February 04, 2025

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Mumbai 400 001	Mumbai 400 051
BSE SCRIP Code: 543425	NSE Symbol: MAPMYINDIA

Subject: Submission of Transcript for Q3 FY2025 Earnings Call.

Dear Sir / Madam,

Pursuant to our letter dated January 23, 2025, please find enclosed herewith communication relating to Q3 FY2025 Earning Call. The said conference call with Institutional Investor / Analyst was held on January 29, 2025 to discuss the financial results of the Company for the quarter ended December 31, 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: 2025.02.04 11:17:45 +05'30'

Saurabh Surendra Somani
Company Secretary & Compliance Officer

"MapmyIndia Q3 FY-25 Earnings Conference Call"

January 29, 2025

MANAGEMENT:	**MR. RAKESH VERMA – CO-FOUNDER & CHAIRMAN, MAPMYINDIA**
	MS. SAPNA AHUJA – COO, MAPMYINDIA
	MR. ANUJ JAIN – CFO, MAPMYINDIA
	MR. SAURABH SOMANI – COMPANY SECRETARY AND COMPLIANCE OFFICER, MAPMYINDIA
MODERATOR:	**MR. SHOBHIT SINGHAL – ANAND RATHI SHARE & STOCK BROKERS LIMITED**

Moderator: Ladies and gentlemen good day and welcome to the MapmyIndia Q3 FY25 Earnings Conference Call hosted by Anand Rathi Shares and Stock Brokers Limited.

As a reminder all participants' lines will be in 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. Shobhit Singhal from Anand Rathi Share and Stock Brokers Limited. Thank you and over to you sir.

Shobhit Singhal: Thank you Rutuja. Good morning, everyone.

On behalf of Anand Rathi Institutional Equities, we welcome you all to Q3 FY25 Conference Call of MapmyIndia.

We have with us today Mr. Rakesh Verma – Co-founder and Chairman of the Company, Ms. Sapna Ahuja – who is COO, Mr. Anuj Jain – CFO and Mr. Saurabh Somani – Company Secretary and Compliance Officer.

I will now handover 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: Good morning, everyone, and thank you, Shobhit, for the quick introduction to the team present today, who will be here to answer any questions following my talk.

So let me start by saying that, overall, we are happy with the results of Q3 FY25.

So, in Q3 FY25 we successfully operationalized the joint venture with Hyundai Autoever in Indonesia, marking an important step in expanding our global footprint. As part of our long-term strategy both the Mappls App and Mappls brand will continue to be an integral part of the organization.

On the financial front:

Our revenue for Q3 FY25 reached Rs. 115 crores, showing a 25% year-on-year growth. Over the first nine months of FY25, our revenue grew to Rs. 320 crores by 17%, up from Rs. 273 crores during the same period last year.

In terms of profitability:

Our EBITDA for Q3 FY25 was Rs. 42 crores, yielding a margin of 36% as compared to Rs. 36 crores in Q3 FY24 with margin of 39%. For the first nine months of FY25, our EBITDA stood at Rs. 122 crores with a margin of 38% as compared to Rs. 114 crores and a 42% margin recorded in the same period last year. We will continue to prioritize the Mappls App as a key strategic asset while we will calibrate the costs associated from Q4 onwards.

Our PAT for the first nine months of FY25 was Rs. 99 crores, up from Rs. 96 crores in nine months of FY24.

In Q3 FY25 the Consumer Tech and Enterprise business (C&E) revenue surged by 39% to Rs. 65 crores year-on-year, while the Automotive and Mobility tech (A&M) revenue had a steady growth of 9% to Rs. 49 crores year-on-year, with better growth than the overall auto industry. In the first nine months of FY25, our A&M revenue grew by 16% year-on-year and number of licenses grew by 23%. Our C&E revenue saw a 19% increase in the same period.

Our Map-led business delivered a very strong 33% growth of Rs. 287 crores in Q3 FY25 year-on-year while the IoT led business had a growth of 4% year-on-year during the quarter, owing to delays in some anticipated businesses. However, subscription services grew 31% year-on-year. Our continued focus to build IoT business with higher margin subscription revenue has resulted in the IoT led EBITDA margin to grow from 8% in nine months FY24 to 12% in nine months of FY25.

Our efforts in the previous quarters culminated in securing a major deal with one of the largest global social media networks across their app platforms in India as well as significant wins in the burgeoning quick commerce space and BFSI vertical, which had a strong positive impact on our C&E business. We also made significant strides in customer acquisition and deepened relationships with existing clients through upselling and cross selling initiatives. This includes notable go-lives and project wins across the various sectors such as automotive, fleet management, tech startups, traditional corporations, government and defense. With this, I would like to conclude my initial commentary. The team, including myself, are here to answer any questions the participants may have. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press '*' and '1' on the touchtone telephone. If you wish to remove yourself from the question queue you may press '*' and '2'. Participants are requested to use answers 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 and Stock Brokers. Please go ahead.

Shobhit Singhal: Thank you, sir. I have two questions sir. First on the C&E segment. Is the C&E revenue growth trajectory sustainable? As it appears, it was a one-time project revenue which got booked in this quarter which also explains the steep rise in outsourcing expenses. So, can you elaborate more about what we did in this project and is the order related to this project exhausted or more to come in Q4? Thank you.

Rakesh Verma: I didn't understand your question well Shobhit. Did you mean that our growth in C&E this quarter is a one-time thing?

Shobhit Singhal: No, what I mean is that this growth we achieved includes revenue from a government project that was booked this quarter. Additionally, there was a significant rise in outsourcing expenses, which you also mentioned in your presentation.

Rakesh Verma: I think these are two different things. The outsourcing question I can address because that's the only item in the presentation where you will see quite a big jump in our expenses. And that relates to the corresponding government projects which is part of the revenue. We incur outsourcing expenses when certain projects need to be scaled up rapidly within a short timeframe, requiring external resources. And also, it includes certain software such as COTS as we call it, which becomes part of it. So altogether, it is very much in line with the revenue that we generated during the quarter.

Shobhit Singhal: Okay. And sir second question is on the Gtropy. So last quarter you said that Gtropy funding issue was resolved. But if you see, hardware sales did not pick up this quarter as well. So, any specific reason or have we rationalized our authorized dealer network here?

Rakesh Verma: Okay we do not use the name Gtropy. We say our IoT led business.

Shobhit Singhal: IoT.

Rakesh Verma: Yes, in Q1, due to certain constraints within Gtropy, there was an issue. Now, in Q3, we have incurred expenses, and as I mentioned, the delay in some expected IoT-led business from customers has had an impact. However, we anticipate it will materialize in the next financial year. But at the same time if you look at the good part of the IoT led business, subscription revenue has increased dramatically.

Shobhit Singhal: Right. And sir, my last question is regarding the guidance we provided at the start of this financial year. We projected around 25% growth for the full year, but so far, in the first nine months, we have achieved only about 17%. Are we still sticking to our guidance?

Rakesh Verma: Yes, we still believe strongly that we will be able to attain the 25% growth for the whole year.

Shobhit Singhal: Okay great, thank you.

Moderator: Thank you. The next question is from the line of Chandramauli Muthiah from Goldman Sachs. Please go ahead.

Chandramauli Muthiah: Hi, good morning and thank you for taking my question. My first question is just if you're able to provide a little bit of color on some of the deal wins that you've announced this quarter and what that does to your order backlogs? I think the last update we had on the order backlog was towards the end of previous fiscal year, roughly 1,370 crores of open orders. Just want to understand what the quantum of recent deal wins have been, what the nature of those deal wins have been and where our existing order backlog looks like in terms of visibility going forward?

Rakesh Verma: Well, the exact number of the order backlogs or what we call the open order book, will be disclosed on 31st March which has been our standard practice. But on your other question, we have been wining new projects and the details are in the investor presentation. If you look at the C&E segment, we have successfully secured wins across multiple verticals, including global contracts.. I wish I could mention the names, but unfortunately, due to certain NDAs, we're unable to do so without their approval. Therefore, I am refraining from mentioning them. However, anyone can make their own guesses. As for the order backlog or open orders, it will definitely be better than last year by the end of the year. That's the best answer I can provide. We are on a very strong trajectory and believe there is a lot we can accomplish in terms of execution. The market is there, but of course, we need to pull everything together effectively.

Chandramauli Muthiah: Got it. That's helpful. Second question is just around seasonality. Historically we have seen the second half and last quarter seasonality pick up in terms of MapmyIndia's business and we had a little bit of unfavorable lumpiness in the first half of the year in terms of contracts closing and so on. So, as you look towards the end of the fiscal, could you just share some of the drivers that are giving you the confidence that you can meet your 25% implied growth target? And I think as the previous participant asked the meaningful pickup in growth expected in the fourth quarter.

Rakesh Verma: To give you more context on our confidence about achieving 25% growth in Q4, I mentioned during the Q2 earnings call that certain contracts, which are long-term, will generate revenue in Q4. These contracts are still in progress, and we are confident they will be completed. Therefore, we are not concerned about meeting our target due to these long term contracts. These contracts are from various sectors, including C&E—either from the corporate world, international companies, or the government side. Additionally, I should mention that Q3 is generally a slower period for the automotive sector in any financial year.. And those who do the automotive, OEM analysis will find that because our business is based on manufacturing of the vehicles, not sale of the vehicles. Particularly during November and December the vehicle productions get slowed down because of the new models being introduced. Hence you will find the A&M not doing great in Q3. But still we have achieved 9% growth with an increase in the number of licenses that has increased 23% on a nine-month basis. That shows our growing penetration either with the same automotive OEM or by winning new businesses particularly in the EV space.

Chandramauli Muthiah: Got it. That's helpful. And my last question is just around your earlier remarks around the temporary increase in technical outsourcing costs. Is that cost that you are incurring ahead of the curve for potential pickup in revenue you expect in certain types of business or contracts?

Rakesh Verma: No, it is related to the revenue. The way accounting standards work is that expenses must be tied to revenue. If I am incurring an expense, I must have the corresponding revenue to justify it.

Chandramauli Muthiah: Got it. So, it's unlikely that this elevated level of technical outsourcing costs recurs in the near term. Is that the way to think about it?

Rakesh Verma: The way to look at it is that technical outsourcing is primarily linked to government projects. To be straightforward, if the revenue from government projects is high in a particular quarter—say, part of it was in Q3—then if the revenue remains high in Q4, the technical outsourcing expenses will also be higher.

Chandramauli Muthiah: Got it. That's helpful. Thank you very much and all the best.

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

Anmol Garg: Thanks for the opportunity. I have a couple of questions. First, wanted to understand how are we looking towards the government business? Are we bidding on government led GIS projects and wanted to understand how are the margins in these projects?

Rakesh Verma: Okay. Government projects are no longer a "no-go" for us. If you had asked me three years ago, we would have hesitated. However, with the increasing number of government schemes in areas like GIS or geospatial technology, we no longer want to overlook these opportunities. In fact, we aim to seize them, as they come with added advantages. The only issue we are keeping in mind, and we will continue to keep that in mind is to pick up only those government projects where we know that we will get paid. Even now, if you look at our financial statements, government receivables are overall less than 100 days. While our total receivables include both government and other segments, the key point is that we are not facing bad debt issues, and our provisions for bad debt are not increasing. This gives us confidence in pursuing government projects, and we are actively doing so. The last part of your question is margin. Definitely in the government work the margin is not high like what you see in typical corporate and automotive sectors. So, it does draw down the overall margin of the Company. But at the board level also we are very clear that we must undertake them for hundreds of good reasons.

Anmol Garg: Right sir, understood. So just a follow up on that. So, given that we are taking now more government projects, should we assume that our more sustainable margin range would be around 35%-36% going ahead?

Rakesh Verma: Are you referring to the 35-36% margin in terms of gross margin or net profit?

Anmol Garg: EBITDA margin.

Rakesh Verma: EBITDA margin is the net margin. I am not aware of any government projects where a company achieves a 35-36% EBITDA margin. If you can help me and tell me, I would love to pick up those.

Anmol Garg: I am talking about the full Company's margin. Just wanted to understand that.

Rakesh Verma: For nine months, we are at 38% and I can tell you that by the year end, we might have 20% of our revenue coming from the government projects. I am just giving you a ballpark number. And if we are at 38%, I can't predict the exact figure, but with the year almost ending, we should remain close to that level.

Anmol Garg: Understood. Second, wanted to understand our confidence on next year's growth trajectory. Now do we have enough order book and enough confidence that we will go back to the growth trajectory like we have in the last 2 years?

Rakesh Verma: Well, if we maintain a 25% growth rate, you can use your calculator and you will see that we will attain 1,000 crores in FY28.

Anmol Garg: Right. So, should we assume trajectory of around 25% growth rate going ahead?

Rakesh Verma: Yes, we are committed to that and our plans are all based on that. That's why I mentioned at the beginning that with strong execution and a capable team, we don't foresee any issues. As a matter of fact, just to give some color, yesterday in the board meeting all the four business heads presented their case. They explained everything to the board members, and they were very happy that the team is fully competent, qualified and experienced to carry on this target of 1,000 crores for FY28.

Anmol Garg: Understood. And one last question from my end. If I look at our B2C spends, this quarter that you have indicated that you have spent around 5 crores in this quarter. Now going ahead how should we see these spends? Would it be range bound, or would it increase as we focus on the Mappls Application?

Rakesh Verma: Okay let's put the correct color on this B2C spend. As far as the Mappls App is concerned, I don't think we have ever viewed it as a B2C business. Rather, the Mappls App serves as a driver, showcasing a lot of our R&D and innovation. Take the example of the junction view which we implemented. That was an innovation within the company which was depicted through Mappls App. But Mappls App doesn't give revenue. But the use of those technologies' innovations leads to creating revenue in the B2B. I don't view the Mappls App primarily as a B2C business. I believe I have been able to clarify that today. It is an integral part of supporting our B2B and B2B2C business. What you're referring to as the B2C business is something we have from Q4 onward. However, in Q4, the expenses could not be avoided. Moving forward from Q4, we are calibrating our approach and have decided not to invest in building a business around the Mappls App at this point. However, if an opportunity arises in the future, we will certainly consider it.

Anmol Garg: Understood. Sir, are we giving any size of the deal that we have signed with the social media app in this quarter?

Rakesh Verma: I wish I didn't have the NDA, and I could have talked about it. So, I hope you will understand.

Anmol Garg: Sure. Thank you so much for answering my questions.

Moderator: Thank you. Ladies and gentlemen to ask a question you may press '*' and '1'. The next question is from the line of Abhishek Kumar from JM Financial Limited. Please go ahead.

Abhishek Kumar: Hi good morning. Thanks for taking my question. First question is on Hyundai Kia. Both, the India deal as well as the Indonesia JV, last quarter, we understand because of lower production, it is not reflecting. But how has that deal progressed? Have we now increased the number of models where our software is going in and how should we look at it in terms of achieving its peak quarterly run rate going forward? And, any color on the progress on the JV? When can we expect revenues or some profit coming from the JV?

Rakesh Verma: From our side also to give you more color, let Sapana say a few things and then I will add on to it.

Sapna Ahuja: Yes, I will address the question specific to Hyundai and Kia vehicles. Yes, from this quarter onwards, all models of Hyundai and Kia will be having…

Rakesh Verma: Or are having….

Sapna Ahuja: Yes, I am saying that 100% will be there in Q4, and for Q3, it will be partial. Yes. So in Q4 100% of these models will start having MapmyIndia maps built in. With regards to the Hyundai and Kia vehicles in Southeast Asian market, there is still some time. We are working towards that. The initial preparation of the content has been completed, and now we are productizing it to ensure it starts generating revenue very soon. And we see that happening maybe towards the next financial year.

Rakesh Verma: Okay, let me add something more. The JV in Q4 has just become operational in terms of its legalities and other formalities at the end of last year. As a result, they only had 10-15 days to report anything about it. In Q4, they will focus on putting everything in place, ensuring that the maps for 8 to 10 countries are ready. Hopefully, the revenue from this will be directed to the JV for the licenses they provide to Hyundai-Kia for Southeast Asian countries. The other opportunity we're seeing is because of those maps and our software. The interesting part, which I hope you can understand, is that our software will be used in non-Hyundai and non-Kia cars, as they won't take the software from Hyundai. This will start generating revenue for us. However, we are hopeful that we will begin seeing this revenue from Q1 or Q2 of the next financial year. Did I answer your question?

Abhishek Kumar: Yes, that's very detailed and clear. One quick follow up there. Just in terms of size of the market, our understanding is that the volumes in Southeast Asia are similar to Indian market but the realizations are 2X-3X of what we get in India. Is that true? And does that mean that the TAM that we are looking at potential TAM is 3X of In India's automotive market?

Rakesh Verma: It will take some time, Abhishek. See joint venture is formed. They will start putting pieces together and in automotive always there is a one-year lag at least from the time, let's say example one Chinese Company like BYD, just as an example if they say that 'okay' they will go ahead with our solution, our software and map data. It will take them at least a year to officialize it, put it in the vehicle. So, we expect this to develop over time, and that's the beauty of the automotive OEM sector. Once you're in and it gets started, you're typically set for a journey of almost five years. So don't expect any magic numbers. The key focus should be on how quickly we are able to win opportunities during the FY26 period, especially due to the formation of the JV.

Sapna Ahuja: Certainly, TAM is quite big.

Rakesh Verma: TAM is like India's size.

Abhishek Kumar: Yes. Okay. Yes, my question was more around TAM, not our revenue. But point taken. Next question is on some of the wins that we have had in quick commerce etc. That's the space that I assume even Google Maps target very aggressively, and they cut their prices also a couple of quarters back. So good to hear that we have been winning in e-commerce and new age digital. What is in your view leading us despite competition being aggressive in pricing to win these and does that in your mind validate the product market fit that we have and kind of addresses? I mean anything you can give in terms of why we won over competition in some of those deals? Thank you.

Rakesh Verma: There are a few small but important things that really matter. The quality of our product specifically the map data and the underlying APIs or SDKs we provide plays a crucial role. When our offering is better than the competition, especially in quick commerce, which is highly hyper-local, that level of detailed mapping is helping us to win.

Sapna Ahuja: One is quality of product, the other also is quality of service. I mean we being very agile, being very flexible to support them with the integrations with whatever desires they have in terms of technical features because we have control over the complete data in the back end. A lot of the new innovative features they want are being successfully implemented through our product and the services we provide alongside it. That's where they find it more comfortable to work with us.

Abhishek Kumar: Sure. One quick follow up on this, just in terms of order to revenue conversion here because these are APIs and volume driven. Does it mean that the order to revenue conversion is much faster compared to any other typical B2B or B2G space and therefore I mean the revenue growth here could ramp up could be faster?

Rakesh Verma: Yes, in these cases, orders are typically based on consumption—what is used in a given month translates directly into revenue for that period. It's not like Hyundai-Kia 400 crores of order contract to be consumed over 5 years. You are right, it's immediate. It is a contract with them that they will work with us for the next X number of years. But we don't estimate here because it is not known how much consumption will happen.

Abhishek Kumar: Understood. Great. Thank you so much and all the best.

Moderator: Thank you. The next question is from the line of Drashti Patel from Avendus Capital. Please go ahead.

Drashti Patel: Hello sir. Good morning. I had a couple of questions. So, the first one being, what is the expected revenue contribution from our drone services towards achieving our 1,000 crores revenue target for FY28?

Rakesh Verma: I think I would rather like to skip this question at this point of time because we will have our business planning session end of March and we will work it out and maybe next time we will be able to tell you that.

Drashti Patel: Okay, sure sir. So, my next question would be what factors have contributed to the decline in our device sales within our IoT led segment this quarter and was this decline an intentional strategic decision?

Sapna Ahuja: Sorry, can you repeat that question once again?

Drashti Patel: Yes, so I meant to ask what factors have contributed to our decline in the device sales within our IoT led segment this quarter and was this decline an intentional strategic decision?

Sapna Ahuja: Yes, I think we have mentioned this in the presentation as well that there has been delay in certain business that were expecting to happen and those were the large contracts that would have generated that revenue. Since that did not happen you see that decline. But it is just that they have been postponed to the future quarter. It's not that it's not going to happen. I hope they've answered your query.

Drashti Patel: Okay, so any idea on when that would be happening? If it's postponed for the future?

Rakesh Verma: Well, let's wait. I mean at least it will not happen in Q4. That I can say for sure.

Drashti Patel: Okay sir sure. My last question being, with our partnership with Qualcomm Tech, what revenue impact and growth opportunities do we anticipate in our automotive and mobility tech segment in the upcoming quarters?

Sapna Ahuja: Yes, so initially we are looking at this engagement with Qualcomm mostly from the perspective of automotive OEMs, not the aftermarket but the inline fit kind of products and solutions, mostly around the connectivity front. This is given that it's for automotive OEMs, the impact on revenue will be seen post 1 year at least.

Rakesh Verma: Let me add some more color to that. In the automotive OEM space, we operate as Tier I suppliers and partners, specifically in navigation, data, and related areas. Similarly, many global players provide various technologies to these OEMs as Tier I suppliers as well. Now this is a very nice marriage between one of those global players like Qualcomm and us. So that the technologies they have and what we do the OEMs will find it much more comfortable to work together with us.

Drashti Patel: Understood sir. Thank you so much for taking my question.

Moderator: Thank you. The next question is from the line of Nishant Chandra from Temasek. Please go ahead.

Nishant Chandra: Hi. Thanks for taking my question. I had a question on the IoT hardware line, that has been the IoT hardware revenue profile. So just to understand the number of units sold, this would be something in the zip code of 170,000 units that we have done on a nine-month basis. Is that right?

Rakesh Verma: Say that again, number of units sold during the nine-month period?

Nishant Chandra: So, for the nine-month period we have got our revenue number from IoT hardware is disclosed in the investor presentation. Now when I compare this with last year in terms of number of units for full year, I think we did something like 300,000 units of hardware sale. I am trying to understand what this 38.2 crores of revenue pertains to. This should be something like 160,000 170,000 units of sale. Am I thinking about it the right way?

Rakesh Verma: Yes, I mean the number of devices over the nine-month period is approximately around that figure.

Nishant Chandra: Okay. And the full year number would again track something close to 300k or is there something that we need to change the expectation versus last year on the baseline of hardware revenue?

Rakesh Verma: Well, I don't know. Did we share that 300,000 numbers or you guys estimated on your own?

Nishant Chandra: No, 300,000 is there in the annual report. I think the IoT DoubleClick had the number of devices the revenue from hardware and revenues from software split in the annual report. So, I was just trying to see what the unit value is and then I will use the same unit value here to see what is implied number of units.

Rakesh Verma: 300k, I don't think so, for this financial year. However, the good thing is that while a couple of businesses that we expected to start generating revenue from Q3 have been postponed, they are now set to contribute in the next financial year. We focused also on seeing how the subscription revenue increases. And that's what you see that there is a 30% plus growth in that. Which ideally is what we would like to see. The hardware sales being down has affected on my revenue growth. Otherwise, the revenue growth would have been higher instead of 25%.

Nishant Chandra: I don’t see the year-on-year decline in hardware revenue as a concern in itself. The way we look at it, there are two parts to consider. So here it's not like you're making profits from hardware sale which is materially large. The profits are anyway driven by services sale. And hardware effectively enables you to make that services sale. So that's why I was just trying to see what is the universe of sales that we're doing on the hardware side. And if that is, so let's say if it is not tracking last year's number, why is that the case? Because your points of presence on the retail side should be similar to last year. So, how should we interpret that momentum on sale of hardware?

Rakesh Verma: The retail side has not declined. However, some of the large projects we were expecting this quarter did not materialize. Had they gone through, we would have likely reached the 300,000 mark. That’s the reason for the shortfall. I mean we are just giving you the exact picture that why it has happened. Throughout the year, the business we expect comes from projects that typically take a year or more to materialize. In such large projects, one or two delays can occur, and in this case, they have. We acknowledge that.

Nishant Chandra: Understood. And the last one is if I were to look at the stock of devices which is giving you this subscription revenue on IoT sale. Where would that be currently in terms of closing number? Because I think that number was close to half a million devices in end of ‘24. That should be something like 650,000-670,000 devices for nine months ‘25 is again is my number broadly the right zip code?

Rakesh Verma: You are talking about the inventory or you're talking about…?

Nishant Chandra: No, the number of, so if I look at the sale of subscription devices in IoT, how many devices would be subscribed to your IoT services? This should be somewhere around 600k to 700k units is what I thought. Just wanted to verify that number with you.

Rakesh Verma: Your number is right.

Nishant Chandra: Okay got it.

Moderator: Thank you. The next question is from the line of Gautam Rathi from CWC. Please go ahead.

Gautam Rathi: Hi Mr. Verma. Thanks for taking my question. I have a couple of them. First on the Hyundai contract, just needed some clarification. So, this is a 400 crores contract for 5 years. But how should we think about the peak ramp revenue in this contract? Is it fair to say because even if I take average its 80 crores. But is it fair to think that at a peak this could be like 100-120 crores kind of a revenue. And just to take a guess today we would be not even say, 10 to 15 crores in that contract. Is it fair to think about it that way?

Rakesh Verma: When they signed the contract, they committed to that amount over five years based on their projected vehicle sales. However, they haven't guaranteed a specific quantity per year or per month. You can look at it in different ways—one approach is dividing 400 crores by 5 years, which gives you 80 crores per year, and then dividing that by four quarters, which comes to 20 crores per quarter. That's one way to analyze it. The other way is Hyundai is also expanding. Like in Q3 their sales was also down. I mean from Q1 normally, Q1 and Q2 we have seen Automotive OEM, their revenue going up. This is what we have observed. So, you can track it very easily with Hyundai car sales. And as Sapna said that all the vehicles of Hyundai Kia which comes with a navigation or connected vehicle, they will all have—no exceptions., they will all have—MapmyIndia maps.

Gautam Rathi: Okay Understood.

Rakesh Verma: It might be starting from X number, it might become 2x maybe in 2 years or 3 years time frame. It's possible.

Gautam Rathi: The other thing on the Hyundai JV, last time around you were saying that even in the JV, the map making part right, the development of maps would be outsourced to MapmyIndia, right? So, are we already seeing the cost coming for this in our business for which in future we would get the revenues or is it still too early?

Rakesh Verma: Let me clarify. In one country, they have outsourced the work to us. In other countries, however, it's better that local players, who were previously being overwhelmed by the big giants, have now been given a new lease on life. The JV is helping nurture these local players by providing them with the necessary support to improve their maps. How are they being nurtured?

MapmyIndia is providing them with certain tools and technologies. That's one aspect of it. The other side is when they provide that data to the JV, the JV gives it to MapmyIndia to put it in the format so that, that data can be sellable to or licensed to any other automotive customers including Hyundai Kia. If it is non-Hyundai Kia then it will get added to our software and we will have a further revenue opportunity. One, due to the software part and the second is when we process the data into a particular—when I say—process the data, productize it, we will also earn certain revenue. So, this is the model on which we are operating. As I mentioned, start expecting these revenues and gradually observe how it builds up. For example, if the Southeast Asian market is as large as the Indian market, we've been working in India for the past 10 years, gradually increasing our presence. Similarly, though not over 10 years, it will likely take 2-3 years for the JV to fully ramp up and capture the full advantage of the TAM available in Southeast Asian countries.

Gautam Rathi: Understood. That was really helpful. Just the last question, right. How should we think about the growth in the government part of the business? If I take nine-months FY25, what would be the growth in that business vis-à-vis same period last year?

Rakesh Verma: Which business?

Gautam Rathi: Government business.

Rakesh Verma: Government business. For many years, our government business was just a small percentage of our overall revenue. However, over the last 2-3 years, we have started increasing it. If I remember correctly, last year, the percentage of our total revenue from government projects was still in the single digits. This year, I am giving advance information that we might be, definitely will be in double digit but less than 20%.

Gautam Rathi: Less than 15%?

Rakesh Verma: When the quarter closes then only I will know the exact number. But I am giving some color to it.

Gautam Rathi: And Mr. Verma again if I understand it right with your government business going up, is it fair to assume that your margins, overall blended margins could be lower? Because you just in one of the earlier questions, you mentioned that your margin should be around 38% to 40%right? So, is it fair to assume that as the share of government business goes up the overall….?

Rakesh Verma: Let me answer this question straightforward. Internally we are looking at the revenue growth first. That's the first important thing we are focusing on. Second thing we are focusing on our EBITDA growth. I am not talking about the margin. I think it will give you a wrong color. And understand if my EBITDA growth happens that means my PAT growth happens and that's what ultimately matters to the Company and to its shareholders. So, I will strongly suggest that after this financial year let's focus on instead of margin let's focus on the growth of EBITDA.

Gautam Rathi: Understood. That's very fair. Thanks a lot for answering the questions.

Moderator: Thank you. Ladies and gentlemen to ask a question you may press '*' and '1'. The next question is from the line of Ridhima Goyal from Acquaint Bee Ventures. Please go ahead.

Ridhima Goyal: Hi Mr. Verma, thank you so much for giving me the opportunity. I have two questions. First is I just wanted to know like earlier if we see that we have an average growth rate of around 30%-35% and now in FY20, we are targeting around 25% and going forward also we are seeing that 25% CAGR is expected. So, I want to know what is exactly happening in the industry? Are we facing any competition? Why are we not able to have the earlier run rate of 35% plus growth rate and also what is the reason of decline in margins. I know that B2C cost is what we have incurred and that has resulted in the dent in margin. But since we are going to calibrate this cost going forward, then again, we are targeting 38%. So, what is the reason for the dent in margins also and its target?

Rakesh Verma: Let me first address your question about margins. As I just mentioned, going forward, we should focus on EBITDA growth rather than just margin percentages. If we fixate on margins alone, it could negatively impact our revenue growth. I'm sure all of you understand that achieving revenue growth while maintaining such high EBITDA margins is unrealistic. Regarding competition yes, competition exists across the board. How can we operate without competition? Even in maps, in certain parts of maps we do have competition from Google. Our job is to try to get that business from them and bring it to us. In government also there are many companies who are bidding and who are trying and they are also growing. So, every business vertical will have a different kind of margin. The Company's objective is to keep increasing the revenue growth. Answering the other part of the question, about that 35%-40% growth in the revenue. Well, we never said 35%-40%. I don't remember ever saying it. What we had said was 1,000 crores revenue in FY28. Some people like you might have done some reverse calculation and come to the conclusion that 35% is required. I don't know how it was computed. The last 2 years we did achieve around 30%-35% growth. So, we are targeting 1,000 crores and we. I will continue saying that 1,000 crores is our target for FY28.

Ridhima Goyal: Yes sir. Actually, just the reason we wanted to know is this why the growth rate has slowed down? I understand that you have a target of 1,000 crores by FY28. But we were growing at 30%-35% and just reaching to 25% growth rate is a concern or maybe just we wanted to know the reason behind that.

Rakesh Verma: Another way to look at it is that when starting from a lower base, the percentage growth appears higher. However, from a higher base, the percentage naturally decreases. There are multiple perspectives to consider.

Ridhima Goyal: Got it. And the second question is, so I wanted to understand on this Hyundai-Kia contract. So, since you said that we have 5 years contract. I wanted to know like how does it work? Like every year, for example Kia makes 100 vehicles, your maps are being installed on all of those 100 vehicles. Then in second year if they again manufacture 80 vehicles then that is your 80 maps are being installed. Then how does it work? what happens post 5 years? The maps you installed in the vehicles, will there will be the renewal of the mapping thing or like post that you will have a different contract of new vehicles being manufactured? And the ASP of 800 includes the installation part or is it includes the renewal also?

Sapna Ahuja: Okay, I will take that question. Our contracts are clearly tied to the number of vehicles produced under the specific program for which we have signed the agreement. And under one program there could be multiple make and models of the vehicle that could fall in. So, Hyundai Kia has signed all vehicles but that would be different for different OEMS, our contract terms conditions could be limited to specific medical programs also. Now our every contract would be different from the perspective of the number of years and the renewal strategy. But typically, we sign the licensing term is for 3 to 5 years and post that there's a renewal, which is an option to the OEM and to the end customer as well, so they can get the plan renewed at a certain cost from MapmyIndia.

Ridhima Goyal: Okay, got it. And just a request. Will it be possible for you guys to give more granular detail on your segment wise like what is the variable in fixed contract mix and in variable like what is like for A&M, what would be the number of vehicles which we are installing our maps on a quarterly basis? It will give us more clear picture to track the KPIs of your business. Otherwise, it would be very difficult for us to predict what is going to happen in the next quarter.

Sapna Ahuja: Shared the number of vehicles towards number of….

Rakesh Verma: We provide yearly updates, but just to clarify, I mentioned earlier that we saw a 23% growth in the number of licenses.

Sapna Ahuja: As compared to the last year.

Rakesh Verma: Last year for the nine months. So, if you have that number last year, so you can compare that and say 20% growth has happened.

Ridhima Goyal: Yes. Okay.

Sapna Ahuja: There is a way that you can take the escalation.

Ridhima Goyal: Thank you so much. That's it from the side.

Moderator: Thank you. Ladies and gentlemen this was the last question for today. I would now like to hand the conference over to the management for closing comments.

Rakesh Verma: Well, thank you all for listening to us patiently. All that I can say that we are on track. We have a great team here to deliver what we talk about. So, let's hope that you also have confidence in us the way we have confidence internally. Thank you so much.

Moderator: Thank you. On behalf of Anand Rathi Shares & Stockbrokers Limited. That concludes this conference. Thank you for joining us and you may now disconnect your lines.