And along with it, we can offer, you know relationship-based discounts, or, you know, to build relationships with our newer clients, or in a multi-vendor setup, try to get the relationships more sticky by offering, you know, volume-based discounts towards the end of the projects.
- Shalini Gupta:** So, is my understanding correct that you're saying that these gross margins are what are likely in the next, maybe 1 year or two years. Is that correct?

- Gaurav Munjal:** No, I never said that. I said it depends. I mean, it depends on a lot of factors. If we move into the consolidation phase, then probably we can increase the price, but if we keep on moving into the growth phase as well, within India market as well, we could probably keep that. It depends. I mean, there are too many variables, but structurally, we have the capability to increase the margins. I mean, there is a leverage. I'm not really predicting anything at this stage, but what I can say is that we're pretty happy with the Overall numbers, and in the sense that we can easily work with these gross margins, and if we wish, structurally, we have in the entire market, I think we have the capability to work at the lowest margins, and still we far more profitable at a net level while expanding. So even if you just stop expanding, you can add 2-3% of our expense bet.
- Shalini Gupta:** Okay, and sir, my second question is.
- Purvangi Jain:** Shalini, I request you to come back. Thank you.
- Shalini Gupta:** Question, I'm just asking.
- Purvangi Jain:** And we have a lot of participants over here. Thank you. Mr. Mahesh Attal, please go ahead.
- Mahesh Attal:** Yeah, hi, Gaurav, yeah. So, Gaurav, just would like to know, how do we see your business coming to employee expenses? For example, your employee expenses have gone up by 25% in last financial year. Whereas the business has gone up by 30%. So, how do you actually, look into, you know, addition of employees? Is there any productivity analysis that we have done, like suppose If the employees go up by this percentage, the business has to go up by that percentage, or maybe... and I also would like to address you on the cost of sales. So, what constitutes this cost of sales? Because I could see that it has gone up from 54 to 59 year-on-year, right? As a percentage of sale, of course. So, how do we take this going ahead? I mean, in the next financial year, or maybe a couple of years down the line, what would be the standard, in this particular, issues?
- Gaurav Munjal:** This is a very similar question to what I just answered in the previous one. So, cost of sales is just the reverse of gross margin, so I would skip that. The first question, employee bit, I think, as I said, just, you know, someone asked the same question. So, it is not a monolith, it is not going in a percentage. There are three aspects to it. One is our core India business, second is the, you know, somewhat predictable, peripheral, core, but other geo business, and the third is Huksa. So, it at a top level, we are trying to expand sales capabilities. Huksa is almost from scratch, so we don't know how it'll pan out. In our core India business, the rate of addition of employees for the rate of increase in volumes is not proportional at all. In fact, if you go into the consolidation page, it can actually we can actually be far more productive. So, at the overall percentage level, as I said, almost a couple of crores is less could have almost led to a similar number of revenues.
- Mahesh Attal:** But, Gaurav, just wanted to know, why do we need employees, actually? I'm not I'm just trying to understand, because you're just adding you have a digital network,

right? And you get a lot of repeat business also. So where are you adding these employees into? Like, I mean, I mean, if it's a digital platform. I think the serviceability of one employee to all there could be, like, much many of the clients which can be serviced by a single employee, right? I mean, I just want to understand how exactly you go ahead and do the recruitment.

**Gaurav Munjal:** Sure. So, we're adding a fair number of employees in sales. We're adding people who work on US time zones, we're adding experts in US, and besides that, we have just built up a new vertical called HUKSA, which is the L&D vertical. So, as I said, in our core business, the ratio of increase in sales or revenue is not proportional to the added number of employees, which you also pointed out, but we're trying to do a lot of newer things. In our course business, when we are in the expansion phase, we increase the customer panel calls, where our employees speak to a lot of experts. There are very few self-registered experts. We do not encourage self-experts, self-registrations. We are a very curated platform. Both on a client as well as a...expert site. And that's where, so almost 50% of our employees are on the research side, where they're aggregating and getting good experts about 20-25% would probably be the servicing side, and rest of it is sales and sales, HR, finance, support. Now, the ratio varies a little across that. That ratio has been mentioned in our DRHPs, and is almost the same in our core India business. But, outside India and newer businesses is where we are adding most of the employees.

**Mahesh Attal:** Do you also incentivize your sales team when they get more experts enrolled? Is there any is there any incentive.

**Gaurav Munjal:** Sales team is not the team which works with experts, sales team is the one which works with, newer clients, and farming.

**Mahesh Attal:** Any incentivization that happens at the internal level to these guys?

**Gaurav Munjal:** Of course, so sales never works without incentives, but in our scenarios, the incentives are geared more towards servicing than newer sales.

**Mahesh Attal:** Okay, so not addition, so only the service.

**Gaurav Munjal:** No, both. But I'm saying the servicing part and the expert part is also incentivized a little. But, in our scenario, we don't have a ready product which you just go and sell. It's... In a multi-vendor setup, you can easily add on to a project. But how do you service the project is where the real incentive kicks in.

**Mahesh Attal:** Do these, sales files also have ESOPs ?

**Purvangi Jain:** Mr. Mahesh, may I request to please come back in the queue.

**Mahesh Attal:** All right, thank you.

**Purvangi Jain:** Mr Vikas Kasturi, go ahead, sir.

- Vikas Kasturi:** Hi, Gaurav. So, I had some questions regarding Huksa. So, these, learning content that gets that gets created. So is there, so do you look for repeatability of that particular IP? And, is there it, like, targeted, or is it generic? By generic, I mean, like, something that gets created for one client can be used for another client. If you could just help me understand that part.
- Gaurav Munjal:** I'll just quickly, say a line, and then I'll hand over to VK. So, yes, we are working, into we are building the entire thing at a modular level, at least the first, the way we are envisioning HUKSA at the first level is that we're definitely building modules. They would be repeatable. I'm not sure at what stage will that repeatability kick in, but at this stage, we are just picking up whatever possible to have a reasonable level of data on which to build on. But yes, there is a fair amount of repeat rate. To tell you more about Huksa, the repeatability, the kind of clients, everything, I'll hand it over to Varun. Varun, please go ahead.
- Varun Khandelwal:** Sure, thanks Gaurav. So yeah, I think you're right. What we are trying to do is we're trying to capture both of these segments, you know, while we are very conscious about repeatability of our L&D programs, and specifically the modules that we're creating. We're also concentrating on providing customer bespoke solutions to our clients, which are not generic or readily available in the market. That acts as a very good entry point for us. Right? So, we do both. We've got a good level of programs on our website that are around IP. We work with our experts to create these, you know, programs, which can be a bit generic and repeatable. We've already done a lot of repeat programs, a lot of our clients have seen some of our programs and requested the same programs for their teams. What we are essentially gonna look at is, we're not gonna discount the fact that our clients would still need some bespoke solutions And, how we can be more efficient with our sales is the repeatability angle of it, so we are cognitive both of it.
- Vikas Kasturi:** So, at some point in future, could you provide, some more colour around it? Like, how much is repeatable, and how much is, like, one-off, and what are the economics of both these, kinds of,
- Varun Khandelwal:** Probably the next call, I might have some answers for you. Like, the sample is still very small.
- Vikas Kasturi:** Perfect. Thank you.
- Purvangi Jain:** Thank you. Mr. Pramod, please go ahead. Mr. Pramod? Mr. Aditya Maheshwari, please go ahead, sir.
- Aditya Maheshwari:** Yeah, Hi. I just have one question, like, that following the increase in the authorized capital in last AGM up to 50 crore And given that the company is in SME segment only with the paid-up capital constraint, could the management clarify, I mean, you are preparing for a potential mainboard migration, merger, inaugural opportunity, or any fundraising? Thank you.
- Gaurav Munjal:** So, we do have, I mean, whenever the mainboard allows whenever we clear all the criteria, we would like to move to the mainboard, if required. And at this stage, I think

we clear most of the criteria, except a few. I'm not sure what would be the right number, but whenever appropriate, we would definitely move to that, and we'll take care of rest of the formalities as well.

- Aditya Maheshwari:** Because we had 3 years, to be in this SME segment, and 100, which we have achieved this year.
- Gaurav Munjal:** Yes, 3 years and 100 crores done there is, I think, 1,000 shareholders, and there's a few other things as well, which need to be taken care of. I think we cleared most of it, some of it, if not the next year, if everything, I think there is some net worth criteria, the number of shares criteria as well, the overall goal. So, so, probably Abhishek would be able to give you a better answer. But, the short answer is that whenever required, at appropriate time, will definitely shift.
- Purvangi Jain:** Mr. Shubham Jhavar?
- Shubham Jhavar:** Yeah, hi, am I audible?
- Purvangi Jain:** Yes, sir.
- Shubham Jhavar:** Yeah, hi Gaurav, thanks for the opportunity. My first question was, on the salary expenses that are getting capitalized, what would, like, would this be a recurring expense and what would be the quantum for the same?
- Gaurav Munjal:** You mean the tech expenses, right?
- Shubham Jhavar:** Yes, yes.
- Gaurav Munjal:** Abhishek, would you be able to help me with that?
- Abhishek Jha:** Yeah, Shubham, these are purely the salaries given to the tech team, who are involved in developing the intangible that you have seen in the balance sheet and that is purely that only.
- Shubham Jhavar:** No, like, is this going to be recurring from now onwards, and what would be the quantity.
- Abhishek Jha:** I think you were asking about when will it be, when will we start amortization of this?
- Shubham Jhavar:** No, what I'm asking is, what would be the quantum for these expenses? The salary for tech teams that, that is getting used for the platform that you are building, right? like quantum be increasing next year onwards for the capitalization, or how would it be?
- Abhishek Jha:** Yes, once it goes into maintenance phase, the salaries spent on these tech teams will be, on a recurring basis, and will hit the P&L.
- Shubham Jhavar:** Okay, and Gaurav, my second question was regarding the client development costs that we are doing, right? I understand that we have to give these out in higher

numbers in newer geographies like US and MENA, to garner our foot in those markets. However, for our India business, have they increased per project compared to previous years? And in general, are we facing any competitive intensity due to which we have had to reduce pricing to maintain client stickiness?

**Gaurav Munjal:** We haven't really reduced the pricing meaningfully to really change that, but we have gone aggressive voluntarily. See, because they've been in a similar range for a long time, although we have kind of increased a bit, we became a little aggressive, especially in newer geographies and within larger clients. To increase stickiness, we obviously give volume discounts, we are in a multi-vendor setup. And, I think what was the last point which you raised?

**Shubham Jhawar:** Yeah, so, basically in our India business, right, I get your point that geographies we have.

**Gaurav Munjal:** We do give a few CD calls in India business as well. But that's usually controllable, I mean.

**Shubham Jhawar:** And have they increased in the previous years? For example, let's say, per project level, have you guys been doing more BD calls?

**Gaurav Munjal:** Not really. Not really.

**Shubham Jhawar:** So basically, to call it out, our India business remains as it is, with regards to our previous years in terms.

**Gaurav Munjal:** Our India business became a problem from a volume perspective a little in the last quarter, but otherwise, most of the dynamics are similar. We've given volume discounts, yes, but CT calls are broadly in the same range.

**Shubham Jhawar:** So basically, our competitive stance in India business remains the same, right? It is just because of the newer geographies, CT calls that we are doing, our gross margin is looking a bit lower compared to previous years. Would that understanding be correct?

**Gaurav Munjal:** Yeah, to a very large extent, yes, but yes, we have become aggressive in India as well. I'm not sure it is entirely because of competitive intensity, but we are rather leading the charge there.

**Shubham Jhawar:** Got it. Yeah, I think, yeah, that's it from my end. Also, just one last question. What are the finance charges of Rs. 45 lakhs this year in the P&L?

**Abhishek Jha:** These are purely bank charges.

**Shubham Jhawar:** What are the bank charges? I don't see any borrowings in our balance sheet.

**Abhishek Jha:** Yeah, the bank charges the basic, the transaction fees that we pay, that we pay on, international payments.

- Shubham Jhavar:** Entire Rs. 45 lakhs is of transaction charges.
- Abhishek Jha:** Yes.
- Shubham Jhavar:** Oh, sure, thank you.
- Purvangi Jain:** Thank you, that was the last question for today. Gaurav Sir, I now hand it over to you for your closing remarks.
- Gaurav Munjal:** So, that should be it. I mean, I can see a few more hands, I'm not sure we should continue, but I hope I have addressed all the questions. If not, feel free to reach out. Happy to answer all the questions. I can see, I just quickly going through all the questions which were sent to me offline, in case I missed any. I think a quick question which I saw was, you know, how soon do CD calls convert to projects? So, it depends on which geography we operate. If in India geography, it is, you know, relatively few months. In geographies outside India, it depends on our strength of the network. CD calls are usually done to build, long-term relationships, as opposed to a Only project-based thing. So once a long-term relationship is built, we typically get more projects from those teams. So, but that doesn't necessarily mean that it will convert right then and there. If you have the capability to service, it will convert over a period of time, and it becomes deeper into and then the relationship will become deeper with those respective teams. So, any other let me just check if I have anything.
- Superb, Just the closing remarks, no, so overall, we understand that this year has been a bit subdued towards the second half. Having said that, in the longer run, like, from a five-year perspective, almost nothing changes for us. We still remain as a derivative of overall India economy. In the shorter run, we are likely to remain aggressive at this stage.
- We might consolidate a little over the next year, but on the newer fronts, we'll definitely remain aggressive. We have added meaningfully large amount of cash, you know, free cash flow to our Kitty, and hopefully we would be able to press the accelerator, and we have all the wherewithal to do it whenever you find the relevant opportunities. So, that's it from my side. Thank you so much for believing in us. Thank you for attending the call. If there's still any more questions, feel free to reach out to the Valorem team or us directly. Thank you so much for attending the call.
- Purvangi Jain:** Thank you, everyone. Thank you, Gaurav Sir.
- Gaurav Munjal:** Thank you.