

February 12, 2025

**Corporate Relationship Department**  
BSE Ltd.,  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001

Dear Sir/Madam,

**Sub: Call transcript of Investor/Analyst conference call under regulation 30(6) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.**

**Ref: Scrip code (BSE: 540704)**

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the call transcript of Investor/Analyst Conference call with the Company held on 06<sup>th</sup> February 2025 is attached herewith.

The aforesaid information is also being hosted on the website of the Company viz., [www.matrimony.com](http://www.matrimony.com).

Submitted for your information and records.

Thanking you

Yours faithfully,

For **Matrimony.com Limited**

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**matrimony.com**

“Matrimony.com Limited  
Q3 FY '25 Earnings Conference Call”  
February 06, 2025

**matrimony.com**

**i ICICI Securities**



**MANAGEMENT: MR. MURUGAVEL JANAKIRAMAN –MANAGING  
DIRECTOR AND CHIEF EXECUTIVE OFFICER –  
MATRIMONY.COM LIMITED  
MR. SUSHANTH PAI – CHIEF FINANCIAL OFFICER –  
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**MODERATOR: MR. JAYRAM SHETTY – ICICI SECURITIES.**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Matrimony.com Q3 FY '25 Conference Call. 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 this call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Jayram Shetty from ICICI Securities. Thank you and over to you sir.

**Jayram Shetty:** Hi, everyone. On behalf of ICICI Securities, I would like to welcome you all to quarter 3 FY '25 earnings call of Matrimony.com. From the company, we have Mr. Murugavel Janakiraman, MD and CEO; and Mr. Sushanth Pai, the CFO. Over to you, Mr. Janakiraman for your opening remarks.

**Murugavel Janakiraman:** Okay. Thank you, Mr. Jayram Shetty. Good evening, everyone. As per Google report on the matrimony industry, the whole industry has seen an 8% drop in search queries for the first ever time. All the players, including long-time players, have seen a similar drop and it is a broader industry trend. Our member registration has fallen broadly in line with the industry's trend in the current financial year. So this has affected our monetization plans.

During the last call, we were hopeful of revival in quarter 3 due to the marriage season and also due to the launch of our Great India Matchmaking Fest campaign. However the revenue was muted. When we forecasted in October, we were hopeful of revival in November and December on account of the revival of the wedding season as well as the plans we have for the media campaign. However, we have seen a drop in November and December that has affected our overall plans for the quarter 3.

However, we are taking new initiatives to drive the profile acquisition growth, including we are launching a vernacular-based app. We already have our apps available in Tamil, Telugu and Malayalam. And we will be launching our app in other languages very soon.

So once we make the app available in vernacular languages, we will be amplifying that availability through the media campaign. And we also expect personal services to have a double-digit growth on account of steps that we are taking to convert more members to go for personalised services.

We are launching a new version of community matrimony apps sometime this month. We have a lot of community-based matrimony apps. These apps have been one of the important pillars of our growth. It's been a long time since we have made any significant changes on these apps and we are launching a new version sometime this month. We continue to improve our product and we are seeing an increase in engagement and increase in key metrics.

We are also experimenting new ideas to drive growth on all fronts, including new experiment on pricing strategy. We are also working on additional monetization plans. We are also taking steps to optimize our costs and that may happen sometime in quarter 1. We expect to improve margins once the revival happens. We expect the revival sometime probably in the coming quarters.

Now coming to the results, in quarter 3, on a consolidated basis, we achieved a billing of INR109.4 crores, a decline of 1.5% quarter-over-quarter and 5.9% year-on-year. Revenue at INR111.4 crores, a decline of 3.5% quarter-over-quarter and 5.1% year-on-year.

Key highlights for the Matchmaking business in quarter 3 are as follows. Billing at INR 108.3 crores, a decline of 1.4% quarter-over-quarter and 5% year-on-year. Revenue at INR 110 crores, a decline of 3.6% quarter-over-quarter and 4.2% year-on-year.

We added 2.38 lakhs paid subscriptions during the quarter, a decline of 3.7% quarter-over-quarter and 9.7% year-on-year. Average transaction value for the Matchmaking business increased by 2.4% quarter-over-quarter and 5.1% year-on-year. We created about 27,700 success stories.

Now coming to the Marriage Services & Other business, billing was INR1 crores, a decline of 11.7% quarter-over-quarter and 50.7% year-on-year. Revenue was INR1.34 crores, a growth of 7.8% quarter-over-quarter and a decline of 4.2% year-on-year. Loss in the quarter was INR3.8 crores compared to loss of INR3.64 crores in Q2 FY '25. The losses include new initiatives including wedding loan, astrology and other initiatives.

On the billing and revenue output for quarter 4, we expect a growth in Matchmaking billing in quarter 4 on a quarter-over-quarter basis. However, the revenue is expected to decline due to the muted billing growth in quarter 3. Marriage Services are expected to be at similar level of that of quarter 3.

Now let me pass on to Sushanth to comment on the key profitability items. Sushanth over to you.

**Sushanth Pai:**

Thanks, Muruga. Our EBITDA margin for the Matchmaking business in Q3 is at 18.7% as compared to 22.6% in quarter 2 and 18.9% a year ago. Marketing expenses for Matchmaking in quarter 3 are at INR46.2 crores as compared to INR45.2 crores in quarter 2 and INR45.5 crores a year ago. Excluding marketing expenses, our margins in Matchmaking are at 61% as compared to 59% a year ago, a slight improvement in margins excluding marketing expenses.

On a consolidated basis, our EBITDA margins in Q3 are at 12.4% compared to 15.2% in quarter 2 and 14.3% a year ago. Tax rate in the quarter is at 17.6% as compared to 23.3% in quarter 2 due to higher long-term tax benefit after considering the holding period till quarter 3. This is expected to normalize in quarter 4. Profit after tax is at INR9.97 crores, a decline of 24.2% quarter-over-quarter and 10.2% year-on-year. Share of Q3 loss from Astro Vision, our associate company, is about INR5.1 lakhs.

Cash balance is at INR315 crores. It declined as compared to Q2 due to the buyback that we just concluded in Q3. However, operating cash flow generation to EBITDA has been robust at 100%. ROCE is 10.4%. On the outlook for Q4 margin, as Muruga discussed, we are taking various measures to increase traction in our businesses and also various measures to optimize cost. However, we expect the PAT to be lower than the levels of Q3 due to the subdued business momentum.

I would like to end with a customary Safe Harbor statement. Certain statements during this call could be forward-looking statements on a business. These involve a number of risks and uncertainties that could cause the actual results to differ materially from such forward-looking statements. We do not undertake to update any such forward-looking statement that may be made from time to time by or on behalf of the company unless it is required by law.

Now we can start the Q&A session.

**Moderator:** We have our first question from the line of Damodaran N. from Acuitas Capital.

**Damodaran N.:** Yes. So the question was on revenue growth. So we are seeing a strong marriage season currently and your competitor also had reported numbers yesterday. And I know their base is much smaller, they are one fourth our size, but they are still showing robust growth. And we also were expecting this muhurta season -- I mean, the issue to get over by Q3, but we have seen billings also declining by 5%.

So I really wanted to check whether is this -- I mean, you attributed this to an industry-wide issue, but going by the competition's numbers, at least the one that we can see, they have still reported strong growth and we are still hearing of a strong marriage season. So where is the disconnect?

And if you can throw some light -- I mean, I heard your opening remarks, which you -- when you referenced that Google report. So can you give some more color as to why there is this disconnect between what we can see and what the numbers are?

**Murugavel Janakiraman:** Okay. What are the -- you had 2 questions. This is the one question. What is the other one?

**Damodaran N.:** Yes. So the other one is kind of related. So the other one is on ad spends. And we have been investing fairly significantly on ads in the last 3 or 4-odd years. But yet despite that, we have seen revenue declining and this is in the backdrop of again your competition now kind of easing off on ad spends and still managing to grow revenue. So should we -- I mean, how should we look at ad spends?

Is it spend that is required to kind of maintain these current level of subscribers? Is that how we should look at it or -- I mean, because incremental ad spends is not yielding the same kind of revenue. So your December subs are flat on a 2-year basis. So just wanted to -- I mean, both the questions are kind of related. So if you can throw some light on this.

**Murugavel Janakiraman:** We will respond to the first one. You are talking about the competitors. So I think they made some changes a few years back. The revenues were at a certain base before they decided to offer a free service that impacted the revenue drop of 30 percentage. They decided to kind of move back to the earlier levels.

So sort of to some extent they have gone back to the earlier levels of revenue what it was earlier. So definitely optimized the cost. And we've seen that once they started the marketing campaign in quarter 3, so basically, the competitor reporting the strong increased number.

So basically, they have gone back to the earlier trajectory what they had prior to the decision what they had taken to offer a service as a free service when probably they did not see that same thing that they even moved to a different model. So basically, to some -- to a large extent, they have gone back to the earlier levels.

So some growth happened from that base. It's a more of change of business model. Once again, it has gone back to the earlier level, to a large extent.

So probably some -- probably some execution slightly better on what are the margins they have -- what are the bases they have. So the industry trend is broader. It's not limited to only one player. So obviously, when you see some kind of better execution of some other parameter, it could have resulted in some marginal increase or maybe the pricing, whatever it is. So it's broadly there, but industry trend is broad for everybody. So that's the point I want to communicate.

With respect to the marketing trend, because the industry is continuing to operate and one of the players, we thought this sort of stopped advertising, once again, we have seen that the advertisement has started. At this point of time, we are doing advertising. We definitely see scope to optimize the marketing trend. As I mentioned in the beginning of the call, we definitely see that there is an opportunity to optimize the cost in all fronts. We probably see that happening in the coming quarter.

Again, without compromising on our intensity to compete across the market, we definitely want to invest in North India and all the markets, but we definitely see the scope to optimize the cost. We will continue to invest on all fronts. At the same time, we will be able to run a better operation. When you come back to the earlier level, we definitely see an improved margin on our account also.

**Damodaran N.:**

Sure, sir. And just one -- I mean a related question. So does this indicate that we are kind of saturated in our core Southern market because the profiles -- you have called out profiles -- top of the funnel profiles have not grown. So does that mean that we are facing a challenge because we are already fully penetrated in the Southern market and we are not able to go outside the Southern market?

For the same reason that the others are also not able to gain -- I mean, there has been no market share gain by any player over the last 3, 4 years. So how should we look at the profile growth slowing down? Because it is -- so the real question is, is it structural in nature or it is just a one-off thing that is happening this year?

**Murugavel Janakiraman:**

What is the reason for the broad industry's trend? That is something that could be attributed to very recent. However, in terms of the question, are we saturated or limited to the South? It is not the case. Our leadership is not limited to the South. We are a leader in the West and a leader in the East. While North, we are one of the players and we are taking steps to drive penetration in the northern market.

While you are talking about the overall industry put together, the entire reach may be around 10 million users per annum compared to 60 million people are looking for a life partner. So there

is definitely a room to grow. It is one side on top of the funnel. The steps that we are taking, we are the only player to launch an app in regional languages. We see that could be an opportunity. We are now taking steps to get more members to sign up on our platform. We are going to take some steps. We are taking steps.

While I spoke about language as one of the thing, we are definitely looking at other avenues to drive profile acquisitions. We do not see that it is not a saturation because sometimes the industry may go through it. I don't know whether it is. Again, my theory is -- I may be wrong also. During the COVID time, we saw the surge in profiles. I don't know whether that surge was getting normalized, I don't know.

At this point in time, I have no idea on why the broad industry has declined. However, it is not that saturation has happened. That's definitely not the case. We need to work on various ways to drive the top of the funnel. As I said, one is the language. We are also taking other initiatives. We are definitely highly confident of driving the top of the funnel. However, the top of the funnel is only one side of the story. Definitely, there is a conversion. There is ARPU.

Now, we are looking at various strategies to drive these things. Definitely, we'll see this year -- we will definitely be able to demonstrate success in some other front. We are launching a new website, communitymatrimony.com. There are plans around how to effectively leverage both the brands. There are solid plans around it. We are also taking initiatives. I think, in a way, it was challenging.

But again, we are using this challenge towards an opportunity to how we can do better in all aspects. So while one hand, we will be an efficient organization. The other hand, we will be able to effectively drive new initiatives, plus the idea of what we are working on, on all fronts. I feel that maybe in the coming quarters, we will emerge much stronger and we will move to the growth path. So it is sort of -- certainly, since we are doing the right thing, I am quite confident about the steps that we are taking and the plans what we have.

**Damodaran N.:**

Sure, sir. And just one more question. On the new initiatives, will the burn rate be in that INR10 crores, INR12 crores range that you have kind of maintained over the last 3, 4 years or -- I mean, since you have launched a multiple number -- I mean, multiple new initiatives? Or would you look at kind of increasing that threshold?

**Murugavel Janakiraman:**

So basically -- so what we are doing is, while definitely a bunch of new initiatives. So at this point of time, we don't want to burn so much of cash. So we are -- again, some of the initiatives have yet to monetize, be it, say, luv.com. Definitely, once you reach a certain base, we want to monetize. Definitely, those initiatives, once you reach a certain base, will start contributing. So, at this point, we are burning. So like that other initiatives as well.

So coming to your question on, will the losses be more than what we have been seeing? Broadly, it is the same range, but once you see some traction, once you are able to see some phenomenal growth, once you are able to get a certain thing right, at that point, I come back to ask, what is the initiative to drive the growth? So it's not about -- it is more of losses. It is about driving the growth and achieving the scale insights and all.

At this point of time, we can think that it will be a similar range, but it is not a lot of experience happening, but definitely some of the initiatives are very encouraging. So, maybe in the coming quarters, we will have better visibility and better clarity on those things. So, to answer your question, at this point in time, it is promising.

**Damodaran N.:** That is it from my side. Thanks for answering my questions and all the best.

**Moderator:** Thank you. The next question is from the line of Shreyans Gathani from SG Securities. Please go ahead.

**Shreyans Gathani:** So my first question is around the new initiatives. So basically, around many jobs. If you just give any kind of numbers that you can share about the number of employers and the number of jobs which have been done there as such. So just trying to understand where the progress on that?

**Murugavel Janakiraman:** Again, at this point, we are keeping it only to limited Tamil Nadu with a free service. We intend to monetize once we reach our 5 million resumes, once we reach probably 10,000 plus employers. And we already have close to a couple of lakhs of resumes and it's going on fine. And as I told, it's still in a very early stage. And so only when we reach certain base in terms of -- when we monetize and we know the better clarity on this thing. At this point in time, we feel we are on the right path.

**Shreyansh Gathani:** Got it. And the second question is around Marriage Services. So we have seen like a consistent burn over the years. Is there any services which you figured, which are not working out, which you had like shutdown or plan to do something of that sort? I understand the new initiatives, but something that's not working out so that we can try to reduce the cash burn on those funds, something that has not worked out over a period of time?

**Murugavel Janakiraman:** Yes, yes, we already are taking steps. And we are investing again in the initiative. As I told, we are trying one of the MakeMyWedding in Tamil Nadu. Like I said, we are not investing all funds on wedding services. I think wedding services as the base and as the relationship, we are trying to leverage for the new initiative. So basically, we are investing again or focusing on initiatives where you see the very good opportunity to scale up.

So -- and the other thing is more like in a way it's important for the overall business model. So we're not going to invest aggressively on or invest on those fronts, but it has a certain base, it has a certain reach, it has a certain relationship. Those relationships are important for the new business model. So obviously, we are trying to achieve a breakeven or run it at a certain level. We're investing in new initiatives, leveraging the base of the wedding services.

**Moderator:** We have our next question from the line of Vasudevan from 2Value Investment.

**Vasudevan:** The thing is, I have seen your account for the last 2 years, sir. It has been very flat to negative, though you have explained you have taken initiative. Even the next quarter, you have slightly subdued return when you are expecting it. How long will it take actually to show that -- it is very flat and with a negative bias for the last, say, 6 to 7 quarters, sir. And this is my first question.



And after this, I want a suggestion to make also, sir. Can I make it right now or after you are answering the question, sir?

**Murugavel Janakiraman:** No, whatever, you can go ahead on the suggestion.

**Vasudevan:** I came across -- how much is your revenue from the AstroMatch or something like that you have? Astrology-based.

**Murugavel Janakiraman:** Okay. Regarding the performance in terms of the last 2 quarters in the last couple of years, we are definitely will see the revival of the numbers sometime in the coming quarters. Once again, it's not only that the profit is increasing, I think a lot of steps are taken. Once I think we move to that growth path, I think the margins definitely get better because we showed you already the operating cost.

I think we are definitely hopeful of revival in the coming year, the coming financial year, whether 1 or 2 quarters down the line, maybe a little longer also. But we are hopeful of early revival taking longer time. But at this point of time, not sure. So we are confident of revival in the year

In terms of astrology, at this point of time, we are not giving the break-up of things. We are also experimenting various things on astrology. And so, in fact, we are trying to change some model on astrology. So that may happen sometime this year -- sorry, sometime this month. So sorry, we kind of not give you the break-up, Mr. Vasudevan.

**Vasudevan:** And can I suggest one thing, sir? I came across a start-up in Delhi called Astrotalk, sir. They are purely on the astrology only. The total turnover per year is INR600 crores. I think this astrology is a low-hanging fruit. I think now Matrimony.com, it is the time -- INR600 crores a start-up is making in Delhi. I think with a strong foundation which you are having, I think you can penetrate deep on this astro, this one, sir, in that segment.

This is my suggestion. Actually, it's a huge chance for you to shore up your top-line and bottom-line also, sir. This astrology is a really -- I mean, that will contribute much more to your, what do you say, for your matrimony account, sir. That is what I feel, sir.

**Murugavel Janakiraman:** Thank you Mr. Vasudevan. So we have some plans around it. We will probably see some new initiative coming in that sense or we are repositioning something in our opportunity. Thank you so much.

**Vasudevan:** Okay, sir. Thank you.

**Moderator:** Thank you. The next question is from the line of Avinash Baskar a Shareholder. Please go ahead.

**Avinash Baskar:** So the first question that I have is, is there any evidence of us losing, let's say, market share in terms of new app downloads or profile specifically in the South market to Shaadi because there are their lot of ads around tamilshaadi.com or anything of that sort, especially at the app level, app downloads?

**Murugavel Janakiraman:** So basically while we continue to have a very high market share in South and other markets as well. So we also plan to leverage our reach in terms of Avinash, Bharat Matrimony -- sorry, community Matrimony, all these matrimony sites. We have plans to cross-leverage all our matrimony apps.

So we see in the coming quarter, we will definitely effectively leverage our reach and think for to benefit all our group's offering. So basically last couple of years, we have been working on a lot of improvements on the core product offering and still the work in progress. We hope to complete some of the key changes in the coming months, hopefully by March.

Post there, we definitely look at leveraging the network of sites for cross-promote, cross-leverage. So we definitely see action happening. So more of, at this point of time, we want to get that core product right and we see definitely Bharat Matrimony sites, including all the language-based sites.

We have seen that metrics going up. In fact, the key metrics are moving up and the engagements are pretty good. So once the revamp happens, I think we have been working on for quite some time, then we see that we could be able to leverage our reach for promoting all our group apps effectively.

**Avinash Baskar:** Got it. So what I should understand is, historically speaking there has been no change. Is that what I should take?

**Murugavel Janakiraman:** It's more like more of silos. We were trying to build sites and also there has been an older version. I told you the Community Matrimony site has been a long-term thing to run the revamp. So the way you are looking at the new version, which is going to launch, will be similar of the Matrimony thing. So it will be a similar functionality, maybe the look and feel may be different.

So this way - it will make it easy for customers to even use our services. So that's going to happen. It's all taken a little longer time because of the considerable volume of the apps and all this. One is I think we will see the action in the coming quarter in terms of how we are effectively going to leverage the network outside.

**Avinash Baskar:** Okay. Got it. Then the second is this latest Matchmaking Fest campaign. So is that completed and has there been any considerable impact on any metrics? How should I look at it as a shareholder?

**Murugavel Janakiraman:** Which one?

**Avinash Baskar:** The Matchmaking -- the Great Indian Matchmaking Fest?

**Murugavel Janakiraman:** It was yet another campaign. It didn't -- possibly yield desired results, whatever, I don't know whether it was an industry trend or something. Anyway, we have sort of launched a new TV campaign since we launched our apps in vernacular language. That's one of our communication new commercial. So we have now launched a new TV commercial across India.

**Avinash Baskar:** Okay. Thank you.

**Moderator:** Thank you. The next question is from the line of Prabhu Sampat, an Individual Investor. Mr. Prabhu, we request you to unmute your line and go for the questions. The next question is from the line of Mani, a Shareholder. Please go ahead.

**Mani:** Sir, my question is regarding ad spends. Despite your multiple communication regarding ad spends being elevated, since it has been happening for quite a few years, there is a little bit of being worried that probably this competitive dynamics has or the industry structures kind of changed that this probably becomes a norm, especially considering our kind of industry where you have drop-offs in terms of profiles on a regular basis.

So what I would like to understand is, leaving the competition aside, how has our ad spend been spent in the last 4 years, 5 years? How much of it was used for gaining market share in the Northern and the Western markets where we are traditionally slightly weak or how much of it has been used for defense against the inflow of competition in Southern markets and all?

So if you can just split it up a little bit. And in terms of strategy, how did you go about spending your ad in the last couple of years and where did you get return on investment commensurate to the spends and where do you see levels of optimization in the future forward?

So that will help us explain in terms of whether structurally anything has changed in this industry or whether it is just a phase of increased ad spend and this is going to go away in the future. So that confidence I am not getting because of last 4, 5 years of continuous elevated ad spends. So if you can assuage that here, that will be helpful.

**Murugavel Janakiraman:** I think there are combination of multiple things. The ad spend, definitely is at an elevated level. What are the reasons? There are multiple reasons. One is that increased competition. When you know when the people are fighting for a market share then obviously everything shoots up including our digital spend and be it on the Google because people are trying to grab the market share.

And only the spend goes up on the platform, because people are trying to get their share of the thing and our people are trying to defend the market share or grab the market share. So basically, the elevated spend are contributing increase in digital spend because the people are trying to get -- even digital has gone up. You've asked me about the Google spend, because everybody try to spend for the keyword and all or maybe on the aggregation platform.

With all the TV, already people are trying to get a share and that means you are spending more than what is required. So the elevated level of marketing spend not required? No, it's not. It's a more of -- if everyone wants to think then obviously some people try to grab, some people try to defend or it's a combination of both the things.

The industry has certain dynamics now. But as we say that, there is still some kind of softness in one of the players obviously they try to enter all India, they realize that they better do focus on one market. So that has happened. Definitely that is one thing.

We have also seen some market or some smaller markets, some ad spend has come down or it's not that. So still it's not -- still it's at higher level, but we see some kind of softness. How long

it's going to continue? I'm not sure. And -- but definitely, in digital, it's gone up. TV, yes, it's there, but in some market we see some kind of softness, but still it's there at the higher level.

But definitely, this level of spend is not required it's a more of everybody want to spend. But having said that, let the competition and whatever be there out. Now we are taking just irrespective of what will be the competition, irrespective or not, we are now working on the ways to drive our growth and all that. We're taking new initiatives or new strategies. So I think that's the road map for us for the coming quarters.

**Mani:**

Sir, just a follow-up. How should we look at it? Should we think like since you mentioned that digital probably it has gone up slightly more, do we look at it as there are certain mediums like digital versus TV where we are spending lesser so we had to up our spend in terms of digital to beat the bare minimum or should we look at certain markets where we were like in under spending so that's why we had to keep it up or do we look at it as certain markets we were spending the requisite level.

But then since competition has come in and they have spent a lot more so we had to increase our spend just to cope with the elevated spend? I'm still not getting a complete clarity in terms of where exactly our spend was increased. And if so, what is the reason behind that increase?

And what have we learned from it? And then future forward, why should we get the confidence that it's going to go down because it is a completely wasteful spend? So that part if you can expand on it a little bit?

**Murugavel Janakiraman:**

The thing is that I'm not getting the market wise that's more of the competitive thing. We are not getting the details. However, you're talking about are you spending more money than what is required?

Definitely that's the case. Even for us, even say some market it is difficult to do anything we are increasing. Some market ad spent has gone up just because there is increasing marketing spend much more than what is required for the market. We are increasing so that we also have a certain level of visibility in the market. So that's the point number one.

So are you spending more than what is required just to because of the increased competition? Yes, that's the case. There are market you are investing to grow? Yes, there are market we invest in to grow also. So look at North India, definitely we're investing to grow.

Now this month is going to have both BharatMatrimony as well as CommunityMatrimony in North India, because we feel okay, why not grow combination of BharatMatrimony and CommunityMatrimony in North India. So basically, it's a combination of both of things. I'm not getting into at this point of time, 'Mani', there's no -- okay, this market has spending more.

Overall, say, that is definitely the marketing spend I think in the past also is that our marketing spend around -- while definitely going to see some reduction in the coming quarter on the marketing spend because we definitely see that the scope to run efficiently without compromising on the required visibility or required spend to defend the market or grow the market.

We will definitely see some kind of optimization forward, that's going to happen. If you look at what is our marketing spend, I think it can be even easily instead of say INR47 crores, probably you can even even INR35 crores if the competition goes down. So that's the kind of volumes and that's kind of money on market or even INR30 crores per quarter is good enough.

**Mani:** Okay, sir. And just one last thing, I also wanted to wish Sushanth for his time at Matrimony. I found his communication to be very sensible. \And I wish him the best in all his future endeavours. Thank you.

**Murugavel Janakiraman:** Sushanth, you want to respond to it?

**Murugavel Janakiraman:** Yes, he's done a great job and definitely I wish him all the best. He's one of the leaders who have done a good contribution to Matrimony.

**Sushanth Pai:** Thank you mani for your kind words. It has been a great journey and learning at matrimony. I wish you also all the best for your efforts. Thank you.

**Moderator:** The next question is from the line of Madhur Rathi from Counter Cyclical Investments.

**Madhur Rathi:** Sir, I'm trying to understand, so I joined the call a bit late, so I wanted to understand, sir, this drop in billing and it has been constant for the past 2 to 3 quarters. So sir, why is that? And what are the efforts that you are taking to increase this billing rate? So yes, on that. And sir, second question would be, there has been an increase in average transaction value. So has this been because of the Elite and the other services that you are providing or anything else?

**Murugavel Janakiraman:** Yes. One is that we have seen that the profile registrations are dropped to some extent in line with the Google report which I shared. After the Google report, the industry has seen 8% decline in the search queries across the players. They are also broadly in line, and that has affected the top of the line. The funnel got affected. That has been accepted in the revenue growth.

The good thing there, we have not seen any drop in conversion metric on account of the drop in the registration. We continue to convert very well. In terms of -- that's the reason we are taking steps to deliver the profile acquisitions and to launch our apps in vernacular languages. And also, we are taking other steps to help the growth, including the increase, improving the conversion pricing charges.

In terms of what is the increase in ARPU reason, the mix -- one is about our pricing strategies and also some mix of changes for on account of personalized services moving up. So when the personalised side has higher ARPU that are reflected in the increase in ARPU.

**Madhur Rathi:** Okay. Got it. So do we follow some kind of a micro transaction or those kind of strategies like a premium model where similar to our competitors or do we plan to utilize some of these strategies going forward?

**Murugavel Janakiraman:** So while there are different searching strategies, we definitely have some plans to provide some -- monetize different add-on services. So maybe -- we are working on various pricing strategies

and definitely look at things like some small payments for some services. So that's plans are there.

**Madhur Rathi**

Okay. Got it. And sir, for a longer term maybe a 2 years to 3 years period has the competition succeeds or the marketing spend succeed? So where do we see our business growing in terms of number of users, billings as well as the margins -- on the margin front?

**Murugavel Janakiraman:**

So margin front that definitely move up. We can even -- it can definitely move very well. Today, we're operating at 12% PAT margin. It can even go to 20% or higher. So it depends on both our top and lower marketing costs. It's going well for us. EBITDA -- but overall, I think that's the one. And EBITDA level definitely can easily comfortably go beyond 25% also.

**Moderator:**

Okay, sir. Ladies and gentlemen, as there are no further questions, I now hand the call to management for closing comments. Over to you, sir.

**Sushanth Pai:**

Thank you to ICICI Securities for hosting this call and thank you all for joining. We look forward to speaking with you in the coming quarter. And if you have any questions, please do write to us. Thank you.

**Moderator:**

Thank you very much, sir. On behalf of ICICI Securities that concludes this conference. Thank you for joining us. And you may now disconnect your lines.