EMA Partners India Limited
204, The Summit Business Bay,
Western Express Highway,
Vile Parle (E.), Mumbai – 400 057.
Tel: 022- 4608 9406
Email: india@emapartners.in
CIN: L74140MH2003PLC142116
Website: www.emapartners.in

Date: November 12, 2026

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

NSE Symbol: EMAPARTNER
Through NEAPS Portal

Subject: Transcript of the earnings call held on November 05, 2026, with respect to the un-audited financial results of the Company for the half year ended on September 30, 2026.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the transcript of the earnings call with respect to the un-audited financial results of the Company for the half year ended on September 30, 2026 held on Thursday, November 05, 2026, at 02:30 P.M. (IST), please be informed that the transcript of the earnings call has been uploaded on the Company's website and the same can be accessed at the below link:

Link: https://www.emapartners.in/investor-relation/Stock-Exchange-Intimation-2026-2027

Kindly take the same on record.

Thanking You.
Yours faithfully,

For and on behalf of EMA Partners India Limited

Smita Shivdhari Singh
Digitally signed by Smita Shivdhari Singh
Date: 2026.11.12 12:45:22 +05'30'

Smita Singh
Company Secretary & Compliance Officer

Encl: As above

EMA Partners India Limited
H1 FY2027 Earnings Conference Call
November 05, 2026

Moderator: Ladies and gentlemen, good day and welcome to the EMA Partners India Limited Q2 and H1-FY2027 Earnings Conference Call hosted by Valorem Advisors.

As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during this conference, please signal for an operator pressing '*' followed by '0' on your touchtone telephone. Please note that this conference call is being recorded.

I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you and over to you, ma'am.

Purvangi Jain: Thank you. Good afternoon, everyone and a very warm welcome to you all. My name is Purvangi Jain from Valorem Advisors.

We represent the Investor Relations of EMA Partners India Limited. On behalf of the company, I would like to thank you all for participating in the company's Earnings Conference Call for the First Half of the Financial Year 2027.

Before we begin, a quick cautionary statement. Some of the statements made in today's earnings conference call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made on the basis of information currently available to the management.

Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decision. The purpose of today's conference call is purely to educate and bring awareness about the company's fundamental business and financial performance for the first half of the financial year 2027. Now, I would like to introduce you to the management participating with us in today's earnings call and hand it over to them for their opening remarks.

We have with us Mr. K. Sudarshan – Managing Director, Mr. Devashish Sharma – Co-Founder and CEO of Taggd, Mr. Manish Dhanuka – Group Financial Advisor, Mr. Kushal Parmar, Chief Financial Officer and Ms. Smita Singh – Company Secretary. Without any further delay, I request Mr. Sudarshan to give his opening remarks. Thank you and over to you, sir.

Sudarshan: Thank you, Purvangi. Good afternoon, everyone, and welcome to our earnings call to discuss the performance of the first half of the financial year 2027.

For those new to the company, let me begin with a brief overview. EMA Partners is a global executive search partnership structured similarly to the Big Four in governance and operating constitution. EMA Partners International has 40-plus offices globally across 30 countries. EMA Partners India was established in 2003 and today we are India's first and only publicly listed global executive search firm.

We expanded to Singapore in 2011 and to Dubai in 2016, which are our wholly owned subsidiaries. Our core business has been both C-suite and Senior Executive Search hiring over the years. We launched James Douglas Professional Search earlier to bring institutional technology-enabled processes to Mid-to-Senior Professional Search across India and the UAE, a segment which has so far largely been served by unorganized boutique firms.

That business contributed to around 9% of our H1 financial year 2027 revenue, and we expect that business to scale up significantly. We embarked on an intentional diversification into comprehensive synergistic organizational consulting solutions to build a less cyclical business model with more predictable revenue and earnings. With this in mind, during H1 FY27, we made two strategic decisions.

One, which is the 100% acquisition of 'Taggd', and number two, which is the partnership with STAIR Digital. First, let me speak to you about the acquisition of Taggd. We completed 100% acquisition of Taggd on 6th July 2026 at a purchase consideration of Rs. 95 crores, including primary investment. Taggd's financial year 2026 revenue was INR108 crores with an EBITDA of approximately Rs. 9 crores.

Just to give you a little bit background about Taggd. Taggd is India's largest homegrown recruitment process outsourcing company led by its Co-Founder and CEO – Mr. Devashish Sharma. Taggd serves 100-plus enterprise clients across 14-plus industries, and the clients include large Indian conglomerates, Fortune 500 companies, and GCCs.

Taggd undertakes or I would say closes about 24,000 jobs, permanent jobs a year. Taggd offers end-to-end RPO solutions, project-based hiring solutions, and exclusive hiring solutions. And Taggd has been recognized as a leader in the Everest Group RPO PEAK Matrix® Assessment 2026 for India.

With the completion of the Taggd acquisition, now our platform spans Board and CXO Search through EMA Partners, Professional Search which is a Mid-to-Senior level hiring business through James Douglas, and the AI-powered recruitment process outsourcing business which is Taggd, which makes us the only listed Indian company covering the entire hiring spectrum. Our Board and CXO relationships opens doors for our other businesses, and we are now in a

position to cross-sell our services across our platform with an opportunity to increase our wallet share with our clients. The other strategic decision what we spoke about is on EMA STAIR board services.

On 29 September 2026, we announced a strategic partnership with STAIR Digital to launch the board-only services practice. It covers board strategy, governance, board composition, board hiring, and board evaluation services delivered by seasoned practitioners. It is led by Mr. Shailesh Haribhakti, co-founder of STAIR Digital, a corporate veteran who sits on the boards of several large listed and unlisted companies and well deeply versed in financial governance and artificial intelligence. The practice serves listed and unlisted companies, multinationals, public sector companies, and family-run businesses. Our clients have long asked for a one-stop shop for board advisory, and this fills that gap. The first half of financial year 2027 marked a significant transformation for EMA Partners, evolving from a premium Executive Search firm into a Full-stack Talent solutions platform.

Looking ahead, our focus is on building each of these businesses while unlocking greater value through their synergies. In Executive search, we will continue to add partners to deepen our sector expertise and client coverage, while EMA STAIR Board Services creates new opportunities to strengthen our board-level relationships. At James Douglas, we will continue expanding our team and market presence.

At Taggd, we see significant opportunities in GCCs and large enterprises alongside continued investment in our technology, digital, and AI-led offerings. Ultimately, our ambition is to build a more diversified, scalable, and resilient business where each vertical strengthens the other and contributes to sustainable long-term growth. So once again, thank you for your trust.

I will now hand over to Manish Dhanuka to take you through the financials for the period under review. Thank you. Over to you, Manish.

Manish Dhanuka: Thank you, sir. Good afternoon, everyone. Let me first brief you on the financial performance for the first half of the financial year 2027. Please note that Taggd has been consolidated with respect from 6th July 2026. That is for approximately 3 months of the half-year.

Moderator: I'm sorry to interrupt, sir. Your voice is a little muffled.

Manish Dhanuka: Okay. So please note that…

Sudarshan: Can I read this on Manish's behalf?

Manish Dhanuka: Yes, sir. Please do. Yes.

Sudarshan: All right. Okay. Apologies for the inconvenience. So let me brief you on the financial performance for the first half of the financial year 2027.

Please note that the Taggd has been consolidated with effect from 6th July 2026. That is for approximately 3 months of the half-year. And the reported numbers are therefore not strictly comparable with prior periods.

For the period under review, consolidated review from operations stood at around INR 84 crores and an increase of 107% on a year-on-year basis and about 79% over the second half of financial year 2026. EBITDA for the first half stood at around INR 9 crores, up 19% on a year-on-year basis and 33% on a sequential basis with an EBITDA margin of 10.98%. Net profit for the period grew by 27% on a year-on-year basis and 74% on a sequential basis to INR 9 crores, resulting in a PAT margin of 10.77%. Excluding Taggd, our revenue grew by around 26% year-on-year. The moderation in consolidated margins primarily reflects the mixed effect of the RPO business, which operates at structurally lower margins than Executive Search and coupled with our continued investment in James Douglas.

Coming to segmental performance:

The mature business reported revenue from operations of approximately INR 43 crores, registering a year-on-year growth of around 9%. EBITDA stood at approximately INR 11 crores with an EBITDA margin of 25.5%, while net profit was around INR 10 crores. Our new business segment reported revenue from operations of approximately INR 8 crores, representing a 6.4-fold increase in year-on-year. The EBITDA loss narrowed to around INR 5 crores compared to approximately INR 7 crores in the second half of FY26, reflecting an improvement in operating performance. Moving to our RPO business, Taggd, which has been consolidated from 6th July 2026, reported revenue from operations of approximately INR 33 crores. Taggd revenues are recurring in nature through long-term contracts, providing greater revenue stability and predictability for our entire business.EBITDA stood at approximately INR 3 crores, while net profit was around INR 3 crores, translating into a margin of 9.5%. With that, on behalf of Manish, I conclude these remarks. We may now open the floor for the question-and-answer session. Thank you.

Moderator: Thank you. Thank you very much, sir. We will now begin with the question-and-answer session. The first question is from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.

Madhur Rathi: So, I wanted to understand that what is the expected EBITDA from Taggd for FY27 and what was the EBITDA of this entity in FY26?

Management: The EBITDA was 10% for FY26 and we intend to maintain that for FY27 as well.

Madhur Rathi: I am asking about the absolute EBITDA, not EBITDA margin. What was the revenue of this entity last year?

Management: The revenue of this entity was Rs.108 crores and EBITDA was Rs.9 crores last year.

Madhur Rathi: Understood. And for this current financial year, what is the expectation?

Management: See, we are not giving any guidance about absolute numbers. So, that has been the stand of the company.

Madhur Rathi: So, basically for Rs.96 crores, we have purchased this entity. Was there any debt on this entity?

Management: No, zero debt.

Madhur Rathi: Okay, understood. And so now that the cash burn that we have been incurring on the new business, which is shown in page number 20, so after the acquisition of Taggd, will we still continue making this cash burn?

Management: So, new business does not include Taggd. New business is the old James Douglas business which we had invested last year also. We believe that in next 6 months, the burn should reduce significantly and contribute positively from next year.

Madhur Rathi: No, no. So, if you could clarify to a Layman Investor that in the CXO level hiring, is the EMA partner which is doing that for the recruitment, we have bought this Taggd. So, this new business is related to what exactly?

Management: See, these are fundamentally, in a sense, while these are all recruitment businesses, Taggd is a high-volume enterprise-level recruitment business. So, Taggd takes on long-term enterprise contracts where we hire at volume. So, as we said earlier in my speech, Taggd recruits about 24,000 people a year for our clients. And these are long-term contracts. And typically, these are typical junior to mid-management level positions. And the Taggd takes over the entire recruitment process for an enterprise. So, that is the business.

Whereas, in executive search, our focus is on CXO hiring, which is where EMA partners comes into the picture. And James Douglas, as we explained, is a mid- to senior-level management business where what we call it as professional search. So, these are three distinct businesses forming the entire full-stack recruitment value chain. I call it value chain as what we say.

Madhur Rathi: Sure. And the new businesse is pertaining to?

Management: When we said new businesses, is our continuing investment in scaling up the team for James Douglas, both in India as well as UAE.

Madhur Rathi: Understood. So, basically…

Management: These are organic businesses. Yes.

Madhur Rathi: So, EMA partner, CXO level is profitable. The Taggd business, the entry level is profitable. But the mid-level, James Douglas is where the losses are being incurred. And that is what we are calling new business.

Management: Yes, that is just an organic investment we are making. And we expect that business will turn **EBITDA** positive by next year for sure.

Madhur Rathi: Understood. Also, I wanted to congratulate the team for a reasonable acquisition. It seems that we have not overpaid. Though, I mean, it can be only verified after the full-year numbers are released for FY27. So, let's see. But, meanwhile, we can see that now there are many in the consolidated balance sheet, the long-term loan and advances have increased from Rs. 6.8 crores to Rs. 16.55 crores. So, what exactly is this pertaining to?

Management : So, we had borrowed this money to complete the acquisition of Taggd. And this will slowly get repaid. So, this loan was taken against the two properties owned by the company. And the proceeds were used for the acquisition of Taggd.

Madhur Rathi: No, no. I am not talking about the borrowings of the company. I am asking that there is a non-current asset of long-term loan and advances by us.

Management : These are actually prepaid taxes.

Madhur Rathi: Okay. Understood.

Management : TDS deducted. So, we believe that in next 6 months to 8 months, we will get majority of the refund.

Madhur Rathi: And also, there is an intangible asset which was Rs. 1.2 crores which has become Rs. 2.3 crores. What is this pertaining to?

Management : So, these are pertaining to AI software which has been developed by the company. It is used for its own internal purpose and this is primarily —the purpose of that.

Madhur Rathi: Understood. And now, coming to the new business, at what revenue will this new business break-even?

Management : So, see, in first 6 months, we have done a revenue of Rs. 7 crores. We believe the revenue of Rs. 12 crores will make this business break-even. Rs. 12 crores to Rs. 12.5 crores, the business will break-even.

Madhur Rathi: So, Rs. 12 crores to Rs. 12.5 crores for the full year or for half year?

Management : Half year.

Madhur Rathi: Okay. So, basically, on an annualized basis, around Rs. 24 crores-Rs. 25 crores is when the…

Management : Rs. 24 crores-Rs. 25 crores business will break-even. Yes.

Madhur Rathi: Understood. Thank you very much and best of luck. And also, many congratulations for the buyback and for the acquisition. Thank you.

Moderator: Thank you. The next question is from the line of Nupur from Aarth Growth Fund. Please go ahead.

NupurKarnanii: Hi. Am I audible?

Moderator: Yes, ma'am.

Management: Yes, you are audible.

NupurKarnanii: So, firstly, congratulations to the management on a good set of numbers. So…

Management: Thank you.

NupurKarnanii: I joined a little late. So, I just want to ask one thing that we have made an acquisition with respect to Taggd and our purchase consideration was approx. Rs. 95 crores. So, how that was funded?

Management: See, I'll tell you. In the IPO document, only Rs. 7 crores was available for inorganic out of the Rs. 60 crores received by the company net of IPO expenses. Only Rs. 7 crores was available for inorganic acquisition. So, currently, the management has utilized Rs. 54 crores of the IPO proceeds. Rs. 5 crores still lies in FD as bank balance. So, what the acquisition was funded through Rs. 6.5-7 crores of IPO proceeds, 22 crores of borrowing and balance through internal accruals.

NupurKarnanii: Understood. Thanks. And considering FY 26, there were no long-term provisions. But if we look at numbers of September 26, so there are long-term provisions in the balance sheet. So, what actually pertains to these provisions?

Management: So, currently, what happens is that Taggd, the company which we have acquired, has gratuity which is non-funded. EMA, has funded its gratuity provision. So, there is no long-term provision over there. But Taggd, there is no funding provision. So, there is only a provision lying over there for gratuity. As well as, they have leave absenteeism encashments. So, for that also, they have a provision lying in the balance sheet.

NupurKarnanii: Understood. And likewise, with respect to receivables also, is the difference because of acquisition of Taggd or we have seen some changes in our…

Management: No, no. There is no change in our collection policy or anything. The primary reason is for acquisition of Taggd has contributed to increase in receivables.

Nupur Karnanii: So, tell me, what is the receivable cycle for Taggd?

Management: The receivable cycle is around 90 days.

NupurKarnanii: Okay. Understood. So, that was from my side. Once again, congratulations to the management and wish you good luck. Thank you.

Moderator: Thank you. The next question is from the line of Krishnam Saraf from Samriddhi Finserve. Please go ahead.

Krishnam Saraf: Hi. So, my first question is on the cash balance. We have around Rs. 30 crores cash and Rs. 20 crores of borrowings. So, is there a reason why we have not paid it off as of the half year end?

Management: Yes. The cash is in Dubai entity. Partly we have internal cash to meet our working capital requirement. That is the reason why we have not repaid the debt at the year end.

Krishnam Saraf: Okay. So, how much of it is in Dubai currently?

Management: So, Dubai, it's around Rs. 15 crores-Rs. 16 crores.

Krishnam Saraf: Okay, okay. And the balance we want to use for working capital?

Management: Yes, we want to keep at least 2 months' salary as working capital.

Krishnam Saraf: Got it, got it. Understood. Yes, that's all from my side. Thank you.

Moderator: Thank you. The next question is from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead. Madhur Rathi, your line is unmuted. Please ask your question.

Madhur Rathi: Yes. So, our other current liabilities basically have increased from Rs. 4.2 crores to almost Rs. 18 crores year on year. So, what is this amount pertaining to…

Management: So, this actually pertains to incentive liability plus statutory liability in terms of TDS and GST. So, this is primarily the reason for that. So, now Taggd also being part of our business, we have certain incentive provisions which we make on every quarter. So, the increase in incentive provision is the primary reason for increase in current liability. Plus, Statutory dues in terms of GST and TDS has also contributed to increase.

Madhur Rathi: Understood. So, basically, net, if we see on a consolidated basis, after the acquisition and all the other items, is the company debt-free on a net basis?

Management: Net cash basis, the company is debt-free.

Madhur Rathi: Understood. And also, in the first half, we have done around Rs. 12.4 crores of EBITDA. So, looking at the business and the seasonality aspect, so can we expect the full year EBITDA to come upwards of Rs. 25 crores or is it that the first half is more seasonally heavier than the second half?

Management: We don't provide any future guidance. So, I will refrain from doing that.

Madhur Rathi: Understood.

Management: But as I said earlier, our focus is on continuing to put our heads down and we continue to execute and the results as we go forward will be there for us to see.

Madhur Rathi: Right. And in our business, what is the steady state working capital days?

Management: Working capital days is around 90 days.

Madhur Rathi: 90 days. Understood. And is there any other capex that is due?

Management: No capex's such as due.

Madhur Rathi: Okay. Understood. Thank you very much.

Moderator: Thank you. The next question is from the line of Krishnam Saraf from Samriddhi Finserve. Please go ahead.

Krishnam Saraf: Yes Hi. I have one more question. So, the acquisition that we have done with Taggd, how do we plan on retaining the employees of Taggd because it's essentially a people business, right?

Management: Firstly, we have an absolutely accomplished management team, leadership team in Taggd who are committed to stay in the business. Secondly, we have a Taggd ESOP plan which has been devised at the time of acquisition and the team is fully on board.

Krishnam Saraf: So, if you can elaborate a bit on the ESOP, what are the vesting conditions?

Management: See, it is both time-based and performance-based. We can connect separately to discuss it.

Krishnam Saraf: Okay, okay. Got it. Okay. Thank you.

Moderator: Thank you. The next question is from the line of Dhvanit Merchant. Please go ahead.

Dhvanit Merchant: Yes. Hi. Am I audible?

Management: Yes, you are audible.

Dhvanit Merchant: Yes. So, my first question is related to our Singapore business. So, I have been checking your company from listing and each half-yearly results are very fluctuating and in this half-year, we have actually incurred a loss of almost the same as our revenue. And the cash money is also there. So, can I get a reason for it?

Management: Yes, yes. Dhvanit, good question. See, basically, Singapore is what we call it's a kind of a new business because we are rebuilding the team in Singapore and it's also a highly competitive market. And similarly, so that is what is the case, what you are seeing so far as far as Singapore is concerned. But we are looking to ensure that we do not lose money in that market and that's our endeavor going forward. But from a strategy perspective, we would like to be present in that market going forward. It gives us a beachhead to the region.

Dhvanit Merchant: Got it. So, my next question is regarding our receivables and the cash burn among our foreign subsidiaries. Apart from Singapore also, we have burned cash in Dubai. So, in our receivable portion, what would be the portion of Taggd and what would be our matured business receivables?

Management: So, see, currently, our average cycle of receivable is 90 days. Taggd is around Rs. 30 crores of receivable. So, you can say 30 crores of receivable and our cash burn has been in two businesses, James Douglas Dubai and Singapore. But we believe this to make it positive by next year. Okay.

Dhvanit Merchant: Okay. My other question is our other income is around Rs. 2.3 crores if I am not wrong So, it must be pertinent to our investments which we sold for our Taggd preparation?

Management: Correct.

Dhvanit Merchant: So, year-on-year basis, our Taggd, if we exclude that, is almost flat. Is it?

Management: So, if you look at, see, we focused on top line this year and focused on investment in the business. So, definitely, you will have certain periods where you will find it in that fashion. But in the long term, we see growth. On a like-for-like basis, we have seen a 25% growth in top line.

Dhvanit Merchant: Got it. Okay.

Management: That was a comparable period last year.

Dhvanit Merchant: Okay. In James Douglas, what would be our matured margins, EBITDA margins? Let's exclude this year but upcoming next year when we might be taking it even.

Management: Yes. Our long-term target on James Douglas EBITDA margin is close to 20%. By end of 2.5 years-3 years, we should be at 20% EBITDA margin for James Douglas.

Dhvanit Merchant: Okay. And Taggd will be?

Management: So, Taggd, we believe that in 2 years-2.5 years, operating leverage will kick in. So, with this 10%, we can move definitely to at least 14%-15%.

Dhvanit Merchant: Okay, okay. That's it from my side. Thank you.

Moderator: Thank you. Next is a follow-up from Krishnam Saraf from Samriddhi Finserve. Please go ahead.

Samriddhi Finserve: Yes. Hi. So, just now you mentioned that out of the total receivables, around Rs. 30 crores is from Taggd, right? And I think Taggd's turnover is also roughly that much Rs. 30 crores-Rs. 35 crores…

Management: So, I said the 90 days receivable cycle. So, actually one quarter revenue becomes the receivable cycle as principle.

Samriddhi Finserve: Okay, okay. Got it. And what was the revenue of Taggd in the first quarter if you can share that?

Management: Rs. 30 crores were 1st Quarter, 2nd Quarter Rs. 33 crores.

Samriddhi Finserve: Okay, okay. Got it. Okay, thank you.

Moderator: Thank you. Next question is from the line of Sarthak Jain. Please go ahead.

Sarthak Jain: Yes. Hello, sir. Am I audible?

Moderator: Yes.

Sarthak Jain: Yes. Sir, I just have a couple of questions. Firstly, our EBITDA margin declined from 19.2% H1-26 to just 11% this half-yearly. So, this drop is due to the mix of Taggd margins or due to some employee cost or something?

Management: So, it is a mix of new business plus investment in mature business of new people plus investment in new businesses of James Douglas. So, it's a mixture of all three, which has brought the margin down to 11%. But we believe that in long term, we will move back towards upwards of 20%.

Sarthak Jain: Okay. Okay, sir. So, right now, we are increasing contribution from this RPO business. So, in the long term, what could be our group consolidated margin profile?

Management: So, we currently in 3 years-3.5 years, we should be doing around 17-18% of margin.

Sarthak Jain: Yes. Understood, sir. Yes. Thank you.

Moderator: Thank you. Next question is from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.

Madhur Rathi: Sir, so, I am referring to the FY26 con-call that we did wherein we had guided for 18% revenue CAGR and 25% operating margin excluding new business. And we had plans to reach 25% net profit margin in a few years. So, what I am trying to understand that with the acquisition of Taggd, how does this configuration change?

Management: See, If you look at from our perspective, in 3 years' time, we look at EBITDA margin of 18%. And with negligible interest cost coming into picture, we should be at, from Taggd's perspective, after PAT, 15%. But the revenue growth will be not comparable because till last year, Taggd was not there. So, with Taggd coming in, if you are doing 15% PAT margin, the profit growth will be significant.

Madhur Rathi: Understood. And now, with the acquisition of Taggd, how many employees do we have? I believe we used to have 107 employees before the acquisition.

Management: So, we are more than 900 employees in the mix right now.

Madhur Rathi: Understood. So, are there any plans to use automation, AI, etcetera., and reduce the headcount and increase our margin?

Management: Okay. So, I will partly answer this question. And then, I will have Devashish also to step in. Devashish, you can hear, right?

Devashish Sharma: Yes, I can.

Management: Yes. We have spoken about Taggd developing a platform, which is the TARA AI-led platform. So, Devashish can just give you a broad sense in terms of what we are trying to build and how we are looking to build it on for future efficiencies, increasing efficiency and output. So, Devashish, over to you.

Devashish Sharma: Sure. Thank you, Sudarshan, and good afternoon, everyone. I hope I am audible.

Moderator: Yes, sir. You are.

Management: Yes.

Devashish Sharma: Great. So, the AI platform that we built is called TARA. TAG AI Assistant is what the acronym is. And this is multiple AI assistants across the recruitment process, which are used by our recruiters. With the use of these AI assistants, we currently are improving our time to fill and also our productivity in terms of the time allocated to each part of the process. So, the efficiency of each recruiter will increase by double. They will be able to do double of what we currently do. Over the next year or so, the plan at the moment is that we are able to get more business and spirit over the current workforce. But then, it is yet to be seen. While we are seeing early signals, this will only be implemented in the next 6 months to 8 months, and we will be able to analyze it further.

Management: Thank you, Devashish.

Madhur Rathi: Understood.

Devashish Sharma: And I would like to state one more thing.

Madhur Rathi: Yes, please go ahead.

Management: I would also like to state one more thing. The product development cost is being charged to P&L and is not getting capitalized.

Madhur Rathi: Understood. Also, what about the MyRCloud business? Is it the same as the Taggd business? I mean, is it an overlap? And what happens to MyRCloud?

Management: There are overlaps. So, the MyRCloud business has been subsumed into the Taggd business because the nature of the business has been pretty similar. And from H2 onwards, you will see, in fact, it will all be part of one platform.

Madhur Rathi: Understood. So, basically, it seems that the Taggd business is more employee-heavy and more of top-line and lower margins. So, is there any strategy for us to build on the revenue growth and increase the margins of the acquired entity?

Management: See, the objective is to grow on revenue, kick in operating leverage, and accordingly improve margins. Secondly, with the help of AI, improve efficiency so that we can reduce the employee cost as well. So, the objective is that currently, if I am spending Rs.1 for every Rs. 2 of revenue, we improve the efficiency with the use of TARA and able to generate better margins. At the same time, with higher revenue, we will be able to work on the operating leverage as well.

Madhur Rathi: Understood. Thank you very much.

Moderator: Thank you. Next question is from the line of Dhvanit Merchant. Please go ahead.

Dhvanit Merchant: So, hi. I had a follow-up question. With the acquisition of Taggd, our revenue mix will completely change. So, 3 years down the line, what will be our split of the revenue?

Sudarshan: So, see, currently, we have not worked on that fashion. We will come back to you because we are working on a plan and see, it is not that it will be only acquisition which we are doing. We will definitely be looking at future acquisitions. So, our revenue mix will definitely be moving.

Dhvanit Merchant: Got it, got it. Okay. That's it from my side. Yes. Thank you.

Moderator: Thank you. The next question is from the line of Rahul Khanna. Please go ahead.

Rahul Khanna: Hi, sir. Am I audible, sir.

Moderator: Yes, you are.

Management: Yes, you are audible.

Rahul Khanna: Yes. Hi, sir. Thank you for giving me the opportunity. So, my first question was after we place the candidates at the client's place. So, do we track how long the candidates remain with them because it will directly affect the repeat business that we have or the client relations that we have with those clients?

Management: Yes. So, these are secrets. So, each business has a different yardstick. So, no, but your question is we do track how long a candidate stays with the client and pretty much we are also part of our process. We think, especially at the senior level, we think that this candidate should be kept.

Rahul Khanna: Okay. All right. Understood. And then my second question was regarding the STAIR digital partnership that we have. I just don't know to understand what structure do we have whether it involves revenue sharing or fees or ownership arrangement?

Management: It's a revenue sharing arrangement as we speak. It's a partnership revenue sharing arrangement and a unified go-to-market strategy for the business.

Rahul Khanna: Okay, sir. Got it. Thank you. Thank you so much.

Moderator: Thank you. Next question is from Madhur Rathi from Counter Cyclical Investments. Please go ahead.

Madhur Rathi: Yes. So, I was trying to understand that since now we are already in all the segments, so then why are we looking for a further acquisition and now there is hardly any net cash. So, will we go in debt to make yet another acquisition?

Management: See, when we say these are, it's not that tomorrow we are looking at an acquisition. We are looking at potential opportunities as we said earlier, there is a large opportunity for consolidation in a fragmented industry and we being a leading listed company in this space, we are all the time looking at opportunities to expand and consolidate our position in the market. So, that's what we meant. But we as a growing company, we will opportunistically look at such potential targets as we go forward.

Madhur Rathi: Right. So, will it be domestic or is it, are we looking at abroad?

Management: See, it is very difficult today now to see sitting here to say whether, it could be, as I said, we opportunistically look at what sort of targets we are now being the only listed company in this space. In fact, we keep getting presented with targets every now and then through bankers and so on. So, we always take a look at it and so that is how we view acquisition opportunities going forward.

Madhur Rathi: Understood. And with the acquisition of Taggd, what is our market share in the domestic hiring industry?

Management: It is very difficult. We will come back to you during the annual report. We will try and provide some data because given that the industry is fragmented, all we can only measure is through the revenues and size of business. So, what we can confidently tell you is that we are one of the leading integrated talent platforms in the country as we speak.

Madhur Rathi: Understood. Thank you very much.

Moderator: Thank you. Next question is from the line of Dhvanit Merchant. Please go ahead.

Dhvanit Merchant: So, hi. We have also acquired PeopleStrong Technologies. I mean, it would be along with Taggd. So, what does Taggd do? Because it is a foreign associate.

Management: So, these two were subsidiaries and associates of Taggd. So, they have been coming along with this. Currently, there are no operations in these two businesses and we are looking at what can we do with these two entities.

Dhvanit Merchant: Okay. Got it. Yes, that's it. Thank you.

Moderator: Thank you. Next question is from the line of Ritu Ravan. Please go ahead.

Ritu Ravan: Good afternoon, sir. Am I audible?

Management: Yes, you are audible.

Ritu Ravan: Yes. I just wanted to ask, what is the management's plan to expand the presence in Singapore and other international markets given currently it contributes a relatively smaller share of revenue? Could you please elaborate on that?

Management: Yes. So, our plan is to firstly stabilize Singapore and make it a self-sustaining, profitable franchise as far as we are concerned. And other international locations, right now we are not targeting any specific geography as we speak, but we will address it as and when the opportunity arises going forward. But right now, our focus is to continue to execute and ensure that our new investments are turning profitable.

Ritu Ravan: Okay. Understood. Also, I wanted to ask, could you provide some perspective on the industrialized revenue mix and what is the concentration of the sectors and clients, if you could, and which industries are currently witnessing the strongest hiring demand and something like that?

Management: So, we currently don't report sector-wise splits. Maybe, we could address this at a future opportunity or even in a one-on-one setting. We are happy to take that.

Ritu Ravan: Okay, okay. Thank you so much.

Management: Thank you. You are welcome.

Moderator: Thank you. Next question, a follow-up from Madhur Rathi from Counter Cyclical Investments. Please go ahead.

Madhur Rathi: So, just doing some math. So, pre-acquisition, we had around Rs. 110 crores of net cash and our market cap was around Rs. 180 crores. So, our enterprise value was roughly Rs. 70 crores and we were doing normalized EBITDA of Rs. 25 crores, adding back the losses of the new business. So, basically, our business was trading at less than 3 times EV/EBITDA and we have made an acquisition for Rs. 96 crores of an entity, which makes Rs. 9 crores EBITDA. So, basically, we acquired a business at roughly 10-11 times EBITDA, whereas our own business was trading at less than 3 times EBITDA. So, now, this can only make sense if we are able to dramatically increase the profitability of the acquired entity. Otherwise, we were better off doing a share buyback.

Management: No, it's not such a straightforward equation like that. It is basically, see, what it does is that it increases the spread of our clients, increases an opportunity for cross-sell, increases our wallet share with clients. And also, as we explained earlier, in the Taggd business, the adoption of technology and AI to ensure that we are looking at increased efficiencies and throughput.

So, this is just one quarter post the acquisition is what we are seeing so far, right? We expect to really work together in terms of the potential opportunities across the spectrum. And size also gives us an ability to execute larger plans and make bigger investments as going forward.

So, that is the board and management rationale when we are looking at the entire Taggd acquisition and the way we collectively do business going forward.

Madhur Rathi: Sure. So, now, will we merge this entity into the standalone entity or will we keep it separate?

Management: No, as of now, this will all be separate. 100% owned subsidiary as we speak

Madhur Rathi: And MyRCloud?

Management: MyRCloud, the business has already been subsumed into the Taggd business because the nature of the business is pretty much the same as what we explained earlier.

Madhur Rathi: Okay. I hope there have been no exits from the Taggd team and the team is intact. And do we have any agreement with them that the founders and the key personnel will stay for some time with us? Because I mean…

Management: Yes, yes. As we explained earlier, it has all been taken care of and the team is committed to stay together and they have all been part of the plan which has been agreed upon at the time of acquisition.

Madhur Rathi: **And so far, what has been the experience as far as cross selling and taking out more efficiencies from the acquired entity?** Any color you want to share with us?

Management: Not too much, but in a limited period, we have already had a good deal of success in terms of our ability to cross-sell across businesses. We've seen significant progress there, so the teams are working together. It's just a quarter, so the teams are working together to increase our wallet shares across clients.

There are already a few common clients. There are some new clients. And the other thing which we also look at is that in the search business, we also have CXO-level relations.

And then that gives us the unique ability in the search business to open doors at the top. So, the client access is something which we look at very seriously. And also, secondly, if you look at the Taggd business, the nature of contracts are also longer-term contracts and there is significant amount of continuity in business. Yes. And that protects us from the cyclical nature of our business.

Madhur Rathi: Understood. Thank you very much and best of luck.

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

Management: Okay. Thank you, Purvangi. Thank you to all of you for participating in the earnings call. I hope we were able to answer your questions satisfactorily and at the same time offer insights into our business.

If you have any further questions or would like to know more about our company, please reach out to our Investor relations managers at Valorem Advisors. Thank you and I wish you all a very good day and a very, very happy Diwali to all of you. Thank you.

Moderator: Thank you very much, sir. On behalf of EMA Partners Limited, that concludes this conference call. Thank you all for joining us and you may now disconnect your lines. Thank you.