



Date: 28.05.2026

To,  
The Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400051

SYMBOL: RADIOWALLA

Subject: Submission of Transcript of Earnings Conference Call held on 25th May 2026

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Earnings Conference Call of Radiowalla Network Limited held on Monday, 25th May 2026 with investors and analysts in relation to the Standalone and Consolidated Financial Results of the Company for H2 FY26 and FY26.

The transcript of the aforesaid Earnings Conference Call is also being made available on the website of the Company.

Kindly take the same on record.

Thanking you,

**Yours Faithfully**

**For and on behalf of**

**RADIOWALLA NETWORK LIMITED**

**Kiran Gurnani**

**Company Secretary & Compliance officer**



Radiowalla Network Limited  
H2 FY26 & FY26 Earnings Conference Call

25<sup>th</sup> May 2026



**MANAGEMENT: MR. HARVINDERJIT BHATIA – CHIEF EXECUTIVE  
OFFICE – RADIOWALLA NETWORK LIMITED**

**MR. HARPREET SINGH – DEPUTY CHIEF EXECUTIVE  
OFFICER & CHIEF OPERATING OFFICER –  
RADIOWALLA NETWORK LIMITED**

**HOST: MS. VAISHNAVI VAITY – AKMIL STRATEGIC  
ADVISORS**

**Vaishnavi Vaity:** Good evening, everyone, and thank you. I'm Vaishnavi Vaity on behalf of AKMIL Strategic Advisors. I welcome you all to the H2 FY26 and FY26 earnings conference call of Radiowalla Network Limited. Today, we are joined by Mr. Harvinderjit Bhatia, CEO, and Mr. Harpreet Singh, Deputy CEO and COO. I welcome you both to the call. With this, now I would like to hand over this call to Harvinderjit sir, to introduce us further. Over to you, sir. Thank you.

**Harvinderjit S Bhatia:** Thank you. Good evening, everyone, and thanks for joining the call. My name is Harvinderjit Singh Bhatia. I'm the CEO and co-founder, and with me I have my colleague Harpreet Singh, who is the Deputy CEO and Chief Operating Officer of the company. Today, we'll just walk you through our last half year performance as well as full year, you know, financials. Some of you may be aware of the company, what we do the business, some of you may have joined for the first time. So what we'll do is we'll quickly take 5, 7 minutes to introduce the company and post that, you know, we'll run through the performance as well. And then we'll open it up for questions.

I would like it to be more interactive. So as many questions as you ask, we will be able to address any concerns based on the numbers we have presented and what the future lies ahead for us. So can we just move to the next slide? Please, is the slide visible to everyone? It's not, yeah.

**Vaishnavi Vaity:** It's visible now, right?

**Harvinderjit S Bhatia:** Yeah, yeah, yeah, it is. Move on to the next, please. That is, yeah. So I'll quickly take over the numbers before I hand it over to Harpreet for the business thing. Typically, we see H2 as a year where the advertisement income goes as compared to the first half. However, in this year, we didn't see that growth happening. And we can count on multiple reasons, but primary reason was because of this war situation which started somewhere in January and it was difficult, the advertisement spends got pulled back and it was difficult for us to recoup that within the three months from, you know, the other business opportunities. We still did 10 crores in the second-half. EBITDA was a negative marginal negative of 16 lakhs, and we'll cover the reasons for that as well. And the net profit was at 31 lakhs negative. For the full year, we did 20.3 crores, again at 58 lakhs.8 lakhs EBITDA and 10.7 lakhs net profit. Next slide, please.

Similar numbers of consolidated numbers, I won't dwell much. It is similar because a subsidy had just been formed and there was not much business over there. So it's primarily almost a similar number.

Next slide, please.

So as you can see the from the on a consolidated basis, though we did the 21 crore revenue, two, three cost items I would like to highlight. One is on the employee benefit expenses, and the 2<sup>nd</sup> is on the depreciation. Depreciation, we had almost 40 lakhs over the last year, which was on account of the investments we are making in the technology and the devices which we are putting up in stores. And those devices have just in this month of May, we have started deploying and

testing in the retail market. So it has taken some time to deploy, to develop, but the cost of capitalization of the technology and everything has been done. So we had a 40 lakh hit on depreciation. In employee cost as compared to last year, 14 lakh hit of ESOPs, we had around 40-41 lakh rate of ESOP. So these two expenses accounted for, you know, almost 70 odd lakhs non-cash expense, which hit our bottom line. So, I'm not considering the drop in ad revenue as a reason, because that is a business loss which we had, and that, since it has a margin of 20-25 percent, that loss of 2, 3 crores of ad revenue in the last half, you know, impacted our total bottom line as well.

Next slide, please.

I've already covered broadly as our commentary on the performance and on the company. We are happy with our in-store radio performance. This company has grown over 3,000 new stores have been added during this year. We have opened our 100% owned subsidiary in UAE in January, but because of the situation in Middle East, we couldn't we have started some pilots, but the revenue is still to flow in. And we opened a step-down subsidiary in Canada and we are already doing some pilots in North America as well. Again, these are for in-store subscription-based revenue businesses, which will have, because of the rupee depreciation, it also will give us some further margin improvement in these markets. Our foundations across the geographies have been set, and this year we hope to start generating revenue from these locations, geographical locations as well.

Next slide, please.

So just as an introduction for others, we are a B2B media tech company, and we offer in-store audio and digital screen solutions in retail stores, wherein our revenue comes in from subscription, they pay us per month per store. And this is for both for audio as well as digital screens.

In addition to that, we have around, I would say, 20% of our stores, we have potential to run advertisements of third party. So that's an ad-driven business. So that's our second revenue stream after subscription advertisement. Then we do corporate radio which is for employee engagement. And the 4th part is on the, you know services and royalty free on the music royalty where we generate our own library and we generate revenue from that as well. So these are the multiple streams of revenues what we are building on. And these are all on our run on our proprietary platform, media retail platform and we keep innovating on that platform as well, which have people covered in the business section.

Next slide, please.

Vision and mission statement remains the same, but we need to be the largest retail media platform across audio and digital signage and advertising solution. And for us, India, UAE, and North America and Africa, they are the key countries where we already started our business by creating a foothold. And as we grow, we will generate more and more revenues from these markets.

Next slide, please.

So as of today, we are present in more than 33,000 plus stores. Last year, if you remember, we were at around 30,000. 22,000 plus unique playlist delivered daily, 100,000 plus music library, 1,100 digital screens, 700 plus brands we are servicing now and 1400 plus cities we are covering as well. And presence now in 12 countries across 4 continents. Though export, just to be clear, export business is a small portion of our business, but we are just laying the foundations for that. And we do not have any fixed costs over there. We work with some local partners over there. So we do not have to incur any upfront major fixed costs other than just the normal setting up cost.

Next slide, please.

This is our board, Neeraj Jain, Independent Director, and Mr. Sunil Lulla, myself, Anil, and Gurneet. We are on the board as well, Harpreet and Deepak, our key management personnel. Both have been with the company since inception. So literally since inception, so pretty much part of the ownership team here as well.

Next slide, please.

Harpreet, over to you, please. You can unmute yourself and...

**Harpreet Singh:**

Harry Thank you for setting the context. So just for everyone's reference, as Harry was saying, we are in the business of B2B services. We provide radio engagement solutions and advertising solutions. And when it comes to radio, it is about in-store radio. It is the music which plays in the background in retail stores. We also do corporate radio, which is designed for employee engagement, audio content, which is designed for an organisation talking to the employees of that organization. At the same time, we have another subscription service for managing the content on the digital signage screens. So all these three are subscription services where the clients typically pay us a monthly fees, which can be either on a per store or per location basis or a per screen basis. Then we have advertising solutions, which essentially try to monetize the inventory, either airtime inventory or digital signage inventory. We have 15 large LED hoarding spread across Gujarat and UP. And we have about 20% stores, which is about 5 and a half thousand stores currently where we can play third party audio ads. So these solutions try to monetize the inventory and generate revenue and margins both for us as well as for the retail partners.

Can you go to the next slide, please?

So I'll talk about different business lines. In-store radio remains the strongest vertical for us. We have a very strong brand base and brand affinity here. We currently service more than 700 brands, 100 of which have been onboarded in the last 12 months itself. We've onboarded about 3,000 plus new stores in the last 12 months. And we've expanded our presence within Africa to Botswana, Namibia, Zambia. Of course, we cover a lot of countries in Middle East. And we have some presence in South America and North America also. Within the in-store radio domain, we are trying to be as proactive as possible in terms of integrating new technologies, especially

the emerging AI technologies. So we are trying to integrate AI into all the workflows. We have a large library of AI generated music, which is currently being used in about 1000 plus stores already. We are curating the playlists using AI. We've started doing AI generated voiceovers. The idea is that each of these processes will make our systems more efficient. So within the same set of people, we can service more clients and generate additional revenue opportunities for us. The entire process, entire platform is owned and developed within the organization. So we have a lot of IP which is being created on this. As you can see, these are some of the brands that we've onboarded in the last financial year. Some of the interesting ones include Mercedes-Benz, MG Select, Choppies, this is Africa. We've got Kisna Jewellers, IKEA, Relaxo, and various other brands. These are among the 100 brands that we've mentioned here. So this continues to grow at a very strong pace. We are continuing to add more brands. You know the margins in this business are fairly high.

Can we go to the next slide, please?

The second, again, audio subscription service is the corporate radio, where we design content which is, you know, customised for each company. It is designed to engage with their employees for internal communication, for rewards and recognition, and the content becomes a very integral part of their overall internal communications mechanism. We currently work on this for various clients and we cater to the employees in India. We have channels running in Mexico as well as Brazil. And we have dedicated teams of RJs, producers, script writers, and various content people to kind of create content which is designed for each of these organizations and designed in local language. So within India, we create content in five languages. Again, for Brazil, it is Portuguese, and for Mexico, it is Spanish content. So Brazil and Mexico have kind of helped us with the currency depreciation also because the billing is in dollars. So that has helped us to some extent. And we see a good potential opportunity here in terms of scaling this further. And we are exploring all the options of expanding that into that space as well.

We can go ahead, please.

In terms of digital signage services, we've expanded our screen count. You know, we currently are servicing about 1100 plus screens, and these are across India and Africa. These are some of the brands we've mentioned which have been onboarded in the last one year, including Lifestyle, TTK, Prestige, NewMe, Presto, and a whole lot of these brands are growing organically also. Once we onboard a client, if they open a new store which has five screens, then those five screens automatically come to us for management. So again, we've given an estimate of about 5,000 screens over the next three, four years, and that is what seems to be the plan and it's on track so far.

We've added over 500 plus screens in the last financial year and 19 new clients onboarded which is across categories, you know, so you have apparel stores, we have e-commerce companies, we have, you know, an MNC insurance company, etc.

Can you go to the next one, please?

In terms of audio advertising solutions, as Harry mentioned, we've had some setbacks in the second-half of the year. Overall, the audio advertising solution remains pretty interesting. We have a very strong presence in the point of sales audio, which is quite relevant for brands, FMCG and for the other brands also, which want to reach out to similar kind of audience. Even though we've seen some setback in the second-half, but we've seen a fair bunch of brands onboarding and utilising this media as well, which includes, you know, some of the fairly well-known brands as well. And what we're trying to do now is to kind of manage the entire workflow wherein we will deploy the amplifiers which have centrally controlled volume levels. So the end-to-end consumer interface in terms of scheduling the advertising, playing it out, and that ad being heard in the store is centrally controlled. So that has already been piloted in a few stores and we will begin the rollout of that at a larger level going forward. We can go ahead, please. We have 15 large LED holdings spread across Gujarat and UP, 12 in Gujarat and 3 in UP. And this is going steady, so we've got a fair number of clients on this. But again, the revenue opportunity is larger here, so we are focusing on improving the utilization of this inventory. And some of the brands that we've onboarded, here's the list, but there are multiple brands beyond that also. Can you go ahead to the next slide, please?

So this is a very interesting slide. It's the presence of the stores where we are currently servicing. As you can see, we are pretty much present across different states of India, almost everywhere, almost every state, almost every pin code is where we are reaching right now. And that with a very small team as such, so we do not have large feet on street requirement. All the services are provided over the internet and remotely. And this penetration continues to increase as we onboard smaller clients, as we onboard clients which are perhaps not the larger tier clients. There's a long tail of clients that we need to target now to, you know, further deepen our penetration across this region, across the country.

We can go to the next slide, please.

Again, these two, three slides are for the logos that we currently work with some of the brands, and you can easily recognise some of these. So these are global brands who've trusted us within India and in Middle East. These are the two areas where we are very strong in. And this logos, this set of logos continues to increase you know, so that's a that's a good part.

Again, can you go to the next slide, please?

These are some of the global brands. We'll see some of the Indian brands. These are some of the advertisers that we've seen on our platform.

Can we go to the next slide, please?

These are some of the brands that we work with in India. Again, these are very recognisable brand names. I'm sure all of you will know most of these brands.

Go to the next slide, please.

In different categories, if it be a barrel, malls, automobile, etc.

Go to the next slide, please. Next one.

Right. So I think I'd like to spend a bit of time here if it is okay. So as I said, in-store radio continues to be the strongest driver for us. It has fairly good margins. It continues to grow. We have strong pipeline and there is a lot of organic growth, which is also driven by the existing clients expanding their networks. Of course, within in-store radio, we are continuing to adopt AI at a very rapid pace. So each of our workflows now we are using AI. I mentioned about AI generated music. I mentioned about AI generated voiceovers, AI based music curation. So the thing is that a lot of these AI integrations are designed to make our systems more efficient going forward. They will require investments in the short term, but the idea is that we make the system scalable enough that we can take it to different markets, take it to a global level. And we're continuing to invest and we will continue to invest to make sure that we are ahead of the curve in terms of AI adoption.

And in terms of our digital signages, I mentioned this on the previous calls also, brands want to go digital. They want to expand their digital presence and footprint. They want to put more screens in the stores. And that is where the opportunity lies for us to kind of capture same set of brands for both in-store as well as digital signages, which is happening in a way. So we have a lot of overlap in terms of the brands which are using radio plus digital. In fact, there are very few brands which use only digital services for us from us. Our existing brands where we are servicing radio offer a better opportunity for us in terms of getting both the radio as well as digital signages. So that's what is working for us, and I think that's the way to go going forward.

Also, I mentioned about the integrated amplifier, which has a centralised volume control. So the store will not have any volume control per se. And I think this is based on global best practices, which we've seen across different countries and different service providers, wherein the volume control is not at the store level.

The volume control is at the central level where either the brand can decide or, for example, we decide when it comes to advertising-based solutions. So this has been piloted in a few stores currently, and the plan is to kind of roll out to larger set of stores going forward.

**Harvinderjit S Bhatia:**

This is a very important thing from an advertisement point of view, because one of the issues, you know, or concern everyone had care volume is not conducive as to the footfall in the store. So what we are trying to build in here is that what we are piloting right now and the box has been built in-house that the volume will be adjustable based on the estimated footfall in the store. So that is a very, because the store manager and the store staff can't be doing up and down at their end. That's not their core function. We are building in a technology wherein we can use the third-party API tools as well to figure out when it is to go up and when it is to go down. We are quite bullish on this basis that it will satisfy a lot of advertisers as well. Go ahead.

**Harpreet Singh:**

We can go to the next slide, please. So pretty much capturing the strengths of the business. Our leadership team has been around ever since the start of the company. So we've all been in this for about 15 years now. We have an expanding global presence. Currently we are in 12 countries, but I think by the end of this year, we'll add a few more. We create content in multiple languages already across all languages of India. We create content in Arabic, Mexican, sorry, Portuguese, Spanish, and some of the African languages also. Our media is impanelled in the DAVP, both the digital signage screens as well as the in-store audio, both are impanelled in the DAVP. In fact, the Gujarat screens got empanelled last year around November. So in fact, you know, hopefully now we should start getting the business from Gujarat government or Local government PSUs as well. And we have ongoing and deep relationships with clients. They've been working with us for many, many years. Most of our large clients have been around with us for over 8 to 10 years now. And that is what opens up multiple opportunities. So if you are working with a client for a longest time, you tend to also work with them for CMS or other opportunities as well.

Can we go to the next slide, please?

Right, so as we've been talking, you know, the idea is to continue with the international expansion, continue to focus on integrating AI into all our workflows, especially on the in-store radio front and going forward on the digital signage front. And we are trying to expand and meet up with all the agencies and clients where we can start generating advertising revenue or, you know, increasing the advertising revenue flow.

And to continue with the relationships that we have with the clients, to continue to engage with them on different platforms, different forums. We are very visible in different industry forums. We have ongoing tie-ups with the Retailers Association of India, Hotels and Restaurant Association of India, and various other organizations. The idea being that you know, you got to be visible to the clients wherever they are. So that's the plan to continue with that. We can go to the next slide, please.

Right, so we've spoken about this, you know, some of these during the conversation, but just to recap everything, we have a very diverse portfolio in terms of, you know, in-store radio, digital signages, advertising, and corporate radio. The idea being that it automatically kind of de-risks the entire thing. So we're not dependent on one individual business line or, you know, one set of people to kind of deliver on the performance. Of course, our dependence on retail industry is there because the solutions are entirely focused on retail. So impact on retail as we've seen in the recent time is there. That's the weakness. How can we cater it? We can probably try and expand our advertising bit as well as to expand on the corporate radio bit, which is not, you know, directly retail focused per se. But we see a lot of opportunity in terms of international markets, in terms of growth within India, especially the long tail.

And, and you know, expanding our portfolio of services. Of course, there are threats in terms of what is happening in the Middle East. We don't know what happens because we set up a company in Dubai with the idea that we will focus more on the Middle East clients. But post-

January, we couldn't really travel there. It was virtually a blockade. So it was very difficult to get clients onboarded. Now we've started doing that again. So, we're hoping that we will get the business flow from that region again, kickstarted again soon. So that's where we are broadly. Can you go ahead to the next slide, please?

Um...

So Radiowalla as a company is something which is a business which has been around for a decade and a half. We've got plenty of clients who are working with us and top-notch names as you just saw in the logos. We have a presence which is there across multiple countries, multiple continents.

**Harvinderjit S Bhatia:** I think, Harpreet we have covered these points.

**Harpreet Singh:** Yeah.

**Harvinderjit S Bhatia:** So anyway, we have uploaded this website,

**Harpreet Singh:** Yeah

**Harvinderjit S Bhatia:** so maybe we can move to the next and quickly move on to the questions.

**Harpreet Singh:** Yes.

**Harvinderjit S Bhatia:** A lot of questions are coming up on the chat as well.

**Harpreet Singh:** Yes, yes, yes, please. Yeah, let's go ahead, please.

**Vaishnavi Vaity:** Okay sir, participants, the floor is now open for Q&A session. I request you to raise your hands or drop your questions in the chat box. Thank you.

**Harvinderjit S Bhatia:** There, there are lots of questions on the chat already, so...

**Harpreet Singh:** I think there are a lot of questions on the chat bot, yes.

**Harvinderjit S Bhatia:** So, yeah, maybe we can.

**Vaishnavi Vaity:** So.  
Before that, can we just take one question like from Mr. Madhur Rathi? He has raised his hand.

**Harvinderjit S Bhatia:** Sure.

**Vaishnavi Vaity:** Thank you.

Mr. Madhur, you can go ahead and ask the question.

**Madhur Rathi:**

Sir, thank you for the opportunity. Sir, I wanted to understand first why did our margins decline in FY26 versus FY25? And we were doing close to 13% margin in FY24. So what I read to this decline, and sir, if you could give us the bifurcation between what was the revenue from digital signage versus the install radio services during this year versus what it was last year.

**Harvinderjit S Bhatia:**

Sure. So let me do on the broad breakup and then, you know, as compared to last year, we can talk about it. In-store business accounts for almost 55% of the business. I'm talking from the current year perspective. And advertisement is around 17 odd percent and corporate radio is around 19% and digital screens and all that accounts for around 9% of the business. So that's a broad breakup of the revenue per se. Now, the question you have asked on why the margins declined. So one, advertisement revenue, as we mentioned, that declined as compared to last year by almost, I would say, 20, 25%. So that is a substantial because that has a slightly higher margin business which flows through to the bottom line. So that had an impact. In-Store Radio, one of our clients had churned out in around Jan. So 3 months, no, not Jan, I would say, October, November. And that 5 month hit came on the revenue subscription revenue, though we have recouped that subscription revenue by adding on new clients. But for the year, you know, that revenue loss happened.

So these are the two primary reasons, apart from two additional costs which I talked upfront, one was the ESOP and the other was the depreciation, which are non-cash expenses, that accounted for the hit on the margin. Otherwise, we were expecting the margin to be over a crore or almost like 1 1/2 of this week.

**Madhur Rathi:**

So, so I'm relatively new to the company. So, so what exactly do in advertising and also for the in-store radio, why did we lose this customer? Actually, in your balance sheet, it seems that in some of the stores we also go and install our speakers that might that might create better customer stickiness.

So, if you could help us understand how the...

**Harvinderjit S Bhatia:**

No, no. So let me clarify. We are not into hardware business. So we do not install any speaker or anything. That is all the client's responsibility. And all retailers have their own speaker systems at their place. So we only, we are a software driven model, we connect to their front end laptops or our media box, what we give it to them, which is installed, and you know, it's a plug and play to their amplifiers and speakers. So we do not get involved into the hardware side of the business.

Now, see the client churn and everything, that's a normal in a business. It's just that it happened towards the second-half of the business and it takes time to recoup. Management changes happen at the brand level and they wanted to experiment with some newer players, a regional player

who had just started, and for whatever their relationship was over there. So they wanted to decide. In fact, they have come back to us on some other services they want because that guy has not been able to provide them.

On that, see, it's not just you joined and started playing songs right away, there is a literally science behind it, what kind of songs will play, mix, what is the kind of dashboard you provide, reporting the management wants to see, so there are lots of things which we provide, and that's why we are a kind of a premium to other players. So and we have seen that stickiness in this business is very important for us as well as for clients. And most of our logos, what you would see, I would say the top 80% of the retail clients, of the retail brands are working with us. So it's a temporary blip what happened, but we have recouped now and we are back on track on that. So that's not a, so it's not that if one client leaves, it will break or shake the company. Since we are spread over 700 companies, so you know that risk is no longer there with us.

**Madhur Rathi:** Got it, sir. What exactly do we on the advertisement, front?

**Harvinderjit S Bhatia:** Harpreet, you want to take that?

**Harpreet Singh:** Yeah, yeah. So in terms of advertising, we service a lot of grocery brands and restaurant chains. For an advertiser looking to target that audience, we allow the airtime or we offer the airtime to them. Let's say you run an FMCG brand, right? And you want to reach out to shoppers at the point of purchase when they are actually in the process of buying, let's say if you're selling ghee, when they are in the process of buying ghee, right? Now, we give you an opportunity to reach out to these customers at the point of purchase through advertising in the in-store rating. And you can do it on a store level basis, you can do it in a city level basis, region level basis, or nationwide basis, depending on how you want to target the audience, what type of audience you want to target, which city, which region, right? So this is how we monetize the airtime inventory in the retail stores. Think of it like an FM radio which is working in the store. Now you want to reach out to that particular store, let's say in Acme Mall in Mumbai there's a smart bazaar store. So you want to advertise within the smart bazaar store, within that area, to target the shoppers who come to that store. That is the advertising bit that we do.  
I hope that answers the question. Yeah.

**Madhur Rathi:** Yes, yes, sir, so, so, sir, so we whatever, so consider D-Mart so D-Mart has instore radio for whom we provide the software, but there's also some downtime in which they are not using, so we like get them advertisers and we kind of share.

**Harvinderjit S Bhatia:** No, no, no, no, no, no, it doesn't happen like that, Madhur. So now you have a 60 minute in an hour. So it's a clock, right? So in 60 minutes, 50 minutes is typically for music. One or two minutes would be for the retail brand so that

**Harpreet Singh:** For their in-house offers.

- Harvinderjit S Bhatia:** They can put their own put their own in-house offers, schemes, and everything, and 7 to 8 minutes is for third-party advertisers. And we manage that even if someone goes to the retailer to run the ads, it has to come to us because it runs on our platform. So there's no nothing happening at the front end.
- Harvinderjit S Bhatia:** So it's a channel we create for the retailer. So as mentioned in one of the slides, today we are running almost 20,000 plus unique radio channels on a daily basis.
- Harpreet Singh:** Yeah.
- Harvinderjit S Bhatia:** So that's the scale we have got in India now.
- Harpreet Singh:** I think we can take some other questions, so people will get another check.
- Madhur Rathi:** Sir just a final question from my end and I'll get back in the queue. So this advertisement, how is the adoption currently in the sense that out of the 20,000 retail channels that we have, how many have we been able to convert to this platform kind of advertisement model and how many are just...on the in-store radio business right now.
- Harpreet Singh:** So about 5000 or five and a half thousand outlets is where we can actually run the advertising. So that's about 15, 20% of the stores. See, not all brands want to run advertising because they want to play their branded content, right? And in that case, they pay us a subscription fees which covers the cost of providing that service. If they want to run advertising, then we generate advertising and share the revenue with the brands.
- Vaishnavi Vaity:** Okay, sir we'll take questions from the chat box. So, the first question is from Miss Disha Sinha. You mentioned advertising slowdown during H2 due to geopolitical reasons. Have advertising spend started recovering in Q1 FY27 and what?
- Harvinderjit S Bhatia:** Yeah, we read it. I think, I think, yeah, we read it.
- Vaishnavi Vaity:** Okay.
- Harvinderjit S Bhatia:** So primarily, you know, I would say that recovery, we are seeing some shoots of recovery. April was still down, but May we are seeing recovery. So
- Harvinderjit S Bhatia:** If you ask me for a run rate, I think we are already covering the run rate for the last year, what we were having. So hopefully, within the next two or three weeks, we should start further recovery. Also, what has happened over the last three months is that we have been engaging very actively with the large media agencies as well. And we have been empanelled now with a couple of them. So, we expect now, you know, business start. We were not as part of their media plant till now as this whole platform. So, it took time for them to understand, okay, why we are

doing this and what is the kind of reach. Just to give you from a reach perspective, our reach for advertiser is almost 100 million plus per month.

Now, that's a substantial reach, much higher than any other audio medium available in the country. So, they are experimenting. If you see the number of brands who have started advertising with us has also grown as of now. But scale-wise, we are, I would say, we are at the starting block. You know, potentially the advertisement revenue on a network basis can generate almost, I would say, 70 to 100 crore kind of revenue. Just the advertisement platform. So, it's a and as we grow the number of stores, our ad network also grows, the inventory also grows. So, it's a continuous evolving process for us.

I think the second question we've already answered just now on the utilization. We are at a very low level of utilization, but the potential is substantial. When you mix between install radio I've already provided, we have expanded into markets.

So as of now, from a revenue perspective, Mexico and Brazil are the largest contributor as of now. UAE and North America, as we said, we just in set up our subsidiaries. So, we are hopeful that, you know, with the kind of per store per month kind of subscription business, we should have a substantial business coming up. But primarily still, I would say in next one or two years, India business would still remain the larger portion of the business and advertisement, so subscription, the largest portion, then advertisement, and then the third part would be the corporate radio and the overseas market. Overseas market will take some time to build up, but it will be a study and growth over there.

Employee expenses grew, so yes.

There are, you know, we have hired people in the newer markets like in Gujarat, in Calcutta, in Surat, in Hyderabad, in Chennai. So, we are increasing our ground force. Some technical people we had hired so they are expensive resources that have gone up. In fact, from a management perspective, we didn't take any increments last year. And so, we are conscious of that, that as the revenue grows as a percentage, this cost will come down and we are not going to increase manpower in the near future.

What business vertical? I think I've covered already with that.

Margin-wise, like in-store radio business gives us over 30% margin. Corporate radio is again over 40% margin. Advertisement, will become a substantial 20% kind of a margin, which is not at this stage. So maybe in the coming fiscal, we will be able to achieve those numbers as well.

Are there any plans for acquisitions? We are always open to it, a market, not just in India, but overseas as well. We are also looking at, yes, technologies is a very key thing for us that we are looking for how to bring in technologies, not just at the front end, but at the back end because that's where the costs are. If we are able to automate multiple processes at the backend, we can

definitely reduce the manpower cost at our end as well. So, it's a very key area where we are discussing almost on a daily basis on this.

I think the last point path I had addressed earlier, we had a, you know, one large client who, there was a churn and that resulted in kind of nullifying the growth what we were seeing on the new store. Internationally, we are expanded, but there is no revenue as of now. So that is uh that is, that is an add-on which will come in the next phase, I would say, in the FY27.

International expansion usually required localization licencing compliance. Yeah, so very interesting. In our business, the music licencing typically is the cost of the retailer, not comes to us. So, we ensure that they take the licence and based on that license, whatever music licence they've taken, we ensure that the library is in compliance to that license. As I said, in all these places where we open, we have not hired a local person on day zero. We are managing it from here. Back end anyways, everything in Bangalore, so we are managing from here. Sales teams would be set up.

But primarily in these markets, what we have seen is that the sales is more on a commission basis. So, it's a success fee related. So, we will not be having a substantial fixed cost upfront. There is a setup cost and everything, but that is between 7 to 10 lakhs for geography, you can say, not more than that.

Break-even, I would say, within first year of 12 months of continuous process, we will be able to go through 12 to 15 months is the maximum break-even when we see in these markets. Somebody had raised a hand.

**Vaishnavi Vaity:** Yes, sir, it's Madhur again. If you allow me,

**Harvinderjit S Bhatia:** Yes.

**Vaishnavi Vaity:** I can.

**Harvinderjit S Bhatia:** Yes, we have addressed all the questions here.

**Vaishnavi Vaity :** Yes, Mr. Madhur, you can go ahead.

**Madhur Rathi:** Sir, thank you for the opportunity once again, sir. So, if I'm trying, so the first point was, sir, the 20% gross margin on advertisement, 30% on in-store radio, and 40% on corporate radio. Is this on the EBIDTA level, or is this on a gross margin level?

**Harvinderjit S Bhatia:** No, no, gross margin level, and then you add on, then you bring in the corporate, the whole salaries and share services, the technical, the rent, and other costs. So, all the direct costs which are relating to these businesses, they are already factored into the market.

- Madhur Rathi:** Yeah.  
So, so how much conservatively should out of these flow to are a EBIDTA margins?
- Harvinderjit S Bhatia:** See, that's where I would say.  
We should target at least 12 to 15% at the EBITDA level.
- Madhur Rathi:** Got it. Now, sir, coming out to the in-store radio business, sir so we charge our customers on a subscription basis. So, who would be our competitors in this business in the domestic market and how is our customers? You mentioned that it operates on a commission basis. So, how is the customer acquisition strategy for outside India customers, because... I think the Indian we are doing here.
- Harvinderjit S Bhatia:** No, no, the commission basis is for outside India, not in India. In India, we have our teams on our roles who are in the market because India is a large market. And from a scale perspective, even if we say we are the largest player with 33,000 stores and the nearest competition may have 7 to 10,000 odd stores. But still, India retail market, if I was to look at, a lot of tier 2, tier 3 towns are getting organized. So I would say our universe today would be, I would say, almost 200,000 stores to look at. That's the kind of market size we have.  
So, it's a very large market, but it's a very vast market.
- Madhur Rathi:** Got it. Sir so what would drive this adoption? I think I get the gist how big this opportunity can become, but what would drive this adoption and in-store radio going forward?
- Madhur Rathi:** Because retail has been for, yeah, please, sorry.
- Harvinderjit S Bhatia:** No, no, continue with your thoughts or maybe complete your thought.
- Madhur Rathi:** No, sir, that was that was it like the retail has been present in India, yeah.
- Harvinderjit S Bhatia:** No, no, you're right. And see, the thing is that everyone was talking about digital D2C brands coming in, the websites coming in, retail will die, but nothing of that sort has happened. So retail is not going anywhere. That's very clear. Now the question is, okay, adoption.  
  
If you look at, you know, the kind of...  
  
In-house call in incoming calls which come on our website and on our other communication reach out programs.  
  
A lot of tier 2 towns retailers want to engage with us. And these could be two store chain or three store chain or a restaurant or a jeweller. So these are the kind of people who want to now say, okay, I want to up the experience of my customers. So it's kind of a personal, I see if you're in tier 2 town and you know, you are running a jeweller business and you talk off, hey, you at all

listening to Rakhi Jeweller's music channel because it's personalized. And FM radio or a YouTube or a Spotify will not give you that experience. So, we customise based on that. And that's the kind of relationship we build up with them. And then once they give a subscription, then they want a up service, okay, I want a jingle to be produced, I want some voiceover announcements. So, we charge for that as well. so our initial entry point is a low price point when we enter, but we upsell other services to make up the margin over there.

**Madhur Rathi:**

Got it. Sir, so I understand that for Walmart, 1/3 of its operating Walmart retail, 1/3 of its operating margins comes from in-store advertisement that they do. So, I think, but for these smaller, for a bigger player like Walmart in the US, it might be beneficial to do a captive investment and do speakers and all, but maybe for a smaller store it might not be. So have we thought about like doing this investment because our adoption could be much faster and stickiness could be longer because I think there could be some friction from a customer point of just adopting these, investing that 20, 30, 40, whatever the amount of speaker is. So how should we think about that?

**Harvinderjit S Bhatia:**

Till now, we have not gone into investment into hardware per se. Because for one store, two store, three store, I don't think so it makes sense for us to get involved into that. We can give them the local numbers and connects in the industry and they can get it done. But if there is an opportunity to get a client, let's say 10,000- 20,000 locations. And which makes sense from an advertiser perspective, also then it makes sense to do a co-investment.

And I'll tell you the reason for that. One, ROI, we will recover our investment in maybe 18 to 24 months over there on the hardware part. But we will have to sign those contracts in a large, longer duration contracts, maybe three-year to five. For us to make money over there, and these could be a substantial, you know, growth areas for us. We are in talks with a couple of guys, but ,it will be very selective investment if we were to make Madhur. I would not encourage the team to commit on these kind of investments for one store, two store kind of clients.

**Madhur Rathi:**

Got it. Sir just final, yeah, yeah, so just final two questions from my end. Sir, on the digital signage, I think we have 15 signs that we currently have. So, what would be the occupancy of these signs currently? And so I think revenue I have, how much the occupancy can increase for these 15 signs that we have?

**Harvinderjit S Bhatia:**

Harpreet.

**Harpreet Singh:**

Let me answer that. So occupancy actually varies from city to city. For example, our signage in Shipra Mall currently is about 80% occupied. And some of the signages in Gujarat are operating at about 20% to 40% capacity. So it keeps varying depending on the season, depending on the kind of campaigns that we get.

Typically, I would say about, since most of the sites are in Gujarat, we've got two, three sites in UP. The average utilisation would be about 30%. So, there's a good runway ahead that we have in terms of increasing the inventory utilisation for the signages. One of the key things is that we got the empanelment from DAVP for Gujarat signages in the month of November, which is towards end of November. So, we've done the groundwork in terms of getting, you know, government business for these signages. So, I think this fiscal, we will start getting the government business for specifically for Gujarat signages, where we have a larger capacity and the utilisation is relatively lower there.

So we should get the government business in these apart from the private business that is already ongoing.

**Harvinderjit S Bhatia:** And Madhur.

**Harpreet Singh:** So to answer your question, in short, there is a fair bit of runway that we have in terms of increasing the utilisation there.

**Harvinderjit S Bhatia:** From the existing screens only, we don't have to invest further on that, and also mother in media properties, if you do a study, whenever you get to around 70 to 80% consistent occupancy. That's the time when you increase the rates.

**Harpreet Singh:** Right.

**Harvinderjit S Bhatia:** And that's a cycle for any media properties. Like we have all come from media. I used to be the CFO of Radio Mirchi, Harpreet used to be with HD Media. Anil was the CEO of India Today FM. So, we understand that how the pricing happens in this market. And that's why we work with these ad agencies also.

And once we get consistent two quarters of, you know, kind of 80% occupancy, that's a time signal to increase the prices.

**Harpreet Singh:** Yeah.

**Harvinderjit S Bhatia:** And in these cities, we are the only digital screens, so people are people are looking at, you know, advertising on these screens as well.

**Madhur Rathi:** I'm sure if I were to look at our revenue growth around the maybe next one or two years, what is the conservative revenue growth with new customer addition occupancy increasing that we can strive to grow at?

**Harvinderjit S Bhatia:** Well, I would like to grow as high as possible so you know. But realistically, I would say, with all the things playing in, we are targeting 25 to 40 percent growth. That's a kind of a target we

are giving to our teams as well. And with it also a focus on the margin as well, because I understand margin needs to be improved substantially from where we are today.

**Harpreet Singh:** Yeahh I think there's a question for...

**Madhur Rathi:** Got it. So that was from my end. Thank you so much and all the best.

**Harvinderjit S Bhatia:** Thank you.

**Harpreet Singh:** Thank you, Madhur. I think there's a question from Mr. Parth. Harry, you going to take that?

**Harvinderjit S Bhatia:** Yeah.

**Harpreet Singh:** Or let me answer that. Okay. What is the average contract and you have in key retail chains; the pricing divisions built into the contract annually? So Parth, it varies from one year to three years. Average, I would say about two years is the average. Annual price revisions are built in about 50% cases. In certain cases, we agree to a longer-term contract for a fixed price. So, it depends on client to client. But typically, duration wise, it is one year to three years. Minimum is one year and maximum is 3 years.

**Harvinderjit S Bhatia:** But if you see all our clients, they are a recurring client.

**Harpreet Singh:** Right.

**Harvinderjit S Bhatia:** So even if it is a one year or a three-year, they have been with us for 8 to 10 years.

**Harpreet Singh:** Yeah.

**Harvinderjit S Bhatia:** So, unless something substantially happens at the client's end or something, then only we will, you know, kind of have an issue on this. Otherwise, we don't have an issue on this. And that's how the industry works. That's how the industry works.

**Harpreet Singh:** yeah, even from a client perspective, it's very painstaking to kind of get a new vendor to, you know, replace an existing one because it requires them to install new software, test it out, curate new music, you know, getting station voices, etc. So it's always more convenient for clients to continue with the existing team. I hope that answers the question.

**Vaishnavi Vaity:** I guess we have answered all the questions from the chat box.

**Harvinderjit S Bhatia:** And, in case there are any questions, please reach out to AKMIL Advisors, and we will, you know, address those questions.

**Vaishnavi Vaity:** Yes, yes. So I guess we can conclude the call. Thank you, Harvinderjit, sir, and thank you Harpreet Sir for your time. Thank you to all the participants, and as Harvinderjit, sir, said, you can contact us at [info@akmiladvisors.com](mailto:info@akmiladvisors.com) Thank you.

**Harpreet Singh:** Thank you, everyone. Thank you. Thank you for your time. Bye-bye.

**Harvinderjit S Bhatia:** Thank you. Thank you everyone. Thank you. Have a great day.

**Vaishnavi Vaity:** Thank you.