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Manager - Listing Compliance
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
Bandra (East) Mumbai-400051

Symbol: CMRSL

Sub.: Transcript of Investors Conference Call on Q2FY25-26 Results

Dear Sir/Madam,

In furtherance to our letter dated December 04, 2025, pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the group conference call with investors on the financial results of Q2FY25-26, held on December 11, 2025.

The said transcript is also available on the Company's website at www.cmrsl.net.

This is for your information and record.

Yours truly,
For Cyber Media Research & Services Limited

Savita Rana
Company Secretary
M. No. A29078



**Cyber Media Research & Services Limited
Q2FY26 Investors Conference Call**

Event Date & Time: 11.12.2025 & 16:00 Hrs.
Event Duration: 56 Minute 23 Seconds

Management Details:

Pradeep Gupta
Chairman and Director

Dhaval Gupta
Managing Director

Krishan Kant Tulsan
Audit Committee Chairman

Q&A Participants List:

1. **Bhavesh Choudhary** : Wealth Vichar
2. **Ankur Gulati** : Individual Investor
3. **Rajat Jain** : Individual Investor
4. **Muzammil Husain** : Individual Investor
5. **Nikhil Marwaha** : Individual Investor

Moderator

Good evening, ladies and gentlemen. Welcome to Cyber Media Research & Services Limited Q2FY26 Investors Conference Call. As a reminder, all participants will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * and then 0 on your touch-tone phone. Please note that this conference is being recorded.

Now, I would like to hand over the floor to the Managing Director, Mr. Dhaval Gupta. Thank you, and over to you, sir.

Dhaval Gupta

Thanks Akash. A very good evening to all the investors and thank you for taking out the time to join us for this earnings call today. In the previous call, I pointed out that the management was not happy about the organization's performance in the previous financial year. I am happy to share that for H1FY25-26, we have responded by registering a top line of INR 43.55 crore, a YoY growth of 20.4% and EBITDA of INR 2.69 crores, a YoY growth of 46.2%.

EBITDA margin for H1FY25-26 improved from 5.1% to 6.2% as compared to the previous financial year. PBT was recorded at INR 2.34 crore as compared to INR 1.45 crore last year. For Q2FY24-25, revenue top line registered at INR 21.31 crore, a YoY growth of 19.2% and an EBITDA of INR 1.26 crore, a YoY growth of 41.6%. This performance is a good indication of our steady improvement. We expect to deliver CMRSL's best financial year performance.

CMRSL's international business also expanded about 30%. We have also added business development manpower to specifically focus on growing both in Southeast Asia as well as the Middle East. CMRSL's domestic business grew by 22%. Specific areas of growth include growth in programmatic advertising and market research business. Programmatic advertising through a combination of relationships with Google DV360, PubMatic, Magnite among other global partners has been steadily growing.

We are also delivering higher value to our clients by automating reports. Market research continued to deliver high-value insights to our enterprise customers, including AWS, Qualcomm, HP among others. CMGalaxy remains an area of investment. However, we are looking at adding new customers on the platform in the coming quarter.

CMRSL continues to adopt AI technology across various functions to improve business outcomes. There is a focused effort to improve this across finance, operations as well as sales functions. While improving efficiency under the supervision of the Board, CMRSL is also adopting new policies and protocols to streamline costs. Some of these policies include career planning framework for the employees, a new IT and password policy, credit and vendor management policies, and ECL policy.

As all of you may know that the Board of Directors has recommended the merger of CMRSL with Cyber Media (India) Limited (CMIL). In fact, this was also a recommendation that was raised in the previous calls by the investors. We have taken cognizance of this and based on our evaluation, and believe that this would be highly beneficial for the organization as well as its investors. CMIL is the largest investor of CMRSL with a holding of 38.17%.

With technology playing a pivotal role in Viksit Bharat 2047, CyberMedia (merged entity) aims to establish market leading products. We firmly believe that the merged entity will set up the combined entity for growth and transformation. Based upon valuation, the merger proposal suggests that for every 08 shares of CMRSL, investors of CMRSL will get 35 shares of CMIL.

Below are the points behind rationale for the merger:

- The merger will strategically position CyberMedia as a single entity for marketing solutions for customers. This synergy will result in cross leveraging clients to fuel additional growth opportunities. CyberMedia has historically built strong products and brands. A merged entity will allow our businesses to create higher value for clients and therefore higher profitability.
- A merged entity will also have a larger market capitalization. This would lay the roadmap for long-term growth, both organic as well as inorganic, which will maximize shareholders' value.
- Cost savings will be achieved because of reduced compliance costs as well as better tax planning. The management expects a cost saving of at least INR 1 crore annually in a merged entity.
- The shares of CMRSL are currently listed on SME-Emerge Platform of NSE. The shares of CMIL are listed on the main board of NSE and BSE. Upon merger, the shareholders of CMRSL will have better liquidity by trading in CMIL's shares at the main board of NSE and BSE with no restriction on lot size.
- As per CMIL's balance sheet, there are immovable assets, i.e. land and building which have a fair market value under advisement of approx. INR 27 crore. This primarily includes CMIL's office properties in Gurugram and Bengaluru. The joint entity will therefore have a stronger balance sheet and healthier financial health due to these fixed assets.
- The merger will also improve cash flow resulting in efficient utilization of capital. As well as better debt management.
- From a manpower perspective:
 - the merger will strengthen decision making and optimize management bandwidth.
 - merger will result in better cost management. Sales operations will become far more effective with a reduction in duplicate administrative, marketing and selling costs.

In conclusion, H1FY25-26 has been a year of recovery as promised. With improving results, we continue to be excited about the future in both the short as well as the long term. With a merged entity, we believe that we will be able to deliver higher value creation to investors and customers while creating a strong platform for future growth.

Now, I would like to request Akash, the moderator, to open it up for questions.

Moderator

Thank you very much, sir. We will now begin the question-and-answer session. Anyone who wishes to ask a question, may press * and 1 on your touch-tone phone. If you wish to remove yourself from the question queue, you may press * and 1 again. Participants are requested to use handsets while asking a question. Ladies and gentlemen, if you have any questions, please press * and 1 on telephone keypad.

We have a question from Mr. Bhavesh Choudhary from Wealth Vichar. Please go ahead, sir.

Bhavesh Choudhary

Hello, Dhaval. First of all, congratulations for a great set of number in Q2.

Dhaval Gupta

Thank you. Bhavesh Ji. Good to speak to you again.

Bhavesh Choudhary

As per annexure, you shared regarding the merger of CMRSL and CMIL, CMIL's net worth is currently reported as negative. Could you clarify the factor contributing to this and how to plan to address it post merger?

Pradeep Gupta

If you look at the properties that are available with the us, the net worth is actually not negative. Because the properties available with us are about INR 27 crore as per valuation, which in our books are shown as INR 3.24 crore.

The second reason is that the negative net-worth has happened because of the losses that we incurred in our operations in the U.S. business. We have shared this earlier. Further, we have written off all the investments that were made in U.S., which was a substantial figure. All the claims pertaining thereto have been settled.

In the year 2020, we had written off worth INR 25 crore, and thereafter another INR 8 crore of liabilities. These written offs were made few years back. Therefore, there is no impact thereof on the current cash flow.

Further, this had been mentioned earlier to our investors and in filings to stock exchange, there are pending no previous liabilities of any nature. All of them have been settled, whether it was with the banks or whether it was with various statutory authorities, etc. Everything has been absolutely resolved and there is a clean slate now.

Bhavesh Choudhary

My next question is, that recently, CMIL is currently undertaking a rights issue, but it appears that the issue is not fully subscribed. So, how do you plan to fund the gap or ensure adequate capital infusion?

Dhaval Gupta

We had a positive response to the rights issue from CMIL's shareholders. It was subscribed as 82.38%.

It is again showing a vote of confidence in comparison to the history. Presently, the Company is in a much healthier position having put all its old liabilities and legacy issues behind it.

Pradeep Gupta

The rights issue will be closed in the coming quarter much before the merger happened.

Dhaval Gupta

The merger is likely to take approx. six to nine months' time, subject to approvals from relevant authorities involved. It is expected that the merger will complete in the next financial year.

Bhavesh Choudhary

My next question is, when comparing both businesses, CMRSL demonstrates stronger growth, better business fundamental, higher valuation potential, and superior net worth book value metrics. So how,

CMIL seems to receive a relatively higher market cap consideration in the merger? Could you explain the rationale behind this valuation structure?

Krishan Kant Tulsan

I would like to add about the valuation part. The valuation has been done as per the SEBI formula. In the valuation, we have applied only the market approach where the share price of CMRSL was compared with the share price of CMIL. So, share swap ratio has been worked out based on the relative market price in a particular period.

As far as, SEBI is concerned, the formula is that share price shall be 90 trading days' volume weighted average price preceding the relevant date; or 10 trading days' volume weighted average price preceding the relevant date, whichever is higher. We have gone exactly as per SEBI formula. We have not used the NAV method or any other method, etc. So, the entire valuation has been done based on the market approach.

Secondly, from CMRSL perspective, I think the major benefit is the listing of CMRSL shares. CMRSL's shares are now listed on NSE-SME Emerge Platform which has a limited exposure and CMIL's shares are listed on the main board of NSE and BSE, as mentioned by Mr. Dhaval Gupta earlier. Post merger, the shareholders of CMRSL will gain immensely due to this increased exposure. So, I think the value addition will come through the listing of shares on the main board.

Bhavesh Choudhary

My next question is, as you tell, Dhaval, that expected estimated time line to complete this merger is around six to nine months including all key remaining regulatory approvals, is it correct?

Dhaval Gupta

Absolutely. That is correct. In fact, let me further add to that in January, we are doing a strategic get-together of the businesses, the team, the management to work out the way forward in terms of how we are going to smoothly take things forward. I think that there is ultimately a very strong emphasis on future growth.

So, the value creation that we can do, the optimization that we can get from a sales point of view, that is our focus. That is one of the key rationales behind the merger.

Pradeep Gupta

I would like to add that while the merging process is going to take time of six to nine months, we have already started our internal processes of the merger exercise, which includes restructuring of teams, training of the teams, cultural alignment, HR alignment, etc.

All the alignments and restructuring, etc. are being conducted in the month of January with all the top brass of CMRSL and CMIL for a brain-storming session so that we may have a proper business integration of one company into the other company. We are not going to wait for the merger's official approval. So internally, we have started the process so that we don't lose any time in the transition period.

Bhavesh Choudhary

Can you please tell what is the estimated cost of acquisition will come in?

Pradeep Gupta

The total merger cost is estimated between INR 40 Lakh to INR 50 Lakh. But in case, we look at the cost-saving part, as Mr. Dhaval Gupta has mentioned, cost saving will be at least INR 1 crore per year. So, the merger cost is going to repay itself within the first six months.

Bhavesh Choudhary

My next question is, could you provide an update on the current demand environment across all business segments of both CMRSL and CMIL? Segment-wise breakdown of client traction, revenue visibility and order pipeline would be helpful, like business by business?

Dhaval Gupta

In terms of the overall market scenario, in the previous call also, we had talked about how we had created a strong pipeline, and we have been successful in converting. We continue to look at increased and strong pipeline moving forward as well.

From a business point of view, about the agency business focusing on advertisers, we have successfully been able to do at onboarding of bunch of large number of clients almost 30 to 40 B2B clients on the programmatic side of business. This has been healthy for us where DV360 which is a Google premium product, that is sort of a very strong value proposition for us. We have been delivering a large variety of campaigns for different kind of brands in the auto sector, FMCG sector, banking sector and so on.

For the publisher monetization side of the business, as I earlier mentioned in my notes that we had seen about 30% increment coming in the international business. So, that's again been a business where we have done much better as compared to last year. We have been expanding now into markets including South-East Asia as well as U.S. So, more and more connected TV inventory is coming online there and we are now finding some good solutions and giving good monetization results to the clients that we are working with.

In the market research business, the first six months of this financial year, we had some very good programs that were delivered. We had on-boarded with clients like Maruti Suzuki for their research work and so on, and we've already received the first order from them. We continue to service and work with brands like Qualcomm, AWS, HP, mobile manufacturers like Vivo and many others.

Across the board, we had an improvement in our numbers. I think that one of the heartiest things is that, this was happening while there was an improvement in the EBITDA margins. We are continuing to work towards, and we ideally want to move in the direction of double-digit margin and basically make sure that we are adding more value.

In terms of each of our business units, I think the bottom line for us is that sales and marketing has been an engine that we are continuing to grow. We are continuing to invest therein. We expect that this pipeline and as well as the conversions, we will start sort of growing more aggressively in the coming years.

Bhavesh Choudhary

What is happening in CMIL?

Dhaval Gupta

In CMIL, the media business is a combination of digital media, print media as well as events. The print magazines are very prominent, very well-established and credible brands. Now, the media space has

some very interesting opportunities. They focus on B2B primarily and the audience for them is working with CIOs and with technology decision makers across the country.

In the media business, one growth engine we see for the future is events and we are looking at large format events. Even on digital, there are new properties. There are sort of new branding or other videos and new formats that we are working on. This remains an area where we believe that there is strong growth potential.

In the first half of the year, the media business grew by 33% compared to the previous financial year. It had a good start to this financial year. It is a business where as soon as the top line increases, most of that earnings come straight into the bottom line. Those are done because we don't need to invest significantly in terms of sort of building up teams and brands.

The revenue of CMIL has grown from INR 35.73 crore in H1 of last year to INR 43.14 crore in H1 of this year.

Bhavesh Choudhary

How many paying customers have been on-boarded so far on CMGalaxy?

Dhaval Gupta

On CMGalaxy, as I had mentioned in the previous call conducted in May 2025, we will look at onboarding more and more customers, and we are in line to do that. We are continuing to invest on the technology side with more and more agentic AI being a part of that. In terms of sort of specific task, I don't want to sort of break up at this stage. So, it may be next year onwards that we may start sharing the specific information as far as that is concerned.

Bhavesh Choudhary

Have you collected structured feedback from the CMGalaxy demos and earlier adopters? If yes, what key feedback have you received and what improvement has been implemented based thereon?

Dhaval Gupta

Yes. There is a lot of important feedback that we have received from both existing customers as well as other cost potential customers to whom we are demoing. I think that one of the things is that how is AI going to play a role in improving the situation. That's where we are also putting emphasis and focus and seeing more and more AI integrations being done into the platform.

The second feedback has been that when it comes to the data, the problem is a real and big problem, which many organizations face where their data is often sitting in silos. So, there is a need for products like this.

The third feedback is that the product requires some change management. So, it requires sort of decision makers from a couple of teams, which an organization will play a significant role in bringing, adding value, organizing data, making better decisions, and so on.

But overall, the positive feedback has always been that this is a great product. It's a very user friendly product. It is a genuine challenge that we wish to solve it. So, the queries that we are getting, are in line with that, and we are also customizing a few things in order to make sure that the existing customers are finding more and more value from the product.

Bhavesh Choudhary

My next question is on AuxoAds. In some previous calls, you told us that AuxoAds contributes around 20% of the top line. What is the current status of the AuxoAds business and how we are planning to scale that business, like to grow more and more?

Dhaval Gupta

I referred to the publisher monetization business and also the growth in the international business, which predominantly reflects what we're doing on AuxoAds. All our customers use AuxoAds as a product. We are also building more functionality and features in AuxoAds.

It is very much a live product across all our customers, and it brings us double-digit margin. So, in terms of growing and scaling it up, we are looking at markets like South-East Asia as well as U.S. to add more and more publishers as well as demand partners.

Bhavesh Choudhary

We are doing merger. So, apart from CMGalaxy and AuxoAds, what new products or development initiatives are planned in the road map?

Dhaval Gupta

In terms of the businesses that we have spoken about, there are four business viz., agency business, publisher monetization business, market research and consulting business, and in CMIL, the media business. I think that within these four areas, there is a lot of opportunity for growth.

At this stage we want to double down on the opportunities that are already there in these existing revenue streams. I want to make sure that we are starting to build more revenues as well as bottom line in each of them. So that's going to be the focus for the time being.

For example, in the media business, we may consider a new event series. If we do that, it's not like we're going to stop innovation, but it's going to be part and parcel of new opportunity and challenges.

Bhavesh Choudhary

My next question is, have you hired any senior product or technology leaders recently? Or are there any plans to on-board experienced leadership to drive product innovation and scale?

Dhaval Gupta

On the product part, I think we have an excellent team already in place. There are three senior leaders on the technology front. From a product point of view, I'm not even referring to sales and GTM that are driving the product innovation, primarily in CMGalaxy, but also in sort of other areas across the organization.

So, I think that we have a very good team, and we will always look at. We have improved the team and our internal processes. But I'm very confident and comfortable with the kind of tech road map that we have, not just for this year, but also for the coming year.

Bhavesh Choudhary

For GTM?

Dhaval Gupta

For GTM, we have expanded our team. We have expanded the number of resources. I also mentioned that we are looking at new geographies outside of India. We can build great technology, but without sales we would not be able to grow. Sales is very much a day-to-day exercise for the senior management in the organization. We have, this year, added in more people at the senior level to drive sales and marketing.

I want to add that when it comes to marketing and sales, we have also adopted better systems and technology for outreach. We have used AI agents for putting together our proposals and GTM much faster. We have better tracking systems in terms of our pipeline.

Bhavesh Choudhary

My last question is, what are the plans to scale both, merged entities and merged businesses significantly in the coming quarters?

Dhaval Gupta

As I mentioned that there is going to be an optimization. In terms of management bandwidth, there will be a significant improvement. The financial health of the merged entity will be significantly better. So, we can plan future activity in a much better manner.

But from a business point of view, we're doubling down on our existing businesses and making sure that we give our teams the relevant support bandwidth, bring in new systems, processes. It is going to make a big difference.

The product-driven growth with much better margins is a very fundamental thing that we want to move towards as an organization. So, both AuxoAds and CMGalaxy are going to be an important part of scaling things up in the future. From a merged entity point of view, as I've mentioned, we are, in January, looking at making sure that we spend a lot of energy in ensuring that there is a very good and smooth merger. We can realize the benefits of the new entity, how it is going to operate, how these are, we are going to scale these things up.

Bhavesh Choudhary

Thank you for all the answers. Great to have a talk with you.

Dhaval Gupta

Thank you, Bhavesh Ji, for all the questions.

Akash, back to you.

Moderator

The next question comes from Mr. Ankur Gulati, an individual investor. Please go ahead, sir.

Ankur Gulati

I guess, most of the questions were answered. So, if there's something else on the CMGalaxy or new product, I guess, you have covered it anyways.

Dhaval Gupta

From both the products, CMGalaxy and AuxoAds as well as that I had shared last time was that we're continuing to build the product. But, also in line with that, we are expanding our emphasis as far as GTM is concerned. Last time, we had spoken that we were in the planning phase, but I'm happy to share that now we are in the execution phase. So, I would encourage all of you to please visit and follow CMGalaxy on LinkedIn as well as the website. There is quite a bit of GTM action that has already started.

There is also a focused outreach in a much wider manner to clients both in India as well as abroad. We were doing in a very limited fashion in the past, but we're starting to do that more and more. As I had mentioned, in next quarter, we should start getting the first sort of signs of consistently building up client base.

Ankur Gulati

So, Dhaval, that means at least your business plan is ready, and rollout has started.

Dhaval Gupta

Yes.

Ankur Gulati

Is it fair that by end of Q3 or Q4, you will be in a position to give more details of business flow or you think that you're in a position right now to give us more colour?

Dhaval Gupta

I think that in the next call, we will be in a much better position to add more details. Right now, it is in strategy phase. It is in early rollout phase from a GTM point of view.

Ankur Gulati

Have you crossed the MVP phase? I mean, your minimum viable kind of stuff is done or that MVP rollout still happening?

Dhaval Gupta

We have crossed the MVP stage for sure. In fact, we are moving towards being in a MCP kind of category, which is a minimum competitive product. So, we are very quickly moving towards the MCP.

I think that the feedback is in line therewith. It is a sort of continuing to build a little bit of more momentum when it comes to GTM, because, it's sort of not a plug-and-play kind of solution. So, we need to also make sure that the clients are understanding the value that they are getting from a product like this.

Ankur Gulati

Any feedback from clients on MVP on the product side? And who are the clients who have these, still ad agencies or someone else?

Dhaval Gupta

We are onboarding both ad agencies and D2C clients. D2C is direct. Our ad agencies are definitely reacting well to the product, and because from their team, they are getting a lot of interest in the product like this which can help them to be more competitive in the market.

Those are the two primary categories which we are connecting with, and feedback is positive. Every week, I'm personally having two - three calls and demos. We are continuing to receive very positive feedback. There are always requests for some customization or some new integration which will take its time.

Ankur Gulati

You mentioned MCP, is there a feedback on pricing already or no?

Dhaval Gupta

We have a fair idea about that, but we haven't yet published a fixed pricing. It depends upon the requirements of clients like how many integrations, how many accounts, size of the data which they want to process, and also cloud infrastructure is involved for it. There are a few variables which can significantly matter to finalize any proposal. So, we are continuing to fine tune and work out.

Ankur Gulati

Okay. All the best and look forward to connect on next call and hopefully catch up soon.

Dhaval Gupta

Thank you so much.

Moderator

The next question comes from Mr. Rajat Jain, an individual investor. Please go ahead, sir.

Rajat Jain

Good afternoon. My question is regarding which are the peers that are addressing the same market as ours, like, who are fairly at a more advanced stage than us?

Second question is, that in the previous calls you have mentioned that we're growing better than the industry standard 20% to 25%, which has been happening. But when will the inflection point you see coming, we can actually start seeing 50%, 70%, 80% growth, higher double-digit growth?

Dhaval Gupta

For each of our three businesses, which is the agency, the publisher monetization and the market research business, there are very different organizations that are competitors. I don't think that there is a single organization that I would be able to point out as a competitor. For example, all the agencies that you are talking about are almost entirely focused on the advertising side of the business and don't interact or operate directly with publishers.

Whereas in CMRSL, we would also have a clear product and offering for the publisher monetization side as well. The combination is not very common, and you would be very hard pressed to find too many companies which are doing both. We believe that we can create a value offering which is better than what is in the market and a growth opportunity is there.

The second part you mentioned is growing better than the industry standard. We do, as I mentioned today that there are three-four areas that we see as very scalable opportunities.

There are two leading products, CMGalaxy and AuxoAds. Our market research and consulting business has good margin which offers a good opportunity for growth. So, the inflection point can come from and we have two-three different areas of opportunity through which we can offer some of the inflection point. I don't want to put a specific timeline for that today. It would be a little premature for us to do it. But the merger will certainly help in that direction.

Rajat Jain

Okay. Got it.

Dhaval Gupta

Okay, Rajat. Thank you.

Moderator

Next question comes from Mr. Muzammil Husain, an individual investor. Please go ahead, sir.

Muzammil Husain

Hello, Dhaval. My question to you is regarding the merger. As far as, there are various parameters which can be considered regarding merger. But, like, NAV book value and EPS, whether ignoring all these parameters, considering only market price parameter, which is not favourable to the shareholders of CyberMedia. Do you think it is good that we are going considering only that parameter?

Dhaval Gupta

So, Husain Ji, thank you for your questions. As we shared earlier and Mr. Tulsan had also spoken about this in both the organizations, there is a significant benefit that we can see for investors. For example, for CMRSL investors, being listed on the main board, also having a significantly healthier balance sheet given that CMIL has assets of INR 27 crore. We have followed the norms prescribed by SEBI to put the right kind of valuation, swap ratio which is fair for both side investors and both the companies.

Krishan Kant Tulsan

Husain Ji, I would like to add that income approach and even the NAV approach require lots of assumptions to be made. We feel that the market approach being listed prices, both the entities are listed, gives us a better indicator of what the swap ratio should be. Generally, NAV is used. So far as, our experience is concerned, NAV is used when we are going for liquidation, etc. and DCF method is concerned when we make predictions for the future.

As listed entities, we are not supposed to make future projections, etc. That is the reason why we have not done DCF. As far as NAV is concerned, this is not used for the swap ratio, because this is used only for the dissolution purposes.

Another thing which I would like to add is both the companies being listed companies are required to follow Indian Accounting Standards or IndAS, which are based on IFRS. There's a particular IFRS on IndAS, which is IndAS 113, which is with respect to fair value measurement. In the fair value measurement, there are three types of valuation. One is level one valuation, and second is level two valuation and third is level three valuation. Generally, the accounting standard prefers the level one valuation, which is based on the listed price.

In the level two valuation, we generally look for similar companies, etc., based on listed price. As far as level three valuation is concerned, it is used for unlisted entities for whom the regular pricing is not available.

So, we have gone as per the SEBI guideline, which lays down a determined formula that how you are supposed to calculate the price. We have taken out all the assumptions which may or may not happen in future. So, all the assumptions are management based, and the Board considers that we should go from the market perspective, and second, from an accounting standard perspective, which are global standard that also prefers the level one valuation.

We are in compliance with the accounting guidelines and we are in compliance with the statutory guidelines also. That is the reason we have gone for the market approach.

Muzammil Husain

My second question is, CMRSL shareholders are having healthier dividend payout ratio than CMIL. Do you think that this dividend payout ratio can be maintained going forward after merger?

Dhaval Gupta

Yes. We believe that the merged entity will have a much stronger balance sheet. We will have cost savings, and therefore, we expect continued dividend payout to investors.

Krishan Kant Tulsan

Being a forward-looking statement, we cannot give an absolute assurance.

Muzammil Husain

Okay. Thank you.

Dhaval Gupta

Thank you, Husain Ji.

Moderator

Thank you so much, sir. The next question comes from Mr. Nikhil Marwaha, an individual investor. Please go ahead, sir.

Nikhil Marwaha

Sorry. My question was already answered. Thank you.

Dhaval Gupta

Thank you very much, Nikhil Ji

Akash, back to you.

Moderator

Ladies and gentlemen, if you have any question, please press * and 1 on your telephone keypad. I believe that there is no further question.

Now, I hand over the floor to the Managing Director, Mr. Dhaval Gupta, for closing comments.

Dhaval Gupta

Thanks Akash. Again a very big thank to all the investors for taking out the time, and for some closing remarks, I'd like to pass this on to the Chairman, Mr. Pradeep Gupta.

Pradeep Gupta

Thank you for all those questions. I think that the agenda for the company is very clear. In the next three months, we will be working towards ensuring that integration process starts. As far as the next year is concerned, we are looking at the launch of CMGalaxy and doubling down of existing businesses. So, those are the two key things that we will be doing.

Thank you very much.

Dhaval Gupta

Thank you, everyone.

Moderator

Thank you, sir. Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and for using Door Sabha's conference call service. You may disconnect your lines now. Thank you and have a pleasant evening.
