

August 13, 2025

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001  <b>Company Code No.: 539807</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051  <b>Company Symbol: INFIBEAM</b>
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Dear Sir/ Madam,

**Sub: Transcript of Earnings Conference Call for the quarter ended June 30, 2025**

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Investor/ Analyst conference call on financial performance of the Company for the quarter ended June 30, 2025 conducted on Friday, August 08, 2025, after the meeting of Board of Directors, for your information and records.

This transcript is also available on the website of the Company i.e. [www.ia.ooo](http://www.ia.ooo).

Kindly take the same on your records.

Thanking you,

Yours faithfully,

**For Infibeam Avenues Limited**

**Shyamal Trivedi**  
**Sr. Vice President & Company Secretary**

**Encl.:** As above

**INFIBEAM AVENUES LIMITED**

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“Infibeam Avenues Limited  
Q1 FY26 Earnings Conference Call”  
August 08, 2025



**MANAGEMENT:** **MR. VISHAL MEHTA – CHAIRMAN AND MANAGING DIRECTOR– INFIBEAM AVENUES LIMITED**  
**MR. VISHWAS PATEL – JOINT MANAGING DIRECTOR – INFIBEAM AVENUES LIMITED**  
**MR. SUNIL BHAGAT – CHIEF FINANCIAL OFFICER – INFIBEAM AVENUES LIMITED**  
**MR. B. RAVI –INDEPENDENT CONSULTANT – INFIBEAM AVENUES LIMITED**

**MODERATOR:** **MR. RAJAT GUPTA – GO INDIA ADVISORS**

**Moderator:** Ladies and gentlemen, good day and welcome to Infibeam Avenues Limited Q1 FY '26 Earnings Conference Call, hosted by Go India Advisors. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rajat Gupta from Go India Advisors. Thank you, and over to you, sir.

**Rajat Gupta:** Yes. Thank you, Hamshad. Good evening, everyone and welcome to Infibeam Avenues Limited earnings call to discuss the Q1 FY '26 results. We have on the call with us today, Mr. Vishal Mehta, Chairman and Managing Director; Mr. Vishwas Patel, Joint Managing Director and Mr. Sunil Bhagat, Chief Financial Officer. Also joining us on the call today is Mr. B. Ravi, who is advising Infibeam on corporate and financial strategy as an independent consultant.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risk that the company faces. I now request Mr. Vishal Mehta to take us through the company's business outlook and financial highlights, subsequent to which we'll open the floor for Q&A. Thank you, and over to you, sir.

**Vishal Mehta:** Thank you, Rajat. A very, very good evening to everyone. It's truly a privilege to be here with all of you today, our partners, our investors and those who have placed their trust in the Infibeam journey from the beginning. At Infibeam, we've built our success on 2 core principles: deep technology and strategic foresight.

Today, I want to talk to you about what we believe is the next defining chapter in that journey, a theme that's not just shaping our road map, but the very way and value whereby which is being created in this digital age. The theme that I'd like to talk to you about today is platform convergence. We believe that the age of platform silos is over.

Now over the past few years, we have built a scaled category-leading products. For example, with CCAvenue, we've become a trusted name in digital payments. With our e-commerce platform, we've supported giants like Jio, Saudi Telecom, government and others, powering the robust infrastructure at scale. Now with Phronetic.AI, we have stepped boldly in the AI frontier.

We see that the market is also evolving and so are the customer expectations. Today's businesses, whether they are start-ups, SMEs or large enterprises, they don't want fragmented tools anymore. What they want is a complete solution. They do not want to juggle with disconnected systems. They're asking a simple and a powerful question. Can I do more from one platform without the friction and without the overheads?

Our answer to that is, yes. The way forward is through convergence. Now let me be clear on why convergence wins. This isn't just about bundling products or stitching different platforms together with features. Convergence to us is actually a mindset shift. It's about reimagining how value is created when platforms are strategically aligned. Let's look at the flow for an example.

We believe that payments fuels commerce. Commerce feeds into CRM and operations, and operations will drive productivity and AI that we are investing in will empower every step of the chain. When these elements exist in silos, you get friction, but when they converge, we believe you'll get flow. The result will be a better user experience, higher retention, richer data intelligence, lower cost to serve and a massive opportunity to cross-sell and upsell.

This isn't about diluting the focus. It's about amplifying the impact. Earlier today, Infibeam Avenues Board has approved a strategic transfer of the e-commerce platform infrastructure business to Rediff.com for INR800 crores. I would like to address why the platform moved to Rediff and why now. It's a pivotal decision in our strategy.

We believe that our e-commerce platform business, while extremely strong on its own, can deliver even greater value when paired with Rediff's enterprise ecosystem. Here's why the combination makes powerful sense.

First, the framework fit. Rediff's enterprise platforms, Rediffmail, RediffPay for consumers and the growing Rediff Fund suite are purpose-built for productivity, CRM and ERP. By adding e-commerce to this framework, we complete the entire circle. Second, the go-to-market strategy, Rediff has already got long-standing relationships with thousands of businesses across e-mail communications and media.

This gives us an immediate access to trusted distribution channels perfect for bundling, upselling and scaling quickly. Third, the power of the brand. Rediff's legacy and credibility, especially both in Indian as well as global markets, bring increased visibility and resonance to our platform.

Finally, strategic oversight. Even as we transition the platform under the Rediff umbrella, Infibeam retains more than 80% equity control of Rediff. That means we remain closely aligned not just operationally, but in the vision and execution as well. What this means for investors is what I'd like to cover.

To me, it means financial clarity. It means business focus. We now operate through 2 powerful independent scalable verticals. One is Infibeam, where we are focused and where we are focusing all our firepower on CCAvenue payments and AI infrastructure. The second one is Rediff, where we are now unlocking the full potential of e-commerce enterprise SaaS, which is software as a solution and productivity platforms.

This structure reflects maturity and the confidence to align capital, leadership and strategy to the right verticals at the right time. It also mirrors what we are seeing globally, where platform companies are winning through vertical integrations, ecosystem thinking and unified customer experience.

With platform convergence, we are now positioned to build end-to-end ecosystems that means full spectrum business needs, develop deep partnerships that go beyond transactional integration, scale across industries, geographies and digital use cases and most importantly, become indispensable infrastructure in the digital economy. This is not just about optimizing what we have. It's about designing the infrastructure for tomorrow.

Let me leave you with this thought before I transfer the call to Vishwas. We are not creating platform silos. We are creating multipliers of value. We are not shifting assets. We are realigning them to strategic acceleration. As India's digital economy gains momentum, Infibeam isn't just participating.

We are building the roads, the rails and the engines for AI that will carry it forward. We remain deeply committed to transparency, execution and long-term value creation. Now with that, I will pass on the discussion to Vishwas on business updates. Vishwas, over to you.

**Vishwas Patel:**

Thank you, Vishal. Good evening, everybody, on the call. Before I begin, I want to express our deepest gratitude to all our investors for the successful rights issue. Your continued belief reinforces our conviction and gives us the momentum to accelerate growth and innovation with confidence.

As Vishal mentioned, Rediff is now entering into a transformative growth phase built around three focus verticals. The first one being Rediff platforms. This includes RediffOne, an enterprise e-commerce suite designed for large and midsized businesses to manage their full digital life cycle from storefronts and hosting to analytics and CRM. Rediff platforms will offer a full SaaS-powered business ecosystem.

This is made by us Indians, in India, hosted in India and complied with all our local Indian laws. The second is the Rediff-TV, our newest and the most exciting venture. Rediff-TV is India's first fully AI-driven content platform, enabling creation, curation and monetization at scale. With a robust ad tech engine built in, it's not just about streaming, it's about building a high-growth media and advertising vertical powered by machine learning.

The third one is RediffPay, our future-ready platform designed to scale with the next wave of innovation, be it UPI, stablecoins, CBDC or tokenized commerce. It complements our enterprise offerings and enhances the user experience across verticals. These 3 pillars form a scalable integrated ecosystem. With convergence closing soon, Rediff is expected to cross INR300 crores in run rate revenues and we are confident it will exceed INR1,000 crores in annualized revenue within the next 12 months of closing.

Meanwhile, Infibeam Avenues will continue to sharpen its focus on the 2 powerful engines: CCAvenue Payments, one of the India's most trusted payment gateways, offering deep integrations, regulatory credibility and a strong merchant partnership across sectors. Phronetic.AI, our AI arm focusing on building advanced reasoning models, VLLMs and Agentic AI platforms to drive intelligent automation across payments and beyond.

From personalized transactions to adaptive fraud detection, Phronetic is not just enhancing performance, it's redefining how AI transforms financial infrastructure. Together, CCAvenue and Phronetic.AI represents the fusion of scale and intelligence, the future of smart, secure and context-aware Fintech.

With these verticals, we are confident of building a long-term sustainable value for businesses, users and our investors. Now over to Sunil, our CFO, for the financials. Sunil, sir?

**Sunil Bhagat:**

Thank you, Vishwas sir. It's a pleasure to speak with you today and to share our quarter 1 FY '26 performance, which reflects continued execution of our strategic road map, robust demand and operational discipline. Let me begin with the consolidated performance. I'm pleased to state that we have been continuously delivering tremendous growth quarter-on-quarter and year-on-year. This quarter 2 is no exception.

Our gross revenue jumped by 72% year-on-year, reaching to INR1,280 crores as compared to INR745 crores in quarter 1 FY '25. On a sequential basis, this makes a nearly 10% growth, demonstrating consistent momentum across our business unit. Our net revenue grew by 31% year-over-year and 13% quarter-over-quarter coming in at INR152 crores during the quarter, reflecting strong consumer engagement and deeper market penetration.

Our net take rate yet again stands beyond the 10 bps and is at -- stood at 10.4 bps as against 10.6 bps quarter-over-quarter, which reflects the healthy margins, and we expect a double-digit growth in the current fiscal in view of the geographical expansion. Our adjusted EBITDA increased by 3% year-over-year to INR71 crores and adjusted PAT came in at INR85 crores, which is up by 70% from the same quarter last year.

This is a direct result of our commitment to efficiency and sustainable profitability. Our EBITDA margin stands at an impressive 47% and PAT margin further improved to 56%, which is up from 43%, which both indicating strong margin expansion and support superior operating leverage.

Now moving to our stand-alone performance. Our gross revenue saw a big jump of 76% year-over-year to INR1,198 crores, while the net revenue rose to 13% year-over-year to INR102 crores. While net revenue saw a 4% sequential dip, we remain confident that this is temporary and already see early signs of recovery. Our adjusted PAT surged at 81% year-over-year to INR59 crores, showcasing the inherent strength of our core operations.

Our adjusted EBITDA on a stand-alone basis was stable at INR37 crores year-over-year. As expected, there was a sequential decline of 45%, which reflects timing of certain expenses and one-offs, not reflective of our core trend line. The stand-alone EBITDA margin stands at 36% and strong PAT margin at 58%, which reflects prudent cost control and sharp execution.

Looking ahead, these numbers affirm our platform-led strategy, our ability to scale efficiency and our focus on value creation. Our dual approach that is scaling gross revenues while improving operational leverage has delivered strong bottom line growth. As we move forward, we remain committed to enhancing shareholder value through innovation, disciplined growth and strategic investment in our future.

For the full year FY '26, we provide the following guidance. We are projecting revenue of INR5,250 crores in the lower side and INR5,500 crores on the higher side. In case of net revenue, we are expecting in the range of INR540 crores to INR600 crores. EBITDA in the range of INR325 crores to INR350 crores, and PAT, we are expecting at INR220 crores to INR240 crores in FY '26. I thank you once again for your continued support and trust and partnership.

I will now hand over the call to the moderator for question-and-answers. Thank you.

**Moderator:** Thank you very much. We will now begin the question and answer session. The first question is from the line of Rahul Jain from Dolat Capital.

**Rahul Jain:** Just a few questions. Firstly, on the transaction, if I understood the contours of the transaction, basically, we have valued the business that we are -- the platform business that we are passing on at INR800 crores, out of which half of the consideration is coming against 28% additional stake in the Rediff business.

When we bought the initial 54% stake, the value of that business was significantly lower, while this 28% stake is valued at INR400 crores. Can you please explain the reason for a meaningful jump in the valuation of the Rediff stake or is there some misunderstanding here?

**Vishal Mehta:** No, Rahul, you're absolutely right. Basically, the first investment of Rediff that we made was in the second to the third quarter of last year. We completed the transaction end of September. This September, we finished almost 1 year. Within that time frame, there are 2 or 3 large opportunities that Rediff was able to work upon.

First one being the most recent, as you recollect or you may have seen in the news, Rediff has become quite a bit of default choice for very, very large enterprises. There have been news that some of the largest companies in the country have started moving into Rediff, given the macroeconomics and certain sanctions that have started coming in.

This is somewhat a global news, but even prior to that, we had seen quite a bit of traction for companies who were earlier using enterprise e-mail platforms of MNCs moving into Rediff given that the platform has data localization. It's Indian-owned, Indian controlled, and it has been around for more than a couple of decades. In some ways, we saw very good traction from a platform perspective in Rediff.

The security standards are extremely relevant nowadays. We see a lot of movement for medium and large enterprises. You'll appreciate that a lot of BFSI clients, names like, HDFC Life and many others, they're all on enterprise Rediff platform. We saw quite a bit of traction there in terms of growth of the core business of the platform for Rediff.

Mind you, there are more than 20,000 different companies still utilizing Rediff on Rediff E-mail Pro and others. I think that business has grown quite a bit. The one that I'm talking about specifically in the news is regarding the companies working in the energy segment. You could perhaps take a look at that as well.

The second thing is that Rediff has built out a complete RediffPay framework. This is a UPI-driven framework. We've received the in-principle approval from NPCI. The app will be -- in fact, you would have noticed that Rediffmail app has been upgraded to becoming a super app, which includes pay, and very shortly, pending confirmations and approvals from the regulator, we'd be launching it very shortly.

We think that is a pretty massive potential in terms of the opportunity space. The third area that we've built out in the last -- I don't know, whether you've been using free Rediff e-mail. That

has also been upgraded massively on a single stack. The third one, which is the media asset on -- and we have launched a complete media framework on television.

You would imagine that eventually, there will be something on Rediff News and Rediff Money and many others that potentially have an opportunity to grow. It's actually fully AI-driven, no humans, and it's the first of its kind in the country. We think the potential of this asset is pretty significant. It's great.

It's got a fabulous brand name. We had a fair valuation of this asset done, but yes, you're right, it goes in the INR300 crores to INR400 crores range, which is maybe a factor more than what we had invested in earlier.

**Rahul Jain:**

Right. Just to understand what you just said, so is the current revenue run rate also meaningfully changed from the run rate that we started off or it's just an early sign, which could culminate into a much larger thing? Secondly, the INR400 crores infusion that this entity might do to us, what is the source of these funds? Whether it is sitting in as part of the cash balance of this entity, not able to figure that part as well?

**Vishal Mehta:**

Yes. No, Rahul, great question. The entity has significant cash balance. I think it's good, but that is not the source of the INR400 crores that potentially comes back to us. The entity has an opportunity to raise capital. There have been some inbound interest from time-to-time. The entity is evaluating multiple options of fundraise, but we will be able to share as and when we hear from them shortly, and we'll update the group.

I think the transaction closes within the next 3 months to 9 months. Our expectation is that capital will come into our balance sheet within the next 3 months to 9 months. That's one. Your first question around what is the momentum in Rediff. We've seen significant contracts that have come in to an extent where there are multibillion-dollar contracts that Rediff has signed up on.

We expect that, that will generate quite a bit of run rate in the coming quarter itself. We're talking about Q3 of this year. That visibility is there. Again, I have to remind you that it's on a very small base. It is not a base where one can imagine, see, it's today also one of the top 1,000 traffic site in the world as per similar web and others. As of today, also, it's in the top 100 traffic site in the country.

We still have more than 100 million registered e-mail users. I think from a scale perspective, it's fairly large and scaled up. I think from a monetization perspective, that's where we find the largest opportunity at the moment. To your point, I think on a smaller base, yes, they've seen significant improvements.

Again, it has a long way to go. When Vishwas said that we'll be at a run rate of INR300 crores, in the next 12 months, we expect the run rate to be INR1,000 crores in Rediff, given the integrations.

**Rahul Jain:**

Sorry, I missed this last part. What you are saying is that including the platform business, we should be reaching INR1,000 crores kind of a run rate in Rediff in 3 months from now?



- Vishal Mehta:** No, in the next 12 months. As of today, we'll be at a run rate of upwards of INR300 crores once we integrate the platforms. Within the next 12 months, we expect a run rate of INR1,000 crores.
- Rahul Jain:** This percentage stake that we have highlighted in the press release, this is not considering the new dilution that may happen because the fund inflow will only happen once the dilution happens?
- Vishal Mehta:** That's true. That is correct. That does not include the dilution that may happen post Rediff raising additional capital. This ownership reflects the moving of the platform as a slump sale into Rediff.
- Rahul Jain:** Eventually, post the fundraise, when we actually receive the money, the post-diluted equity should be more than 50% for sure, right?
- Vishal Mehta:** Yes, we expect it will be much, much more than that.
- Rahul Jain:** Still will be more than 50%. The reason of asking more than 50% is basically...
- Vishal Mehta:** Yes. It will be significantly more than 50%, we expect.
- Rahul Jain:** Just last one question. From the revenue growth point of view, we have seen a significant growth in the quarter. What we are seeing is a seasonality trend slightly getting disturbed for us in terms of the way we are booking revenue. Is there something that we need to now reassess that how ideally the fourth quarter revenue should trend every -- on a sequential basis or is there any other pattern that should be more relevant for our business?
- Vishal Mehta:** Rahul, on a consolidated basis, all revenue consolidates because the ownership platform moves from Infibeam to Rediff, so I don't think you would see any impact to revenue or as a matter of fact, even net revenue on a consolidated basis. You will have a small amount of minority interest. Other than that, you won't see much of a difference from a projection perspective.
- Our guidance for the year is also based on consideration of that. Sorry, I didn't understand your question. You wanted to say something there.
- Rahul Jain:** What I meant to say is that our growth sequentially in this quarter was quite significant, double-digit growth. If I look at the past pattern of our business growth, this used to be relatively a smaller quarter and we should trend more towards Q3, Q4. Is there a different seasonality of the business now? I understand the consolidation part, everything will be part of?
- Vishal Mehta:** Yes. That's a great question. I think there's a range that has been provided, but you're right, typically, Q1 is a slow quarter. We have seen some good amount of acceleration in this quarter. We have seen a good amount of traction from the businesses that we signed up last year.
- The mix of business is also improving for us. We are conscious of that. We believe that we'll still expect to see some seasonality in Q3. We are carefully watching in terms of how the business will move. I think the guidance that we have provided is a fair estimate of where we think the business may end up by the end of the year.

- Moderator:** The next question is from the line of Mohit Jain from Dr Choksey Finserv Private Limited.
- Mohit Jain:** Sir, my first question is on the upcoming data center expansion. I believe we are expanding and adding more 8 megawatts of data centers. We already have two. I just wanted to know amount we are allocating to data centers out of the right issues amount? When will this 8 megawatt extra capacity will be commissioned? Based on the current pricing and utilization assumptions made by our internal team, what is the estimated peak revenue that we can expect from this side of the business?
- Vishal Mehta:** Yes. You're right, we have obviously scaling out our artificial intelligence frameworks, which may require edge compute, and edge is meaning that we need to be closest to the consumer from that perspective. We've always followed the client. In other words, when we have a client and it's much easier to put up an edge compared to putting up an edge and then trying to find a client.
- I think the strategy that we are applying is that we follow where the client is. We believe that there's a lot of opportunities. I remind you that there's a lot of incentive by the government as well to promote the data center and data center frameworks in this country. Fortunately, for us, in many states, we have good power connectivity. Instead of actually selling up gigawatt, we are actually going after a megawatt.
- To answer your question, what portion are we using for rights? We will use some portion for the IT infrastructure within the AI setup. For the non-IT, we don't have any allocation from the rights issue perspective because non-IT we'll do it from accruals. We have enough accruals in the company will -- because I'm sure you'll realize data center has IT components and non-IT components.
- For the non-IT components, we'll continue from our accruals. The IT components, there will be a few specific areas where we will invest from an IT infrastructure perspective. Like I said, our strategy, and we'll talk about it more in the coming weeks, but you'll see that we'll be following a lot of our customers, and we'll be working on that front.
- In terms of the revenues from this, I think it should start coming up starting next quarter, which is slightly meaningful. That's what we meant. We'll not segment it out, but we will definitely -- you'll be able to see quite a bit of that by the end of the year.
- Mohit Jain:** Just to follow up on that, if it's starting next quarter, so where are we expecting to commissioning the entire 8 megawatts, by the end of next year? Is it safe to assume?
- Vishal Mehta:** No, it may take us 18 months to 24 months. We'll not commission all of that. We will follow the client. When we have a client, we get much better ROIs. We'll be using it for our own captive purpose because wherever in video large language models and others, see, there are 2 trends which are happening.
- One is that you can actually come up with smaller-and-smaller models once you have data that comes in. You may deploy a larger model, but then eventually, in order to optimize these models,

you may come up with smaller models. There is one dimension where it becomes less-and-less expensive, inference is almost becoming free and unlimited.

I think from that, we're reasoning models and training them and trying to build it out and then deploy it on the clients. We are evaluating and this whole structure is moving very quickly. Rather than doing a postmortem, we are very clear that our strategy is that let's build for the clients, utilize the capacity, go to the next client to utilize the capacity, and we'll keep on building out.

If we get all the clients within 12 months, we'll do it, but we are going to be very cautious in terms of how we deploy that capital.

**Moderator:** The next question is from the line of Deepesh Sancheti from Maanya Finance.

**Deepesh Sancheti:** Just a few questions. Firstly, the Phronetic AI is positioned as a strategic growth engine. Could you share the monetization model and expected revenue mix from the AI-driven products like, fraud detection and intelligent routing by FY '28?

**Vishal Mehta:** Sure. Phronetic AI, it's going to focus on 3 things: the video LLM models, which we call in some ways, more than analytics, but actually understanding of videos. Second is the reasoning models that understands what's happening within the within the videos. Third is a complete suite of orchestration. It's like a full stack AI solution, which I call Agentic developer platform. Rather than humans working on it, agents can do quite a bit of work on that.

Rather than getting into too much specifics, we think that these are the 3 areas that are super connected. I think rather than just creating a layer on top of GPT and providing it to clients, the way we think about Phronetic is that you need to be a full stack AI provider and from a large language model perspective, you can have multiple.

Today, you may want to use GPT and tomorrow, you may want to use Claude, but having said that, those are the tool sets that we will utilize. Having said that, rest of it is a full stack. When you provide that full stack to clients, you have full control over that ecosystem. Even the client will have quite a bit of control over the ecosystem. The reasoning models, we think that they'll be vertical specific.

In other words, you can think of it as a reasoning model for medical is different than a reasoning model for fuel station is a very different reasoning model. I think that, that's where we think that there's orchestration layer that has to play a role and may completely, in some ways, stateless for someone who's utilizing it.

As more-and- more data comes in, like I mentioned earlier, you would need to have smaller-and-smaller models that potentially give the same amount of efficiency, which is -- I mean, in some ways, the size of the GPU may actually keep on -- you may not need so much, and that becomes a very important component for the edge compute.

I think from our perspective, the relationship of being able to provide -- and like I said, video has a huge number of applications. In some ways, to us, we feel that it's somewhat untapped in this country and in many other countries as well. It can be used for hospitals. We already use it for gas stations and others, but it doesn't stop there because once you have that inference, then you need an agent to do quite a bit of work that humans would typically end up doing.

When we started out, we started out in one area and then we started realizing that this requires a full stack. Very recently, we have just launched the beta version of our Agentic developer platform. In other words, anyone, including yourself, can actually go on to the developer platform and create your own agent, and it will fully deploy it.

You don't even need to have deploying an infrastructure and so on and so forth. In that way, it will end up doing and will practically do most of the stuff for you. We think it's pretty exciting, and we haven't seen that happen in anywhere in this country yet. I think we are slightly ahead of the curve. We want to continue being there.

How it translates into our revenue is that so far, we believe that there is a licensing component, licensing on each machine. In other words, if you have an H100 and if you want to deploy it on that machine, then we'll have a licensing component to what we provide. Then the second component is based on number of tokens calls, complexity, so on and so forth.

We do have revenues coming in. Like I said, they're not meaningful, but they're upwards of \$1 million a year. I think in the AI world, getting to that first \$1 million is also in our case, we feel that it's an achievement. Like I said, it's not meaningful to be able to go and discuss and talk about it.

We think that we can do a lot better. We can do much more than this, but it will have a component of -- based on usage and based on licensing. It will be a combination of both, not one or the other.

**Deepesh Sancheti:**

We are doing revenues of \$1 million only on agent monetization?

**Vishal Mehta:**

Not agent. It's actually VLLM reasoning model and agent combination. We've got field agents and desk agents. We can get into specifics, but the whole idea is that desk agents are there, field agents aren't there yet. You'll have a few providers, international providers that provide desk agents.

I think from our perspective, if you do a combination of reasoning and field agents, it is a very strong combination with a full stack AI layer. We can see applications in hospitals, gas stations, defense, many others. We believe that we'll talk more about it in coming months, but we are, again, cautiously optimistic about it because we see that there's a lot of potential.

I think a lot of people are trying to even get to a point where they will understand what's going on. I do believe we are ahead of the curve, but that is -- that is not a consolidation. It just means that we have to work harder to actually be way ahead.

I think from agent developer platform, I don't see that anyone else has built that out yet. You don't need to be a software developer to become -- to build your own agent, let's put it this way.

**Deepesh Sancheti:**

About the international TPV run rate has crossed about AED 12 billion. How much did the international contribute to the net revenue this quarter? What was the Y-on-Y growth rate in that segment? Also, you've set a target of 12% to 15% international contribution to payments net revenues by FY '28. Which markets beyond the GCC will be the biggest drivers? What's your strategy to localize offerings in those markets?

**Vishal Mehta:**

See, I'll tell you what our numbers and then Vishwas will tell you a little bit about our international payments business. International contributes less than 10% of our overall single-digit percentage yet, so we are not there, but we see a massive potential. Today, our major presence, if you come to think of it, will be in UAE. That is the largest geography.

We started Saudi as well. We've got more than 10 to 12 clients now in Saudi operational and running. If you look at VSS and others, they've all started with us in Saudi. Yes, there is a target. Vishwas, do you want to take this about international?

**Vishwas Patel:**

Yes, Vishal. As Vishal said, I think Middle East is our core target area right now. UAE, we have grown fantastically year-on-year growth and everything that is there, but the main business of international transactions is coming through UAE right now. Some of the biggest clients in the region there in UAE are our merchants.

Similarly, we have now grown into Saudi. Saudi required a lot of data localization and other things. We are investing, putting up the entire infra there, primarily within the Kingdom there. This we think we act as a moat right, going forward. That also -- and the growth in that market will far exceed what we see in UAE market.

Saudi is a prime target. We are all primed up to take it to the next level. We have everything in place there. We have invested a lot in data localization and other things. Oman is another country we are very excited about. Four of the biggest banks there are already using our platform. Some of the biggest merchants also were on-boarded last quarter.

Oman is growing very well. We might look at the PSP model for the other small countries within GCC, be it Qatar or Kuwait, Bahrain. Apart from that, post this is there, of course, U.S. and Australia are also on the horizon. We want to first finish off our domination in the Middle East market before we move there.

**Deepesh Sancheti:**

This quarter, we saw a significant rise, a very good growth, in fact, in our revenues, but the profit, the net profit has been almost -- I would say, it's lower than last year and flat quarter-on-quarter also. Where do you see the -- why is the margins -- what's taking the hit on margins?

**Vishal Mehta:**

See, actually, if you look at our profits, it's actually grown as well. It's at INR85 crores adjusted profit. If you read in our media release, there's a component of mark-to-market gain loss, which is where I think it shows artificially depressed. If you remove that impact, it comes out to be INR85.5 crores, which is 70%.

In other words, yes, the mark-to-market is no impact to our cash flow, but it's the mark-to-market impact, which is artificially depressing the PAT number reported this. It's all notional. That is the impact for this quarter.

**Deepesh Sancheti:** The reason I'm asking is also because of the guidance, your guidance also you mentioned about INR220 crores to INR240 crores, which it's showing that it is going to be a growth of 5% to 15%, but whereas last year itself, we have done around INR236 crores. Just wanted to have that number.

**Vishal Mehta:** I think we are being appropriately conservative. We believe that we'll be doing a lot of media activities and spends on building out the Rediff platform. In other words, we've allocated quite a bit of capital to promote certain activities within Rediff, though it be platform or pay.

**Deepesh Sancheti:** No, that's okay. I mean I'm not talking about the allocation of money. I'm just talking about that when the guidance is about -- the sales guidance is giving a good growth perspective. Why is that not being seen also in the profitability?

**Vishal Mehta:** Yes, that's exactly. In a consolidated basis, Rediff will consolidate into us, and we expect to spend a significant amount of our monies on branding and marketing Rediff because we are launching RediffPay, which is a consumer app. Consumers would use it much like what they would use for Google Pay, PhonePe and Paytm and others along with e-mails.

Our guidance includes the fact that we'd be spending for the next 6 months on promoting RediffPay and Rediff platforms and Rediff-TV and others. We'll be spending on branding and customer acquisition, which is where we believe that we're not optimizing on profit, we are optimizing on long term.

**Deepesh Sancheti:** I hope that long term also like with profitability, ROE also will see significant growth because right now, we are at very small single- digit ROEs?

**Vishal Mehta:** I think that our ROE is again also artificially depressed because of goodwill. If you remove the goodwill from the ROE, which is the result of a merger, so if you remove that goodwill component of more than INR1,000 crores, you would perhaps get the real ROE, which will perhaps show up. You're right. I think we'll always look at profitability as we build up.

**Deepesh Sancheti:** If you can just mention about what is the goodwill factor? How much will be adjusted book value be?

**Vishal Mehta:** Goodwill is INR1,600 crores on the books at the moment.

**Deepesh Sancheti:** INR1,600 crores. That's approximately INR4 as a book value gone.

**Moderator:** The next question is from the line of Krishna Anandpara from Statheros LLP. Please go ahead.

**Krishna Anandpara:** I have a question that of the INR700 crores rights issue announced, how much has been drawn or committed in Q1? What tangible like, revenue or margin impact do we expect within FY '26?

If you can give a clear split of how much will go towards AI marketplace development, AI infrastructure and payments expansion?

**Vishal Mehta:**

Sure. Basically, in the letter of offer that we have published as part of the rights issue, you'll be able to see quite a bit of detail in terms of the capital raise for rights and how we expect to spend and the time lines that we expect to spend that all. Primarily, we'd be utilizing the capital in terms of growing the Rediff framework as well as being able to build out a defensible AI setup, which is what I just mentioned earlier. From the rights issue, it's partially paid.

At the moment, we've closed the rights issue, and we'll be asking for the next call within 6 months. Yes, you'll see quite a bit of -- all the details that you require would be there in the letter of offer.

**Krishna Anandpara:**

I have one more question. As you have announced plans for 12 small city AI data-driven centers, what is the expected capex per site? How do you intend to ensure high utilization rates early in the life cycle?

**Vishal Mehta:**

See, we have been doing a lot of calculations, and you know that a lot of things are moving also from an ecosystem perspective, but we are appropriately conservative in terms of ensuring that the capex will give us the returns. The capex will typically be in terms of software developers, the IT infrastructure, software developers specifically around AI and others because you must have heard the news, they are few and far between.

Given the macroeconomics that we hear in the U.S. as well where some of the largest companies are throwing a lot of capital around that. Like I said, we are appropriately conservative. We'll be spending on practically the whole frameworks in the software development, the developers and the IT infrastructure that comes along with it to be able to deliver solutions to the clients.

Fortunately, we have a few clients who have already signed up with us and who are signing up with us going forward. I think to answer your question, a typical ROI in a data center will be anywhere between 18 months to 36 months for us. That's the target that we have in our mind. If it can happen earlier, it's even better, but that's the ROI time horizon that we think is a fair estimate.

That's what we target. We are not looking at a 5 year ROI because that's very hard to -- because a lot of things change in terms of upgrades and so on and so forth, so we are targeting 18 months to 36 months.

**Krishna Anandpara:**

Any expected number for capex per site? As you have mentioned, 12 more cities, AI data centers?

**Vishal Mehta:**

Capex per site will be -- I think you can expect that it will be anywhere from \$1 million to \$3 million.

**Moderator:**

The next question is from the line of Satyam from Profit Mart Securities.

**Satyam:**

I have a couple of questions. The first question is the total TPV declined 3% year-on-year to INR1.9 trillion, can you detail this volume decline and whether this was due to seasonality or competition or macroeconomic factor? Also with the MDR-based payment contribution of 72% of TPV, how much did the mix shift towards zero MDR UPI? What impact net take rates in the quarter 1? Also how does it compare with the prior 2 quarters? Can you share the comparison?

**Vishal Mehta:**

Yes, sure. If you look at the TPV, the TPV that we report has both platforms and payments. If you look at the impact of -- and the platform is primarily GeM in this. If you remove the impact and look at quarter-over-quarter, actually TPV for payments has increased by more than 15%, 20% year-over-year, '25 versus '26 Q1.

We have consciously focused -- I mean, UPI is a part of it. Anything which is bill payments or others are excluded in the MDR piece because there, we don't get a percentage, any bill payments and others. If you look at UPI-based, we've consciously try to maintain or we don't encourage and use a lot of UPI-based transactions.

Most of the companies in this payment space, they play a portfolio approach. Just to give you an example, they will price UPI, non-UPI together as competition. They will say that you would get a flat rate of x percentage, which includes UPI, non-UPI and other payment methods.

They will play the role of higher UPI transactions so that they can give a lower percentage, if that makes sense to you, which means that if you are a shop which processes 50% UPI and 50% non-UPI, then they will perhaps reduce the overall percentage and charge across all the payment methods. That's a little gray area for us.

We think that we have to be transparent to our merchants and be very clear that we are not charging for UPI, which is what has been mandated. While there have been different practices across, we have shied away. By design, what tends to happen is that for "gullible merchants", they would perhaps join at a lower threshold, not realizing that they are giving up a lot.

We have shied away from that, which means that we never go to any merchant and say that we will give you a blended rate considering even the UPI transaction. That's one of the reasons why we don't have a big percentage in UPI. In fact, it goes down quarter-over-quarter for the same quarter year.

When we start RediffPay, RediffPay will focus on UPI. That is what we talked about, which is that is UPI-first, TruePay-first, everything which is in some ways, beneficial. That is where we think that there will be alternative sources of revenue and we can build out quite a bit of defensible business.

Like I said, our Infi focus has always been on net revenue. If you look at net revenues, that will be a good reflection. The net revenue has actually increased by more than 30% year-over-year. It's actually 31% year-over-year. That's the one that we think is a good metric to focus on with us. Vishwas, anything else to add?

**Vishwas Patel:**

I think you have covered it all. I think nothing much more.



**Satyam:** My another question is, as you have mentioned earlier, waiting for the retail payment networking license, how would you obtain the license and change your revenue model? What are the realistic time line given the current regulatory environment?

**Vishwas Patel:** Actually, which license you're talking about in India or in UAE or other markets you talked about?

**Satyam:** I'm talking about retail payment networking license for international?

**Vishwas Patel:** Yes. No, for India, right? The retail payment, the NUE, which RBI had come out some time back, right, which is like a network license. Right now, RBI has not replied to the applications that were put in by the consortiums. All are awaiting RBI's guidelines towards that. It's an RBI code right now.

**Satyam:** Once the license get approved, what will be the revenue model? What will the change in your revenue model?

**Vishwas Patel:** That we are part of a consortium. It's like building the whole network like a Visa or a MasterCard or NPCI, which has its own card brand and national switch and all that stuff. It's a very different model. If RBI were to decide in principle, then the whole consortium will get at its place and then plan it out as per current time. If you are aware, this was 2 years back, RBI is still not acted on it.

Once RBI has decided something or given us some info, then I think detailed planning and other things how to roll out the network will come in. Too early to premature to say anything on that now.

**Moderator:** The next question is from the line of Mohit Daga from Aspirewise Advisory Llp.

**Mohit Daga:** Sir, I want to ask that given that media ventures can be capital intensive before monetization kicks in, so can you tell me what is the breakeven horizon for Rediff-TV? How do you see ad tech integration impacting Rediff overall margin profile?

**Vishal Mehta:** I'll take this. Basically, Rediff-TV is in beta. It is launched. You can actually take a look at it. There is no anchor. There is no human anchor, I mean. There is no human involved in the whole process. It has multiple languages support. If you will read news, it will put all multimedia together on the fly, on the run and they're able to build out every story. We have tried and tested it and we've inserted ads.

On a variable cost basis, today, it's profitable. In other words, we think that unlike the traditional approach where you would need to build out quite a bit of capex that you mentioned and so on and so forth. I think this one is, again, a full stack. It's able to do a lot more and much quicker without actually humans getting.

Of course, there are original stories and so on and so forth, which Rediff News provides, which will be input into Rediff-TV. There will be some amount of podcasting and others, which will

potentially take up some capex. I think we are not looking at capex, which will be exceeding, you can say, 1 million.

**Mohit Daga:**

I have one more question. Sir, Rediff is entering a highly competitive market, U.K. market. We have the dominant players, so how will Rediff differentiate it from their peers who has deep pockets and strong regulatory relationship?

**Vishal Mehta:**

It's a great question, something that we talk about all the time. We won't go after the horizontals. Basically, we'll go after a business layer, which is sitting on top of RediffPay, which addresses a particular problem. In other words, we think that we'll go after building out automated workflows on top of RediffPay, which addresses a problem for a particular brand or a merchant.

To give you an example, today, a lot of brands may not know the end user. When you think about an FMCG brand, and if you're a consumer of the brand, the brand would not know you as a consumer. Using business layers and logics and workflows on top of an existing consumption app, in fact, to an extent where quick commerce companies know the consumer much more than FMCG company knows. We find that there is a gap there.

Using RediffPay and business workflows that we build out for specific clients, we can automate and provide that information to the brands, which is what stands the test of time. We'll be working a lot on those areas. We'll not just go after. Second is that we'll integrate pay as part of this whole communication channel. You'll be hearing a lot more from us in the coming months.

**Moderator:**

The next question is from the line of Kaushik Poddar from KB Capital Markets Private Limited.

**Kaushik Poddar:**

This RediffPay, will it be Google Pay plus?

**Vishal Mehta:**

If you consider workflows on top of Google Pay, yes, it will be. Primarily, some of the largest UPI players, they don't have or I would not say they don't have, they have chosen not to build out workflows given whatever conflicts which are out there in the market. We believe that building out specific workflows on top of Pay will be the way to go because what you do is, if you look at some of the FMCG brands.

They do thousands of crores a year, which is still either in cash or non-UPI based. That is a market to go on because we are enabling commerce. You take what is existing and make it part of Pay. I think they would like it because the use of cash has gone in the system. There is no additional charge or anything that anyone has to pay for that.

We believe that, that would be our approach, which is create business layers on top of UPI and go after specific very, very large clients. The larger the client, the better because finally, consumers will be attached to a particular product. FMCG is just one simple example. There will be more industries like this.

We think that we'll go with a slightly more verticalized approach rather than just going horizontally. We do believe that we have got something unique, which is people come to us due

to mail. It's a daily habit. You will have to come and check. When you have millions of e-mail users, we have a way to reach out to them. We don't need to get them to our platform.

They already come to our platform. We just need to find out more mechanisms of what they will do using RediffPay.

**Kaushik Poddar:** Are you monetizing Rediffmail?

**Vishal Mehta:** Enterprise version of Rediff is being monetized. It is a charge service, much like what you would do to pay Google and pay Outlook and others. The enterprise version is a paid service. The free e-mail is ad supported.

**Kaushik Poddar:** Is it ad supported, is it?

**Vishal Mehta:** It is.

**Kaushik Poddar:** Is Rediff in the black, Rediff as a stand-alone entity?

**Vishal Mehta:** Last year, for the first time, it came in black. Historically, the burn is about 1 million.

**Kaushik Poddar:** From the existing operation, can the blackness improve? From the existing operation itself. You are, of course, adding on various other things. That is a separate thing, but do you see as the volume goes up, the existing operation itself can bring in a lot of profit?

**Vishal Mehta:** Yes. I think that hard to say before we actually prove it. I think just so that you know, it is pretty massive scale. In other words, we send about 0.5 billion to 1 billion e-mails every day. It's scaled out, tried tested, been around for more than a decade, fully Indianized. All our data is residing only in this country, no other country.

I think from all those parameter perspective, I think there's a very large opportunity. Given the macroeconomic environment, I think it becomes even -- it's fast tracked somewhat. I think that there's a pretty large opportunity to do this. I think since we took up the company last year as Infī, there's massive amounts of engineering that happens because, like I said, as a company, we want to focus on deep technology.

I think there are a lot of AI components that we've added. Enterprise e-mail customers and clients now they can have something called R Genie, which is the Rediff Genie that will do a lot of things for you on the fly, pretty much like what other companies would offer as tools, but yes, I think for us, we think that there's -- to answer your question,

I think Rediff has significant brand and inherent value that it's scaled up, we just have to find more ways and mechanisms to monetize on that.

**Kaushik Poddar:** In terms of the divestment of a part of the equity, are you looking for a private equity or a strategic partner? If you can say a few words on that?

- Vishal Mehta:** Sure. Of course, the Board will decide on the exact path forward, but it could be a combination thereof.
- Kaushik Poddar:** Okay because personally, I feel that Rediff, when you had bought it at INR100 crores, that itself was a very low valuation, but that itself was -- and I'm sure you must be building on it. Hopefully, whatever you are trying to do, add value will take it to further level. That's the way I look at it.
- Vishal Mehta:** That's the hope. I think there could be a multiplier, but that's the hope.
- Kaushik Poddar:** I mean you have to obviously prove it to whoever is a new equity partner that is coming.
- Vishal Mehta:** That is true.
- Kaushik Poddar:** Thanks for this information.
- Moderator:** Thank you. Ladies and gentlemen, due to time constraints, this would be our last question. I would now like to hand the conference over to the management for closing comments.
- Vishal Mehta:** I'd like to thank everyone on the call. Thank you for your continued belief in our vision and we believe this is just the beginning. We look forward to building the future together. Thank you.
- Moderator:** Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us and you may now disconnect your lines.