TRACXN TECHNOLOGIES LIMITED

(Formerly Known as "Tracxn Technologies Private Limited")

August 04, 2023

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001
Company Code: 543638

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400051
Company Code: TRACXN

Sub: Transcript of the Investor/Analyst Earnings Call held on Tuesday, August 01, 2023

Dear Sir/Madam,

This is in continuation to our letter dated August 01, 2023, wherein we had informed regarding the video link of the earnings call with analysts/investors for the quarter ended June 30, 2023 (Q1 Results).

In this regard, please find enclosed herewith the transcript of the said call.

The transcript is also available on the Company's website i.e. https://cdn.tracxn.com/investor-relations/financials/Earnings_Call_Transcript_-_Q1_FY24v4_e99bef2b-42b9-4f6b-bd8f-107da7f4a20d.pdf

Kindly take the above said information on record.

Thanking you.

Yours faithfully,
For **Tracxn Technologies Limited**

MEGHA TIBREWAL Digitally signed by MEGHA TIBREWAL Date: 2023.08.04 16:10:47 +05'30'

Megha Tibrewal
Company Secretary and Compliance Officer
Membership No. A39158

Encl.: A/a

Tracxn Technologies Limited

Q1 FY24-Earnings Conference Call

Aug 1st, 2023

Management:

Ms. Neha Singh, Chairperson and Managing Director

Mr. Abhishek Goyal, Vice Chairman and Executive Director

Mr. Prashant Chandra, Chief Financial Officer

Host and Moderator:

Mr. Sidharth Agrawal, Systematix Shares and Stocks (India) Ltd

Moderator: Yeah, good evening, ladies, and gentlemen. Thanks for joining us today on the first quarter FY24 Earnings Call of Tracxn Technologies Limited. On behalf of Systematics, I'd like to thank the management of Tracxn for giving us the opportunity to host this earnings call. Today on the call we have with us, Ms. Neha Singh, Co-Founder, Chairperson, & Managing Director, Abhishek Goyal, Co-Founder, Vice Chairman, & Executive Director, and Prashant Chandra, Chief Financial Officer. I would now like to hand over the call to Neha to give her opening remarks and present the PPT and after that we will open it up for Q&A. Please use the raise hand option to ask the question or you can also submit your questions in the Q&A box at the bottom of your screen. Thanks, and with that over to you, Neha.

Neha Singh: Thanks, Sidharth. Welcome everyone, thanks so much for joining us today for our earning call for the first quarter of the financial year FY24. We are very excited to present our results. We would like to run through a short presentation in terms of format, share some of the insights of the period and I'll also give some commentary along, which will be helpful in the overall understanding, and we'll follow that up with a Q&A session. Request you to please go through some standard disclaimer for the presentation.

Quick recap on our business. So, Tracxn is a data and software platform for the private markets globally. If you look at public market, it has created multiple large companies, many of which are highly profitable cash rich companies. As private markets are becoming large and important, it will also create platforms like these, and we are building a global platform in this space. Our customers include Venture Capital Funds, Private Equity Funds, Investment Banks, as well as M&A and Innovation Teams of large Fortune 500 Corporations. Also, it's a global platform, so nearly 65% of our revenue is international and we have customers in over 50 countries.

Neha Singh: I would like to begin by summarizing the financial performance for Q1 FY24. To set the context, we have one business, one legal entity, so you'll not see numbers like standalone or consolidated. All the numbers that I'll talk about for, is for the business overall. Revenue from operations for Q1 FY24 was 19.8 crores, this was a 8% year-on-year increase. Total income was 20.8 crores, which is an annualized run rate of 83.1 crores. Coming to profitability, EBITDA was positive 0.02 crores, just to add, this EBITDA includes all the noncash expenses also like the ESOP expense. PAT for the same period was positive 0.7 crores.

Moving on, the EBITDA margin was 0.1% and PAT margin was 3.5%. The business continued to generate positive free cash flow. The free cash flow for Q1 FY24 was 0.6 crores. Cash and cash equivalents stood at nearly 61.9 crores, which is an increase of 30% on a year-on-year basis or an... or an increase of 14.1 crore on an absolute on a year-on-year basis. In the subsequent slides, I'll be covering each of the metrices we talked about in the summary in more detail starting with revenue.

So, revenue from operations is essentially revenue from platform subscriptions. 100% of our revenue is subscription based. There are no services or one-time implementation component, so it's a fairly high-quality revenue. Also, please note that this is the accrued revenue, so though we do prepaid billing and collections like most other financial data platforms you may have seen, we only recognize revenue for the time duration falling within the reporting period for which the service was made available, right. So, as discussed, the revenue from operations in Q1 FY24 was 19.8 crores. This is an 8% year-on-year increase. The total income was 20.8 crore, which is an annualized run rate of 83.1 crore. This is a growth of 9% on a year-on-year basis. We have also added historical data for the last three financial years for reference here.

EBITDA for Q1 FY24 was 0.02 crores. If you exclude the non-cash ESOP expense, this was 0.9 crores. On similar lines, PAT for Q1 FY24 was 0.7 crores. If you exclude the non-cash ESOP expense, then this was 1.6 crores. In terms of the margin, the EBITDA margin and PAT margin for Q1 FY24 were 0.1% and 3.5% respectively. If you see the EBITDA and PAT have reduced marginally because the revenue from operations grew at 8% while the costs grew at slightly higher 9% and in the subsequent slides, we'll also cover into more details on this and also what we expect going forward. So, one of the other metric that we also track closely for the business is what part of the incremental revenue is going into bottom line and for the same reason that we mentioned on the previous slide, we did not see expansion in the bottom line because the revenue increase was offset by the increase in employee and other expenses, right. In the previous year, it has been much higher, so in FY21 and FY22, it was close to 80%. In FY23, when we increased the average team size by 23%, this had reduced to 31%, right.

What do we expect going forward? So, if you see on the cost side, the rate of increase has already come down from 16% last year to 9% this year, right. So, the incremental expense has already got eased. On the revenue side, we expect that it should go back to steady state soon, right. So, we expect that we should now still see sort of bulk of revenue going into bottom-line shortly.

Neha Singh: Coming to the expense, our total expense for Q1 FY24 was 19.8 crores. This is a 9% increase over Q1 of the previous financial year, that is Q1 FY23. If you see this expense growth rate is lower than the CAGR that you see in the last two years, which is what we had indicated in the last quarter if you remember, right. So, on the right-hand side of this slide, we have given the breakup of the expense into the key components. So, the key components are the same as what you would have seen earlier. Just to summarize, first, bulk of the expense is team cost. So, in Q1 FY24, it was 88% of the total expense.

This has been in the same range across the last two financial year as well. In FY22 and 23, this was 89% and 88% respectively of the total expense. Also note, all our team is in-house, so there is no outsourced or contract workforce. The second largest item is cloud hosting cost, which accounted for 3.4% of the total expense, right, as we do a lot of data processing and analytics. This is followed by rental expense. The other interesting aspect is that we do not have a large paid marketing line item because we do not have a large paid marketing spend, neither digital marketing nor offline based typically required for customer acquisition. The reason for this is that because we are a data company, we produce a lot of content and hence are able to use it to get a lot of organic traffic, right. So, we are able to acquire leads fairly efficiently which is reflected in the expense breakup.

Going deeper into the expense growth, if you see the year-on-year expense increase for the previous two quarters was higher of about 24% and 14% respectively. The increase for the whole of last financial year FY23 was 16% on a year-on-year basis. We had indicated last quarter that they should get eased over the subsequent quarters, which is what you can see in the Q1 numbers also. So, if you look at the year-on-year expense increase you know that has got reduced to 9% in Q1 of the current financial year.

On the right-hand side, we have given the details of the main drivers for this employee cost, which contributes to nearly 90% of the overall expense, right. So, we have given the average headcount across the last year and across the last five quarters. So, if you see the average headcount increased from 684 in FY22 to touching the peak of around 900 in the last quarter of FY23. This increase in headcount is due to various growth initiatives undertaken last year, right. In Q1, it came back to

825, right. The headcount got optimized due to various automation as well as efficiency initiatives that we have taken across departments. The ending headcount was even lower of about 814.

Neha Singh: Moving to the revenue side. So, I wanted to talk a little bit on the market so if you see the private markets have been very muted in the first half of this year and I'm sure you would have seen some commentary on this in press, but just to put this into perspective about the deal activity among private market investors right what you see in numbers. So, if you see the global tech funding it was at a near 5-year low, right. The global funding for in the first half of 2023 was down 54% if you compare it to the same period last year and this trend was similar in India, if you were to see it was down 72% in the first half of the current calendar year as compared to the same period last year. This was even more stark in the later stage, so one proxy for the late-stage activity is the number of new Unicorn startups that get created or the new private companies which got valued at over a billion dollars right. So, if you see the current run rate of new unicorns which got created globally, which is a proxy for the investment activity which is happening in the late stage, so this was the lowest that it has been in the last nine years. Closer to home in like India obviously, so no new unicorns in the first half of 2023, which is down from a peak of about 44 what you saw you know just in 2021, that's two years back. Even if you look at M&A activity, it has been very muted.

If you look at the M&A deal volume in the first half of 2023, it was the lowest in the last decade after 2020, which was the year of COVID onset and even if you look at IB fee, which is the Investment Banking M&A Advisory fee, it has been one of the lowest that you know everyone has seen in the last 10 years. So, on the question of when is it expected to improve or bounce back, right? So, typically we have seen that there's a lag of about two to three quarters between public tech and private tech and with the public markets having recovered this year, it's likely to see some recover in the private tech also. So, we expect that the market should improve in the next few months.

Neha Singh: Coming to some of the business metrices that we are seeing. So, we are seeing some green shoots. For instance, if you look at our deferred revenue, we have seen the downward trend reverse and a slight acceleration happen in Q1 of the current financial year. So, we might have to still wait for the trend to unfold for another quarter, but there's some green shoots that we are seeing. One of the questions that people might have is that the customers may be doing lesser number of deals right because there may be a temporary valuation mismatch which exists, so the money... the valuation at which investors want to put in money and the valuation at which companies might have raised money in the previous rounds right, but how actively are the customers sort of using the platform or what is the engagement? So, coming to that query, we also wanted to share some platform engagement metrices for people to see the trend. Obviously, this is some of the metrics that we track very closely for the business. So, if you look at the platform engagement metrices, this actually looks very healthy right. So, despite the fact that the customer may be doing lesser number of deals than what they were doing the peak cycle of two years back, if you see the platform usage which is here in terms of the number of exports and myanalyst data queries which we have sent, right, so that number has nearly doubled across the last two years. So, the engagement has increased both at the overall level as well as on per user level right. So, this is a very healthy trend that we are seeing.

Apart from this, we at our end have been investing heavily across various growth initiatives. We span across the go-to-market funnel of marketing, sales, account expansion. So, we believe as the markets open up, you know we should see more acceleration in the new customer acquisition as well as the customer expansion.

I'll also take a couple of minutes to recap some of the key growth initiatives we are aggressively working on and I'm very excited to share the results that we are seeing from those. So, one of the very interesting growth initiative that we had talked about previously is scaling of our organic traffic. So, because we are a data company, we are able to use a lot of data that we own to launch large set of public pages, which generate a lot of customer traffic. For instance, someone is searching for Fintech companies in Sweden or SaaS companies in California, they come across our pages and we are able to generate leads through that. So, if you look at our organic search traffic, we got across all our pages, 4.1 million traffic in Q1 of FY24. The current run rate is higher of more than 16 million annualized, so this is obviously a very high interesting number that has also increased right. So, there are you know three interesting things regarding this. So, one is this a very large traffic funnel that we've been able to build. Second, it has grown rapidly as you can see across the last few quarters. For instance, the current run rate is more than double of what it was just 18 months back. Third, we continue to work aggressively on this, and we expect it to increase even further.

Another interesting growth initiative is press mentions. As we had mentioned previously, whenever media talks about data for private companies or startups or emerging technology sectors, we want them to quote data from Tracxn. Our, you know, bunch of recent initiatives like launching reports with media, data contributions, regular columns in some newspapers etc., have resulted in multifold increase in press mentions that we've received across various respected media outlets. Advantage of press mention is that a lot of people discover our data for the first time through media and then they come to our website and generate a very high intent lead. Also, we believe this goes a long way in building a brand as a data company and also helps our sales conversions and hence our revenue growth.

Another interesting growth initiative that we have mentioned about on the data side is that we are expanding coverage in financials and cap table datasets of private companies in the platform. For context, today we cover financials across over 15 countries and cap tables across over 10 countries. These datasets are particularly in high demand by certain customer segments like private equity and investment banks among others, for illustration an investor wants to scan an upcoming space like a single specialty hospital chain or a D2C; direct to consumer brand, internet first brand in a particular country. So, in addition to the set of interesting companies and market landscape, we would also like to find out the companies which have crossed particular revenue threshold, say like more than 50 crores etc.

Since, now we are able to generate sufficient cash, we can invest across increasing the throughput of these data production engines. So, we believe this will help us accelerate revenue growth in future particularly in customer segments of private equity and investment banks.

Neha Singh: Moving on to some of the other financial metrices. The company generated positive free cash flow of 0.6 crores in Q1 FY24. If you see this is a decrease over Q1 of last financial year, so interestingly if you compare across these periods, both the revenue and collections have increased. So, the revenue increased by 8%, the collections increased by 10% on a year-on-year basis, but the free cash flow is lower if you compare across these two quarters because of increased employee, rent and other expenses. That rate of expense increase has anyways come down as we talked about in the previous slide, so it should go back to an increasing trend soon. The cash and cash equivalent stood at 61.9 crores, so slightly less than 62 crores, and increase of 14 crores on year-on-year basis or a 30% increase on a year-on-year basis. So, interestingly despite these investments in various growth initiatives, the company generated increasing free cash flow and also increased cash on cash equivalent both on a year-on-year basis as well as on a sequential Q-on-Q basis.

In the subsequent slides, we have covered some of the other KPIs for the business. On the first slide, we cover the number of customer accounts and number of user accounts. We closed June 23 at 1,236 accounts and 3,464* users. These are 9% and 6% growth on a year-on-year basis respectively. Please note, in terms of the number of users we have done some tightening as we'd mentioned earlier in terms of some non-paying users of paid accounts, which had reduced the number of users, but did not have any impact on revenue. In fact, we hope to have more expansion through these as some of the accounts would buy more licenses due to this.

In terms of some of the other KPIs, the contract price or invoicing amount for Q1 FY24 was 21.4 crores, which is a 13% increase on a year-on-year basis. The last graph talks about the entities profile, which is a proxy to the amount of data added to the platform. So, today we track more than 2.3 million profiles including private market companies, funds etc. globally.

In terms of some of the other interesting characteristic of the business, 66% of the revenue for Q1 FY24 was from outside India. This has been almost in the same range across the last three financial years, which we have added below. These customers span over 50 countries. The top 5 countries within this show similar spread to where you have the large corporates as well as private market investors, right. So, the top five countries for us by number of customer accounts are India, U.S., Singapore, Germany, and UK.

Neha Singh: Additionally, we have a diverse and a rich customer base across the investment industry, which includes venture capital funds, private equity funds, investment banks, as well as corporates across M&A team, innovation team, and others including government agencies, universities, so this gives us a large addressable market to tap into. So, this covers most of the key updates you know from the recent period. In the subsequent slides, we'll cover the business overview. I'll skip going over these slides, but please feel free to check it out offline. Subsequently, we have also given some slides on the detailed financial statements, which people can go through for more details. So, thanks that's all the key items I wanted to share. I'll pass it back to Siddharth for any Q&A that the group might have.

Moderator: Yeah. Thank you, Neha. It was a very comprehensive presentation and now we can move on to the Q&A. So, you know participants can unmute themselves and ask their question and we'll be doing the moderation from here. So, do I see any hands raised, just one second. Anybody raising his hands, participant can raise their hands and you know then we'll just call out their names.

Abhishek Goyal: We have, maybe, four people who have raised hands.

Moderator: Yeah, okay. Fine, fine. I am not able to see any raised hands actually.

Neha Singh: Maybe they... yeah

Abhishek Goyal: Ashwini.

*# of Users as on 30th June, 2023 was 3467

Moderator: So, Ashwini would you like to ask your question? Yeah.

Ashwini Agarwal: Yeah, yeah, can you hear me?

Neha Singh: Yes

Moderator: If you could be little louder.

Ashwini Agarwal: Yeah Yeah. So, Neha my question is that you know you've cut down your headcount from 900 to 815 over the last couple of quarters and I'm wondering if the pressure of reporting profits of being a listed entity is driving this headcount cut because and I wonder if you're compromising on your long-term growth prospect. So, that's question number one. And I know you spoke about automation and efficiency and so on, but you know the point that I'm trying to make is that at this stage of your evolution, you know, cut the fat, don't cut the muscle and I'd love to hear as to how you think about it, so that's one. And number two is, that obviously you rightly pointed out that the private equity markets are weak or are in a lull and that's kind of hurting your business. And I'm wondering that…you know, I'm sure you're thinking about this as well. Is there something that you can provide as an incentive for public market investors to kind of become interested in your platform? So those are the two questions that I have.

Neha Singh: Thanks thanks Ashwini. So just coming to the first point, which is basically the headcount cut. So, if you see you know if you see the departments, you know primarily we had increased the headcount last year. So, there were two key departments, one was the sales and the other one was the data operations. And if you see the efficiency which had also come in as a slight reduction which should also come in is across these two departments. So, for us it was not a.. it was not a cost-driven decision. So, for the sales it's actually very measurable. So, whenever you do bulk hiring there's a little bit of optimization happens because not everyone is able to become productive. On the data side, we continue to do a lot of interesting sort of efficiency initiatives. So that has been constantly happening. So, there's a lot of automation which keeps happening, the output actually increases but essentially for every module, whenever we launch, typically, for instance, Global Transaction is one module, or you know captables across ten different countries is another module, what we see is that you know that incrementally the number of people that we require for each department, you know once the efficiency kicks in, it reduces over time. So, for these, for us, so this has not been driven by cost at all because we continue to if you see, you know we continue to like increase the cash and cash equivalent across all the quarters. So, for us it was primarily just driven by you know the efficiency, the initiatives which were sort of bound to happen.

On the growth side, we continue to sort of you know be very aggressively you know sort of investing across the whole you know the funnel. So, for instance marketing, like you see a lot of results, like just in the last 18 months for instance, our traffic has nearly doubled, right. So that gives us a lot more leads we have been doing…so there is some interesting initiatives being done in expansion which you'll probably see results you know in some time. So, on the growth side we have been fairly aggressive, and we continue to sort of invest and it is about you know us tracking you know all these initiatives and it has not been.. for us it has not been like we are optimizing. I think we continue to be fairly aggressive because we continue to sort of generate cash, right. So, hope that answers the first question.

Ashwini Agarwal: Yeah

Neha Singh: Okay. On the second part, which is, you know if you're seeing sort of lull in the private markets, you know can we do anything for the public? So, on the private market itself, we think that you know it's a fairly large segment, it has become like if you look at typical LP, for most large LPs also it is between 10 to 15% of their allocation, right? So, it has become a fairly large asset class, and we believe it.. it.. this is just a temporary phase. And you know if you see investors, they are still sitting on a lot of dry powder, so they are probably going slow because you know they are seeing some valuation correction, they want that to happen. But they're still sitting on a lot of dry powder. So, we see a lot of depth in sort of continuing to do this. There are few segments that we are going behind which is using the existing private market data itself. So, for instance, you know sales and marketing is one particular large customer segment. Anyone who's looking to cater to the private companies as a customer segment; that is one. Second is, limited partner is a large segment. So, for instance, we have fund performance data which is very relevant for them. That's another segment that we are going behind. Product discovery is another segment which people pay money for like, we work with a lot of corporate innovation teams. So, these are three segments which we are going behind using the existing private market data, which we already have some customers, and you know over time we can go more deeper into this. So that's on the private market.

On the public market also, we have seen some use cases like for instance, you know if people want to see the private comps within that or we have some data like ,you know, employee count trend, which you can actually get it for public companies also, but there'll be small modules which we may go into. But I think.. we think that the private market itself is you know fairly deep.

Ashwin Agarwal: Okay. Thank you, Neha. All the best.

Neha Singh: Thanks.

Moderator: Yeah, thank you. Thank you, Ashwini. We'll move on to Mihir now. Mihir, would you like to unmute yourself and ask your question? yeah right.

Mihir Manohar: Yeah, am I audible now?

Moderator: Slightly louder

Mihir Manohar: Am I audible now?

Moderator: Perfect, loud, and clear

Mihir Manohar: Sure yeah. Thanks for giving the opportunity and thanks for the presentation, Neha. I mean l largely wanted to understand I mean the business model. I mean you know, what is the business model on the basis of charging? I mean, how do we charge the business? I'm tracking this company on a fairly new basis, so I just wanted to get an understanding around that. What is our charging model which is there? My second question was just on the growth initiatives. I mean when we see the private market is in a slightly lull period, despite that our revenue is holding up, our business is holding up. So, I mean, just wanted to get an understanding, which are some of the initiatives, some of the specific initiatives on the GTM strategy? How does our GTM strategy work, how do we target customers, so I just wanted to get an understanding around that. And just a third question was on the aspiration side. Is there any aspirational number that we are looking over the next 2 to 3 years or maybe let's say, the next 4 to 5 years for the business to become both to the revenue side and the profit side? Just an aspirational understanding. So just wanted to get an understanding around that. That's it from my side. Thank you very much.

Neha Singh: Sure Sure. Thanks, Mihir. So, I'll just take three of these questions. So, the first one was on business model, so what's our business model and pricing? So that is fairly standard. Like most financial data platforms that you see, it is subscription based. So, 100% of our revenue is subscription based. We have prepaid billing, so we collect cash up front, and we do invoicing upfront for the entire subscription period. But we recognize in the revenue you know as a subscription as the time sort of happens, right? So that is on the business model. The pricing is also fairly standard. So typically, we have user-based pricing. So just like you know you would have seen some of the public market data companies, we have a user-based pricing. So typically, on an average an account buys three users. The realized and you know it's also given on our website, the pricing, that's fairly standard. Based on number of users that you want to buy, you have a pricing that you subscribe to. Our realized pricing per account is about 6½ lakhs per year. Our realized pricing per user is about 2.4 lakhs per year, right so, which corresponds to about three users on an average per account. Obviously, there's a whole range, right? So, we have customers paying us nearly a crore as well and we have increased organically based on the number of licenses that we have been able to sell, right. So that hopefully that answers the first question which is what is the business model, right.

The second thing is on the growth initiatives. So, you know as I was mentioning, like if you see you know in our ten-year journey we for the first 5-6 years we obviously spent disproportional resources you know in building the technology platform, data etc. right, because we have global data, you know, massive amount of data that we process. The recent 2 to 3 years we've been investing aggressively on the various GTM initiatives which includes your marketing you know across sales. Some of the initiatives to talk about is for instance the whole marketing funnel like the whole leads expansion that has happened in the last you know couple of years. We have increased our organic traffic multiple fold. Today we get traffic of run rate of more than 16 million, annualized rate, which is a huge funnel that we've been able to build. This is one interesting initiative on the marketing side. The second side is on the sales. So, we have sales team that cover all the time zones. So, we had.. last year we had scale the sales team, right? So, this is another initiative that we worked upon.

The third is we are doing a lot of work in expansion as well, right? So, you saw some of the user tightening that we did, which has also helped us in expansion throughout the accounts right. So, you'll see probably some results also happening over there. In the last quarter, we had talked about the difference between expansion and the revenue from expansion, as well as revenue from new customers. So, if you see, the slowdown which has happened has impacted the first part, which is the expansion. So, in the year that we grew 40.. more than 40%, the expansion was 115%. Last year, for instance, it was closer to 103%, right? But the new customer acquisition actually continues to improve right. So, I think new customer acquisition last year was 13 crore, which is higher than previous year right, wherein we grew more than 40%. So, these are some of the things that you see on the GTM side, right?

And coming to the third question, I think in terms of the aspiration number. So, I think two things that we probably see, like, obviously we have a internal target of you know where we want to have the bottom-line in the next 5 years. And you know growth, I think, we should see that number going back to the steady state of you know if you see, historically we have grown at 30%, it should probably go back you know soon to that. Hopefully that answers the question, Mihir.

Mihir Manohar: Sure sure. Yeah, that's really helpful. Thank you very much and best of luck for the business.

Neha Singh: Thanks.

Moderator: Yeah, thank you, Mihir. We move on to Madhur now. Madhur, would you kindly unmute yourself and ask your questions? Yeah Madur, you can unmute yourself and ask your questions.

Madhur Rathi: Hi, good evening. Thank you for the opportunity. I have few questions. What will be our employees data like, percentage of employees data into content creation and like the content that we produce on our website through which we are gaining traffic? Other question would be, who are our competitors and how are we different from our competitors? Because when I see the market, there is PitchBook, CrunchBase, all these data providers. So how are we different from them? I'll ask my next question afterwards. If you could answer me right now, these two.

Neha Singh: Sure. So, coming to the first question, which is how many people are engaged in content creation for the website? Actually, there you don't have any people because you already have a lot of content which is created on the platform. So, we are able to use that for getting all this traffic. So, the 16 million number you know of traffic that you see, that we had talked about in the presentation, that is, you know there's no additional…there's obviously a tech team which sort of works to optimize it and to do that, but there's no additional team which sort of produces content specifically for that. It's basically the content which we have anyways produced in the.. on the platform, right?

Coming to the second question, which is how different you are. See, in every market you will have competitors. In our market, in fact, because we are in a vertical industry, the number of competitors are very limited. Like globally we only have about 5 or 6 players which are in the private market data space, which you'll probably see for a lot of other vertical industry as well, right? And currently the offering is sort of fairly differentiated. So, it is not, you know, unlike a very commoditized software wherein you're comparing feature-to-feature, currently there's fair amount of differentiation which exist across the offering, across all these players, right? So typically, we have to sell the product in isolation. So, we have to sell based on the things that we have built, and it's not so much that you are comparing, the customers are comparing feature-by-feature. So hopefully that answers the question on the second part.

Madhur Rathi: So, like, like asking you on the second part, so, are we cost efficient for the customers, or do we provide some additional data like more number of markets, or we are focused on Indian markets? So how are we differentiating? So, my question is on that are we cost efficient or are we providing some different.. like differentiated product?

Neha Singh: Right right, yeah. Right. So, it's not that it's cost. If you were to divide this market, it would probably be in three bands, which is a low-cost product which are there. There are mid-price point products which are between $400 to $500 per user per year, and then you have high price point products. So, we actually fall in the mid-price point, which is about $500 per user per month pricing, right so, or about $6,000 per user per year pricing, right? So that is a mid-price point that we have. The second part, coming to so there is fairly differentiated amount of data that exists on the private market. So, for instance, someone wants captable, someone wants to look at different sectors, so that they are not able to find it any other platform. So, there's fair amount of differentiated data that exists. And coming to the third point, our data is actually our coverage, if you were to see it's global. So, 70% of our revenue is international and typically the customers are looking at local data through the platform because if you see private markets are typically focused on different regions right? So, if we are working with a UK-based investor they're typically looking at UK-based data through the platform. So hopefully that answers the question, Madhur.

Madhur Rathi: Yeah, thank you. And what will be our ESOP like, shared dilution going forward, like in next 2 to 3 years that we hope on doing and what kind of ESOP cost like, share dilution…. something on shared dilution would work. And the second thing is, I'm not understanding like when we are telling that our free cash flow has reduced but we are telling that was because of employee cost increase. But employee cost has increased because of ESOP expenses. So, if you could just help me understand that that would be very helpful. Thank you.

Neha Singh: Sure. So, if you look at the ESOP cost, that has been a fairly range bound in a across the last year. So last year, for instance, it was Rs. 5.4 crores, which is about 8% of the total employee cost and we have said that you know you can expect it to be in the same range because we don't give bonuses, this is part of your appraisal process, so you know and there's no one time bulk grant that we do. So, the ESOP cost is part of your compensation, and we expect it to be in the same range. So last year it was Rs. 5.4 crores. This year we also expect it in the same range of about between Rs. 5-6 crores, right. So that is on the ESOP cost.

And on the free cash flow, like so the.. the employee expense, if you were to see last year, had.. had increased by 16%, right? So, it's not just on ESOP cost. I think that was a very small portion. It was probably on the overall expense increase.

Madhur Rathi: Okay, thank you. So, 8% of the employee salary would go to ESOP cost, like something in that kind of range, right?

Neha Singh: Yeah, it has been in the same range if you were to see of what is the ESOP cost is a percentage of overall employee cost.

Madhur Rathi: And the same will be going forward?

Neha Singh: Yeah. You can expect into the same range.

Madhur Rathi: Okay thank you. Thank you and all the best.

Neha Singh: Thanks Madhur

Moderator: Yeah yeah, thank you. We move on to Sameer Dosani. Sameer if you could kindly unmute yourself and ask your question.

Sameer Dosani: Yeah, can you hear me?

Moderator: Yeah, Loud, and clear, thank you

Sameer Dosani: Yeah thanks…Thanks for the opportunity. So, if you look at our own contracts, so do we have some annual increments factored in our contracts when we go for renewal of these users? That is my first question. Second on the ESOP. Did you say this is one of the highest…. I mean, should we think ESOP cost will remain at this because it has reduced over last few quarters? Now, should we consider this this as a new.. new normal or it will rebound in that sense going forward?

Neha Singh: Right Sure. So… Thanks Sameer, for the question. So, on the first part, which is you know on the contract. So, in the contract we currently do not have the pre.. this thing price increase. We have done price increase in the past. It's not a regular thing. More importantly, the way…we are able to grow accounts. So, if you see last quarter, we had talked about the fact you know how many accounts are in the different price buckets, for instance, how many accounts are paying us more than 20 lakh, more than 30 lakh, more than 40 lakh. And if you see the number of accounts in across all these three buckets had increased right. So, we are able to realize more from a lot of customers. Our way of increasing the realized pricing across the customer has been currently by increasing the more.. by the number of seats. So, if you look an on an average, the account buys three seats. But if you look at our largest paying customers, we have been able to sell you know more than 30-35 seats as well. So, there's a lot of room to grow within the existing accounts based on by selling to more number of users within the accounts and we see a lot of headroom for growth within that. Right. So that has been one of our key strategies and we continue to do a lot of work in terms of that as well. Right. So that is on the first part, which you know is the annual increments. Hope that answers the question, Sameer.

Sameer Dosani: Yeah yeah, thanks.

Neha Singh: And on the second part, the ESOP cost, right? So, the ESOP cost is slightly lesser, but you can expect it to be in the same range for this financial year. So, for instance, if you were to see last year it was Rs. 5.4 crores, which is about 8% of the total employee cost of that year and you can think about ESOP as you know…so, we don't have bonuses, for instance. We give ESOP as a part of the appraisal, and it is very formula driven. So based on your salary, you have you know predetermined that range of ESOP. So, you can expect it to be in the same percentage also going forward, which is you know about.. about 8% plus and minus of the total employee cost or between Rs. 5-6 crores, right, for this whole financial year.

Sameer Dosani: Understood, yeah. And lastly, you.. I think you've launched the limited partner module. I guess actually started selling to them, which is which is our newer initiative. So, can you share some progress? How have the funnel built up? Are we seeing some success? And what is the kind of opportunity size that can come out of this new you know new initiative? Thanks.

Neha Singh: Right. So, I would say that, so, when we speak to a lot of customers, a lot of them actually say that like, when you're working with limited partners….so, for instance, we have fund performance data, which they find it very relevant because the.. the transparency that you have across the performance, you know just like in the public markets, you are able to have a very transparent view of performance you know across mutual funds, for instance. In private markets, you know across all the AIFs, though you have the data, there is no one place wherein you can actually get what is the performance which has been there. And.. So there actually that data is available because the underlying company data is also available. Right. So, you have that view that is available. And we have also sort of worked with some of the customers to actually see that they find it very useful.

In terms of the opportunity size, we think it's a sizable one. We haven't sized it, but that's a large segment, and that's a fairly cashed segment which finds this data interesting. So, it's probably early days and we're still working with a few customers to sort of increase more in that.

Sameer Dosani: Okay okay, so we have already sold it for some time, right? I think 3 to 6 months, you have already done this initiative, started selling. So, what has the progress been?

Neha Singh: No, I would say we have the data, but we haven't sold specifically for these. We have some people there, but we haven't sold, yeah.

Sameer Dosani: Okay okay, okay great. So, that that opportunity will kick in in sometime.

Neha Singh: Yes

Sameer Dosani: Alright. And.. and.. If I.. okay, alright, alright that's that's it from my side for now. Thanks. All the best.

Neha Singh: Thanks Sameer.

Moderator: Yeah, thank you, Sameer. Our next question is from Bhargav Buddhadev. Bhargava, if you could kindly unmute yourself and ask your question.

Bhargav Buddhadev: Yeah Good evening. Am I audible?

Moderator: Yeah.

Bhargav Buddhadev: So, my first question is if you look at slide number 18, it says that there is a 20x increase in 3 years in organic search traffic. However, if we just suppose this to the number of users CAGR, it's at about 20% over the last 3 years. So, just curious if this organic search traffic data point is relevant in our context?

Neha Singh: Yeah. Yeah. So just to that actually, no, this is very relevant because these are the set of.. this is sort of your top of the funnel. customers that you are sort of educating them about the content. They are seeing your content, they are clicking on it, so that is fairly relevant. The way it translates is primarily into new customer acquisition. So, there is a funnel You know…out of the number of people that come to your traffic, a.. a percentage generates lead, a percentage comes to demo and then convert. And that.. that is basically the funnel for your sales team and your new customer acquisition. So, if you see the new customer acquisition, even last year, you know when it had increased over 2021. Right. So, if you.. we had like last quarter; we had given the breakup of the new customer acquisition. So that funnel has actually increased despite the market being slow, despite you know overall lot of metrices.. overall, you know sentiment being lesser or people doing much lesser number of deals. That the total accrued revenue that we had got from new customers last year was 13 crore versus about 12 crore in the previous year, right. And this is just the accrued revenue. There's obviously a pipeline that you know you also build, so that is very relevant and this actually directly translates to the number of demos that your sales team is working on, the number of leads that your sales team is working on, and the pipeline that you're building for the new customers right. Hopefully, that answers the first question and obviously the second part is that you know we will see.. you know we'll see more impact of this also going forward. So, despite the market being slow, the new customers that we've been able to acquire has been increasing.

Bhargav Buddhadev: Secondly, is it possible to highlight how do we measure the sales productivity and is there any quantitative metric that we apply because as highlighted earlier, clearly it seems like our product is very, very strong, but we are still lacking on the ability to convert that into sort of revenues, so clearly a lot of room for improvement on the sales side, just wanted to understand this bit more carefully.

Neha Singh: Sure. So, on the sales productivity, Bhargav, so this is something that we track very closely. The way we track it is in terms of the number of closures that a person does, so once they come onboard within a quarter, you know how many new closures that a person is able productive person is able to do, within the team we have across the 130-member team that yeah he have, we have split into people with that are doing closing as well as there are people that supports who build demo.. to build context on the demo to qualify the leads etc. So, we measure the efficiency of the closing people based on the number of closures that they are able to do. The way you can see the sales efficiency for instance, one way is if you look at the total cost of the sales team and the total new revenue that we acquire you know that is that can be one handy metric that that can be seen for the sales efficiency. So, for instance if you look at a 130-member team approximately and if you take the average salary of the entire org which is about 8 lakhs, so that is you know about 12 crore right and if you see the new revenue that we had acquired last year was 13 crore, this is just the accrued last year right, so sales team is eventually responsible for getting in the new revenue and the new customers, so if you were to see they actually got more revenue you know for the whole year just accrued in the first year itself, right. So, by efficiency it's fairly you know it's still fairly efficient if you want to see in terms of the expense and in terms of the new revenue acquired.

Bhargav Buddhadev: So, just a feedback if you can share some data point on your sales productivity front in the presentation that would be very helpful in terms of headcount or maybe the other productivity parameters you've mentioned going forward, so it will allow us to just sort of track that as well and lastly if I look at your employee cost on a Q-on-Q basis despite a reduction in headcount, the employee cost hasn't declined a lot, so just wanted to have some clarification on this and related question is given that this is a funding winter, obviously a lot of good talent may be available especially on the sales side, so have we done any sort of hiring on the lateral front to sort of further boost up the team, that's my last question. Thank you.

Neha Singh: Right. Right. Thanks, Bhargav. So, on the first question of the employee expense, so that is correct that if you were to see the headcount that is reduced by 7%, but the employee cost if you see on a sequential quarter-on-quarter that is reduced by about 1.3% that is primarily you know because of two reasons. One is obviously the timing, which is there. The second is that the team, which you know which got sort of very the efficiency sort of came in, so if you were to see also in terms of the teams split, the efficiency was also there in the data operations team, which is typically lower than the average right, so that is why you see a difference in terms of you know slightly lesser sort of cost reduction, but versus the headcount reduction that you want to see, right. So, hopefully that answers the first question and on the second question, which is yes funding winter, and you know obviously there's good talent which is available, so yes that is something that you know we are doing. I think in sales, a couple of the things that we are sort of also doing is, so we are doing some lateral hirings, we have people you know a lot of our senior leadership have grown through promotions, but we are also doing some lateral hirings in sales as well as we are doing hirings for language-based sales team as well, so what we realized is we have customers in a lot more.. in a lot of non-English countries as well, wherein sometimes in the demos people used to get translators right, so it is better that you may have some people who understands the local languages. So, for a few large countries like Japan and a few other ones where we already have sort of customer base, we are also hiring some people who have already sold to that region and also understand that language, so hopefully that answers the question.

Bhargav Buddhadev: Yeah. Thank you very much and just the last question - sorry to stretch this a bit, is there a thought to sort of spend on promotions to boost up the user account or we will not engage into that in the near term?

Neha Singh: Yeah, so coming to that question, so currently there are a lot of initiatives which are going on for us to increase the number of users that we are reaching out across various channels. So, some of the few ones that we talked about is obviously organic whenever you're searching for a relevant content, we should ideally be present that is one. The second is a press mention, whenever there's a mention you know about a particular sector like We are doing across different regions as well, people should come across, people should hear our brand and they should generate lead. There are also interesting initiatives that we are doing you know across the universities because we see that that is another channel for us to acquire customers. So, for us we are actually doing a lot of these ones. You know for us it's not you know so much paid marketing, but I would say these channels are sort of working very well for us and we see a lot more depth in all these as well.

Bhargav Buddhadev: Okay. Thank you very much for the opportunity and all the best.

Neha Singh: Thanks.

Moderator: Yeah. Thank you, Bhargav. We have Amit Chandra next. Amit, if you could kindly unmute yourself and ask your question? Yeah

Amit Chandra: Yeah. Yeah. Hi Neha and thanks for the opportunity. My first question is obviously on the organic traffic that we have seen that it has grown significantly and it leads to more inbound leads, but if you can throw some more light on what has been the like closure to demo ratio and in terms of what has been impacted because this is not showing up in terms of our growth numbers, so is it the number of demos have come down or the like closure ratio has come down?

Neha Singh: Thanks, Amit. So, from the organic traffic, you know there is a whole funnel right. So, from the number of people that generate the leads to the number of people that - the number of people that come to the pages to the number of people that generate the lead to number of demos that we able to do and then the closure that we have been able to sort or see right. So, this is the whole funnel and that has actually increased. The way.. the reason why you are not able to see that in numbers is because the number is on an aggregate basis where then you see the impact of both expansion as well as new customer acquisition. So, for instance, last quarter for instance, we had actually given that split of the increase in revenue across these two components of expansion from existing customers and the revenue from new customers. So, if you actually see you know like say last year or last quarter where we had seen the revenue from new customers have actually increased right. The thing that that you see is blended right, so because the market is a bit slow, there’s pressure on expansion right, so the expansion had come down from like 115% previous year to like 103% right. So, that is the reduction and the reason why you don't see exactly because you see a blended number, but last year when we had. last quarter when we’d actually shown you the split, you could actually see that the new customer acquisition has actually increased right. So, that's a very healthy trend because these are all the customers that you're also sort of building that you can expand further right. So, so hopefully that answers you know your question, but you know all this organic traffic that continues to sort of increase the number of demos and the customers that we are able to sort of reach out to.

Amit Chandra: Okay and also Neha in terms of you've mentioned that you aim to increase the users kind of per customer accounts, but if I'm seeing that has been coming down, so obviously that has been due to like tightening of logins, but what initiatives are we doing to mine our existing big account, so if you can share some initiatives there and also if you can share some views on what we are doing in terms of Gen AI offerings because that is the future forward, so are we having some offerings there or is our existing database already offering that and if we offer that then is there any incremental cost that we can see to integrate that?

Neha Singh: Sure, sure. Thanks, Amit. So, on the first question which is on the number of users that we are increasing, so there you know there are lot of initiatives, and you'll probably see the impact of this you know also going forward. So, there are a lot of things that are going on in expansion like you know for instance if you look at the GTM funnel, you know marketing was the first thing, sales was the second thing, third is basically expansion of from the customers, there's a lot of scope that we see in terms of growth within the existing customers. Quite a few of the things that we are doing for instance just better education is one thing that we are working on, so for instance having better onboarding. Second is that we are seeing you know visiting customer offices that is interesting, so whenever you're visiting a customer office, you are typically able to interact with more of the team members and you are able to get the product familiar with more of the team members, that's the second thing that has been working. The third thing is that, you know we actually - so this is another very interesting thing, but you know in between for instance we actually give out a few free logins like for instance if someone has purchased a set of logins, we probably give out say one or two logins to more of their team members, so that they get more familiar with the platform and then when we have the next upgrade cycle then we already have one or two accounts you know that we can actually go to upgrade. This is the third thing that is working very well. The fourth thing which is also working very well is actually tracking your login sharing, so you know as we can because we are a tech platform, we can actually track very easily if it is being shared with more than one location. A lot of our upgrades is also happening there, then we realize that you know it's being shared with more of the team members, so we actually reach out to them in a lot of cases they are also able to sort of expand. So, these are the things that are actually working sort of very well for the expansion for us. So, hopefully that answers the first part of the question, right.

Coming to the second part, which is on the Gen AI offering, so there are two ways in which we are applying sort of Gen AI. So, one is on the front-end side, which is you know the way customers are using it. So, for instance like one of the things that it has changed is people want to see the answer, people want to also have like in addition to being able to search the database, you also want to have the like a chat bot to get the answers. So, this is one thing that we are working on the front end, so that will probably take some time, but there are interesting sort of early results on that, that is something that we will make live for the customers. On the second part is, there a lot of work going on the back end, which I would say bringing in efficiency. So, for instance today we tracked filings across many non-English languages, right. There are a lot of interpretation that we do, all these teams across the data and the analyst, they are also using various platforms and various infrastructure which is available for Gen AI to make their modules more efficient. This will probably - the way it will translate into P&L is probably, cost efficiency and more higher throughput in terms of output. So, this is you know set of multiple projects that are going on across the departments, right. So, that hopefully answers the question.

Amit Chandra: Yeah. Thank you, Neha.

Neha Singh: Thanks.

Moderator: Yeah, thank you, Amit. We move on to Pratyush Agarwal. Pratyush, if you could kindly unmute yourself and ask your question?

Pratyush Agarwal: Yeah. Hi Neha. So, my question is regarding how much does the macro impact us right. So, given that this whole market is still relatively unpenetrated and given the number of users and customers you have, so how relevant is it that you know even if you're facing sort of a VC slowdown and overall funding, see most of our customers would be PE, VC corporate innovation teams for whom this is not that material a cost right which they want to cut, so why has sort of the slowdown in VC funding affected us that much?

Neha Singh: Yeah. Sure. Thanks, Pratyush for that question. So, that was correct that you know it's a fairly under penetrated, so there's continue headroom for growth, but the way sort of macro… actually if you look at some of the metrices of the way late-stage funding is or the way M&A activity is, you will actually find it interesting that it is one of the lowest that it has seen in the last decade right. So, in terms of the number of deals that people are doing in the late stage or the number of active leads that they are working on right, so it is fairly low as compared to the last quite a few years. The way it translates for us is in terms of the expansion right. So, typically you know in a good year you would probably see you know more than 110% sort of expansion from the existing user base primarily based on the number of more licenses that they are you know most of the people start small and then they acquire more number of licenses right over time. There we see more lesser sort of growth as much as what we have seen in a typical year right. So, there you see lesser growth and that is how it translates to. The second way it translates is in terms of some regions. So, for instance if you see this is the data that we have given last year. If you see last FY23, India and America grew at nearly 30%, but Europe for instance which is accounting for nearly 30% of our revenue grew at only 8% right. So, this is the second way in which we see translate, which is some regions you know have been impacted more than the others. So, hopefully that answers the question.

Pratyush Agarwal: Is it possible for us to give a broad estimate of what our gross churn is?

Neha Singh: Sure. So, this is a number that we had given earlier, which is you know what is the retention like by number. If you see the retention across the last three years that we had given was around 74%, which is how many contracts are due for renewal and how many end up renewing it. What is more important is how much revenue do the ending customers contribute? So, even in the year for instance you know like even with 74% retention, we have had more than 40% growth because the expansion from the existing.. from the customers that sort of remain, has been more than 100% right. So, typically we expect that that expansion is more than 100% from the customers from the previous year that we get, right.

Pratyush Agarwal: So, my question was more in the vein of have we seen material deterioration in the last few quarters given the environment on churn?

Neha Singh: Right. So, if you see the expansion number like last quarter, we had given this, so it had reduced from like 115% to 103% of revenue from expansion from existing customers.

Pratyush Agarwal: Sure. Thank you.

Moderator: Yeah right, Pratyush you're done?

Pratyush Agarwal: Yes. Thank you.

Moderator: Okay. Thank you, Pratyush. Next, we have Rajvi Poladia. Rajvi, would you like to unmute yourself and ask your question? Rajvi, are you there? I guess, yeah could you unmute yourself and ask you a question?

Rajvi Poladia: Yeah, yeah. Thanks, Sidharth. Hi Neha, so like I have been following you guys for a while. So, I just wanted to ask you in your previous calls you had given this guidance about you know 50% of the incremental revenue flowing back to EBITDA, so like do you like still stand by it because this quarter was not supporting it, so that is why?

Neha Singh: Right. Thanks, Rajvi for the question. So, yes, we actually continue to - so we still - that's a metric that we track closely and that is why we also had it in the presentation this quarter and we do expect it to go back to 50% soon. So, there are. the way you can see it is there are two components to it. There is a cost and there's a revenue component. If you see last quarter, we had indicated that the cost you know we had increased by 16% and that should go down, so this quarter it's already down to 9% right and you know despite all the initiatives that we are doing despite you know all the things which we are doing that just the optimization that happens in the... in the business right. So, that that is on track of what we had sort of mentioned last quarter. On the revenue side, we expect some acceleration you know should happen, so things should go back to the mean, so we still see that within this year or within the next few - within a short span of time, we should be able to go back to more than 50%, shortly.

Rajvi Poladia: Okay alright. Thank you.

Neha Singh: Thanks.

Abhishek Goyal: Sidharth…

Moderator: Yeah, Rajvi, done right? Vedant. Yeah, Vedant, you can unmute yourself and ask your question.

Vedant Bagry: Yeah, hello. Can you hear me?

Moderator: Yeah, a little louder.

Vedant Bagry: Is this better?

Moderator: Yeah.

Neha Singh: Yeah, fine.

Vedant Bagry: Hi Neha. Thanks for the opportunity. Just one aspect I wanted to understand was on this deferred revenue translating into the P&L, so if we see for the last three quarters deferred revenue has been consistently increasing, but the revenue for the quarters have not? So, how should we read that number. It's that I wanted to understand.

Neha Singh: Right, right. So, thanks, Vedant for the question. So, the deferred revenue is essentially you know the part of the collections that is.. that is due to accrue over the next couple of quarters, majority in the next quarter, and then a few in the subsequent quarters right and so the deferred revenue, so there has been a difference in the growth rate I would say in terms of the deferred revenue and the revenue, but if you look at the revenue - the revenue from operations has also been increasing and the deferred revenue has also been increasing. What we have seen recently is that if you see the growth rate of deferred revenue that was decelerating slightly you know from like a 27% to it had come down to 15% that in this quarter has seen some acceleration. So, that has increased to 17% increase growth if you were to compare on a year-on-year basis right.

Vedant Bagry: Yeah.

Abhishek Goyal: Prashant, would you like to add something?

Vedant Bagry: So, but how would that translate into the P&L is what I wanted to understand like, because you're not seeing the revenue grow - the number in the P&L grow right, so is it that the period of that deferred revenue has been increasing that is the reason?

Prashant Chandra: So, Vedant, I'll take that one. I hope I'm audible right.

Vedant Bagry: Yeah.

Prashant Chandra: So, I think no we don't see much change in the terms of duration of the deferred revenue. Typically, what we have seen is that you know deferred revenue is around 4½ months of monthly revenue. Kind of.. was around. Yeah, so what we are seeing is that you know like Neha also mentioned, that the revenue is also increasing one year-on-year basis and so is the default revenue. So, you'll see that the trend is basically continuing to hold up.

Vedant Bagry: Okay. So, just for clarity if you can provide this 30 crores number that you have as of June, what would be the period you would say 4½ months?

Prashant Chandra: No no, so it will be across period, but in terms of the quantum of the deferred revenue, if you were to see that it would be roughly around if you consider the previous year's revenue right, so it will be around that number, 4½..

Vedant Bagry: Okay. Thank you.

Prashant Chandra: You're welcome. Siddharth, you're on mute.

Moderator: Yeah, sorry about that. So, in the interest of time, you know we'll have to call it a day, participants and you know in case you have any further questions you can reach out to the management on investor.relations@tracxn.com and you know they'll immediately get your query solved and with that I'd like to thank the Tracxn management for giving us the opportunity to host a call today. I'll now pass it on to Neha and Abhishek to give their closing remarks. Thank you very much.

Neha Singh: Thanks a lot, Siddharth, and thanks everyone for joining us today and the time. I hope you have had a good understanding of a recent business update and we were able to address some of your queries. In case there are any follow up queries or we are not able to address it, please feel free to reach out on the e-mail that Siddharth mentioned, or you can reach out to any three of us on neha@tracxn.com or you can reach out to Abhishek and Prashant. Thanks again and have a good rest of the day.

Moderator: Yeah, thank you.

Abhishek Goyal: Thank you. Thank you everyone for joining.

Neha Singh: Thanks a lot.

Prashant Chandra: Thank You.

Disclaimer: This transcript has been edited to remove and / or correct any grammatical inaccuracies and inconsistencies in language that might have occurred inadvertently while speaking.