

December 09, 2024

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

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

Subject: Submission of Transcript Conference Call.

Dear Sir / Madam,

Pursuant to our letter dated December 01, 2024, please find enclosed herewith communication relating to Conference Call. The said conference call was held on December 02, 2024 to discuss latest developments of the Company. 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
Company Secretary & Compliance Officer

MapmyIndia™

MAPPLS

“C.E. Info Systems Limited

Conference Call”

December 02, 2024

MapmyIndia™
MAPPLS



MANAGEMENT: **MR. RAKESH VERMA – CO-FOUNDER & CHAIRMAN & MANAGING DIRECTOR – C.E. INFO SYSTEMS LIMITED**
MR. ROHAN VERMA – CHIEF EXECUTIVE OFFICER & EXECUTIVE DIRECTOR – C.E. INFO SYSTEMS LIMITED
MR. NIKHIL KUMAR – PRESIDENT GEOSPATIAL BUSINESS – C.E. INFO SYSTEMS LIMITED
MS. SAPNA AHUJA – CHIEF OPERATING OFFICER – C.E. INFO SYSTEMS LIMITED
MR. ANKEET BHAT – CHIEF BUSINESS OFFICER – C.E. INFO SYSTEMS LIMITED

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

Moderator: Ladies and gentlemen, good day, and welcome to the MapmyIndia conference call hosted by Anand Rathi Shares and Stock Brokers. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. Shobit Singhal. Thank you and over to you, sir.

Shobit Singhal: Thank you, Sagar. Good evening, everyone. On behalf of Anand Rathi Shares and Brokers Limited, we welcome you all to the conference call of C.E. Info Systems to discuss the latest developments which company had announced last Friday. To discuss the same, we have with us Mr. Rakesh Verma sir, Co-Founder, Chairman and Managing Director; Rohan Verma, who is our CEO and Executive Director. And from the team, we have Mr. Nikhil Kumar, President Geo-Spatial Business; Ms. Sapna Ahuja, who is the Chief Operating Officer; and Ankeet Bhat, who is the Chief Business Officer of Enterprise Limited.

I will now hand over the call to Mr. Verma for his opening remarks. Thank you, and over to you, sir.

Rakesh Verma: Thank you, Shobit, and welcome to all the participants. I think all of you must be anxiously looking at and wanting to hear from us about the outcome of the last Board meeting held on November 29, Friday. The outcome of the Board meeting was posted on the stock exchange right away. Yesterday night, we also posted the MapmyIndia's official version in the form of a press release. I hope most of you must have gotten a chance to look at the press release, also read it and understand it.

I know you have more questions. So it's better that I stop here. And just to let you know, the entire management team of MapmyIndia is here to answer your questions in the manner you ask. Thank you so much. Shobit?

Moderator: Thank you. Our first question comes from Mr. Shobit Singhal. Please go ahead.

Shobit Singhal: Sir, I have one question from my side. So do you think the decision to run the B2C as a separate company for this 10% is in the right interest of the shareholders, as we have invested in B2C segment over the last few quarters now?

Rakesh Verma: Okay. Let me address it in a very simple way. The Board considered all possible options. There were 3 different options. Option 1 was related to B2C business being done within the company itself as a vertical. The issue that came up was that it has started impacting the P&L, meaning decline in margin. So what do we do? For the last 2 quarters, we have been talking a bit in the investor call about our interest to get into B2C, which is a long-term play, and long term, I mean, 2 to 3 years minimum. The management was not getting any very positive response from the investors on that front.

We thought that maybe on a yearly basis, the investors would consider this kind of a long-term investment in something new. But again, we found that it was more on a quarter-on-quarter basis, which everybody looks at. Of course, we are not going to be affected that much by what different investors think. There are very much investors who look at the long-term play.

Now the second option was why not create a subsidiary of MapmyIndia, and in that subsidiary, we do the consumer business. The issue was again the same theme, if we own more than 20% in the subsidiary, then the problem doesn't get solved. The problem that gets solved would be with a company with the new DNA and folks who have a good understanding of what to do with the B2C business. That could have been solved in the subsidiary, but the impact on P&L would have remained the same.

So the third option was we go ahead and let it be done outside the company. And we examined and we found a lot of symbiotic advantages if the two companies work closely and ultimately lead to a win-win situation. So this was the rationale on which we decided to let the new company do the B2C business.

Moderator: The next question comes from Anuj Kotewar from JM Financial. Please go ahead.

Abhishek: Yes, yes. So I hope this is better. So this is Abhishek here on behalf of Anuj. So a couple of questions that investors asked me over the last couple of days since this announcement came out. So the first stage, do you think giving out the brand to this entity and all the investments that we have done over the last few years in terms of building that brand out, etcetera, for a 10% stake, is that fair for the minority shareholder? That is question number one.

And question number two, given that we will continue to own the brand, is there any royalty arrangement in terms of if this entity generates revenue in B2C segment, that we are entitled to get from that entity?

Rohan Verma: This is Rohan Verma here from MapmyIndia. I'll take that question. If you look at the company's brands, which is MapmyIndia, Mappls; I think Mappls stands in a 20-year-old brand that is quite well embedded in people's minds. And keep in mind that we are primarily a B2B business which deals with the automotive industry, the corporate world and the government world. And there, we have been doing business under the MapmyIndia brand for the last 20 years. We are quite well known there. Stock ticket is also MapmyIndia. The idea behind Mappls have been to reach out to consumers.

And this is a relatively recent activity, in just the last 1-2 years, and the investments to create that brand are in extremely early stage. I don't know how many people, even now, know Mappls versus MapmyIndia enterprise, especially MapmyIndia enterprise. So in that sense, the main brand of the company under which it is generating all fixed revenue is coming from MapmyIndia. Having said that, MapmyIndia will have access to the Mappls brand for its B2B and B2G. So that kind of, I hope, answers the question on the brand.

Rakesh Verma: I think another part of his question is, this 10% stake only the new company? Let me help you on that. We can't take more than 20%. If we could have taken more than 20%, then we could've just taken 100% or 90%. So that 10% or 20% could be the answer, nothing more. Now Mappls

is already also investing in the form of CCD, which probably will create certain equity at some point of time based on the structure we have done, about 25% discount at a third-party investment into the new company at evaluation. So keeping all that in mind, we felt that the 10% is better so that we don't cross 20%.

Remember, this is a startup. Any start-up, and that too a start-up in the consumer business, will be burning cash like anything. Now how they manage that burning cash is their fiscal responsibility. But we don't want MapmyIndia's P&L to get affected by with new company's losses in the P&L, and that's how we have kept the CCD on par and 10% stake on the other side.

Abhishek: Okay. Maybe next question was on CCD itself. I just wanted to understand the modality in terms of how and when this will get converted. So let us say, if there is a fundraise in the immediate future, even on round 1, do you have the option to convert this at 25% discount?

Management: Yes. Within 1 year or within 3 years, it can be kept flat. So it's flat 25%.

Abhishek: Okay. So basically, now, let's say, there are 2 scenarios, one in which this entity becomes really large and its valuation increases significantly. In that case, despite the fact that we are providing the initial seed fund at the most vulnerable time of any start-up, our equity stake in this company when the valuation really increases will still be limited to INR35 crores. That's one scenario. The other scenario is if this entity for whatever reason, doesn't take off, right? So in that scenario, probably we may not get back anything. So isn't this risk-reward slightly unfavorable for the shareholders of MapmyIndia?

Rakesh Verma: Not really. I believe you talked about 2 scenarios. In the first scenario, if the entity takes off, then we convert it into the equity with a 25% discount. Now where are we losing out? Because if you look at the other side of the business structure, you will understand it better. Don't look at it from only the financial structure independent of business structure. First, do we have a consumer business today? I think Rohan answered saying it's practically zero. So now as a start-up, he is going to start it. He has a conviction; he has everything clear in his mind. All that he tried to do over the last one year is try to incubate and see is it possible or not. And that's the stage we have reached.

MapmyIndia has invested in several start-ups. It's not the first time. And we have noticed that in every start-up we invest, we try to take 2%, 3% stake to something below 20%. That's our standard practice, provided there is a strategic relationship. We are not a financial investor.

In this case, there's a huge strategic relationship regarding consumer pool of app, which is one part of the consumer business, it's not the only consumer business. That consumer pool, in any case, is basically powered by MapmyIndia map data & platforms. Don't you see in Apple Maps, in the bottom, it says MapmyIndia? That gives us a lot of credibility in the B2B business. So from that angle, there is a huge business relationship and along with that, a financial gain also.

Now to answer your second question, if it folds, it doesn't take off. So now we have invested in 7 or 8 different startups. And so far, this case has not happened because we have been very careful. We first understand the founder, and then only we make the investment in a start-up.

But in the ones which have already succeeded, MapmyIndia got highly rewarded financially, and it has come out in our financial statements a year or 2 years back.

So here also, the founder is Mr. Rohan Verma. Now who doesn't have the confidence in his abilities or in his thinking about making things happen? So why should we doubt that? So the only thing to consider is if there's a risk in any financial structure. So that risk will always remain. But the risk is mitigated by the wisdom of the entire Board. It's not a 1% decision. We have in the Board 10 directors, 5 were independent directors, and it was a 100% consensus to go via this route.

- Moderator:** The next question comes from Nilesh Shah from Envision Capital.
- Nilesh Shah:** I agree Mappls is at a very early stage. But nevertheless, the brand belongs to MapmyIndia. I want to understand, going forward, who will be the owner of Mappls brand?
- Rakesh Verma:** I think very clearly our press release specifically says about this. A new company will be using the MapmyIndia's retail brand Mappls, whereas the MapmyIndia will use the brand's B2B2C offerings. And we'll continue to access the same Mappls - that's it.
- Nilesh Shah:** Yes, it says clearly who will use it. But my question is who's going to own it?
- Rohan Verma:** Yes, the new company will own it. And MapmyIndia will be able to use it for its B2B, B2C, B2G, B2B2C business.
- Nilesh Shah:** Okay. So basically, the ownership of the brand is getting transferred to this B2C venture?
- Rohan Verma:** Yes. Let me help you understand this. One of the purposes of the consumer business is to showcase and complement MapmyIndia's offering. Now I mean MapmyIndia is pretty unique company. I strongly believe in it. This is the only company which provides deep tech digital products platform & API solutions. This company provides maps, SaaS, PaaS to enterprises, corporate, government, automotive based on these three pillars of maps, IoT, and drones. There's no other company that does this.
- It's got pretty large growing addressable market. It's profitable in what it's doing. The way to get more customers for MapmyIndia and the way to get more customers to use more of MapmyIndia's maps and technology is a little bit of showcase of MapmyIndia's maps and technologies across different use cases and industry. Sometimes this push doesn't come when you are only dependent on third-party customers with which we don't have necessarily a fully symbiotic relationship.
- In the consumer business that we are building, after all, as more people use the Mappls app or this Mappls consumer business, the more people will see the power and capability of MapmyIndia's maps and technologies. And that will have a knock-on effect on the B2B business of MapmyIndia. Also, the more the people that use Mappls apps, the data coming out of that - obviously anonymized data -, will help in improving MapmyIndia's map data. That's what people talked about that what Google does on other things, that's how it helps Google. That whole platform benefits from people using the consumer app.

At the same time, MapmyIndia is not in a position right now to deal with the burn that comes from a consumer business. Even today, there is no revenue from this consumer app, but there's a burn on the annual financials, you can think of the annualized burn of INR30 crores, that is there. Is MapmyIndia in position to deal with that P&L hit is the question that the Board strongly asked as we look to scale up the consumer business.

Rakesh Verma: Actually, as a matter of fact, we asked long-term, serious investors. All of them said, your quarter-on-quarter, your half year-to-half year is okay, your year-to-year is what matters to us. We said fine. Then there's no issue.

Nilesh Shah: So then Mr. Verma, having said that, and should we assume that now going forward, there will be no quarter-on-quarter issue in terms of your performance?

Rohan Verma: No, I didn't say that. Don't try to put the two together.

Nilesh Shah: No, Mr. Verma, it's coming out as we said, this whole thing has been done with...

Rakesh Verma: The investors were not prepared to see the burn of a consumer business absolutely in MapmyIndia. The rest is all B2B business outcome.

Nilesh Shah: No, the interesting thing is you are repeatedly saying that this whole thing has been done to address investor concerns around quarter-on-quarter performance. So if you believe that this issue will address that concern, then we should expect quarter-on-quarter performance then.

Rakesh Verma: No, let me restate it. In the last 2 quarters, the investors started asking about it. That was part number 1. The part number 2 also was that the DNA for B2C doesn't exist in MapmyIndia. Even in the IPO time, we always said MapmyIndia is a B2B and a B2B2C company. It is not a B2C company. So it would have been a change of the entire strategy if we wanted to introduce B2C into the system and were also ready for the burn.

Nilesh Shah: So again, I just go back to that earlier point one of the participants made. Why didn't the Board consider the possibility of paying royalty payments to MapmyIndia for having incubated Mappls and build the app and having had millions of downloads so far and made it amongst the top ranking app on App Store? Now in view of that, why essentially can't this B2C venture pay royalty on sales that it achieves to MapmyIndia? Isn't that a fair deal?

Rakesh Verma: Okay. So you are asking about if something is sold then only royalty.

Nilesh Shah: Yes, exactly. Whenever revenue happen, wherever the B2C venture starts earning revenues...

Rakesh Verma: So you have a good point.

Rohan Verma: Nilesh, I don't think this is an issue. The businesses want to work together to each other's benefit. So having a business relationship which is win-win is totally fine. And so I mean, what you're saying is not off the table at all.

Nilesh Shah: No, I know it's not off the table, but why not make it crystal clear now rather than leaving it for a situation 2 years later, 4 years later? Why isn't that done now? This happens in the pharma

industry. When somebody builds a molecule and it is licensed to somebody, that somebody is required to basically pay royalty payments apart from paying milestone payments. Here, it's the reverse. MapmyIndia is funding the new venture and basically not going to receive any royalty payments. How fair is that? This should be addressed right now.

Rakesh Verma: Let me answer another way because for this purpose, we are sitting on the opposite side of the table, right? So first, the way I look at it is the Mapppls brand itself is not a consumer business. I think we should understand that. Mapppls app will always remain a free app. So that's the way the world is upgrading. Tomorrow, these apps may become paid worldwide by Google and everyone, it's a different matter. So now the other part is consumer business. What possible consumer business we can think of today and tomorrow something else may happen? What is the role of MapmyIndia in that consumer business? I don't understand. Help me understand it.

Nilesh Shah: No. My job is not to explain to you the business, okay? My job is to ensure that minority shareholders get a fair deal. That's it. Basically, our understanding and that you have already presented today is that Mapppls is an integrated part of MapmyIndia. If you are now basically allowing somebody else to use this brand, basically, it deserves a consideration for that. And that is also linked to basically whatever in future that venture earns, basically getting a share of that as royalty payment. One participant has already flagged off that issue.

Rakesh Verma: Forget about this new entity. I'm asking in general, would it be ever fair to the new entity in the consumer world of the business that MapmyIndia has not even attempted to do? That will be the sole thinking of that new entity. I'm keeping the Mapppls brand aside for a minute.

Nilesh Shah: No, it is the Mapppls brand.

Rakesh Verma: Because we are only talking about the Mapppls brand, am I right?

Nilesh Shah: Yes.

Rakesh Verma: Okay, fine. Your point taken. MapmyIndia has created 25 million downloads today, and it is going to them, but through the new entity. At the same time, we're also keeping it for 5 years, the full brand usage. So now after 5 years, the question definitely has to be answered, maybe answered now but after 5 years what?

Nilesh Shah: So is it there after 5 years? Anyway my question hasn't been answered.

Rakesh Verma: Your question has been answered, sir. Don't say that, I have answered it saying that if you remove the business part, you are only talking about the Mapppls brand. And the Mapppls brand, I said, both are going to be using it today for the next 5 years. So the answer can only be considered after 5 years. And you are expecting us to answer and put it on paper today. Am I right?

Nilesh Shah: Because it is a related party transaction, minority shareholders deserve total clarity and transparency.

Rakesh Verma: There is a transparency.

- Nilesh Shah:** No, there is no transparency because you are now leaving it for a period of 5 years later that we will see what is to be done then.
- Rakesh Verma:** No, I said your question is decided now what will happen after 5 years.
- Nilesh Shah:** Not after 5 years, I'm saying after 5 months. Let's assume you achieve a revenue of INR1 crore that venture. I'm talking of essentially the brand, the Mappls brand is being allowed to be used by someone else.
- Rakesh Verma:** In lieu of that, they are also giving us the data that they're getting it from the consumer for free. Then they should charge us for that also?
- Nilesh Shah:** Let it be yes, why not this happens, you look at the way multinationals charge. And the way basically you look at it. So I honestly don't know what the Independent Board has studied. I honestly don't know whether enough data was provided. But you see this is a very standard operating procedure, that multinationals have a subsidiary in India, basically the multinational charges subsidiary for allowing them to use their brands. If the subsidiaries do any work for the multinationals or the parent, the subsidiaries pay back, they are paid back.
- Rohan Verma:** One last time to reiterate to you, this is Rohan here. What is MapmyIndia's core business? Is it not a B2B and B2B2C company, which makes money by selling its solution with PaaS, DaaS, IoT drones to automotive companies, corporate government, enterprise customers? That is its business, and that's where we see a large addressable market where we are focused on, where we put a stated target of INR1,000 crores by FY28.
- We are on track for that. The consumer business is a distraction for MapmyIndia. There are intangible benefits to MapmyIndia to have this, which is what we have preserved with the business agreement which is saying - the more people that use this app, which showcases the MapmyIndia maps and technologies, and which generates data that could be useful to MapmyIndia, that's where MapmyIndia is getting the benefits.
- Rakesh Verma:** You can consider that as a sort of royalty.
- Rohan Verma:** And that will help MapmyIndia's B2B and B2B2C business to work. See it in the light of if this works well, then it equally helps MapmyIndia. Because otherwise, by doing it inside, would cause the pain to the company and the investors because it could lead to the losses or drag, whether financial or organizational, where the DNA is also quite different.
- Nilesh Shah:** No. I mean you're giving reasons for rationale of doing it as a separate venture, I get that. I'm not questioning the need for the venture, which is fine. That is well understood and you explained it really well. So that is fully appreciated. All I'm saying is the terms between MapmyIndia and this new venture honestly are not necessarily fair to basically the shareholders of MapmyIndia. That's my point. I will get back in queue.
- Moderator:** The next question comes from Farokh Pandole from Avestha Fund Management LLP. Please go ahead.

- Farokh Pandole:** I think given the previous conversation and the fact that it's been vocalized that the drain of the consumer business going forward would be too much for MapmyIndia to bear, could we get some sense? Because I believe that this will continue until March 31. So could we get some sense of what precisely this drain is going to be for this quarter and for next, given that this was an issue in the previous quarter also? And could we also understand that from April 1 onwards, regardless there will not be any drain whatsoever? Am I right in saying that?
- Rohan Verma:** Yes, Farokh, from April 1, there won't be any. And from December 31 also, there wouldn't be any. Q3 we are anyways almost through it.
- Rakesh Verma:** So from Q4, there won't be any. And of course, the future, there won't be any.
- Farokh Pandole:** Thank you.
- Moderator:** Thank you. The next question comes from Piyush Parag from Elara Capital. Please go ahead.
- Piyush Parag:** So can you just throw some light on that in creating Mapppls brand, you might have invested significantly. So how is this is going to be treated and how will it have an overall impact?
- Rakesh Verma:** Okay, help me understand what is significant in your mind for the Mapppls brand.
- Piyush Parag:** So basically, now this will be given to the new company. So what would be the current risk that you're going to take over the next 2 quarters or maybe a single quarter? So overall, how it will evolve, how the accounting will be done for this?
- Rakesh Verma:** First is I don't know what kind of investment we have made in Mapppls brand. If I have to put the numbers and even pick up from my accounting books, it will be major amount, as far as the cost is concerned. And the second thing is the brand is going along with MapmyIndia. But now your other question, I didn't even understand, how it will impact our books. What was that question?
- Piyush Parag:** Okay. I got it. So I was looking how much you have been investing into this because as you said that there has been a cost which impacted your profitability in the last quarter. So I was just trying to understand and get the sense how this is going to look, I mean, going forward? So my question was more on the brand, how the cost would be.
- Rakesh Verma:** We have already disclosed in the Q2. We invested around INR5 crores for the consumer business, which some might be part of brands, some might be part of people, some might be part of certain other activities related to consumer.
- Piyush Parag:** Thank you, sir.
- Moderator:** The next question comes from Shweta from Arihant Capital Markets. Please go ahead.
- Shweta:** Sir, my question is, what is the current market size and the growth rate trajectory of the land mapping business? If you could provide insight into the share of digital and advanced mapping solution, like 3D and 4D mapping in the land mapping sector?

- Rohan Verma:** I think we answered this question in the past in the earnings calls around the land mapping part. Nikhil, if you want to say something...
- Rakesh Verma:** Nikhil is there, our President-Geospatial Business.
- Nikhil Kumar:** Yes. So there are two questions he has asked, what is the kind of trajectory that we are seeing in the land mapping market? So there are 2 types of trajectory that we are seeing unfolding. One is with regard to land record modernization in the rural segment. And second, back in the urban segment. That itself is about INR10,000 crores that government is thinking of investing.
- The second part of this question is the digital trend. The government has been keen in creating the digital representation of the physical world. In that a separate investment has been planned, along with its integration with state level integration of write-off records. So that's first level of bolting that you have heard about, INR11,000 crores was planned during the budget this year. But the total beneficiary states are receiving that differently. And that is yet to be decided in terms of what the exact number is, but that's very huge.
- So there are two parts. One is the national mapping agency trying to create land records for the country. And second part of the investment is going to the state revenue department, integrating the right of records with this base map. So these are the two huge opportunities in the land modernization segment, if that answers your question.
- Rakesh Verma:** Okay, Nikhil, you stay on. I think the previous questions Nilesh was asking about on the brand, you have some opinion. Please speak up..
- Nikhil Kumar:** No, I was just looking at the two things that Nilesh needs to factor in. One is the company brand and the second is a product solution brand. I have worked in many companies where the product brand is what the company brand. The examples what he was sharing, and he gave a distribution example - I was working with SV and SV India has its office in India for which they used to pay royalty, that is not the manner in which we are stitching our business engagement here.
- I see it as very different. Ours is for a product brand which is getting value addition in consumer segment market, where MapmyIndia is not present. And we have 3 distinct advantages that we are seeing, for which I don't think a royalty can be paid by a new entity.
- One is the new type of data that will be actually coming back, helping MapmyIndia to actually address new use cases. That will, in fact, help creating new use cases altogether new solutions, build solutions.
- Second is the new market itself. There are various markets like insurance, GLSS, best rolling where we are not present because it's very linked with consumer side. And that is going to be kind of opened up for us.
- And third is also tomorrow, should that become a big practice, that we get back the share or pie from that. So in my mind, I think it's very different than the one the multinational example was kind of given.

- Shweta:** Okay. Can I ask my second question?
- Moderator:** Yes, ma'am, please go ahead.
- Shweta:** Yes. So will the company be looking at other substantial investment more than INR35 crores, either in the new venture or additional verticals over the next fiscal year?
- Rakesh Verma:** I think I've answered that in the PR. If you read it in the business restructuring, the CCD money will be invested in the new company, not in the personal name. Somebody had asked me so I'm pointing it out. It will be invested in the new company. The future capital requirement, what is missing is, if any, will be taken up by the MapmyIndia Board at the appropriate time.
- Though decisions about future investments are made at least not MapmyIndia in the beginning. We always are careful about it, and even if it's our other existing investors, we say we'll take a call when you need it. We'll see. Does it benefit MapmyIndia or not?
- Moderator:** The next question comes from Manjit Rathore from YM Capital.
- Manjit Rathore:** Okay. Not that I have any new question other than what the participants have already asked, but I would like to still rephrase it and reiterate the concern from our end. Sir, I understand that Mappls as a brand, we might have done very little financial investment when we try to measure it in financial outlook. But do we feel that as a company, MapmyIndia has not benefited Mappls brand, other than the money that has been invested into that? I don't know whether that would be the absolute correct interpretation.
- Second question is, sir, while I understand that there were several investors who would rightfully feel that they want to look at quarter- on-quarter performance, but that does not certainly represent all investors, right? Like there were a few of us, especially who have been a little excited about the B2C business. And we've also been very excited about the history of the management and the way you have executed and ramped up several other businesses.
- Now as you carve out a different subsidiary, it is very well appreciated that the current structure protects the existing shareholders from any potential downside coming from the proposed new business. But sir, at the same time, what another participant has mentioned, I do tend to agree with it, that in case of an upside in this business, we don't see a full participation.
- Again, I understand that in terms of financial outlet, we may be able to see a very little investment that might have gone into Mappls brand. But at least some sort of royalty payment or any other arrangement and whatever benefit we get from the said company, we might pay to them. And we understand that the cash burn could be there in the initial years, we trust your judgment?
- But if not paid out right, it could be accrued. I'm not saying that a perfect solution can be proposed by us, little bit to you. But the way it is left currently, it does leave a concerned taste sir?
- Rakesh Verma:** Okay. Good. Thanks for your advice. When we finalize the business agreement, we'll keep in mind what you are saying on the brand part.

- Moderator:** The next question comes from Deepak from Sundaram Mutual Fund.
- Deepak:** Yes. Sir, I have 2 questions. My first was I was reading the Press Release. And in that, you had mentioned that the Mappls gadgets, which is for consumer, will also be transferred to the new entity. And if my understanding, this Mappls gadgets is basically your dashcam and smart helmet kit, which will be a part of IoT business, right?
- And there will be a few consumers who will also be doing GPS track and SaaS revenue from that. So could you just elaborate like how much of the revenue currently could be kind of switched to the new entity because of this?
- Rohan Verma:** So Deepak, this is Rohan here. Most Mappls gadgets are only D2C, direct-to-consumer. That means they are sold online through Amazon type marketplaces or the dotcom itself. We're not talking about off-line retail and not support anything B2B. So in that sense, actually, there is no revenue to date for the D2C part of Mappls gadget.
- Rakesh Verma:** But I will add assuming that tomorrow, this new company makes a big headway in the D2C market, online market, they will be buying many of those gadgets from MapmyIndia only. So MapmyIndia revenue will go up, no?
- Deepak:** Okay. Got it. Sir, no, I just wanted to understand that Mappls gadget was written then it will get transfer there. So that's why I thought that smart kit and dash cam and GPS tracker which is used direct by the consumer, even that gets transferred there. That was my understanding.
- Rakesh Verma:** See, the whole idea is this new company will create a marketplace of the consumers through the Internet way or social media way, and that creation will take not only time but also substantial money. And then the business will happen. So coming to your gadgets, it's a very straight, no brainer answer. MapmyIndia will benefit since MapmyIndia is making those gadgets.
- Deepak:** Okay. Got it. And sir, my second question revolves around costs. So in previous con calls, you reiterated that the main marketing business promotion expense which we do, which is currently around INR4 crores, INR5 crores on a quarterly run rate, that is 100% attributable to B2C business, right?
- Rohan Verma:** Yes.
- Deepak:** All right. So that will move on to this new entity?
- Rohan Verma:** Yes.
- Deepak:** And over and above that, you will have some technical outsourcing expense as well as your cloud expenses, that will move on to this new entity, right?
- Rakesh Verma:** Yes.
- Deepak:** Yes. So sir, marketing portion, I'm clear, that 100% cost move out. As far as technical outsourcing and communication housing expenses are concerned, how much as a percentage is attributable to this B2C business?

- Rakesh Verma:** See the idea is ultimately once their business gets stabilized and all that, they might like to host it themselves, a lot of things. But while they are using MapmyIndia's cloud service, we have a mechanism to find out how much it is used for consumer and charge them. On that front, we will not go up, no? If it goes up, it will be purely because of the B2B business increasing.
- Deepak:** I understand that, sir. But in the calls, you have reiterated, right, because the downloads have gone up, there is some maintenance cost, cloud hosting with respect to the B2C Mapppls free app, right? So those related costs will move to the new entity, right? Sir, I just wanted to understand that how much is that, which will move on to the new entity in terms of technical outsource expense and cloud hosting expense?
- Rakesh Verma:** Outsourcing is a different thing, why are you mixing it with this consumer business? I'm not understanding. Technical outsourcing is the work done for B2B business only.
- Deepak:** So it is 100% attributable to B2B business.
- Rakesh Verma:** Yes. What you might be talking is because X number of employees will be moving to the B2C business, and they may like to keep their lean on MapmyIndia. They may or may not. Then in that case, their expenses will be debited to the new company.
- Deepak:** Okay. So in that case, then how would our kind of margin profile change or now the B2B business?
- Rakesh Verma:** Nothing much. I think we are operating well, but you know three quarters have gone. So definitely, again, on a quarter basis from the fourth quarter, we should come back to that 40% margin.
- Moderator:** Next question comes from Anmol Garg from DAM Capital Advisors.
- Anmol Garg:** Just a couple of questions. Firstly, I want to understand that just on the previous part only, that what is the current revenue of Mapppls gadgets? And what will be the current revenue profile of that B2C venture where that it would be starting a bit?
- Rohan Verma:** Anmol this is Rohan here. For Mapppls gadgets, which is the D2C part of it, maybe INR20 lakh or INR30 lakhs a quarter.
- Rakesh Verma:** See, MapmyIndia has not been focused on the so-called B2C business, which is the consumer business.
- Anmol Garg:** Right, right. And secondly, the number of downloads increases from the B2C application. As you focus on that as well, wouldn't the cloud hosting charge also go up? Would that would be catered by MapmyIndia? Or would that be catered by the new B2C venture?
- Rakesh Verma:** I think it will be catered by the new venture.
- Anmol Garg:** Understood. And sir, just from the new entity's perspective, I want to understand that if the INR35 crores amount which has been given in the initial start, that is not much to kind of run

this business for a more longer-term period of time, given that you are saying that now a lot of employees are also getting transferred to that particular business.

So is there any plans to further fund the business as it grows? And within that also, I wanted to understand what are the key areas that this business would work in? I know you have highlighted Mapppls mall and travel, but if you can elaborate that a bit, that would be great.

Rohan Verma:

So I mean, Anmol, just to say, you want to know a little bit more about the consumer business. So I'll talk about that. This is Rohan here. Yes, the idea there is to build out the product so that a lot of people use it and benefit from it. I mean Maps being the starting point for consumers, but there's a lot more that we have planned. And that could be around, as we said mall, as we said, travels, in the space of Maps, hyper local mobility. I mean, this is what consumers are looking for, and that's what we want to build. I don't want to preface it because we actually do it.

In terms of sort of revenue model, our revenue stream, I can only prophesize right now because it's not like it's there. But ads could be one. The second could be transaction commission. The third could be subscription. The fourth could be product sales if we are selling products directly through the app or D2C. But all of these will require investments, as you said - money is one, but also time and focus and an organization that can execute well on this towards what consumers are looking for.

And it's likely that investments will be needed beyond this INR35 crores as well. But if you ask me personally, I need to run this responsibly. And the company will have to figure out how to get new funds at the right time in the right way if it requires. And so I'll take responsibility for that.

Rakesh Verma:

I'll just add to that. The CCD that we are structuring or we have structured will have an optionality. Optionality means the choice is there that we want to do further or we don't want to.

Anmol Garg:

Understood. Just one last thing is on the advertisement revenue that the Mapppls brand generate currently. What was that amount last year for MapmyIndia? If you can elaborate that?

Rohan Verma:

It was in the order of INR20 lakh.

Anmol Garg:

Okay. So not much.

Rohan Verma:

Yes. Pretty much from ground up, I just also want to add a point on this brand. I'm going to do a consumer business in any case. That was anyways going to happen, right. Now the choice is to use Mapppls brand or to build another brand. So if it's symbiotic, it helps MapmyIndia. If it's not, then another brand, so who's going to compete with the Google Maps, I just want to know?

If Mapppls is going to focus on B2B, who is going to be the B2C challenger in terms of trying to get many more people? I mean, 25 million downloads is good on one side, but it's small compared to the Indian market on the other side. So I think this is the right structure, wherein it drives up the awareness, adoption, usage, and hence, the data and the business opportunity for MapmyIndia through its core B2B, B2B2C business.

And also, it allows the opportunity for the consumer business to be built from India, which hopefully can make a dent in the Indian market and then eventually the global market. I mean, we've seen some great consumer businesses, consumer tech businesses built in India. But in our category, at least, we've not. And so this is an attempt to make that happen. Now it can't happen at the cost clearly of a publicly listed company, which has its own obligations around profitability. So hence, this whole structure.

- Moderator:** The next question comes from Lokesh Manik from Vallum Capital.
- Lokesh Manik:** Yes, sir. And just one clarification, if I understand this correctly. For the first 5 years, for the Map data sharing, we'll have a partner transaction, where the new entity will supply B2C data set and even supply them whatever data we have. And after 5 years, this will revert to a maybe a transaction system which you will consider that...
- Rohan Verma:** I didn't say that.
- Lokesh Manik:** I want to just clarify if my understanding is correct. You are saying my understanding is incorrect?
- Rakesh Verma:** Yes. Those two are separate. So the anonymized data generated from the Mapppls will be available to MapmyIndia in perpetuity. That's not the brand, what Mr. Verma was talking about. Mapppls India is not MapmyIndia. But for the purpose of wanting to use the Mapppls brand for B2C and B2G2C, where Mapppls is useful to MapmyIndia, for 5 years, MapmyIndia will continue to use it. Now if Mapppls needs it after that for its business or not in, you can see, that's what these are two slightly different points.
- Lokesh Manik:** That is what I'm saying. Will it refer to a transaction model then? Because you have matured our business and then we may have to buy from the new entity? Is that the correct way of understanding? We have no doubt that it will succeed. It will succeed. But then after 5 years of the agreement, then we have to buy the data from the new entity?
- Rakesh Verma:** No. That's why I said the data part is not time bound.
- Rohan Verma:** Because the reverse is happening also. Now the MapmyIndia platform is also giving data to the app.
- Lokesh Manik:** Correct. So it is a barter transaction, which will continue.
- Rohan Verma:** I don't call it that because it's not a good way to describe it.
- Lokesh Manik:** But both are helping out each other, so that's what I mean.
- Rakesh Verma:** Both are supporting each other for their own interest.
- Lokesh Manik:** Correct, correct, correct. So this will continue even after 5 years or you want to review that after 5 years?

- Rohan Verma:** Yes. I'm looking at all the people using this app, and that is what will help. MapmyIndia will also have its data be fresh. And you'll start seeing the benefits of these in the time to come as the app starts becoming popular or people start using it. It will show up in the quality and freshness of the maps.
- Moderator:** The next question comes from Amit Kadam from Canara Robeco Mutual Fund.
- Amit Kadam:** So MapmyIndia as a listed company is getting a 10% stake in the newly formed entity. And we've also been including INR35 crores in that business. So I just wanted to know how the valuation has been arrived. So this 10% could have been 30%, 40% or 50% or maybe 5% also. So just wanted to know the logic behind this.
- Rakesh Verma:** No valuation has been done. Let me be clear. MapmyIndia is taking 10% or INR10 lakh for a total subscribed capital or paid up capital of INR1 crores. So basically, the way it is happening is Rohan is opening a new company with 100% ownership and selling to MapmyIndia 10% stake for INR10 lakhs. So valuation doesn't arise, when you have buy it at the face value. INR35 crores was the issue, that how do we value it. So CCDs, we don't have to value it. Let it be valued by the market at the right time.
- Amit Kadam:** And the conversion price is...
- Rakesh Verma:** Conversion price is at a 25% discount after the market valuation.
- Amit Kadam:** And that market valuation will be based on certain transactions?
- Rakesh Verma:** No, will be based by any third party coming in to invest in the new venture. MapmyIndia, Rohan Verma will not be considered as a third party.
- Amit Kadam:** Okay. And because it will be like a related party transaction, how do we make sure that all those transactions happening between us is the arms-length basis? Like how do I benchmark it? That's what I wanted to understand?
- Rakesh Verma:** There is nothing involved here. See, the RPT, there is a process there is a very strict compliance requirement, if you're aware. Fine, let me repeat it, not more than 10% of the last year's revenue can be used for a company which is a related party. Last year's revenue was INR380 crores. So not more than INR38 crores can be used for related party transaction. So we are giving INR35 crores for this CCD, which is within INR38 crores.
- Moderator:** The next question comes from Deepesh Sancheti from Manya Finance.
- Deepesh Sancheti:** Just wanted to know is there any coupon rate for this CCD?
- Rohan Verma:** Coupon rate, no.
- Deepesh Sancheti:** Okay. Then why would we just invest INR35 crores for a 19.99% stake into the company and get at least for sure that 19.99%? Otherwise, what will happen is when the company raised its first round, let's say it raises about INR10 million at a valuation of INR1,200 crores. So for 20% discount, we'll get on 3.5%

- Rohan Verma:** 25% discount, not 20.
- Deepesh Sancheti:** 25% discount. So we will get around 3.67%, 3.7%. There's no surety that how much will we get. Because I see there a lot of promise coming in since Rohan is moving out...
- Rakesh Verma:** Let's say, for the same, your wish comes true. So for that INR1,200 crores valuation, if that 10% plus 3% or whatever, 13-14%, I'm just picking up a number. How much would be the value of that, all that 14% of INR1,200 crores? That would be something like, I don't know, INR200 crores or so. Without taking a P&L hit. And how much we have put in money, INR35 crores, INR10lakhs, how much profit do we make? So you people are investors. You back the founders.
- If a founder is good and the founder succeeds, and in that process, if MapmyIndia supporting this founder, where is the issue? I'm not even able to understand, even on the financial reward perspective, why would the founder do something, put his sweat, blood everything into it for the benefit of MapmyIndia? I'm doing it. I have done it for 30 years, I know.
- Deepesh Sancheti:** I completely understand. So what you're saying is that 10% is for sure. It is there. And whatever is the additional equity will depend upon the valuations, which is there and going ahead, right?
- Rakesh Verma:** Yes.
- Deepesh Sancheti:** Okay. Now the only reason where we as investors, long-term investors, I don't know what investors are talking only about quarter-on-quarter. We think about the company, we have invested in the company for at least 3 to 5 years, here.
- Rakesh Verma:** Good. I hope I had talked to you before.
- Deepesh Sancheti:** No, no, sir. But the point is what even Nilesh said and I am sure, even he's a very long-term investor, what I'm trying to understand is that since we are parting away with the brand Mappls we are parting away with Rohan, who's an excellent talent. Again, we will be parting away with a lot of human resource and a lot of things which already MapmyIndia has done, okay? The reward which MapmyIndia should get should be a little higher than the reward means not only for the small investors for MapmyIndia itself.
- Rakesh Verma:** I think the reward is very high. If that business takes off, the reward is extremely high. Imagine if that 25 million downloads turned out to be 100 million downloads or 125 million, can you see what kind of great impact it will have on MapmyIndia with the data flowing into MapmyIndia.
- Where we lack a lot compared to Google is this crowdsourcing data. Think of those very strategic things. We are in the business of B2B and B2B2C. Why are we not thinking about that if that's our business? This is a new thing, a new baby, a new business being created. And the symbiotic relationship is going to benefit us. I have thought about it for three months while going through it. And it's nothing to do with whether Rohan's involvement, that's not the issue. The issue is how does it benefit everybody, including the investors of MapmyIndia.
- Dipesh Sancheti:** If Rohan and if you are so confident about this business, go to plan A, get the company inside it, let's take a hit of INR30 crores, INR35 crores, but at least let's keep the brand in-house. Let's

keep all the benefits, which is going to come at with us. Even that is a good option, which you should think about again?

Rakesh Verma: For 1 month, I kept talking to many investors. Believe me, 99% had one answer.

Dipesh Sancheti: Okay, sir. I wish you all the best. What can I say? Thank you.

Rohan Verma” Yes. I mean really, the way of business was set up the way when we came to the public markets and the way that we have operated so far, it is fundamentally a B2B, B2B2C business, which is exciting in its own right, it's not that I don't think that B2B and B2B2C is not exciting, or I have not worked towards that. That is not the point. This company is a star when it comes to executing on B2B and B2B2C.

From 30 years ago, now the market is opened up, so the company has the opportunity to fill up the space that the market is offering. So I feel like that itself is exciting enough. This consumer is interesting and exciting to me personally. It is a different type of risk profile than the company trajectory right now. And so I hope you understand that it's not that the company is no longer exciting, that's not true by any means of the imagination.

Dipesh Sancheti: No, we are excited. So we are excited about the new business. We are excited about B2C, and we are excited that we are going to take Google head on. Absolutely, we're excited with all these things. We just want that whatever the fruits which can come, it should come to the shareholders, it should be of MapmyIndia. That is the only point of which I want to say. We are completely confident on you and on your venture. But point is, it's like we want a greater share of pie.

Rakesh Verma: I know. We're looking at a greater share of the pie too.

Rohan Verma: I was talking about B2B. B2C also is interesting and exciting, that's why I'm doing it. But different risk profiles. And see, MapmyIndia's core business is profitable. It doesn't have to burn cash. These are two kind of conflicting things.

Rakesh Verma: And also, we had the cash. We had to also see what is the use of the capital that we have. And here is an opportunity we found. Actually, I wish there was a perfect answer. None of the options give a perfect answer, that's the whole problem.

Dipesh Sancheti: Is this subject to an EGM being called or e-voting to be done, because we would love to participate in that kind of voting?

Rakesh Verma: It's below 20%, so where is the EGM?

Dipesh Sancheti: I understand. We would have got a greater sense of who your shareholders are and whom they want to really vote for or whether it's option A, option B, the option C. I mean, that would have been a been more fair. That's all I can say.

Rakesh Verma: We are following the compliances. It's not that we are not following the compliances.

Dipesh Sancheti: No, you're following the compliance. Sir it's just that there's a concern about it. But I just wish you all the very best.

- Moderator:** The next question comes from Kunal Talgeri from The Arc. Please go ahead.
- Kunal Talgeri:** Hi good evening. I have two or three doubts that I wanted to clarify. It may have come up earlier, but just to be absolutely sure, under the new management, who owns the Mapppls brand now? Will it go the new venture or will it stay with CE Info Systems? I just wanted absolute clarity on that.
- Rohan Verma:** We answered this in the previous question, but the Mapppls brand will move to the new company. MapmyIndia will have that ability and access to use it for B2B, B2B2C, B2G, B2G2C as it needs for the next 5 years.
- Kunal Talgeri:** Okay. The other thing I wanted to clarify was that in the annual report, I've seen one segment where Mapppls gadgets had been talked about, which included the navitainment devices and a couple of other things, like there were two or three examples that have been given of devices that were there. So is that will that part of the business stay at CE Info Systems or will it go to the new venture?
- Rohan Verma:** Yes. Kunal, basically, all products of MapmyIndia - any of them can use the brand. So Mapppls gadget is an IoT part of the product. It is sold under whatever product names or whatever brand to B2B customers and also sold by MapmyIndia to B2C customers in the off-line retail world, that is continuing. There's no change in that. It is a D2C, direct-to-consumer, through online where there is no revenue, I think previous question we answered somewhere like some INR10-INR20 lakh type of revenue a quarter. That part is I mean, will continue to be done by the new company. And even there, if it has to buy the products, they'll buy it MapmyIndia.
- Kunal Talgeri:** Couple of examples of the gadgets that have gone through B2C, those 20 lakh revenue? Just for me to be clear.
- Rohan Verma:** Yes. these things like the GPS trackers, the dash cameras, if you go on Amazon today, on mappplsgadgets.com, you'll see kind of the range of Mapppls gadgets, you can get a sense. But these are GPS trackers and dash cameras and more.
- Kunal Talgeri:** Okay. And my final question was, given that Rohan is going to be heading the new venture, going forward, will there be a new CEO? How will that decision-making actually play out? Who performs the role of the executive CEO?
- Rakesh Verma:** I hope you are aware that there is a CMD also in the company.
- Kunal Talgeri:** I am, Mr. Verma.
- Rakesh Verma:** So in any case, I was participating in the decision making. It's nothing new. But together, we were kind of taking decisions. If he is not there, the entire business leadership team starts working with me for this decision making. The entire team is there. I think they are already participating in this call also.
- Rohan Verma:** This Rohan is here. I'll just says something. The team that we have, the management team has been around for a long time. They've actually been working with Mr. Verma for longer, and I

really enjoyed working with them. He and I equally participate in decision making with them. The organization, the way it's structured, their succession and this professionalism is present at all levels. So I think from a leadership point of view, there's only continuity. I get to focus my energies on B2C, which is where I want to spend time. And the company continues to focus more on B2B without this kind of drag or these kinds of things that cause issues quarter-on-quarter.

Kunal Talgeri: Yes, that's been clear to me. I had one more question, Rohan, for you, final question. Both Mappls Traveler and Mappls, I mean, I saw the URLs of these 2 things. I realize that you're powered by ONDC. Can you give me a brief background of the work that has happened at the pilot stage>

Rohan Verma: Yes. if you ask it personally, I think ONDC is just an incredible innovation brought into being by the Government of India. I think this can empower tremendous amount of innovation and can empower small businesses as well as help consumers get choice. And so I'll see the MapmyIndia piece around the ONDC, and I'll see the Mappls app piece around ONDC. MapmyIndia actually has map APIs and SDKs that are ONDC compatible. So any ONDC network participants can take the APIs and SDKs of MapmyIndia and plug it to their food delivery app or grocery delivery app sellers aap or logistics app, and I highly encourage them to do that, because it's the most optimized best quality maps and solutions for ONDC network participants.

Mappls app is also trying to bring discovery of products to consumers by leveraging the power of ONDC. So in general, with Mappls with the consumer business, that will be the idea. How do you empower consumers and how do you empower entrepreneurs or small businesses to succeed. And so this mall or ONDC, it's in very early stages right now. We're not here announcing any product or so. But we are going to the paces of capturing out the experience for consumers when they're purchasing. We're working closely with the ONDC team. But I just want to say that ONDC is something for everybody to look out for I am very bullish on them and very excited for them.

Moderator: The next follow-up question comes from Nilesh Shah from Envision Capital. Please go ahead.

Nilesh Shah: Just a clarification. What I heard was that even the B2B, B2G businesses will -- MapmyIndia will be allowed to use the Mappls brand only for five years. After five years, it's back to the table and commercial discussion?

Rakesh Verma: Well, Nilesh first is why five years, why not one year or why not 10 years? Actually, in very few selected customers, particularly in the automotive, very few, I'll give you example, Mahindra, Tata, where we started, we started putting in Mappls brand. Otherwise, all across the board in the B2B, B2G and all, it's always only MapmyIndia. If you see Apple Map also, you will see MapmyIndia.

So Mappls is not there. Google Maps are everywhere because that's what the consumer uses. Similarly, you might be thinking a lot about Mappls name from that angle, but it is not in the minds of the our customers. I'm talking about the customers who pay us, not the customers who are just a free user.

So hence, I am not at a loss anywhere. So that's why we said for business continuity, there should not be any restriction on the use of Mapppls brand by the B2B or B2G teams, and that's it. After 5 years, if the Mapppls app becomes a big thing, they are dependent on MapmyIndia's platform and data. They're not -- I mean, how can they operate without MapmyIndia's platform and data?

Nilesh Shah: Okay. That's helpful. And Rohan, this is a question to you. Tomorrow, if you're going to have investors in your new venture, and they are going to ask you that why are you giving this data free to MapmyIndia, wouldn't that restrict or constrain your ability to raise capital?

Rohan, we keep hearing this question that data is the new oil, data is everything. So if I'm going to be an investor in your venture hypothetically, my first question is, why should the data go free to MapmyIndia?

Rohan Verma: The key partners, the kind of investors I look for eventually in this business, I think they'll have to be people who understand me, who understand Mapppls and who understand MapmyIndia. I don't think an investor will come in or should come in if they don't understand all the three.

The two companies have independent paths. I'm not saying that they're intertwined by the hip or anything like that. But there is a value to the partnership. And this value needs to be win-win for both companies. That's what we are working towards. So, you know, so why it is giving because it is also getting.

Rakesh Verma: MapmyIndia is also giving value-add. It's not a one way. I hope you realize that the entire MapmyIndia geo-spatial data is powering Mapppls Maps also. Similarly, through our APIs and SDKs will power Mapppls app also.

Nilesh Shah: No, Mr. Verma, my only thing is that I don't want a situation a few years down the line because today, you are basically selling to us on the proposition that this is symbiotic. It's a win-win for both. But tomorrow, if Rohan is out there trying to raise his capital. And if he has investors who put this kind of restrictions, then again, you will come back saying what can we do now. It's an independent venture. They are taking these decisions. I'm only trying to preempt basically apprehensions in the future.

Rakesh Verma: Okay. Good point. Maybe we will look into that also and try to see if we can put something in place.

Nilesh Shah: Yes. Okay. And lastly from my side, Mr. Verma. A few months ago, you started one more venture which was on the data side, which again, you said it is again outside. Again, now this is one more venture is going outside from the company. Is this it or do we kind of have to wait for more such situations down the line?

Rakesh Verma: So I'm happy you asked this question. I was wondering that nobody is asking. I have not started anything, okay? Let me be clear about it. Other one you are talking about is the ClarityX okay, ClarityX, which is in the data analytics, AI data analytics company. It is actually my daughter doing it, and she is definitely a part of the promoter group.

As Rohan said just now, if you want to invest in Rohan's new venture, you'll have to know him, you will have to know Mapppls. You will have to know MapmyIndia. So here also you have to know the promoter group people. Both Rohan and Rakhi, who is part of the ClarityX, they are both professionals in their own way. And they also have aspirations to do. So please do not get me into that ClarityX.

If you see on paper, if I'm the founder, it is just a founder. But if you ask anybody out of 100 hours, if that ClarityX folks have worked on, have I spent even 10 or 15 minutes also with them? No. Answer is no, it is helping MapmyIndia. Today, if you ask, and Ankeet is there on the call. Ankeet, why don't you talk about what ClarityX is doing to you. You are the Chief Business Officer for Enterprise. Rather let him hear from you.

Ankeet Bhat: Yes. So like from a business perspective, we are getting incredible demand from data analytics, specifically from enterprises that are existing customers and also new customers. This is coming across banking, retail, FMCG. And I think this synergy is kind of showing, is gaining speed and is working out pretty well between both teams. And we're opening basically new use cases and new areas of business that weren't there before.

Rakesh Verma: And Ankeet, who is getting all the revenue?

Ankeet Bhat: That's all accruing to MapmyIndia's enterprise business, right? And it's actually a very quick go-to-market also. We already have the who's who in the corporate world. And essentially, this opens up another avenue of upsell and cross-sell to these customers.

Rakesh Verma: I hope you heard from Ankeet. Really, this is the kind of a thing which I, with my experience of that 30 years, I believe in setting up an ecosystem, not at the cost of bad governance. We follow very good governance. People give us advice. We listen to them carefully. And just like ClarityX, a similar thing is going to happen with this consumer business. The only difference is in ClarityX, MapmyIndia has not made any investment, zero.

Nilesh Shah: No, that's helpful, Mr. Verma. Good luck for all of this, and I just hope MapmyIndia does well and grows well. And you are implementing governance standards in letter. And I hope it also gets implemented in spirit. So while you are ticking all the boxes from a letter point of view, I just hope the boxes get ticked from a spirit point of view. Thank you so much, sir.

Moderator: We'll take the last question from the line of Surendra D from Slowform Media.

Surendra D: Yes. So this is a question to the Board of the company. So this whole entrepreneurial scene in India, people who don't have any experience in business, they came up with the B2C idea and raised several millions in capital and they made billion-dollar companies out of it. And MapmyIndia is a fairly large company, it's a listed company. It has invested a lot in the B2C business and it is given the backup to Mapppls, on which Mapppls runs.

The very existence of Mapppls is because of MapmyIndia. And still, it's giving away 90% of the capital away and it is investing money, and it is investing more money. And right away, I don't see any returns. So something doesn't add up for me. So how does it add up for you? I mean, what's the gist of this whole transaction for MapmyIndia?

- Rohan Verma:** I think we've used the whole call to try to explain that.
- Surendra D:** Okay. No, no problem. If you have said that if the whole call explains that MapmyIndia for all its investment in creating this B2B business has got its returns already by doing so, that answer is good enough for me.
- Rohan Verma:** No, no. I was just trying to say that MapmyIndia is a B2B and B2B2C business. How much we have actually really invested in Mapppls as a consumer business, answer is a meager amount. Mr. Verma said that. If we have to scale this as a consumer business, it will become a drag. That's what became clear, especially over the last couple of quarters, and lots of discussions. And so we are at a very early stage of building a consumer business. I mean, very, very early. It is not a consumer business right now. That has to be built out. So in that sense, MapmyIndia is not hiding off or giving away any of its business to anybody.
- When it comes to the new business and the return to MapmyIndia, we see the following: if this app generates a lot of users, a lot more people will be aware about the usage of MapmyIndia's Mapppls technologies, which is what MapmyIndia wants because that will convince other enterprise customers, consumer tech companies or enterprises or automotive or government. And if MapmyIndia can be used by one out of so many other consumers, brands or enterprises, then this also adds feather in the cap in a sense, it's a social proof.
- The second is that the app is used a lot, the data that flows back anonymize data will help keep the Mapppls fresh and updated and richer. That's the second return it gets. The third is that if these ventures succeed in equity value upside is there. Without taking a P&L case on an organizational drive us, let's say, the duality or whatever of B2C and B2B, all of those things go away.
- We've tried to solve for multiple things keeping in mind the interest of MapmyIndia India and the trajectory and track record or the history of MapmyIndia. And ultimately, finally, MapmyIndia itself already, whether B2B and B2B2C business, has a pretty large and growing addressable market needs to focus on that. So then if you have to increase focus on B2B also, and so at the same time, you can't do too many things is the point.
- So I think MapmyIndia is taking, I would say, balanced approach, disciplined approach towards what risk rewards it wants to take.
- Moderator:** Ladies and gentlemen, we would take that as a last question. I would now like to hand the conference over to the management for closing comments.
- Rakesh Verma:** Thanks to all of you. And sorry, some of you could not ask the question and have been waiting. I guess this last 1.5 hour or so was helpful to all of you from understanding what the Board has decided and why the Board has decided, particularly in the case of consumer business. And we feel it is very -- not only fair it is to the advantage of MapmyIndia. At least, I feel that way. It is very much to pro MapmyIndia rather than anti MapmyIndia. Thank you so much, Rohan.
- Rohan Verma:** Thanks, everybody, for taking the time to ask your questions, and I hope you understood the rationale. And I hope you can give us the support. Thank you.

Moderator:

On behalf of Anand Rathi Share and Stock Brokers, that concludes this conference. Thank you for joining us. You may now disconnect your lines.