Maps | APIs | Navigation | Tracking | GIS

November 04, 2022

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
BSE SCRIP Code: 543425

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
NSE Symbol: MAPMYINDIA

Subject: Submission of Transcript for Q2 FY2023 Earnings Call.
Ref.: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Madam / Sir,

Pursuant to our letter dated October 20, 2022, please find enclosed herewith communication relating to Q2 FY2023 Earning Call. The said conference call with Institutional Investor / Analyst was held on October 28, 2022 to discuss the financial results of the Company for the quarter ended September 30, 2022. The aforesaid information is also disclosed on the website of the Company i.e. www.mapmyindia.com

Kindly acknowledge the receipt of the same.

Thanking you.

Yours faithfully,
For C.E. Info Systems Limited

C.E. Info Systems Limited New Delhi

SAURABH SURENDRA SOMANI
Digitally signed by SAURABH SURENDRA SOMANI
Date: 2022.11.04 11:35:09 +05'30'

Saurabh Surendra Somani
Company Secretary & Compliance Officer

"C.E. Info Systems Limited
Q2 FY '23 Earnings Conference Call"
October 28, 2022

MANAGEMENT: **MR. RAKESH VERMA – CO-FOUNDER & CHAIRMAN & MANAGING DIRECTOR – C.E. INFO SYSTEMS LIMITED**

MR. ROHAN VERMA – CHIEF EXECUTIVE OFFICER & EXECUTIVE DIRECTOR – C.E. INFO SYSTEMS LIMITED

MR. ANUJ KUMAR JAIN – CHIEF FINANCIAL OFFICER – C.E. INFO SYSTEMS LIMITED

MR. SAURABH SOMANI – COMPANY SECRETARY & COMPLIANCE OFFICER – C.E. INFO SYSTEMS LIMITED

MODERATOR: **MR. SHOBIT SINGHAL - ANAND RATHI SHARE & STOCK BROKERS**

Moderator: Good morning, ladies and gentlemen. Welcome to the CE Info Systems Limited (MapmyIndia) Q2 FY '23 Results Conference Call, hosted by Anand Rathi Share and Stock Brokers. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * then 0 on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Shobit Singhal from Anand Rathi Share and Stock Brokers. Thank you and over to you, sir.

Shobhit Singhal: Thank you, Lizann. Good morning, everyone. On behalf of Anand Rathi, we welcome you all to Q2 FY '23 Conference Call of C.E. Info Systems or MapmyIndia. We have with us today, Mr. Rakesh Verma, Co-Founder and Chairman of the company; Mr. Rohan Verma, CEO and Executive Director of the company. I will now hand over the call to Mr. Rakesh Verma for his opening remarks. Post that, we will open the floor for Q&A session. Thank you and over to you, sir.

Rakesh Verma: Thank you, Sobhit and thanks to Anand Rathi Group for leading this analyst call and welcome all of you who are participating in this call and good morning. This is Rakesh Verma. In my opening remarks I'll provide some basic things for everyone to understand, on what the company has been doing or is doing and what the company is generally planning to do, going forward.

But before that, I would like to share something, while you might be having the investor presentation in your hand, or you might have seen it or some of you may not have seen it. So I would like to read out a few opening statements. In the Q2 Fiscal Year '23, MapmyIndia delivered a good performance with quarterly revenue up 35% year-on-year to an all-time high of INR 76 crores.

H1 Fiscal Year '23, revenue was up 41% to INR 141 crores. EBITDA was up 32% year-on-year to INR 61 crores, EBITDA margin was at 43%, PAT went up 8% year-on-year to INR 50 crores and PAT margin at 32%.

Now, while we achieved our EBITDA expectations and the way we are operating this business, I would like to also comment on some of the things that we have recently done and what would be its benefit going forward. We really made three sets of organic investments in Q2 FY '23 or let's say in the half year that will help accelerate the company's growth in revenue and earnings in the future. Please note my statement, earnings in the future.

These three investments are set of organic growth or organic investments with an eye towards the future, balancing both short and long-term goals for growth and earnings with the ultimate objective of further accelerating the company's future growth in revenues and earnings.

First, in growing the scale of our recently acquired IoT-led business, Gtropy.

I would like to address this first because C.E. Info Systems Limited owns 76% plus of this IoT company. The focus has been on a very large multibillion dollar addressable market of INR 20-

plus crores existing vehicles on road in India, which can benefit from Gtropy and MapmyIndia's combined IoT-led goods and logistics and people mobility SaaS. So this has been one.

To further elaborate on this Gtropy, I would like to share with you that, when we make the investments, acquisitions for our future both near term and long term, we keep an eye on how to acquire more and more customers in the B2B, and B2B2C business without sacrificing our general financial discipline. We have shared one slide in our investor presentation, which shows very clearly that, while in the consolidated business of the company, which includes Gtropy, we have achieved an EBITDA margin of 42.8% during the half year fiscal year '23 on a revenue from operations of INR 141 crores. But if you see our consolidated business without the Gtropy, the EBITDA margin is 50% on a revenue from operation of INR 124 crores. What I'm trying to add is also a PAT margin of 37% without the Gtropy acquisition as against 32% with Gtropy.

Now first, let me share with you, that Gtropy is nothing but an IoT business. MapmyIndia has been in IoT business for a while for many years. In order to accelerate the growth of IoT business because of the huge multibillion-dollar addressable market in India, we felt the need that a specific bandwidth for the IoT business is created within MapmyIndia.

We had a choice of either hiring our own people internally or bringing in a company like Gtropy. We evaluated that and we felt that acceleration can happen much better by acquiring Gtropy. Now what is the impact of that? The impact of that is while the map data and the core business of IoT, which MapymyIndia was doing before, created a EBITDA of almost 50%. The net effect of EBITDA came down to 43%, with Gtropy being there.

The fundamental thing to understand here is, the core business of the company has been creating cash profitability in a big way. Now, we could have either continued with that or we had to look at the future accelerated growth. For that future accelerated growth, Gtropy has been acquired. The scale at which Gtropy will also start giving us the similar kind of EBITDA, which the core business has been giving, will take some time. And when I say sometime, I mean the time of six months to two-three years. That is our objective and that's how the management of this company is working. So, we are very excited about it and we feel that we have done the right thing by bringing Gtropy on board.

So the second thing also important to understand, it's not an inorganic acquisition. It is very much part of organic growth of the company. Everything that is reported in the consolidated financial statement should be taken as part of the organic growth of the company only and not as an inorganic part.

Secondly, when you see a dip in the quarter for EBITDA, there have been a few other good reasons. While on one side, we are building up, scaling up our business which reflects in our revenue growth we also felt that the need for marketing activities to build awareness of MapmyIndia and Mappls brand is very critical for the business.

So we did accelerate our expenses on the marketing front in the Q2. We also invested money in building up the product portfolio like the RealView, which you are hearing, like Metaverse, so these are all the expenses in the marketing side as well as on the product portfolio side, which will reap rewards in terms of new customer acquisition and new use cases adoption. Thirdly, the cutting-edge products and platform development, which will further expand use cases, addressable markets, growth engines and moats for MapmyIndia Mappls.

So finally, we have also invested INR 10 crores for a 26% stake in a company Kogo, a gamified social travel commerce platform, which will open up new markets and new use cases for us, and we are very excited about this strategic investment in Kogo. With these words and opening statements, I would like to hand over to Rohan Verma to explain more in detail as to how the business has performed and how he looks at the future.

Rohan Verma: Good morning, everybody. This is Rohan Verma, CEO and ED of MapmyIndia. So Q2 was a pretty exciting quarter for us. I mean, in terms of lots of action on various fronts, and I'll kind of go through that. We've ended H1 FY '23 on a strong note. So if you look at revenue growth, on a broad-based, for H1 FY '23 versus H1 FY '22 as we've always said, MapmyIndia's performance should be seen on an annual basis, look at us year-to-date, you will understand us better, given that we are in the MaaS, PaaS, SaaS space where it's all about licensing or annual consumption or API transactions, etc.

So A&M revenue i.e. automotive and mobility tech is up 45%, and C&E, which is consumer tech and enterprise digital transformation is up 29% on the market side. And on the product side, map and data was up 32%, and platform and IoT was up 49%. As Mr. Verma explained, our newly acquired Gtropy business grew fast in Q2. It actually doubled revenue versus Q1 FY '23. And as scale and subsequent years' high-margin SaaS income of Gtropy will kick in as it is an IoT-led business, so what happens is initial margin gets compressed because you're selling a device, but what happens is in subsequent years it's high-margin SaaS revenue. With Gtropy we were able to acquire customers for the particular use case of logistics SaaS, or mobility SaaS. We can upsell our entire range of products to such organizations, like I'll talk about later, there are cement companies, dairy companies and other organizations that Gtropy is bringing into MapmyIndia's fold.

Then on the marketing side, we calibrate our marketing expenses. In this quarter, we calibrated it towards increasing the awareness of our MapMyIndia's Mappls brands and range of products, whether it's for our maps, whether it's for our different set of APIs, our drone-based solutions, or our IoT solutions. The idea is to create more awareness and adoption amongst customers for different verticals and different use cases. So that was an important activity that we undertook in this quarter.

The good thing is, our Swadeshi Mappls app and platform, meaning not just B2B and B2B2C where we are very strong and intend to be very focused and strengthen ourselves even more on, but even the B2C side, the Swadeshi Mappls app that we have is making further in-roads. And that's in conjunction with strong government-led partnerships, and I'll talk about that. This is an interesting point where very organically India is on a Athmanirbhar journey and inflection point. So it's working in our favor.

As Mr. Verma said, on the product and platform side, we are investing in building our RealView 360-degree and Metaverse 3D maps. So let me explain what this is and why it's important and why it's quite different than what the typical Metaverse that people are understanding. This is creating the next generation of maps, which is not just 2D but 360-degree and 3D. That opens up a whole new range of use cases, of course, it makes 3D delivery to the doorstep or e-commerce delivery to the doorstep, i.e., even in 3D better. It is helpful for enterprises who want to do site selection of where they should open up retail outlets by giving them the RealView of that area, which is the 360-degree area view in a better quality. Or if you look at the exciting real-estate market, where 360-degree and 3D of that area gives people better decision-making or on the government side for infrastructure planning or smart city, or just generally for consumer mapping and navigation, the next-level experience of AR or VR based on real world, that's what is opening up for us various use cases. And again, we have many-many use cases, so that's what's exciting. Along with this, we have also invested in our developer APIs, our NCASE suite, our digital transformation platform and consumer-facing Mappls app.

Now what Kogo is allowing us to do is, adding on set of components of gamification, social or community travel-related content, planning itineraries and commerce. Where you can book travel-related itineraries or products or services into our maps and navigation. Now this is aligned quite nicely with what our automotive OEM customers are looking for in terms of next generation of connected navigation services or connected travel or location-based services. So this strengthens our use cases and additional offerings to OEMs and keeps differentiating us from whatever else options or substitutes or competitors that could possibly be there. Besides, of course, further opening of B2C opportunities for our company and Kogo combined in the future.

So, with that kind of I'll point to other things. Financials, Mr. Verma has kind of talked about the headline numbers, revenue and EBITDA. A note on the PAT, we had lower other income in this quarter and the effective tax rate was higher. So that affected PAT margins and PAT growth also year-on-year. And then I think the next point I wanted to make was on the consolidated revenue by markets and product line, where on A&M or C&E, as we've said before, we have a very strong open order book. We started the year with INR 699 crores of open order book. And so, we are working through that order book and hence, revenue is the outcome of that, besides new sales and new order wins, which will impact the future revenue.

Also, among the automotive companies which are doing more sales and expected to continue to do more sales in the rest of the year, our overall revenue has grown well. Q2 year-on-year is not a good comparable in general, year-to-date is a good comparable for MapMyIndia as a business. Specifically for automotive, the previous year Q1, meaning FY '22 Q1, because of lockdowns, there was a spillover effect on Q2 and hence, doing a Q2, Q2 comparison is probably not useful for A&M.

And on the other side, our IoT sales to vehicles and fleet owners or fleet operators increased on the back of, as Mr. Verma said, bandwidth focus, expanded distribution, and that will continue to scale, including enterprise sales reach. On the C&E side, which has grown 29%, we are seeing broad-based growth across our consumer tech companies, traditional enterprises, even the public sector and government, who are all consuming more and more map data, APIs, our digital transformation platform, which is unique in the sense that it brings the power of location and geospatial to it and, of course, now IoT solutions as well. Map and data revenue and platform and IoT revenue are scaling up quickly as well.

So, I'll end with just two more things. One is that we've had a lot of customer wins across A&M and C&E. On automotive OEMs, we've had a new large four-wheeler EV OEM sign up, and you'll see the effect of that in the years to come and bunch of market-leading vehicles like Gloster and all of those of MG have gone live. Many-many businesses like cement companies, dairy companies, fintech companies, e-com, FMCG, health tech, even voice assistant or real-estate, retail companies, many new customer acquisitions. And on the government side, IoT tracking of road construction equipment for state road trans departments or civil supplies, distribution's IoT tracking or map-based platforms for tourism, safe city and drone solutions for energy company. So, a lot of good customer wins and a lot of strategic partnerships with government, which we've highlighted in the investor presentation and in our social media.

Rakesh Verma: Thank you, Rohan. I think I'll hand it back to Shobit.

Moderator: Thank you. Ladies and gentlemen, we will now begin with the question-and-answer-session. Anyone wishing to ask a question may please press * and 1 on your touchtone telephone. If you wish to remove yourself from the question queue, you may * and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Shobhit Singhal from Anand Rathi Share & Stock Brokers. Please go ahead.

Shobit Singhal: I have two questions. On our C&E side, which is our fastest growing business segment given the base. So, in the first half FY '23, we have grown at just 29-30% against 40-45% historically, so what are the issues that we are facing here? And the second question is on the margin side, given you have started investing in brand building and other two areas, how should we look at our margins going forward? So earlier, you have guided the range of around 35% to 45%. So is there any new guidance which you want to highlight?

Rakesh Verma: First, let me help answer your second question. The 35% to 45%. I think we have achieved 40% in the H1. Again, I will say, always look at us on a year-to-date basis. In H1 this year, I think we have achieved 43%. So that's pretty much within, not only within the range of 35% to 45%, it is closer to 45% only. Now I think probably you want us to nail down and give a lower band rather than a 10% band, if that's in your mind, let me help you in a very simple way.

This percentage and the revenue also have to be linked to expenses. When we try to accelerate the topline, we may end up spending in two ways one, through the IoT business and the second part is also spending certain money in the product development and in the marketing expenses. Now we calibrate this to ensure that if the topline, let's say, has grown 40% this time in the half year, if it grows very much, we also plan our expenses accordingly.

Now 35% to 45%, I know it's a wide range. If you can think of something, if you want me to nail it down, I would say that we definitely do not want to be below 40% in the EBITDA side. That's not something which we are striving this year. We definitely are striving in that 40% to 45% area.

Rohan Verma: And on the question on C&E, see, our revenue every quarter is a function of our order book. So revenue, like we have said, in C&E especially can be a bit lumpy. So you have to look at what the order book that we have and when the go-lives of such solutions happen and then the revenues start kicking in. So nothing to really worry about on C&E. It is just a function of what the order book was and is. In fact, it's very heartening to see that we are continuously acquiring more and more customers, which are all blue chip, all the good names across categories of consumer tech or traditional enterprises across verticals or on the public sector. So, I would just say keep watching out on how the overall year stacks up for C&E, but it's in a good shape.

Moderator: The next question is from the line of Sameer Dosani from ICICI Prudential AMC. Please go ahead.

Sameer Dosani: Just want to understand, Gtropy's revenue is included in A&M or is it in C&E?

Rohan Verma: It's in both. It depends on the particular use case. Is it enabling an enterprise digital transformation? Or is it enabling a mobility use case? So, you'll start seeing the effect of that in both.

Sameer Dosani: So, if I were to see H1 FY '23 A&M without Gtropy, what would the number be? A&M revenue is 72% in H1 FY '23, what would be the revenue excluding Gtropy?

Rohan Verma: A specific number, we can either get back or we don't have to get into the specific number at least on this call. But given that automotive sales have grown our A&M in general also has grown even ex-Gtropy.

Sameer Dosani: Exactly, so that was my question. We are majorly on PV side, right, passenger vehicle side. So if you look at passenger vehicle sales, H1 FY '23 versus FY '22, it has been 40% growth. So I want to understand what was our growth on excluding Gtropy here?

Rohan Verma: Yes, it could be similar. I mean it would be similar.

Sameer Dosani: So we would be more or less tracking this market growth only, right?

Rohan Verma: Yes. That's right.

Sameer Dosani: Also the new OEM added, how big is this OEM that you've added? Can you give some color?

Rohan Verma: We don't want to be specific till the time they don't go live with the solution. It's not too far till they go live, will take place in the next six months, but definitely it's in the top four OEMs.

Sameer Dosani: And also to understand the C&E market, what is the longer-term growth that you should understand? And how should we look at the growth profile of this business at the C&E side?

Rakesh Verma: I wish I can give you an exact answer. But what we always think of is how our total business grows. It really doesn't matter so much to us between A&M and C&E in general, excluding the devices part of it. So, if the overall growth is happening in a healthy manner within the range as we talk about, the profitability and the growth is happening the way it has happened, like 40%. Probably, we should not get too much mixed up between the C&E and A&M then. Currently, also, it is maintained at almost, 50%, 50%, if you see the numbers.

Rohan Verma: Yes.

Rohan Verma: Each of them have their growth vectors, as we've said before. Automotive is tracking the overall new vehicle sales and the adoption of NCASE within that, those are both on growth vectors. Then mobility and some part of C&E, which is driven by the logistics-based digital transformation is tracking that existing base of vehicles and logistics optimization market, which is, again, quite large and Consumer tech is basically more and more apps, which are consuming APIs of ours and enterprises, which are generally digitally transforming. Enterprise digital transformation includes the government digitization that is happening in a big way, what the Honorable Prime Minister also talks about. And so you've seen a lot of wins in the last year based on our platform on the central government, state government and local government or smart city level as well.

So all of these are slightly different growth vectors, and each of them has a lot of promise. It's about how much and how fast and how much we want to and we can invest in increasing while maintaining some fiscal discipline, which is that balance that we look to strike.

Sameer Dosani: Just to understand C&E, how much percentage or how big is the portion that is API dependent and how much is your other revenue? Because in API basically you get it on per order or per use basis. So if you can split that? is that possible?

Rohan Verma: I would say it's roughly half and half, I mean, just to give you some figure.

Sameer Dosani: Okay. Because if I look at the overall growth right, excluding Gtropy, I think last year was around 30-32%. Now it has normalized to 25% for H1 so that is what.

Rohan Verma: If you look at Gtropy business, Gtropy as a stand-alone company, the growth, which we've said doubled in Q2 versus Q1. A lot of it is also attributed to MapmyIndia's existing IoT business that we are combining with them. So, if you look at MapmyIndia's organic business it continues to grow. Adding on Gtropy, helps us create a focus and bandwidth within the company or the group companies, so that different business leaders and different organizations can focus on achieving on their addressable market. So overall, also the companies are doing well, but Gtropy will further help accelerate that.

Sameer Dosani: So, if I look at only Gtropy, what will the margin profile that is sustainable after maybe two years, as you said, that is a SaaS revenues or the margin will come back. So what is the kind of growth profile of this business? And what is the margin profile that we should expect on this basis after the certain scale?

Rohan Verma: Yes. See, there are three components to the business. One is the device-led sales, the other is the pure SaaS sales and the third is a device-led SaaS. So, the revenue mix will evolve for the company. The more we are on pure play SaaS and no device, which is a very, very high margin business, like our core existing business. Then device-led SaaS is important because devices get your foot in the door. Now when you are part of a logistics company's operation, let me just say like a cement company, where they are every day tracking their shipments using your device and the SaaS associated with it, then you become a core part of their operations, the stickiness is very high. And so that's why you're seeing cement companies, dairy companies, logistics organizations continuously use us.

So the revenue mix over the course of next two, three years will determine a kind of a stable EBITDA level. And that's what we are working on with them. We are focusing our efforts on which markets segments to focus on. And do you want to talk about something specific or you want to wait?

Rakesh Verma: I think if you're asking more on this topic of IoT and things related to it, as I said in the beginning itself, that there is the core business of Map Data based products and platform and, along with that, there is IoT which is also product and platform based less of devices and there was a certain level of growth happening in that similar to what has happened in the past.

What we felt was that by being device led, the growth of the business will accelerate at a much faster pace. And therefore, the moment we enter with the devices with a customer, particularly B2B customer, the SaaS automatically kicks in, it's just a matter of some time because it may be six months later or 12 months later, and that SaaS gives us back the same kind of profitability, which our existing business has been giving. So that's the way you should look at it. In any case, without that IoT thing, the growth has been 30% plus.

Sameer Dosani: Sir, just to understand this business more, so once you sell a device, let's say, per 100, what is the kind of SaaS revenue that kicks in every year? Would it be 15% or say, 20%? I just want to understand more. So, if you're selling in year one, the investment of the device is INR 100 the next year, what would be the SaaS revenue on this tracking device? Would it be 10, 20, 50? If you can just...

Rohan Verma: It could be in the range of 25 to 50, maybe 33, 40, I'm just give you an idea of the SaaS yearly revenue from that device.

Sameer Dosani: And then on this device, we are making less margin, right? And then SaaS would be a margin that will compensate.

Rohan Verma: Yes, that is what is pressing the margin in the beginning.

Moderator: Thank you. The next question is from the line of Vimal Gohil from Alchemy Capital Management Private Limited. Please go ahead.

Vimal Gohil: Sir, just one clarification. This quarter or rather the first half of the year, I think Gtropy has done the revenue of how much would it be closer to INR 2 crores, if I'm not wrong?

Rohan Verma: Around INR 24 crores is the first half.

Vimal Gohil: Sorry, INR 24 crores, right. And this number in FY '21 was around INR 8 crores, if I'm not wrong, right?

Rohan Verma: Gtropy's own business.

Vimal Gohil: The INR 24 crores is the entire IoT base that you're referring to, right? I'm just talking about the stand-alone Gtropy business, a like-to-like revenue which you reported in FY '21, which was INR 8 crores, how much was that in H1 of '23?

Rakesh Verma: Actually, just to give you more depth into the accounting side. Out of that INR 24 crores or INR 25 crores with Gtropy shown as a revenue, around INR 8 crores went to build MapMyIndia, because the business came from MapMyIndia to Gtropy for execution. So, if you look at it that way, then MapMyIndia might have built to the customers for INR 10 crores with its own margin. So, the net-net for Gtropy becomes the INR 16 crores without MapMyIndia business, that's another way to look at it.

Rohan Verma: In the first half, we have already made it for them for what they did last year in the full year without MapmyIndia.

Vimal Gohil: Got it. So basically, we've already doubled our revenues in Gtropy in the first half itself.

Rohan Verma: The benefit to Gtropy has been with MapMyIndia backing them, so they have the muscle tool to accelerate their own growth. Plus, even if you look at MapMyIndia's first half revenue, our IoT revenue from first half was relatively lower. So that also benefit we have got. Overall, the IoT revenue has accelerated quite quickly in that first six months.

Vimal Gohil: Got it. Sir, and just on Gtropy, in your opening remarks, you commented that Gtropy is expected to sort of improve EBITDA? Or I'm not sure if you meant that it would come back to company level EBITDA but you said that it will take around six months to two years. So that's a pretty wide band again to sort of make and to understand.

So with Gtropy, when you say six months to two years, are you talking of Gtropy coming to company-level EBITDA or it will stay, because it has a bit of hardware component. It will be at a slightly lower range in terms of profitability, going forward, structurally?

Rakesh Verma: Structurally, it is bound to have a little lower level of profitability than the other one. But then whatever that level of profitability is, will add on to the overall profitability of the company in absolute terms. If you look at EBITDA margin, not PAT so much, let me tell you, we have seen the effect in this quarter and H1 FY23.

So, what looks like this quarter, or this half year particularly is something which is in-line for the next two years. It will be a journey, definitely. What is happening is, when you sell the device today and the SaaS kicks in for that six months later, the SaaS revenue now starts giving you a huge EBITDA because the operating leverage kicks in for them.

But that six months again, they will sell more devices, whose EBITDA will get accounted, and SaaS revenue will happen again six months later. So that is how you keep building the SaaS revenue with some lag.

Vimal Gohil: Got it, sir. Now, my question is on your other expenses line item, which I think thank you so much for providing the breakup this time and I hope this continues. Now what I noticed is that sales and promotional expenses have doubled even on a quarter-on-quarter basis. Now was this on expected lines for the company? That is point number one.

And if your spending intensity has increased substantially, would your own growth estimates, that is top line growth estimates increase? Or is it that your top line growth estimates remain the same and is it just that your spending intensity or your sales and promotion intensity will have to be more because of maybe competition increasing, or it's just that the business now requires slightly more to sort of grow that much. So how would you look at that?

Rakesh Verma: Okay. First of all, let me address this by saying that whatever budget we prepare for the year and then we move it down to quarter-by-quarter internal management control, we stay within that. How do we stay within that? For the quarter, internally beginning of the quarter, we try to see what could be the revenue that quarter and what would be the EBITDA and then look at how much we should spend on say, the marketing expenses.

Marketing expenses can be unlimited also. I mean, we can spend INR 100 crores of rupees and try to get a lot of new businesses, but whether it is wise or not in the current scenario of a listed company, we also get concerned about it. And hence, we say that, okay, we have talked about 35% to 45% EBITDA so can we stay within that range or whether 40% plus? Can we stay within that range and then see, how much money is available? That's what Rohan was talking about calibrating our marketing expense.

Rohan Verma: So we use these opportunities when we calibrate to increase at least to basically create awareness and future demand for, let's say, new set of use cases and so the revenue impact of that may come immediately, that is fine or it may create something that will be a growth engine for the future.

So I would just say that, look, we have a pretty optimistic and believe that there's a very large set of addressable markets for MapmyIndia ahead of us, in the medium and long term. And if we do the judicious investments at the right time, then we'll be well positioned to take care of that. I mean, to make sure that we can capture that when the market is in front of us.

So, we are careful with it and we do different types of investment in marketing for different objectives. Some could be brand-related, some could be promotion of a particular set of products or new set of use cases-related.

Vimal Gohil: Also, sir?

Moderator: Sorry to interrupt Mr. Gohil, sir, may we request that you return to the question queue. There are participants waiting for their turn.

Vimal Gohil: All right. Thank you so much.

Moderator: Thank you. Ladies and gentlemen, in order to ensure that the management is able to address questions from all participants in this conference. We request you to limit your questions to two per participant only. The next question is from the line of Anmol Garg from DAM Capital. Please go ahead.

Anmol Garg: Actually, I had a couple of questions. So firstly, I wanted to ask that we have been highlighting various initiatives with the government, so what kind of revenue can be expected out of this? And can any large contracts also be expected from the government initiatives that we are taking?

Management: See, there's multiple reasons why we partner with the government. And really the end objective is to be part of population scale platforms. The government has big plans for digital transformation and Geospatial and even IoT, maps, the areas that we are in, can play a critical role. And each partnership is slightly different as well. Like ULIP, which is the Unified Logistics Interface Platform government announced it with National Logistics Policy and Honorable Prime Minister even visited us all to see what all we are doing and then tweeted about it. This is going to be UPI for logistics. Meaning, every logistics transaction in the country will eventually get digitized and put on ULIP and we are the mapping solution around that. So it becomes an interesting thing that as this scales, I mean, this is a little bit corollary to ONDC, which is slightly different area, and you're seeing ONDC take shape in the country as the next part of India Stack. ULIP is also going to take part in the next part of India Stack. So that will have an impact going future.

The other part is what we've done with Uttar Pradesh Police. This really aims to address 26 crores citizens or commuters within Uttar Pradesh where 20% of India's population are being told and promoted about Mappls app and Mappls platform has been the de facto official Swadeshi maps and navigation app. Through our app the UP police is giving the traffic advisories and road safety information and taking the reverse feedback in fixing. As a result, there'll be a lot of allied revenue that will come as we start getting embedded in smart cities and traffic and police and emergency response.

And lastly, at a state level is what we are doing with Delhi Government for EV charge station site selection using our geospatial analytics platform. Just recently, in fact, Delhi Government invited many oil and gas companies and PSUs who want to get into EV, the distribution companies and all the infra companies around EV, they had invited them all and got MapmyIndia to present what work we are doing and asked them to collaborate with us, which will generate revenue for us. So these are different areas, different geographies and different government levels we are participating in.

Finally, we are already winning contracts with the government and that we have put in the customer wins like a state transport corporation or civil supplies or state roadways department or tourism department of a state or safe cities. So that continues to be the near-term revenue and the other partnerships are serving different needs for the company for future.

Anmol Garg: Just to dwell up a little more into this. So you highlighted about the ULIP program and it's a pretty large program from the government. So, what kind of opportunity is this particularly from your point of view?

Rohan Verma: We don't want to comment on the specific revenue opportunity till the government comes out with its specific policies and transactions and revenue models around ULIP. ULIP is still in beta phase. So I think it's a bit premature for us to talk about revenue, specifically that will come from it to us, but it's good that we are deeply embedded in the platform as the Map APIs.

Anmol Garg: And secondly,

Moderator: Sorry, to interrupt Mr. Garg, may we request that you return to the question queue. There are participants waiting for their turn. Thank you. The next question is from the line of Moez Chandani from Centrum Broking. Please go ahead.

Moez Chandani: My first question was on the C&E segment. So are you seeing any sort of slowdown from your fintech and e-commerce clients given that there is a funding slowdown in those segments? So are you seeing any slowdown there?

Rohan Verma: No, not at all. I mean, see, we are riding the consumption wave, more-and-more consumption is happening, more-and-more e-commerce transactions, and fintech transactions are happening in the country. So we are riding the consumption wave. That is, of course, secularly growing.

Rakesh Verma: If you're relating to a slowdown in our growth in the C&E compared to some previous numbers, I don't know if you are relating something like that. Always remember, that there are some lumpy revenue booking that happens in C&E.

Moez Chandani: Also, I wanted to understand, are you seeing greater traction in the EV two-wheeler space because that's a space that's growing pretty fast. So is MapmyIndia is gaining traction there?

Rohan Verma: Yes, hugely. I think pretty much almost all EV OEMs, not all, I would not make that statement because not everybody, I'd say majority of EV two-wheelers are looking at this NCASE, we are already there in a few and more have signed up, so they will go live soon. So yes, this is definitely a strong space for us.

Moderator: Thank you. The next question is from the line of Nitin Sharma from M.C. Pro Research. Please go ahead.

Nitin Sharma: I would like to understand more about the 3D/360-degree maps, do you offer that to customers differently, pricing-wise, and some understanding on the overall potential of it?

Rohan Verma: See, as we have explained before, our map data is overall, what is this? It's a 4D digital map twin of the real world. Meaning we are representing the physical world, physical real world digitally through our map data. This enables all sorts of use cases, whether for e-commerce or fintech or government planning, or navigation or tracking, etc.

Now with 360-degree panoramic views as well as the 3D Metaverse, with 3D Metaverse maps what we are able to do is, let's take real-estate for example. Now anybody wanting to do a real estate purchase would love to see how the view will look like from the flat on a particular floor that they are going to buy, and in that perspective, all the 3D of the neighboring areas would be very relevant besides the 3D of the tower and society, etc. Or similarly, the 360-degree view of how the area, as they are driving around, looks like will help them. So that's one use case.

Like that, I can say there are many-many use cases as I talked about it in the beginning. The revenue model around these is similar to our maps in our APIs. So it's part of our MaaS, SaaS, PaaS offering, it's just a more advanced solution that enables us to continue to offer kind of best-in-class, first-in-class unique solutions, so similar kind of revenue model for us going forward for these 3D and 360-degrees, just that we are at the cutting edge disruptive level of innovation here.

Moderator: Thank you. The next question is from the line of Srishti Jain from Arthya Investments. Please go ahead.

Srishti Jain: Can you just help me with the new order bookings for H1 FY '23 or the total order book as on H1?

Rohan Verma: See, we talk about annual new order bookings and open order book. This is a year-end number that we talk about because order bookings happen throughout the year and can get bunched up here or there. What I can tell you at least qualitatively is we've have had many-many customer wins which are new orders that we have booked across A&M and C&E. And we have kind of talked about it in our investor deck, whether on the large four-wheeler EV OEM and these are just Q2 FY'23 related. Q1 FY'23 we have anyway talked about previously, there are cement companies, dairy companies, fintech, I think I have referred to it earlier in the call as well. So lots of order wins and the pipeline is also looking strong. So I would just say, wait for the year-end numbers around this.

Moderator: Thank you. We'll move on to the next question. That is from the line of Sameer Dosani from ICICI Prudential AMC. Please go ahead.

Sameer Dosani: Just one question. So without Gtropy, you have disclosed H1 numbers. So here, the margin has moved up to 50% now, right? So is this kind of sustainable because we'll have to do some investments also. So, if I look at it without Gtropy, what would be that?

Rakesh Verma: Actually, we should all look at group level EBITDA. This was only shown for you to make sure that people understand that the other side has not fallen apart or anything like that. Just to clarify that, we made that slide.

Sameer Dosani: And also, one clarification on the service component on the Gtropy. As you spoke that, on INR 100 device sold, you would have INR 30-35 service component. Your the service cost would be very low because the maps are already there, you have already done that. So the service cost of that service revenue would be very less, right?

Rakesh Verma: Yes, that's true. So that's the SaaS part of it. That could be a huge contribution profit. But then along with that, we will also keep selling the new devices to new customers or whoever, so then it works out an overall kind of a scenario.

Moderator: Thank you. The next question is from the line of Swechha from ANS Wealth. Please go ahead.

Swechha: I just wanted to understand in terms of revenue, do you think in next three years, four years, we can double the revenue from current run rate? Like can we do around INR 500 or 550 crores of revenue, and whenever we do that, first, can we do that in three years to four years? If yes, what kind of margins can be there? Would we be able to maintain the same margin if we do a INR 500 or 600 crores kind of revenue? Just want to understand that on a very broad basis.

Rakesh Verma: When you say three years to four years, you are talking about a little longer term because you see, we are a tech company. But however, to answer your question since we are fundamentally a product and a platform company, in case of IoT, maybe it is a device-led, but in other cases, there could be a digital transformation happening in the country. The other one, in the automotive, there's something else, we have OEM with NCASE. So, the way we have structured our business and the fiscal discipline we have, we operate within a certain metric and that metric we have shared. So whether it is INR 500 crores revenue, INR 400 crores revenue, or INR 600 crores revenue, certainly, our objective would be to strive for what metrics we have set for ourselves.

Rohan Verma: Open order book and the progression of order bookings and open order book in the last few years will also give you some sense of kind of what base revenue anyways we expect for the future years. And then add on to that new order bookings, which will further generate revenue.

Management: Further, I'll just add, we started with INR 150 crores for fiscal year '21 and we are almost doubling that this financial year. All this can give you some indicator, I mean only future will tell us what happens, but at least there is a past indicator of how we maintain the fiscal discipline.

Moderator: Thank you. The next question is from the line of Sasha Sanwal from Millingtonia Capital. Please go ahead.

Sasha Sanwal: Just two questions here. Firstly, just to go back to Gtropy again, could we just get more clarity on, one, what is kind of the margin on the IoT? So are you essentially getting a zero margin just to break into the customer? And then just if you could give us more color on the conversations you're having. So there are different use cases, all the way from the simple GPS ping to your asset or your vehicle at this one location, all the way to analytics where you help the supply chain, logistics, time to target and things like that? Just what sort of conversations are you having?

Rohan Verma: That's right. I mean just use the example, let's say, of a cement company which wants to track its shipments and wants to make sure that the shipments are on time and then they want to optimize the routes that the shipment is taking so that it can -- basically, at the end of the day, everybody is trying to minimize their logistics efficiency, minimize their logistics cost and maximize the SLA, meaning on-time arrival and the serviceability that they can do. MapmyIndia is at the center of kind of enabling that. So, it's a very exciting time to be talking to different verticals of customers in private and public sectors who are all trying to achieve this goal, and that's kind of the set of conversations we are having. And the first part, I think we've given some colors already on the other questions. I'll skip that for now.

Sasha Sanwal: And then just the second question, if I could just get a better sense maybe of your strategic investments and how you're thinking about the future. So, for example, last quarter, there was some talk about an international expansion that did not come up this quarter and how you've made more of a focus in the last two quarters about just the consumer-facing app versus just being B2B or B2B2C before. So, I would just love to get a sense of you're thinking for next two years, three years in terms of your potential investments. How are you thinking? How are you strategically thinking about these different pools?

Rohan Verma: Even during the IPO process and outside also, we have talked about that, look, this international and consumers are optionality factors that we have beyond our core and very strong growing B2B, B2B2C business in India. And the third we have talked about IoT, if you recall. So, these are very good interesting areas. International anyway is a journey, we've set up office in Korea, we have an APAC presence, we have set up presence in the US or we have a US, Middle East we were at so these will unfold with results in the next one to two to three years.

I mean, we've never said or counted on that in the beginning, because we want to do it in the right way, in a calibrated manner. And similarly, on consumer also, we have always said that we want to do it at the right time and in the right way. And just, I mean, an interesting thing that people must have seen and should see is what CCI or Competition Commission has done the judgment against Google for Android preloading, etc., this came last week. So, it's something interesting that you should keep tracking on what is happening for indigenous apps. Of course, MapmyIndia is kind of the leading one in the mapping space. So we will do it at the right time in the right way, but yes, we are definitely keen on these in the next two to three years as additional growth engines for the company.

Moderator: Thank you. The next question is from the line of Amar Mourya from Alfaccurate PMS. Please go ahead.

Amar Mourya: So sir, in terms of your '22 order book, like fixed price is largely for auto business?

Rakesh Verma: No, auto OEM business is mostly the volume-based business. The fixed price normally comes in the C&E side and is use case driven.

Amar Mourya: And let's say, when you say volume business is auto business. So is it fair to assume 85% to 90% business is largely an auto business in this volume business?

Rakesh Varma: No, not yet. I mean of the volume business, what is the volume business. One is the automotive OEM, every car that goes out, volume business could be also API transactions.

Rohan Verma: No, API transactions, we book as, as and when we…

Rakesh Varma: I'm talking about the revenue side, the API transaction…

Rohan Verma: Revenue is what I was talking about.

Rakesh Varma: So that's also a volume business.

Rohan Verma: On the order book side, I would say probably the large majority of volume-based is automotive.

Amar Mourya: Okay. So is it like 80%, 90%, order book would be the automobile business? API would be a very small portion into that?

Rohan Verma: Sir, the component of open order book, which is volume-based, large majority of that…

Rakesh Varma: 80%, 90%.

Amar Mourya: I'm saying percentage wise, is it 80%, 90% of the order book, which we report, is it what automobile business order book?

Rohan Verma: No, no, no. Our order book,

Rakesh Verma: Let's clarify. There's an annual order booking during the whole year, what new orders we keep winning, and then there is an open order at the beginning of the year, the orders that would get executed.

Amar Mourya: I'm asking about the new order book. In a new order book, we give the split, right? Every year, we give the split between the volume business and the fixed price business. So I'm asking in the volume business when you say that majority is the automobile business, is it like 80% to 90% of that business is an automobile business?

Rohan Verma: It's not 80%, 90%.

Rakesh Varma: No, no. The split between volume and fixed pricing is that we have shared it in the presentation.

Amar Mourya: Correct, correct. Got it, sir. I'm just asking about in terms of the volume business, I just said that in volume business, majority is the automobile business. Can you say is it like 85%, 90% business of the volume business in the new order book?

Rohan Verma: Yeah, yeah, yeah. I mean, I'm not giving a specific number. I'm just saying a large majority of that is, but yeah.

Amar Mourya: And secondly, sir, like as you said that normally, in terms of the execution pipeline, this automobile business is largely a four-year contract and C&E is a three-year contract in terms of the execution. So I'm just trying to understand, if you see your pipeline, are you on the track of that three, four years in terms of the quarterly number, or you are lagging behind, because what I calculate is that probably with that, I think we are significantly lagging behind in the consumer business.

Rohan Verma: I don't think we are lagging behind based on the profile of our order book.

Amar Mourya: Because if I see your first half revenue from the consumer tech business, it is round about what, I think INR70 crores business, right? And if you just multiply by two that is INR134 crores, INR135 crores business. But if I see the order backlog and if I divide it by three based on the new order booking, ideally, the run rate should be something around, even if I consider 70% of that, ideally, the run rate should be something around INR50 crore on a quarterly basis. So do you feel that we are on track in terms of the consumer business?

Rohan Verma: Two things I'll say. One is that you should do the analysis on an annual basis, because like we've said, this is an annual business. And the second is if you were doing INR50 crore quarterly first yearly then our numbers would have been much more in first half. So, I mean, I would just say that our revenue is a function of our order booking, and we have given overall number to you. So look at the overall number at the company level. And then see at the end of the year, is it worth having this discussion that are we tracking or not tracking? In our assessment, we are tracking.

Amar Mourya: Okay. So basically, in terms of, let's say, the annual growth expectation…

Moderator: Sorry to interrupt. Mr. Mourya may we request that you return to the question queue?

Amar Mourya: Ma'am, can I just finish this question. It is the extension of the -- basically, the first question only.

Moderator: Sir, there are participants waiting for their turn.

Amar Mourya: Okay. Thanks.

Moderator: Thank you. The next question is from the line of Anmol Garg from DAM Capital. Please go ahead.

Anmol Garg: Hi, there. Thanks for the opportunity again. I just had one question. So, just wanted to get an outlook on the Gtropy business for rest of the year FY 2023, for 2H FY 2023. Can we expect a similar amount of growth that we are seeing in this quarter to continue in the next two quarters as well? And if that is the case, then still we can expect that the margins for the consolidated entity will be above 40% for 2H given that relatively now that we are selling more devices, therefore, the margins are lower in the Gtropy business. So your colour into that?

Rakesh Varma: So first question you asked, they doubled from the last quarter to this quarter. We are only expecting them to keep increasing for the next two quarters also. Exact number is very difficult for me to predict, but the signs are all looking good.

The second one related to the margin, yes, the INR24 crores of business that went through Gtropy, let me again clarify, out of that INR8 crores they built to MapmyIndia only for MapmyIndia's onward billing, which was less of devices, more of SaaS.

So now the impact of this INR24 crores overall on Gtropy, led to Gtropy having an EBITDA close to zero. So at least they are not that kind of an EBITDA negative. So anything that they do better for the next two quarters than INR24 crores, probably should start giving some indication of what happens to their EBITDA. So that's my simple answer.

Rohan Verma: We want them to contribute in absolute terms to the profitability. That's very important to us. And also, of course, we as a company, as a group, we have fiscal discipline ingrained in our DNA. So we'll look at both things.

Anmol Garg: Sir, what I mean to ask is that if the Gtropy grows faster than the consolidated business in 2H as well, and if the proportion of Gtropy business continue to increase within our business. So in that case, will we be able to maintain a 40% type of margins for the next two quarters as well? So that is something that I wanted to ask.

Rohan Verma: Like I said, we are looking at maintaining a certain fiscal discipline and a certain range in mind.

Rakesh Varma: If I can just say further, in the lighter vein, if we find that our fiscal discipline is not maintainable within that range of what I said in the morning, 40% to 45% because Gtropy grows and wants to sell devices only, probably we may have blocked that device kind of a sale. So some of these things will be internally managed and controlled and that is what we want to achieve, and I think we are trying to give that clarity to all the analysts and shareholders that we always look at shareholders' interest.

Moderator: Thank you. The next question is from the line of Nikunj Mehta from Wealth Guardian. Please go ahead.

Nikunj Mehta: Good afternoon sir. Just wanted to clarify something on, in terms of understanding when we update our maps, we do it by means of feet on street, right?

Rohan Verma: We have multiple ways. I think during the IPO process also we explained it. It's quite interesting that we use the network effect of data collection, let's say, from tracking devices, from API transaction, besides the analytics and AI that we apply on the real view 360 degree of what 400 crores plus geotag photos, panoramas videos that we have, besides our team that is there, which falls more under fixed cost, so that is what has differentiated or made MapmyIndia unique compared to the global peers who have struggled with cost structure. We are highly technology-oriented and cost-efficient.

Nikunj Mehta: But if I'm right, Google does it by means of satellite. So wouldn't that be more cost efficient and a better way to go about, because sending people when so much of infrastructure development is happening on the roads and capturing everything by means of feet on street versus satellite. What is your thought, which is a better way to go about it in terms of cost as well as accuracy of maps?

Rakesh Varma: It is a combination of all of them, because the satellite gives you some advantages, and has certain disadvantages, like satellite will not tell you what is this house number or building name and all that. While drones will give you a better panoramic view, which gives you another perspective. The feet on the street validates certain things and gets certain details, which no other technology can provide, feedback like the UP Police, Rohan was talking about and many such cases, where the real-time update of what's happening, the tracking devices, IoT gives you a traffic information, which helps us give the estimated travel time.

So, it's a combination of all of them and the best part is this is our area of excellence, where over a period of 25 years, we have mastered this art of what is the most optimal way of achieving the accuracy and achieving the lowest cost, and that's the beauty of how we are managing our map data products.

Nikunj Mehta: That's very interesting and useful, sir. Thank you. And my second question is, you have a lot of cash on the balance sheet now, and I understand we are increasing our marketing spend, as well as looking at acquisition opportunities. I would like to get your thoughts on your dividend payout policy, or how do you think you'll be going about it for the next two, three years?

Rakesh Varma: First, let me say that we have already spelt out the dividend payout policy in our policy statements. The policy clearly says that the Board of Directors will make a decision on what kind of dividends to be paid out. Definitely dividends will be paid out. That's not the question. That's not something we need to worry about. How much to be paid out? This time, we believe that it's better that we do the entire annual exercise of the annual performance and based on that the Board will take a call and make the dividend payment at one-time rather than also unnecessarily going through the compliance problem of declaring an interim dividend and again, later filing it for the final dividend. So we just want to make one single time final dividend payment based on the annual results.

Moderator: Thank you. The next question is from the line of Nitin Chaudhry from Kriis. Please go ahead.

Nitin Chaudhry: Hi, sir. Congratulations on set of good numbers. Sir, I just wanted to ask one thing that when you are doing these set of acquisitions, I understand that you're looking at adjacent businesses like the Gtropy business and Kogo. So can you just throw some light as to what goes in your mind when you are evaluating a business? And can you throw some more light on how you will monetize Kogo, because I just wanted to understand as given it's a gaming company so what business avenues can come from that business in future?

Rohan Verma: See, what's going on our mind is clearly whether this acquisition will help us generate more revenue or revenue-led acquisitions is what we like to call them, whether they will get us more customers or that they will enhance our product portfolio that we can upsell to our existing customers.

So with Gtropy, that was exactly the idea that they already had a set of customers. We can upsell, cross-sell to them our rest of solutions. And they brought in this logistics SaaS products and IoT products that MapmyIndia didn't have. So that combined, is quite a formidable IoT and logistics SaaS and mobility SaaS; I mean pure play business with the added advantage of the portfolio of MapmyIndia. So, clearly, that was to help accelerate revenue, and that's short-term revenue generation and long-term earnings generation.

With Kogo, basically, you can think of it as an app, actually, which allows you to plan, discover, share itineraries, as you travel, you can share where you went to like an Instagram for travel, but also you can then do bookings of travel itinerary as well as travel related goods and services. So, as you step out, what are the things you need, experiences, etc. so travel commerce. And what they have done is they have gamified this entire thing so that any activity you do on the Kogo app or platform, you earn coins, which you can spend to get discounts, so that you burn it through their network.

So there is a strong revenue model built into Kogo and we are monetizing it in two ways, one is through continuing to sell this to our OEM customers as add-on solutions. And then, of course, there will be a direct-to-consumers monetization opportunity because people can buy the Kogo subscription, so actually, it's a subscription business also. So, if you buy a subscription, then you get three times the discounts that you otherwise would have gotten. So there's a direct-to-customer monetization also, and then there will be some enterprise opportunities also that will arise. So that's kind of what was going on in our mind with Kogo that it will shoot up our automotive and case offerings and open up this travel commerce and D2C kind of business for the future.

Nitin Chaudhry: Got it, got it. Make sense. Just one follow-up question. Everything will be on subscription based and not going down the advertising model, right, even in Kogo?

Rohan Verma: See, till now, we have not been in the advertising business, but I don't want to preclude anything for the long-term future. What we are strong procurement of, is user privacy. We don't believe in this ad user targeting and mining, that's the Google route, which we are not a fan of. And we believe that it is getting tracked down upon. So I don't want to preclude future revenue models, but we will do things in the right way, so that people benefit and people get positive value from our products.

Moderator: Thank you. Ladies and gentlemen, that is the last question. I now hand the conference over to Mr. Shobit Singhal for his closing comments.

Shobit Singhal: I would like to thank the management and the participants for coming on the call. Thank you.

Rakesh Verma: Thank you.

Rohan Verma: Thank you all.

Moderator: Thank you. Ladies and gentlemen on behalf of Anand Rathi Share and Stock Brokers Limited, that concludes this conference call. We thank you for joining us and you may now disconnect your lines. Thank you.