To
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001

To
Listing Department,
National Stock Exchange of India Limited
C-1, G-Block, Bandra - Kurla Complex
Bandra (E), Mumbai – 400 051

Scrip Code: 540403, Scrip Symbol: CLEDUCATE
ISIN: INE201M01029

Sub: Transcript of Investors Earnings Call pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Ma'am/Sir(s),

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in continuation to our disclosures dated February 03, 2026, and February 06, 2026, please find enclosed the Transcript of the Earnings call held on February 06, 2026, with the Analysts/ Investors (public at large).

The aforesaid information will also be hosted on the Company's website at www.cleducate.com.

Kindly take the above details on record.

Thanking You
For CL Educate Limited

ARJUN WADHWA
Digitally signed by ARJUN WADHWA
Date: 2026.02.12 17:53:22 +05'30'

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: February 12, 2026

"CL Educate Limited Q3 FY 2026 Earnings Conference Call"

February 06, 2026

<u>Management Attendees:</u>

Mr. Satya Narayanan R –	**Chairman, CL Educate Limited**
Mr. Gautam Puri –	**Vice Chairman & Managing Director, CL Educate Limited**
Mr. Nikhil Mahajan –	**Group CEO & Executive Director, CL Educate Limited**
Mr. Arjun Wadhwa –	**CFO, CL Educate Limited**

Earnings Call Link: CL Earnings Conference Call Q3 FY26

Results Link:

- Consolidated Results – Q3 FY26
- Standalone Results – Q3 FY26

CL EDUCATE LIMITED
Q3 FY26 Investor / Analyst Conference Call Transcript

(Held on the Metaverse Platform – VOSMOS)

Opening Remarks

Arjun Wadhwa: Good afternoon, ladies and gentlemen, and welcome to CL Educate Ltd's Q3 FY26 analyst call. My name is Arjun Wadhwa, I'm the Group CFO of CL and I'll be your host today. Welcome once again to our metaverse platform called VOSMOS, which we have been using ever since the COVID years for our analyst call.

This call, as always, will be recorded, transcribed and made available in the investor zone on our website within the next 24 to 48 hou₹ Should you have any questions, please type them in the chat box in the bottom right-hand corner of your screen and we will address them at the end of the session. Joining me on this conference call today are **Mr. Satya Narayanan**, he's the founder and chairman of CL Educate, **Mr. Gautam Puri**, co-founder, vice chairman and Managing Director. Gautam takes direct reporting of the EdTech business, which includes our test prep, publishing and student outreach businesses.

And **Mr. Nikhil Mahajan**, he's our Group CEO and Executive Director, who also anchors the Martech business. I'll start the session with a few finance updates and then walk you through a little bit of an update on the DEX business before handing over to Gautam and Nikhil on their respective businesses with Satya then closing with a few corporate updates.

Finance Update

Arjun Wadhwa: I'm on slide 10 of the presentation that we shared. It should be visible on your screens right now. Happy to share that our total revenue from a nine-month perspective has grown from ₹ 266 crores to ₹ 445 crores, which is a 67% growth on a year on year basis.

A large part of this growth has obviously come from the addition of the DEX business, which wasn't there for the first nine-months of last year. It has contributed ₹ 194 crores to our top line. The corresponding DEX business during this time last year was ₹ 173 crores.

So we've grown about 20 crores from a DEX to DEX perspective. Our EdTech business is down by about a similar amount, ₹ 150 crores versus ₹ 127 crores this year. And our Martech business is up from ₹ 116 crores to about ₹ 124 crores.

From an EBITDA perspective, we had reported an EBITDA of ₹ 27 crores approximately last year, and we are up 120% to almost ₹ 59 crores from a nine month perspective this year. From a PAT perspective, we were at ₹ 4.4 crores last year. We are at minus ₹ 16 crores this year.

But as all of you are aware, a large part of the PAT fall comes on account of a significant increase in the finance cost and in the depreciation, which has come from the addition of the DEX business, of which it's important for you to understand that the total finance cost, which has grown from 2 crores last year to nearly 40 crores this year, actual interest cost of that contributes only about 21 crores, and the remaining amount is an INDAS entry. And similarly, from a depreciation perspective also, almost ₹ 9-10 crores of the amount comes on account of INDAS entries. So, the total INDAS impact on the financials this year from a nine month perspective is in excess of 28 crores.

And there is also an additional impact this year on account of the labour codes that have been introduced by the Government of India to the tune of about ₹ 5.5 crores. So, if I net my minus ₹ 16 crores for this ₹ 33 crore impact, my PAT would have actually grown from about 4.5 crores to about 17 crores. So, from a business to business perspective, the growth is there both from a revenue perspective and from an EBITDA perspective.

The PAT is obviously impacted by the debt that we have taken about ₹ 210 crores at the start of the year for the DEX acquisition. And the actual interest impact of that is only about ₹ 21. The remaining impact, as I wish to reiterate, ₹ 28 crores of what you see from a P&L perspective impacting the PAT comes on account of INDAS.

Digital Assessments Business Update

Arjun Wadhwa: Moving forward, I'll just give you a quick update on the DEX business. The DEX revenue, as I already shared, has grown from about ₹ 174 to about ₹ 194. And DEX's specific EBITDA contribution has grown from about ₹ 34 crores to ₹ 42 crores.

Happy to share as well that post the acquisition and moving from an NSE brand company to DEXIT Global, which is what the company is now called, we have had a 100% rollover of clients. We had one client remaining to rollover when we had done our last investor call. That client rollover has also happened. It was our most critical client, IRDAI, which I'm happy to share has agreed a new three-year deal with us at a substantially increased price as well. The business, as I said, has grown about 12%. Margins have also improved by about 300 basis points over what they were last year.

And in terms of what we're looking at in terms of delivery this year, we're going to do about close to 70 lakh exam counts with about 25 lakhs of those coming across our certification and accreditation business and about 45 lakhs coming from our recruitment and entrance exam business.

In addition to the rollover of accounts that we've had, which were our annuity business accounts, we've also added new segments by entering the university business. We've had addition of clients like IIM-Bangalore for their executive education programme, Ashoka University, Meazure Learning is another new client we've added this year. And we've also generated new business through the addition of new accounts like CCRAS, which is the Aayush Ministry, DGAFMS, which is the Armed Forces and NACIN and the Microfinance Institute, among others in terms of new business generated this year.

Moving forward, I'd like to request Gautam to give a brief update on the EdTech business.

EdTech Business Update

Gautam Puri: Good afternoon, everyone. Okay, as Arjun has already given the numbers that the EdTech business, we are down from ₹ 150 to ₹ 127 crores.

The issue here, as I've been saying for the last three or four quarters, there's a structural change which is happening in the market with stores shifting more towards low value products and a greater propensity to look at the sell step also. The good news, however, is that we are by and large holding on to our numbers. And a couple of programmes, especially BBA-IPM seem to be doing better in terms of numbers. And while the base is small, we see BBA-IPM becoming a bigger item as we go along.

MBA, again, there's a small thing that this time the paper was slightly difficult and normally a difficult paper leads to higher amount of coaching. But I will not look too much into it. By and large, there's a positive news. But I still think despite this positive news, we are in for some kind of a structural shift, especially in the graduate segment. And the difficult period is likely to continue for another two to four quarters.

Law has by and large been steady and CUET has not performed as we wanted to initially, because of various issues pertaining to the unpredictability of the paper and it not getting the traction that it needed from university admission point of view.

The Platform Monetization that we do, allowing colleges and universities to reach out to our students is doing fairly well. And that's a business that is likely to grow by about 10%.

Publishing, again, still is doing reasonably well. And author led series, white label sales, etc., by and large continue to exhibit growth.

As far as the market is concerned, coming back to the structural shift that I was talking about, as far as this market is concerned, we are looking at, we have experimented with a couple of things, and we'll be experimenting with a couple of new variants as we go along.

One of the things that we are looking at is to try and break the walls between the offline and online modes of coaching. The advantage that we have is that we are present in about 120 cities. So, an online student can definitely look at getting support from us, wherever he or she is based.

Similarly, an offline student, when he or she needs, should be able to go online. So, we are trying to work out a way in which we are able to break this barrier between online and offline, which can become a distinctive competitive advantage for us. One small experiment we had done in the last season in Delhi was AfA, which says Attend from Anywhere, and has been fairly successful.

And the word of mouth about it is positive. Similarly, if you look at the other parts, our shift towards the smaller product, the 1000 series, all of our test series, all of them have been received well. And in terms of numbers, we have grown significantly in these domains.

Other thing, obviously, AI is the buzzword, but yes, we are trying to see how we can incorporate it in our academic support, especially from a doubt-solving perspective. And the support that's shown needs 24x7. We are also looking at expanding into schools to institutional partnerships. A couple of pilots are on. And hopefully, we'll be able to give some good news in the next one or two quarters.

One of the areas which has, again, created a good positive word of mouth for us is that via DEX, we have been able to give students a live experience, an experience of the actual exam, because the DEX platform is available, 240 odd DEX centres are available. So, we have launched this year as a pilot for the MBA exams, the entrance exam for CAT, it was conducted live at the DEX centres. And as I said, this paves the way for us to do the same thing for other exams also.

One of the success areas has been the Platform Monetization, as I said earlier, going fine. EasyApply is the application platform for the students. And this year, with the exception of CAT, which is the admission test for the IMs, practically all of the MBA entrance exams are on our platform. And we are hopeful of, hopefully, we're able to get almost all the law exams also on our platform.

So here, from something like 10,000 applications forms sold from a platform, we are likely to go to 14K and this is likely to grow, because the next three months is when the significant amount of application activity happens. So, this is something which we are bullish on, and we hope to take it to the next level in the next financial year. Because from an MBA perspective, the season will be over in the next couple of months. From a BBA, law, IPM, or other UG segment, the season will be 'On' for the next six months, or they will start by and large from April and go up to July, August. And then the MBA season will happen again.

So, this is a segment which seems to be doing fairly well for us and should be a positive thing for us going forward. Arjun, back to you.

Arjun Wadhwa: Thank you, GP.

Nikhil, if I could request you now to provide an update on the MarTech business

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MarTech Business Update

Nikhil Mahajan: Yeah, thanks, Arjun. As you can see that MarTech business has been showing a steady but a robust growth, both in terms of revenues as well as in terms of profitability.

The growth in the international market has been much better than in the Indian market. There are some challenges in the Indian market from a consumer point of view. The international revenues have grown from ₹ 33 crores to about ₹ 41 crores in the corresponding nine-month period, where the Indian revenues have grown from about ₹ 78 crores to ₹ 81 crores.

I think the critical aspect of this is that we have added sort of an extremely blue-chip customer accounts, not only in India, but internationally. In India, we have added PwC, Himalaya Drugs, Zoho. Internationally, we have added Adobe, Autodex, H2O, Xiamen Airlines as our customers.

There are a couple of new customers which have been onboarded in the month of January, February, internationally, including Oriflame and a couple of others. So, I think new customer onboarding is an extremely positive sign because new customer onboarding starts to contribute, though starts slowly, but once fully onboarded, accelerates the revenue accretion going forward. As I had shared in the last call, the slight dip or muted revenue growth in India was predominantly driven by two significant customers, AWS and Air India.

Air India actually totally shut down its outreach and marketing operations post the air crash in Ahmedabad. The good thing is that they have restarted engaging in the market, not only in India, but internationally. And we expect them to start scaling up in the coming financial year over the next 12 months.

AWS was again an internal structural adjustment because they collapsed a few of their different business divisions into one. So, for a period of about two quarters, businesses were unsure how to go about it. Things have stabilised on that account.

And I think we are currently in the process of executing a large ticket event in this quarter in India in the next two weeks. And I think the turbulence in some of these large ticket accounts which had hit us in H1 has stabilised. And I think we should see a faster revenue accretion going forward.

One specific update on business is that we had started slowly working around creating a CXO community. We have started engaging on customer driven CXO community engagement over the last 60 to 90 days. And we have seen an extremely positive traction.

We have done these kinds of engagements successfully driven predominantly with Google, PwC, and to some extent by Dell. I think as we start expanding this engagement across a larger set of customers with a larger set of CXO communities, not just CMOs, CHROs, CFOs, CIOs, and CTOs, I think that will establish a much stronger foothold for us to be able to accrue revenue from different divisions. As of now, 99% of our revenues come in predominantly from the CMOs, CIOs, and the CTOs.

And we are working towards diversifying that basket going forward. Utsav, which is our social events and business arm catering to luxury weddings and social events, we started off about nine months ago. We have accrued a revenue of about six crores having executed just about four events.

As you would know, this is a segment where the business incubation to closure cycles are pretty long, take about three to six months from the initial engagement to the final closure of business. And the event execution could again be six to nine months down the line. So, I think currently as I speak, we are sitting on a reasonable, strong wedding pipeline, but large chunk of it is execution and delivery in FY27.

I think as we report even the next couple of quarters, we may not have too many events. Most of the events execution for them are in Q2, Q3 and beyond. But we are sitting on an extremely healthy pipeline for the next fiscal.

Arjun Wadhwa: Thank you, Nikhil.

Satya, if I could now request you to come in and provide an update on the mySathi initiative.

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mySathi Update

Satyanarayanan: Okay. Hi, Good Afternoon, everybody.

As you know, one of the things that we were looking at when we acquired NSEIT and rebranded it as DEXIT Global was also to search for not just addition of business impact at the overall group level, but some significant value creating disruptive initiatives. And the one that we picked up and focused and we have executed it over the nine months is what is something that I'm going to cover here in the next five minutes. We have the links and the releases, et cetera, everything on the website.

You could take a look at it. I will quickly cover this. SATHI stands for **S**cholastic **A**ptitude **T**est for **H**igher Ed **I**nstitutions. And as a test prep company and also one who has seen assessments as DEXIT for the last two decades, one opportunity that we have picked up is can we create and own an assessment IP platform of our own, wherein the core strengths of CL as well as DEXIT, they are deployed in the marketplace. So, what Sathi does is to look at four 21st century skills which have been approved both at the NEP going all the way to the United Nations as the important skills to be evaluated for youngsters as they get into higher education or they get into the workplace. Because of the NEP 2020, this has acquired a lot of importance, and every university is trying to build their curriculum in and around it.

So mySathi.org has been launched. The first MVP is to help students in 11th and 12th take this exam and then the universities will begin accepting this as their score for admissions, which means a university could be using an IIT JEE as a score, it could be using a CUVT as a score or an SAT as a score and it also similarly will use mySathi scores. That's the starting point.

The two important innovations in this and it's very important for us to appreciate this as it could be a very game-changing innovation in the Indian higher education and the talent pipeline landscape. One is this is India's first on-demand examination, which means unlike an IIT-JEE or a CUET which happens in a particular window of one day or seven days, this is an on-demand exam. Today you can go to mySathi.org, you can as a student pay ₹ 500, choose a city and a location of DEXIT center, pick a date and time and take the exam.

That's number one. Number two is this also is the first computer adaptive test in our country unlike other examinations. So, deploying AI while Gautam Puri covered a couple of places where we are deploying AI in terms of academic support, adaptive learning etc, here the adaptive testing is also going to deploy AI in a very real sense. So, we are starting with the middle part of this what you are seeing on the screen, SATHI-4C. 4C standing for Creativity, Collaboration, Communication and Critical Thinking. There is a precursor to it called SATHI NAO which will be done in grades 8th, 9th and 10th as a preparation. NAO stands for **N**ational **A**ptitude **O**lympiad. That also will test the 4Cs and we are also looking at SATHI EXIT exam which is going to be represented SATHI-X which a student takes while he is in the final year or the penultimate year and the corporations, organisations, recruiters they will accept that score.

Let's move ahead Arjun.

We worked on it, the work began as early as April. The product development, the platform, everything is in place. On the 23rd of January, 2026 we formally launched the platform.

You can see a few photographs where eminent people from some IITs, chancellors, they are all there. And the universities, think of it as a SAAS model where universities they get empanelled on an yearly subscription model and as you know we have 55,000 colleges, we have got government universities, private universities. So, there is the demand for talent, they come onto the platform and they get the mySathi scores.

Schools also will get a mySathi zone, they will come onto the platform and the students pay just ₹ 500. That's a massive price disruption also that we are doing and we are able to do that because the distribution, the technology is already in place of NSEIT which we are leveraging and the ability to design an adaptive test along these 4Cs that capability is there with us. We further added more competencies both in India and abroad.

All those details are available in a full length videos that you can find on YouTube as well as the link is on our investor zone. That's the assessment part. At the same time the revenue monetization for mySathi would also come from the EasyApply that Gautam Puri was talking about.

We have done 14,000 applications this year already without the mySathi because over 125 universities work with one of our division CL Media for their market engagement, for their application etc. Now when the universities come on mySathi, we believe that's going to get a multiplier effect and in application form the benefits are the student gets application forms at one place whereas we get about 70 percent of the revenue from the application forms that go to the university. This is a very standard practise that's the second monetization opportunity which means, and we also answered this in a detailed FAQs that will go live on the investor zone, you can take a look at it and we are happy to respond to more questions.

Number three is as you know GRE, GMAT, SAT they also have the official practise tests and official learning zone. That is also something that the practise tests are already live.

The learning zone will be live in the next 45 days and that's the other monetization opportunity which means for every student who comes and takes mySathi at ₹ 500 if he applies to four institutions using easy apply on our platform and if he or she takes a couple of practise tests and learning zones the monetization opportunity could move from ₹ 500 per student to about six to eight thousand rupees per student. The good news is that even before we have rolled it out we have 18 empanelled universities about 900 courses and about 45 000 seats that are going to be filled through mySathi and if you look at the quality of institutions - IIT Madras, Zanzibar campus, IIM Mumbai for their executive programme, BITS Pilani for their diagnostic and development programmes for students inside the campus.

These are some of the good universities. If you look down south Geetham is a well-known university in the twin states of Andhra Pradesh and Telangana. So, the good quality institutions 18 of them are already onboarded and we are in discussions with 75 more and the idea is how do we get Indian universities.

We are in conversations with a consortium of nine universities from UAE. We are in conversations through Australian embassy with a bunch of Australian universities which are setting up campuses in India and six of them have signed up with us for the mySathi. CL Media outreach programme already. So, it is looking like something which is which could be very disruptive, very transformational and we also believe that once we build these deep institutional relationships with universities it's going to benefit all the three entities in the group which is DEXIT for instance is already doing the entrance examination for Ashoka University or Geetham or IIM-Bangalore distance learning programme. So, the moment we are able to then go and solve one problem for any university with a relationship, it could be private or public, then the other services could come around and the use of AI, use of distribution of both CL and DEXIT and the availability of these assets to be sweated with a new idea called mySathi looks a very, very promising initiative, which has started entirely after the acquisition. And we are looking forward to executing this and scaling this over the next two to three years.

I'll take the rest of those, this to the questions where it is relevant.

Thank you back to you.

Arjun Wadhwa: Thanks so much, Satya. I've, if you'll just give me a few minutes, I'll just go through the questions that have come.

Q&A

Arjun Wadhwa: We will now take up your questions over the next 15 to 20 minutes. Sure. Thank you.

First question, GP, if you'd like to take this, is the CUET business not picking up? This is from Guneet Singh.

Gautam Puri: Guneet, CUET business is there in terms of volumes and not in terms of value. The issue with CUET has been the way it has been conducted in the last three, four years, it has lost significant amount of credibility among the students and they don't look at it seriously. So, so while they prepare for it, they go for the shorter versions or the, let's say the low-price variants. And that is what we are, we have been focussing on now. So, so CUET is unlikely to become a big road driver for us. But yes, the numbers will be there.

It will suffer from a pricing and hence the overall value that we will be able to derive from the product is not going to be as high as we anticipated initially when it was launched.

Arjun Wadhwa: Thanks, GP. There's some follow-up questions also from Guneet.

So I'll just take all of them at one shot. He's asked about our standalone business making losses. Guneet, the loan that we have taken for the DEX acquisition, the ₹ 210 crore loan that I spoke about earlier, is on the books of the parent entity. And when you look at the standalone numbers, the interest cost that comes from that loan features on that, on the books of that entity. And as I spoke about earlier, there's the interest cost, and then there's the INDAS impact of the capital reduction scheme for the redeemable preference shares that exist from the NSE regime days, which make the losses look more extreme than they are.

Specifically, Guneet has also asked about, is there seasonality in the DEX business? Yes, Guneet, just to explain the DEX business again, very briefly, in terms of the way it is structured, there are two lines of where the business runs. There's the certification and accreditation business, which is more like an annuity business. It's what Satya was speaking about as the on-demand side of our business. For example, a client of ours, IRDAI, which is the insurance regulatory authority, you can book a slot and come and do an exam, that business runs right throughout the year, 365 days of the year.

Similarly, we have other clients who also fall under the same category, who use our 237 centre infrastructure for on-demand exams. So IRDAI, ICAI, UIDAI, NISM, NCFM, all these exams run right through the year, and there is no seasonality involved. This is very much like an annuity business.

The second part of our business is recruitment and entrance exams, which works on when is the exam happening. So the exam could happen over a one-day period. It could happen over a seven-day period.

It could happen over a 30-day period. And the revenue recognition would be accordingly in line with meeting the performance obligations as per INDAS 115. So there is an element of seasonality that hits the business.

And typically, we are a little H1 heavy as compared to H2, but there is also the matter of the business not necessarily being aligned with financial quarters per se. So, you bid for contracts, you go through the RFP mode, you go through the tender mode. So it's typically works on an order book system where you have six to eight months of time lag between when you start the process of applying for business to when the business actually tends to fructify.

So what we report from a financial numbers perspective is what gets translated into revenue. But we also have a pipeline across both the accreditation and certification business and across the recruitment and entrance exam business, which would fructify in Q4, in Q1 of next year, in Q2 of next year and so on. So, I hope that gives you a little bit of understanding about how the DEX business moves and why EBITDA is, it's not a Q1, Q2, Q3, Q4 consistent line of business that happens across certification and accreditation, but not across recruitment and examination.

Satya, there's a question on the fundraise and the loan from promoters. Would you like to take that up?

Satyanarayanan: Yeah, sure. So, as all of you know, in the context of acquisition of DEXIT Global is a wonderful asset. And our experience of now having run it for four quarters, with the top line growing, and the EBITDA, which is in the 45-50 crore range, it looks very solid in terms of growth over the next three years. And we had taken loan for that acquisition in addition to partially funding it from our internal approvals or free cash that we had. Needless to say, we stretched ourselves a little bit.

And we are absolutely convinced about the quality of the asset, the quality of the acquisition, and the medium term to long term benefits of this, both BAUs independently, and together synergistically. However, there is a short term little bit of a cash stress situation, which is acute and short term. And it is in that context that we as a board have looked at raising a small amount of capital, while our much clearly articulated goal of becoming entirely deleveraged in 24 to 36 months that stands.

And we are in this process, in the first step, planning to raise a small amount, we have taken an approval of up to 50 crores, we may not go all the way. And while that process will take, as you know, anywhere between six to eight to 10 weeks, we as core promoters, we are extending some loan at terms that are determined at an arm's length approved by the good governance formulae of neither more nor less with respect to other loans. Once the road is clear in four to six weeks time, the same advance what we are giving now that's that that will become our investment.

And we are fully convinced about this quality of investment. And that's that is our expression of confidence. However, we are extending this as a quick advance to make sure that day to day business does not have to feel more stress than what is needed.

So that is the context, I would want to reassure all of you that the quality of growth, the synergies of both DEXIT and CL and the actual numbers that are played out even in the last four quarters, that gives us enough confidence to tell you that this is something that we are fully convinced about. And, and we will, we will look at this as a small effort in the overall path to becoming debt free over the next 24 months. Thank you.

Arjun Wadhwa: Thanks, Satya. There's a follow up question on how do we plan to raise the 50 crores? And do we plan to raise it at the parent level or in one of the subsidiaries?

Satyanarayanan: Yeah, sure. Thanks, Arjun.

I think it is appropriate for me to mention that, as we have mentioned even earlier, we have inbound conversations and also one or two conversations that are happening with both financial and strategic investors. Some of them are interested in the parent entity, a couple of them are interested only in Dex. At the boards of both the companies, and the investment subcommittees of the board, we are engaged, we are examining those.

Those conversations could take anywhere between four to seven, eight months, but I think in calendar year 2026, we see that happening. So we are very mindful as an institution, as a board that the best option of raising money in the parent vehicle at appropriate valuations, or the 100% subsidiary - DEXIT, we will make the right decision at an appropriate stage. Some of these are very interesting, very exciting conversations, it is not appropriate for me to make a mention of those prematurely.

And that's what gives us the confidence notwithstanding certain other short-term signals in the market, etc, that we are very confident about how it's going to pan out. The only place where GP covered adequately, is where we are also beginning or we're also working upon reinvention. Some, some initiatives that have to pay back is the test prep structural disturbance that is there, that is something that we need to focus on the rest three engines, whether it is DEXIT, CL Media, or Kestone.

Those are doing very well. And we are hoping or working towards mySathi emerging as a very, very valuable strategic engine for at least two out of these three, if not three out of these three in the next one year. Back to you Arjun.

Arjun Wadhwa: Thanks, Satya. There's a question from Manoj Bagadia, one of our long-time investors, what is the tenure of the ₹ 210 crore loan and repayment schedule and rate of interest? Manoj, it's a six year loan with a rate of interest of 11.90%. And a structured repayment, which is loaded towards the back end of the final three years with the first three years being a little bit lighter. I'll take up some more business questions.

And then I'll come back to a few more of the finance questions in between. Gautam, if you'd like to take up this question, it's from Rahul Bansali, again, one of our regular and long term investors. With the EdTech business potentially going through structural risks, are we looking to do any strategic partnerships going forward?

Gautam Puri: See, strategic partnerships, that discussion keeps happening on and off with different players. I would not take name of any. And even at this point of time, we had discussions with a couple of players. But it has to make sense for both of us.

And since nothing of the sort has happened, there's nothing, let's say, on the paper right now. But these discussions keep on happening. And any good opportunity we get, we're always willing to look at things.

Because we think we have great products, we have a great network. And other players who want to ride on our network can always come in, provided it works for both of us. So yes, we are open to it.

But nothing concrete at this point of time while discussions are on.

Arjun Wadhwa: Thanks, GP. Nikhil, there's a question on the MarTech business.

How will the mix of revenues between international and domestic pan out over the long term? And how do we scale the international business going forward? Also, if you could share some specifics on how VIRSA's performing in North America? This is a question from Henin. Nikhil.

Nikhil Mahajan: So as I said, the international growth had been much faster over the last four to six quarters. And we expect that growth rate to continue to be faster as compared to the Indian market.

Our growth in Indonesia, Singapore, US, they're growing at a pretty steady rate. And as of now, international accounts for roughly around 35% of the total revenues. I think over the next three to four years, we expect international revenues to become almost equal to the domestic revenues.

Regarding your question of VIRSA, I think we have started deploying it. We are currently doing a pilot for two customers in the US. We're also doing a pilot for Salesforce, as I shared earlier.

That is predominantly for the North American market but has been invoiced from APAC because of Salesforce internal constraint because we are not yet registered as an empanelled vendor. While we are registered in APAC, we are in the process of getting empanelled at Salesforce North America. So, I think the initial success stories of Versa are beginning to reflect, but there is a journey where the acceptance from pilot to a large-scale commercial deployment takes between two to four quarters.

And I think we will go through that cycle before expecting a rapid ramp up of this effort.

Arjun Wadhwa: Thanks Nikhil. While I have you, there are also some follow up questions on Utsav.

What is the cash burn in the Utsav business and will profitability drag Utsav and as a result, the company over the next six quarters? And how do we leverage the contribution of Sanjeev Kapoor and Sameer Puri specifically in terms of leveraging it across Utsav?

Nikhil Mahajan: Okay, let me answer that in two parts. Utsav is currently an extremely lean and mean team of just six to seven people. And the predominant cash burn is in terms of people, investment, technology and product investments, which I think they have done substantial part in year one.

We are expecting the total cash investment required for maintaining overheads and keep rolling up and expanding business to be in the range of one, one and a half crores in the next 12 to 18 months. As the business scales up with each successful project closure, there is a cash surplus which is getting generated. And I think by the end of the next 12 months, we should hit the cash break even situation and move forward from there to a cash positive situation.

So that, I hope that answers that query. Regarding Sanjeev Kapoor and Sameer Puri, I think the Sanjeev Kapoor agreements, once they were approved by the board, will now get executed. While Mr. Sanjeev Kapoor has been from behind the scenes, helping us in terms of business development, referring clients, I think with the formalisation of the association now, we expect a significantly enhanced leverage and participation from him. And that should result in an accelerated business growth, not just in Utsav, we're also expecting some positive rub off of that association even in the keystone corporate business over the next maybe 12 months. It may not happen in the next two quarters, but I think that positive rub off should start reflecting in detail and a more intense engagement with a certain segment of client in which Mr. Sanjeev Kapoor has an extremely positive reputation.

Arjun Wadhwa: Thanks, Nikhil. I've got a ton of finance related questions, so I'll just answer them all very quickly. And then Gautam, I'll come back to you for some more tech questions. One of the questions is, what is the receivable cycle in the DEXIT business? It's typically 60 to 75 days.

There's a question, is there any deposit to be given for GST demands? Typically, a 10% deposit is required to contest any GST demand unless it is quashed through a writ petition. If you are specifically referring to the update that we provided in this quarter on the CL Media, erstwhile CL Media related demands, the significant portion of that we are hoping to quash through a writ petition for which we have taken a legal opinion from Lakshmikumaran and Sridharan. They are one of the top legal groups in the country for indirect taxes, and they strongly believe we have an excellent case on that point.

For anything which requires us going to the appellate tribunal, a 10% deposit is required. There's also a question on, what non-core assets do we have and how much can we monetize that? We have a land parcel in Raipur for a school we used to run, and we have a few buildings available in Delhi and Mumbai. The total worth of those is about between 25 to 30 crores.

We continue to look for buyers for those, and as and when we have something relevant to report on that front, we will definitely share it with you as an investor group.

On the EdTech business, there are a few questions in terms of what is the scalability possible for the BBA and IPM business overall, and what is the action in the publishing business, especially on the B2B side, which we had spoken about earlier. Also, which verticals under edtech will drive the recovery? And given that we will be under pressure for the next two to three quarters, how do we see it moving forward?

Gautam Puri: Quite a few questions together. I'll try to take all of them, but if I miss out, I think you'll have to repeat the question. So, first of all, when you look at how do we move forward, which are the sectors which are going to show the recovery path? See, this is a structural change, so it is going to impact all segments. Some segments will impact more, some it will impact less. What I mean by that is when you look at the school segment, school to college or the UG segment, BBA, IPM law, these are segments which are by and large paid for by the parents, and parents are a little less hesitant in terms of paying extra money from an education perspective. However, when you look at the graduate segment or the college to further study segment, whether it is GMAT, GRE or it is study abroad or it is MBA, these are the segments for which most of the time the student himself or herself is paying.

And there they are a little more circumspect and they try to conserve money. So, if you ask me what is going to be the way forward, the way we look at it, the way forward from a recovery point of view is keep your focus on volumes when it comes to the graduate segments. Yes, you have to keep innovating on the product, keep adding value to the product.

And as I said earlier, make sure that you are available in all formats and there is an interoperability, which means a student should be able to move from online to offline and vice versa. And products like test series and small products, which are not the complete programme, but one segment only, only maths, only English, only reasoning, only law kind of products are the ones which are going to drive the recovery. Obviously, that means we will have to go for higher volumes, while we have been able to grow a volume by and large, but it will mean higher volume, but at a lower price.

So, the volume growth will have to be significantly higher than what we have seen so far. BBA-IPM is likely to be a growth area for the simple reason, post-graduation is optional, graduation is compulsory. And in the current scenario, large number of IIMs and IITs and the other premier institutes are launching UG programmes.

And that is what could be a good driver. And that is what could be a good replacement from a MBA perspective. So, whatever is the fall in the revenue from MBA, it is possible that you will be able to pick it up from a BBA IPM kind of products.

Arjun, can you just repeat the remaining questions?

Arjun Wadhwa: GP, I think you've covered everything except for the publishing business.

Gautam Puri: Okay. Publishing business, it's steady.

It is still doing what it is supposed to, which means the growth is there, the normal growth is there. We still have a few author-backed titles as well as few authorless or GKP titles where only the company name is there. So, steady business, no significant growth, but no decline also.

And the steady 10% odd growth kind of a thing is happening continuously. We have consciously cut down on a few retailers and distributors, keeping in mind the viability, which means based on the payment cycle that the distributors or retailers have for us, we keep on turning them around. Yes, Arjun, back to you.

Arjun Wadhwa: Thanks, GP. There's a question on what comes under allocated costs in our segment reporting, that is largely corporate expenses, which are not necessarily relevant to any specific business, which includes the leadership team, the secretarial team, a few members of the finance team and any legal related costs of that nature. I hope that addresses your question over there.

I'm just running through the question list to see in case I've missed anything critical. There's a question on how much of the depreciation in the DEX business comes from leases. We have about 9 crores of depreciation from a 9-month perspective in the DEX business, of which about 8 crores comes from the right of use assets, which is, again, an index requirement.

I think that addresses most questions. Again, I'm just double checking the list to see in case I missed anything. There's a question on whether we are likely to need to discontinue any more businesses to compete for projects in the DEX business. No, there are no such plans as of now. Whatever needed to be done, we took those proactive decisions last year in terms of eliminating any potential for there to be any conflict of interest. There's a question on can we work with the likes of ICAI, ICSI and so on for the DEX business.

Yes, we are already working with ICAI. We will do between 20 to 25 crores of business with them this year. What we do with them is we try to help them improve their pass percentage for students who write the CA final exams by introducing four modular tests which students take at our DEX locations.

These are open book exams which are designed and they've made it mandatory to clear these four modules to be able to appear for the final CA exam. We are in talks with ICI to improve our product range and our product offering with them. Our platform, of course, as you're aware, is exceptionally robust and we can add a lot more modules to the same.

So conversations with ICAI to do that are on. We're also in talks with them whether the foundation exam can be moved to a CBT type modular exam and then can be done almost on demand like some of the other exams that we're doing with ICI and with IRDA. So those conversations are ongoing but they take a little bit of time to fructify.

We also remain engaged with ICSI specifically in terms of looking at modules that we can do with them. So some of these projects are ongoing as are a lot of conversations as Satya mentioned with universities which, you know, as being part of the CL group we work with a lot of university partners. So the DEX team is working on expanding those relationships and also looking to add more corporate clients to help corporates with their L&D and training goals.

So you'll hear a lot more news from us over the coming four quarters on what DEX is doing and how we hope to expand that business going forward. Satya would like to come in. That's okay, that's okay Arjun.

Closing Remarks

Arjun Wadhwa: I think we've covered it well. Yeah, thanks. So, if there are no more questions it's also 4.30. We'll wrap up this session here.

If you need a deep dive on any of the numbers, book a time slot with us and we'll be happy to answer your questions.

Satyanarayanan: Thank you so much and see you later. Bye. Thank you, Arjun.

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