November 13, 2024

The Listing Department	The Listing Department
BSE Limited	**National Stock Exchange of India Limited**
Phiroze Jeejeebhoy Towers	Exchange Plaza
Dalal Street	Bandra Kurla Complex, Bandra (East)
Mumbai 400 001	Mumbai 400 051
BSE SCRIP Code: 543425	NSE Symbol: MAPMYINDIA

Subject: Submission of Transcript for Q2 FY2025 Earnings Call.

Dear Sir / Madam,

Pursuant to our letter dated October 30, 2024, please find enclosed herewith communication relating to Q2 FY2025 Earning Call. The said conference call with Institutional Investor / Analyst was held on November 08, 2024 to discuss the financial results of the Company for the quarter and half year ended September 30, 2024. 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

SAURABH SURENDRA SOMANI
Digitally signed by SAURABH SURENDRA SOMANI
Date: 2024.11.13 17:28:15 +05'30'

Saurabh Surendra Somani
Company Secretary & Compliance Officer

C.E. INFO SYSTEMS LIMITED
(Previously known as C.E. Info Systems Pvt Ltd)
237, Okhla Industrial Estate, Phase-III, New Delhi-110020, Mappls Pin: mappls.com/mmi000, e-Mail: contact@mapmyindia.com / contact@mappls.com
Website: www.mapmyindia.com / www.mappls.com, Phone: +91-011-4600 9900, CIN: L74899DL1995PLC065551, A CMMI-3 & ISO Certified Company

"C.E. Info Systems Limited

Q2 FY '25 Earnings Conference Call"

November 08, 2024

MANAGEMENT:	**MR. RAKESH VERMA – CO-FOUNDER AND MANAGING DIRECTOR – C.E. INFO SYSTEMS LIMITED** **MS. SAPNA AHUJA – CHIEF OPERATING OFFICER – C.E. INFO SYSTEMS LIMITED** **MR. ANUJ JAIN – CHIEF FINANCIAL OFFICER – C.E. INFO SYSTEMS LIMITED** **MR. SAURABH SOMANI – COMPANY SECRETARY – C.E. INFO SYSTEMS LIMITED**
MODERATOR:	**MR. ANMOL GARG – DAM CAPITAL ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to the Q2 FY '25 Earnings Conference Call of C.E. Info Systems, hosted by DAM Capital Advisors. 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 star and then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anmol Garg from DAM Capital Advisors. Thank you, and over to you, sir.

Anmol Garg: Thank you, Muskaan. Good evening, everyone. On behalf of DAM Capital, we welcome you all to Q2 FY '25 Conference Call of C.E. Info Systems, better known as MapmyIndia. We have with us Mr. Rakesh Verma, Co-Founder and CMD of the company; Ms. Sapna Ahuja, COO of the company; Mr. Anuj Jain, CFO; and Mr. Saurabh Somani, Company Secretary. I'll now hand over the call to Mr. Verma for his opening remarks. Thank you, and over to you sir.

Rakesh Verma: Thanks, Anmol, and thanks to all the participants today evening who are attending the earnings call. I'm Rakesh Verma and let me take you through some salient features of our business. I hope you have gotten a chance to look at the financials for the company, the press release and the investor presentation. And further to that, I would like to start by saying that MapmyIndia has received official Board approval today to establish a joint venture with Hyundai Autoever, a wholly-owned subsidiary of Hyundai Kia.

MapmyIndia will hold 40% stake with a capital investment of $4 million. The joint venture named PT Terra Link Technologies will be based in Indonesia and will concentrate on providing map-based solutions for automotive OEMs and other businesses across Southeast Asia. Estimated revenue of JV would be to the tune of USD multimillion dollars over the next 5 years with order booking and revenue commencing from FY '26 itself. This JV will also benefit current customers of MapmyIndia.

Our Q2 FY '25 revenue from operations increased to INR104 crores, a 14% year-on-year growth, and the first half of FY '25, which is H1 '25, saw our revenue growing to INR205 crores as against INR181 crores in H1 FY '24. EBITDA for H1 FY '24 reached INR80 crores, yielding a margin of 39.1% compared to INR78 crores and a margin of 43.2% in H1 FY '24. EBITDA for Q2 FY '25 was INR37.5 crores yielding a margin of 36.1% compared to INR40.5 crores and a margin of 44.5% in Q2 FY '24.

Decrease in margin is primarily due to investing on a continuous basis during the last 4 quarters in our consumer business for the future growth, and these investments are booked as expenses. We are seeing good results from these investments, with downloads of Mappls App surging from 10 million in H1 FY '24 to 25 million in H1 FY '25. Our profit after tax for H1 FY '25 rose to INR66 crores compared to INR65 crores in FY '24. Our IoT-led business saw the EBITDA margin improve significantly, rising from 7% to 14% during the same period.

We are on track for achieving our goals for FY '27-'28, which we have shared with all of you last year. Now I would like to introduce Sapna Ahuja, who is the COO of MapmyIndia. This is part of our desire to keep changing between myself and Rohan Verma along with another member from our senior leadership so that you get more exposure to our management team. Over to Sapna.

Sapna Ahuja: Thank you, Mr. Verma, and good evening, everyone. So as we reflect on our performance in quarter 2 FY '25, it is clear that while the overall market we serve faced some challenges, we were able to perform reasonably well thanks to our open orders and most importantly, our incredible teamwork.

To give you some perspective, in the first half of FY '25, our Automotive & Mobility Tech revenue saw an increase of 19.3% year-on-year. And our C&E revenue grew by 8.2%. More specifically, in Q2 alone, the A&M revenue jumped 27% reaching INR60.9 crores year-on-year while C&E revenue held steady at INR42.7 crores.

Over the past several quarters, we have worked hard to expand our reach and establish ourselves in the international markets. A key milestone in this journey was securing a significant win with PT Terra Link Technologies in Southeast Asia for map solutions.

We successfully acquired new customers and deepened our relationships with existing clients through upselling and cross-selling. This included significant wins and go-lives across various sectors, including automotive, fleet management, tech start-ups, traditional corporates, government entities and defense.

Our diverse range of solutions saw further increased adoption, such as our ADAS and EV Mobility stack, video telematics for fleets, APIs and SDKs for app developers and enterprises, and geospatial solutions like 3D digital twin mapping.

Now moving specifically into the Automotive & Mobility Tech business. We saw new wins across 2-wheeler, 4-wheeler and commercial vehicle OEMs, further solidifying our position in the industry. Some of our major go-lives, including high-profile modules, such as Hyundai Alcazar, Hyundai Creta, Kia Carnival, Kia EV9, Mahindra Thar RoXX, Mahindra 3X0. We also saw success with Ather Rizta, JCB, that's where we entered into the commercial utility vehicle space.

In terms of fleet management, we secured major wins, including monitoring vehicles for an electric major, rake tracking for a cement company and video telematics for auto carriers and the transportation of heavy equipment. Additionally, we achieved a significant milestone with the go-live of the Maharashtra state AIS-140 back-end, which will provide safety and emergency response solution for all commercial use vehicles in the state.

Coming to our C&E business, we saw multiple wins. In the e-commerce, QSR, delivery and mobility sectors, where our APIs were utilized for a variety of use cases such as location-based applications, personalization and accurate address capture to improve delivery efficiency.

In the Pharma and Retail sector, we secured key wins in analytics use cases. These included business expansion planning, retail strategy, workforce automation and customer location analytics. In BFSI also, we made significant progress.

Additionally, we secured key government wins, including transit and route mapping tools to support metro rail development in a capital city. GI solution for the Clean Ganga Mission, land records modernization for a state government. And of course, the adoption. As Mr. Verma also mentioned, the adoption of our consumer products continues to rise steadily. I think that's an overview from my end.

Rakesh Verma: Thank you, Sapna. I think now Anmol you can take it forward.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Anmol Garg from DAM Capital.

Anmol Garg: A couple of questions. Firstly, what has led to a sharp decline in the C&E business during this quarter? Is it just quarterly lumpiness or there has been any structural changes? Do you expect the C&E revenue to come back in the coming quarters?

Rakesh Verma: Answer is yes to both.

Anmol Garg: Right, sir. So, sir, by what extent do we expect this revenue to come back? Do we expect this revenue to come back to Q1 levels in Q3?

Rakesh Verma: See, every quarter, there is something special. So going by this quarter-by-quarter format itself is a challenge for us. We are building business for a long-term, more than 3 to 5 years. So we are not in a position to give you clarity that this quarter what will happen, next quarter what will happen. It's a B2B business, and we have an open order book, which Sapna talked about. And that order book is quite healthy. And part of that order book may happen in Q4, some of them might happen in Q3, some of them might happen in Q2, some of that might happen in Q1. It is all customer-defined.

Anmol Garg: Right, sir. Understood that. Sir, we don't expect any impact of Google in our C&E business, right?

Rakesh Verma: No, there's no impact.

Anmol Garg: Understood. Secondly, sir, if you can talk about the JV that you have signed with Hyundai? Now will it provide maps to only Hyundai cars? Or will it be open to other OEMs as well? And what kind of revenue can we expect from the JV going ahead in FY '26?

Rakesh Verma: Okay. I think if you see the presentation that we have shared with all of you, there is a page on that which talks about the foray into international markets. We have many international customers, but we largely service them in the domestic market.

So this is the first time in the history of MapmyIndia where we have entered the international market, and we feel proud of the hard work we have put in over the last 12 months. Our strategy has been to optimize our costs. Entering an international market is quite hard, and I'm aware of many companies of our size and how difficult it has been for them and how much money they have burned.

Think about this, our model in which we have successfully joined hands with Hyundai, whereby the cost burden was not entirely ours. Now this JV has been formed with Hyundai keeping in mind that the JV will have a captive customer of Hyundai Kia cars for the Southeast Asian countries. And that is the straight benefit the JV will get from a captive customer. Because of the captive customers, they will start earning revenue right away. Otherwise, when you build an international market, you don't know what you get into.

That's the extent I can talk about today and as the time goes by, we can explain more and more. For now, the revenue will get realized and we will get some profit from the JV to our bottom line. Additionally, the JV will outsource the map-related activities to MapmyIndia, which will be a service we will provide.

The other partner, Hyundai Autoever, is a software company. Our primary auto customer base is expected to be all these automotive OEMs who we service in India for Indian markets - There will be an upsell to them about the Southeast Asian market also.

However, it's not limited to automotive OEMs. Even the large C&E companies where we have relationships - examples like Apple and others of similar kind - we will also look forward to offering them beyond-India maps through the JV. So there is a huge, huge opportunity. We can't predict revenues yet, but as the time goes by, things will fall in place and you will start hearing the wins over there, and then, you will know what kind of revenue we are getting.

So we are very excited. We feel that this JV will bring a big change to us. And with a big brother - I call Hyundai as a big brother for us - we are entering the Southeast Asian market first through JV, and then JV has future expansion plans to move to the MEA, Middle East and African markets, too. This is our strategy going through JV formation.

Anmol Garg: Yes, sir. Sir, just one follow-up on this. Given that we have a 40% stake in this JV, this will only add to our bottom line, but not on the top line, right?

Rakesh Verma: I told you that. But I said 2 more things. Let me repeat it for your benefit because it's a very interesting model. One is that the JV will partner with the local companies, but development of maps for these countries will be outsourced to MapmyIndia. That's one revenue model.

The second revenue model - we'll be giving our A&M and C&E customer solution to those companies, and that will be a revenue model for MapmyIndia. So it is not just the profit that we'll accumulate in our bottom line, we will also see a benefit to our top line.

Anmol Garg: Understood. And just one last thing from my end before I join back in the queue. If you look at our 1H growth, it has been at around 14% or so. So are we confident of achieving very strong growth in second half so that we can be above 30% kind of growth, which will be required for achieving our guidance of INR1,000 crores revenue by '27-'28?

Rakesh Verma: In my commentary, my last line was that we are pretty comfortable today with achieving our FY '27-'28 goals. We think it will happen. And what has happened today already in the JV, that is a sign for that.

Anmol Garg: Sure, sir. Understood, understood. I'll join back in the queue.

Moderator: The next question is from the line of Chandramouli from Goldman Sachs.

Chandramouli: My first question is I was just trying to understand the cost movement this quarter. You mentioned that you have made a lot of investment for the long-term growth of the business this quarter. So it looks like there's a big pickup in raw material costs because of the IoT hardware business. Gtropy has been fully funded. So just trying to understand, this seems to be since we went public, since we've been getting your disclosures, financial disclosures.

The first quarter where we've had Y-o-Y growth in top line, but Y-o-Y decline in EBITDA. So just trying to understand the factors within the gross margin and also the factors around the investment you've taken in the fixed costs. And how to think about run rates around profitability going forward? We're used to a 40%-plus margin journey. But going forward, as we chase growth, where we should expect profitability for the company to settle out?

Rakesh Verma: Okay. Let me address it in a very simple way. If we had been doing only maps business, B2B, probably our profitability, EBITDA, you could have seen it rising to 60%, 70%. But it would not have helped us with the revenue growth target that we have tried to put on ourselves, INR1,000 crores in FY '27-'28.

So now, when you try to grow faster and you try to grow using other methods, allied businesses, there will be a point where that expense will be shared from, from the profitability of that map data business. So let's first talk about the IoT business itself.

If I remove IoT business, you know how much EBITDA will grow: not margin absolute in rupees wise, I mean percentage-wise margin. Does that mean that we don't do IoT business? The answer is no, we will keep doing it because it is one of the second pillar of our business.

The third, drone. As a third pillar, will it not require investment? Our issue really is all these investments lead to booking it as an expense. Accounting standards do not allow us to capitalize them.

Now the fourth category, consumer business. From nowhere, in the last 2 years and particularly last 1 year, we have reached from 10 million to almost 28 million today. How are we doing it? We largely spend on 2 fronts - One is a sort of advertising and marketing expense, and the other part comprises of cloud expenses because these free apps do require cloud usage, which means the cloud expense.

Now again, the choice is ours that we don't get into this consumer side. If that was a choice we wanted to follow, I would say we are doing a good business. From nowhere to 28 million as of today, imagine the impact we could have if one day we were able to scale up to 100 million.

So here is the dilemma that we tried to address in our Board meeting today. And we had a 1.5-hour long discussion, and the Board felt very comfortable to tell us that we have the cash in our company, so we should go ahead with it and do our best to see that the consumer Mappls App grows as fast as possible. So the answer to that - the statement that you made since listing our EBITDA has fallen, yes, it is for the future. We are trying to do everything that will help us in FY '27-'28 and beyond that, and we are building a business.

Chandramouli: Got it. That's helpful. Just as a follow-up to that. Last quarter you had sized out how there was an increase in server expenses and outsourcing expenses, so I just want to understand will you be able to size out, I think, the 3 or 4 meaningful investments you've made, just for us to understand what is the size of the investments you're making that you are actually taking the hit on the P&L?

Rakesh Verma: You mean investments in other companies. Is that what your question is?

Chandramouli: No, I think the investments that you're making in the consumer business, the drone business, the IoT business, all those 3 to 4 long-term pillars on which you're making investments. If you're able to size out what the investment we made, maybe in crores this quarter...

Rakesh Verma: I can tell you. On the consumer side, Let's say, having spent as an expense of INR 5 crores this quarter has led to a jump from 25 million to almost 28 million downloads. So that's an investment. Investment could be either capitalized or it could be expensed. We are expensing them, not capitalizing them.

The second part, in IoT, you can see the trend. IoT from a negative EBITDA, when we started, it has risen to almost like 14%, okay? So the investments we are making is in terms of pushing hardware devices into the markets so that we get SaaS revenue.

I have observed that some of the companies in the telematics business are not showing it under the sale of revenue this way. They are showing revenue of devices as subscriptions and the cost of devices as marketing expense. But that doesn't matter, we are just showing the way it is. So that's an investment.

Drone, we have manufactured 5 drones already, giving 3 drones for government certification. This is on one side to make sure that we have our in-house capability so that the drones can be made in the manner a customer's requirement may be instead of shopping around in this market.

And the second part is we have done a couple of work already with both government and nongovernment customers where we have started providing Drone as a Service, which has reflected into the revenue. This is the best answer I can give you, Chandramouli.

Chandramouli: Got it. That's helpful. And last question is around the Hyundai Kia contract. Congratulations on the ramp-up there. So I just want to understand, versus the business that we've been doing on Hyundai Kia over the past 5 to 10 years, could you just tell us with new contract, what is maybe the incremental business? Is it INR5 crores per quarter, INR10 crores per quarter? Just trying to understand that as we get the first full quarter benefit next quarter on this.

Rakesh Verma: The two are independent. We have a direct contract, which we shared, was around close to INR400 crores contract over 5 years. I think we have already shared that in the last quarter earnings call, okay? It has nothing to do with JV. So that if you take INR400 crores over 5 years, it's an INR80 crores a year. If you further want to just do a simple math, it's INR20 crores per quarter on an average. So that answers your question on that?

Chandramouli: No, no, just -- I'm just trying to understand the INR20 crores per quarter, what was the...

Rakesh Verma: In average because you know some quarters it will be more, some quarters it will be less.

Chandramouli: Just last clarification on this. Keeping the JV aside, just looking at the existing Hyundai Kia domestic business, the INR400 crores business, INR20 crores...

Rakesh Verma: This is the Hyundai Kia domestic business I am talking about for us, nothing to do with JV.

Chandramouli: Correct. So just trying to understand before the domestic contract was announced, this INR400 crores, the old Hyundai Kia business that we had, was that at an INR5 crores per quarter, INR10 crores per quarter run rate and now we have INR20 crores per quarter? I'm just trying to understand that jump.

Rakesh Verma: Okay. I'm asking Sapna. Okay. So it was around INR5, INR6 crores a quarter.

Chandramouli: And that's jumping to INR20 crores on an average.

Rakesh Verma: Yes. But this has started only from September, the revenue has started only from September remember. We had expected earlier that it will start from April. It got delayed, but finally, it has started from September.

Moderator: The next question is from the line of Vimal Gohil from Alchemy Capital Management.

Vimal Gohil: Sir, I do understand you have already mentioned the reasons behind the slowdown in the consumer tech, and we do understand the prerogative that this business cannot be looked at on a Q-on-Q basis. But even on a 2-year CAGR basis, if I were to look at the growth, the growth has fallen down to 7% on a 2-year CAGR basis for this particular piece.

And we have highlighted in the presentation that there were certain challenges. If you can highlight what exactly are those challenges that we faced. Is it that the use cases that should be increasing are probably slowing down, maybe because the customers are taking a bit more time? So what exactly is happening there?

And on the marketing expenses, on the margins, over the last 4 quarters, we have spent about INR15 crores to INR16 crores on marketing. So we've already been doing that expense over a period of time.

Rakesh Verma: Your numbers are not right. We have not been doing INR15 crores.

Vimal Gohil: No, I'm talking cumulatively, sir, on...

Rakesh Verma: No, I'm talking for the whole year also, it was not INR15 cores last year. I can tell you right now. Anuj, how much is it? I can tell you it was not INR15 crores even for the whole year last year.

Rakesh Verma: INR9 crores for the full year. It was INR9 crores. And this year, it is already close to INR7 crores in half year.

Vimal Gohil: Yes. So the spending intensity has already been high historically. So what has transpired now that the spending has to accelerate? And will it directly have a positive impact on the C&E segment? Will it help it grow better?

Rakesh Verma: With advertising, our marketing expense is to do with the consumer app. I don't think our marketing spend for C&E or A&M is a lot. It might not be more than INR3 crores in a year.

Vimal Gohil: Okay. So sir, on the consumer app, what are the long-term plans for monetization?

Rakesh Verma: Standard, as you know, there are several ways. People have been asking what are the long-term plans for maps. So the consumer has to first understand, we are sitting with a unique asset. Nobody, no single Indian company has an app like Mappls App or Google Maps, no Indian company has it. Now when you think about it, we are the leader in the country, if you ignore Google for a minute, and we are the challengers to Google.

And in spite of that, challenging a monolith Google, we have reached 28 million downloads. So what is the advantage Google is getting from that 100 million if they have - approximately I'm giving you a number - aren't they getting a lot of advantages because of that?

The impact could be on potential advertisement revenue, impact could be on more people liking our APIs because they will be convinced that our APIs are much better. Impact could be on automotive companies where they will see that Mappls App is so popular. So like that, it is a product and asset that changes the people's behavior towards a brand and people's behavior towards accepting their products.

Vimal Gohil: Right, sir. And sir, you didn't answer the question around the consumer tech slowdown.

Rakesh Verma: No, no. There's no slowdown. I said it in the beginning, I don't go by quarter by quarter.

Vimal Gohil: No, no. Sir, I'm talking on a 2-year CAGR basis, our revenue growth is about 7%. Now that clearly does not do justice to the potential that we have and what we have done historically. Even in the presentation, you've highlighted that there were certain challenges in the markets that we operate. If you can just put some more light on what exactly were those challenges which led to this decline?

Rakesh Verma: It's not 7%, please, please reconfirm your figures. Coming to the challenges that we talked about in the market, I hope you guys know better than me, what was the result of the Q2 for most of these corporate worlds, in general, if you look at the Q2 results for the corporate world.

Definitely, it was not very good. This is my impression. So when the results of the customers we service are slow, they are aware of what is impacting them. So there can be some slowdown that can get transferred to us also. That's what we have tried to write in our commentary. But it was not 7%. I think just do the calculation, again, you'll understand.

Moderator: The next question is from the line of Abhishek Kumar from JM Financial.

Abhishek Kumar: I just wanted to again harp on the growth that we have seen. Clearly, the growth was slightly below what the street was expecting. So 13.5% growth in the first half year-over-year, is this as per your own initial expectation? Or has it disappointed you also?

Rakesh Verma: Okay. I think good question. Actually, honestly speaking, we don't care whether it is a C&E or A&M. We care for our total business running well. Even in the short-term, quarter-by-quarter also, we look at the total picture. It may happen that in a particular quarter, A&M might show a big jump. And in some quarters, C&E might show a big jump. I mean, I'm not predicting or I'm not giving you any guidance, but if you see a big jump in Q4 for C&E don't be surprised.

Abhishek Kumar: Okay. No, that's very clear. So the only question why maybe so many participants have asked this is we have a very strong conviction in our FY '27-'28 guidance of INR1,000 crores. But the first half, we are tracking much below the required rate. I mean it's difficult to understand, right, if there is a slowdown near term, but we have a conviction, which is 5 years out.

Rakesh Verma: Okay. I will help you on that. Last year, probably you attended our investor conference, correct? And we gave this guidance of INR1,000 crores in '27-'28, that's also correct?

Abhishek Kumar: Yes.

Rakesh Verma: People like you did a backward calculation and said that every year, we need an average growth rate. That's also correct. Did we even know that a JV was in the offering? Did we even know that we were going to reach the international market? Now in the last 1 year, a good amount of focus of the management was looking towards the future. And the question was how do we enter the international market, what do we do with our consumer business, how do we efficiently operationalize IoT business, what do we do with drones.

Now if the impact of all that total in some quarters fall below your street expectation, if you are a long-term investor or an analyst looking at a long-term perspective, we consider these factors.

Abhishek Kumar: No, fair enough. The current growth is significantly below the ask rate, so that's why the concern. But I take the point. The second question is, I just want to understand maybe the construct of our order book, right? We gave fixed pricing, and we gave volume projections. And when there is a slowdown maybe in C&E business, we did not expect such a sharp slowdown in one particular quarter.

Rakesh Verma: Actually, as of today's order booking, if I can see, I find that Q1 and Q4 have much more weightage towards the fixed pricing, if you're trying to understand.

Abhishek Kumar: Okay. Maybe I didn't really get it. Are there milestones which happen in Q1 and Q4?

Rakesh Verma: Yes. That's exactly right. I'm talking about as of today's prevailing open orders. Next year, it might change. And so I'm making a very guarded statement that as of current order books, the fixed prices in C&E are more leaning towards Q1 and Q4.

Abhishek Kumar: Understood. Okay. Understood. My last question is on margins. So I think we have maintained earlier that 40% medium-term margin is what we aspire...

Rakesh Verma: No, no, no. I don't agree. Last year, we had given the guidance on margin, not for this year. Because this year, to tell you the truth, we have been ourselves debating how far do we move with the consumer business. Because if we do proceed with the consumer business, it is an investment which is in the form of expense. And hence, we try to shy away from giving you any guidance for EBITDA for this financial year.

Abhishek Kumar: Okay. Sure. So the current level is what we should factor in for the rest of this year?

Rakesh Verma: No, I think you should look at the current level in one way, and then you should look what the great opportunity size of the JV which builds the future and the consumer business that will build the future. I think we consider both together.

Moderator: The next question is from the line of Purushotham from VVIT.

Purushotham: Sir. First of all, let me introduce myself quickly. So my name is Purushotham, and I am a proud retail investor in MapmyIndia. So this is the first time I'm attending this conference call. So yes, I will not ask multiple questions. So I can understand that the ups and downs take place in the market and in the business also.

So my question to you - We, as a MapmyIndia, are doing the business in different segments, like saving of the map and services into DAS as well. And we have set up another company like ClarityX for analytical solutions. So considering all these aspects, my question to you is what can MapmyIndia do in the longer term, like 7 to 10 years from here? I'm not worried about the short term of 3 years. I'm pretty much confident on you, I'm confident that we will fulfill that guidance.

But from a retail investor perspective, I am thinking a bit above of a larger broad range. So can you please enlighten me if it is possible to give me a picture like where we can push ourselves in the next 7 to 10 years of range?

Rakesh Verma: Thanks for encouraging. I hope you know that we are a technology company. I hope that's clear, right?

Purushotham: Yes, yes.

Rakesh Verma: We are sitting with a unique asset, maps. A technology company trying to say that what will happen in 7 to 10 years is a bit far out. All that I can see is that, if we continue to be a technology company - and there is no reason not to believe that we won't, because for 25 years we have been a technology company- a technology company's path while moving forward keeps getting adjusted depending upon market factors. Now you hear all this talk about AI. Now very interestingly, we have been using AI for the last 5 years in our own company for our maps analytics and many things. But the interesting part is that AI companies will need us. And they are the potential customers for us.

So as the technology world is moving, the opportunities for MapmyIndia on one side to use or develop technologies for that as well as the use cases for our maps and IoT and others also gets increased. The only statement I can simply make is we are proud that we have been in existence for 25 years so nicely. And we are proud that we feel very strongly that the next 25 years will also be there.

Worldwide the mapping companies got churned and they vanished after the arrival of Google, and here, we are giving them a real good time.

Moderator: The next question is from the line of Shobit Singhal from Anand Rathi.

Shobit Singhal: Sir, on the B2C side, what I see is that we are building 2 use cases, first is the travel commerce and daily needs of Mappls Mall. So how is the revenue share over here? And are we doing on something like on per booking basis? On the travel also, I was seeing that we are giving some discounts as well. So how is the transaction happening over here? I just wanted to understand.

Rakesh Verma: Okay. Leme put it slightly differently. First is, our goal is to take the Mappls App from 27 million to an unknown millions of our consumer base. The other thing that you are talking about are more R&D kind of a thing, okay? So saying what is the transaction base, how is the car rental, what kind of revenue we are sharing or how much in the Mappls Mall we are sharing or how much in the Mappls Travel we are sharing? These are not the things that we are talking about today. I think we'll talk about it a year later, not before a year.

Shobit Singhal: Okay. But I just wanted to understand what exactly are we trying to do on our B2C side.

Rakesh Verma: B2C?

Shobit Singhal: Yes, B2C, the Mappls App. So we are building the travel commerce. Now I can see Mappls Mall. And so how is the opportunity size? Or how big is the opportunity size are we looking at going forward?

Rakesh Verma: We are constantly experimenting, but our goal for the next 1 year is to focus on increasing the Mappls App downloads. The other things are on the side people are experimenting with. And good things will come out of it. So there could be like in-app advertising, the Mappls Gadgets are there, which you can go on an online subscription, commission income from travel expenses. These are some of the ways that consumer businesses can think of monetizing the Mappls App.

Moderator: The next question is from the line of Deepak from Sundaram Mutual Fund.

Deepak: Yes. Sir, my question revolves around this JV, which you have announced with Hyundai Autoever. So, sir, in India, it took us considerable time to build this map business, the kind of detailing and precision we have on the routes. Now we are trying to replicate the same in a foreign geography, right, with this JV partner. And you have also indicated that in FY '26, you will start to rake in the revenues.

So I was just thinking, would it be possible for you to quickly scale up that JV given that the Indian business has taken so long to kind of achieve that level of proficiency? Is the JV partner bringing something to the table for us to ramp up that quickly?

Rakesh Verma: You are really correct. There's no way we can ramp up building maps of so many countries ourselves. We believe it's not possible, too. Hence, we never went to the international market thinking that we can create a business in the international market on our own.

Think about Hyundai Kia, who has their cars all across the world, right? And by mixing or doing a combination between our Hyundai as a partner, and us as a map specialist partner. There is also an element of engaging local agencies which is the underlying strategy to build the maps. Hyundai brings technology and customer access. We bring map-building experience.

Deepak: Okay. So data will be sourced through this local partners or local agency, as you call it, and using your tech, you will develop what we have in India right now? And the technological part, some will be assisted by Hyundai.

Rakesh Verma: More from the software side, Hyundai will bring in because Hyundai Autoever is primarily a software company, whereas the mapping technology, we will bring in.

Deepak: Okay. And sir, could you please elaborate this $4 million which you have outlined -- I mean, since when will we start investing this and exactly where these investments will be, around this INR32-odd crores number, $4 million?

Rakesh Verma: It will go to JV. Hyundai Autoever will bring in $6 million, making a total capital of $10 million. That will be with the JV, who will be spending that amount. And we will invest it, I would say, probably this month itself.

Deepak: Okay. So the investment will start from this month. And sir, can you just elaborate on what is the outcome of this investment of this $10 million we are trying to achieve?

Rakesh Verma: See, the outcome is JV will build a business. The business will be built by JV with a strong participation between Hyundai and MapmyIndia. In the beginning, JV will have the maps from the local partners, MapmyIndia will process it with the technology and Hyundai software and the maps will together be given to those auto OEMs where Hyundai software is acceptable.

If they want the MapmyIndia navigation software, they will take MapmyIndia software. The interesting thing is many of them in India, MG, BYD, they are using our software. So that will generate the revenue for us. And further, if the end customers liked somebody else's software, the JV will supply that also. But it is not only for auto OEM, let me repeat. This JV business or the maps that the JV will have will be -- can be given to many of the C&E customers of MapmyIndia today or otherwise.

Deepak: Understood. So basically, the source code or the map development phase is where our capability is, but on the front end, it is the Hyundai Autoever software, which the client will see or the user will see as a user interface.

Rakesh Verma: Maybe. Mainly...

Sapna Ahuja: Sir, that is for Hyundai Kia vehicles.

Rakesh Verma: Primarily for Hyundai Kia vehicles, they will see Hyundai Autoever software. But for example, let's say BYD, as an example, they might see our software.

Deepak: Got it. But sir, then wouldn't there be a conflict of interest because then, let's say, if BYD uses your software and you have Autoever also using their own software, then you're competing against each other, right?

Rakesh Verma: No, we'll not. Where we will be completing ?

Deepak: Just now you explained, in BYD, the software can be something else apart from Hyundai AutoCare, right -- Autoever. So if that software is kind of provided by us, then aren't we kind of...

Rakesh Verma: Provided by us to JV.

Deepak: Through the JV.

Rakesh Verma: Right. We will not operate independently. Hyundai Autoever will not operate independently. Both of us have to pool in our technologies, our resources, and money is already pooled in. And the end customer will be a customer of JV.

Deepak: Okay. Okay. Got it, sir. Thank you for all the clarifications. All the best.

Moderator: The last question is from the line of Sameer Dosani from ICICI.

Sameer Dosani: Sir, C&E segment, should we expect normal seasonality, like H2 is always heavy? So should we expect H2 to be heavier for C&E segment? That is one question.

Second, how should I think of the margins? Like obviously, now we are at 36%, 37% EBITDA margin, should we think this is a new level of EBITDA margin for us? Or should we expect these margins to recover in H2? Or when do we expect this to recover?

Rakesh Verma: I mean, yes, H2 is heavy. That I can certainly say. Margin, I would never like to comment because we have not given the guidance for the margin at all for this financial year. We said our H1 margin is 39.3%, okay?

Sameer Dosani: Correct.

Rakesh Verma: Right. Which is close to what many of you believe that we have given you guidance of 40%, right?

Sameer Dosani: Okay.

Rakesh Verma: So it is very close to that.

Sameer Dosani: Okay. Sir, H2, obviously, with revenue growth, we should see that, and that's my assumption. Now, on Hyundai Kia, should we think that JV margins would be higher than our own company level margin because we don't have to do SLM, right? We don't have to do sales, marketing, et cetera. So how should I think of the margins of JV?

Rakesh Verma: JV's margin, I'm not looking at it. That is JV management's role.

Sameer Dosani: Okay. Okay. Got it. And just one clarification, so festive season sales in auto is already covered in Q2 numbers or it is something which we get in Q3 normally?

Sapna Ahuja: Sorry, your voice is not clear. Can you please ask your question again?

Sameer Dosani: On an OEM level there is a stocking of vehicles for the festive season, right, that's the higher volume quarter. So is it only captured in Q2? Or will it come in Q3 for us?

Sapna Ahuja: See, this festive rise in volumes, that's typically spread between Q2 and Q3. Yes.

Moderator: That was the last question for the day. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Rakesh Verma: Thank you for listening to us. And I really appreciate all the different questions that came up, and we are excited to say that there's something always a game-changer, that game-changer has happened right now with this joint venture. I hope there can be more game-changers. If we are able to change this 28 million consumers to 100 million consumers, that will be another big game-changer.

Like that, from time to time, you will see the game-changers and some of the game-changers might have an impact or the benefit that we might get is immediate. Some of the game-changers, you will see the benefit will come later. But overall, when we look at 3 to 5 years, I'm not talking about '27-'28, we always have a time horizon of 3 to 5 years when we do any serious thing for the future, not 7 years, but 3 to 5 years is always our time horizon, and we work towards that goal.

So if you believe what we are doing, including the consumer thing, then please be rest assured we are going on a right track. It's not the EBITDA, it's not the PAT, they're a byproduct of when you do good business. Thank you so much.

Moderator: Thank you. On behalf of DAM Capital Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Rakesh Verma: Thank you all.