May 21, 2025

Listing Department,
BSE Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001
Scrip Code: **532633**

Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza",
Bandra - Kurla Complex, Bandra (East),
Mumbai-400 051
Symbol: **ALLDIGI**

Sub: Transcript of the Earnings Conference call

Pursuant to Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform that the Transcript of the Earnings Conference call, conducted through digital means on May 15, 2025; has been uploaded on the website of the Company under the following link: https://www.alldigitech.com/investor-information/ (Financial Information/ Investor Call Tab).

Kindly take the same on record.

Thank you,

Yours Faithfully
For Alldigi Tech Limited
(Formerly known as Allsec Technologies Limited)

SHIVANI SHARMA Digitally signed by SHIVANI SHARMA Date: 2025.05.21 18:36:05 +05'30'

Shivani Sharma
Company Secretary & Compliance Officer
Encl: - A/a

"Alldigi Tech Limited

Q4 FY '25 Earnings Conference Call"

May 15, 2025

MANAGEMENT:	**MR. NAOZER DALAL – CHIEF EXECUTIVE OFFICER – ALLDIGI TECH LIMITED** **MR. AVINASH JAIN – CHIEF FINANCIAL OFFICER – ALLDIGI TECH LIMITED**
MODERATOR:	**MR. SIDDHARTH ZABAK – IIFL CAPITAL SERVICES LIMITED**

Moderator: Ladies and gentlemen, good morning, and welcome to the Alldigi Tech Limited Q4 FY '25 Earnings Conference Call, hosted by IIFL Capital Services Limited. As a reminder, all participant lines will remain 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 the operator by pressing star then zero on your touchtone telephone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Siddharth Zabak from IIFL Capital Services Limited. Thank you, and over to you, sir.

Siddharth Zabak: Ladies and gentlemen, good morning, and thank you for joining us on the post Q4 FY '25 Results Conference Call for Alldigi Tech Limited. It is my pleasure to introduce the senior management team of Alldigi Tech who are here with us today to discuss the results. We have Mr. Naozer Dalal, CEO; and Mr. Avinash Jain, CFO.

We will begin the call with the opening remarks by the management team and thereafter, we will open the call for a Q&A session. I would like to now hand over the call to Mr. Naozer Dalal to take the proceedings forward. Thank you, and over to you now, sir.

Naozer Dalal: Thank you. Thank you, Siddharth. Good morning, everyone, and thank you for joining the Q4 and FY '25 earnings call. I'm pleased to be speaking with you today in this new chapter for our company, two key milestones or key events. We crossed the INR 500 crores revenue threshold in this financial year. So, we are now part of the INR 500 crores revenue club.

And equally importantly, our shareholding has been transferred from Quess Corp to Digitide Solutions, which aims to be a global provider of AI-driven digital transformation and business process solutions. You would be aware that this change is pursued through the 3-way demerger of Quess Corp, which was effective 01st of April 2025.

I'm joined by our CFO, Mr. Avinash Jain and we look forward to walking you through our performance and in responding to your questions. We will proceed with giving a brief business overview covering our lines of businesses and followed up with the detailed financial performance. Post that, we'll be happy to take your questions.

I'm pleased to report 8 successive quarters and 2 successive years of robust financial performance. Operationally, we have achieved strong revenue growth with healthy EBITDA margins while expanding our offerings and capabilities. For the full year, revenue from operations crossed the milestone of INR 500 crores as I said and stood at INR 546 crores, up 23% year-on-year, adjusted for the divested compliance business, while EBITDA was at INR 130 crores, up 12%.

The growth has been broad based across both verticals. In line with our strategic intent, the overall share of our international businesses increased from 57% to 63%, an increase of 6%. EBITDA margins have been marginally depressed due to the growth investments we have made this year - client-specific, operational leadership and sales resources primarily both for domestic

EXM sales and shared U.S. sales resources for CXM as part of the wider Digitide organization Sales investments / structure.

For the quarter, revenue from operations stood at INR 146 crores, up 13% Y-o-Y and 5% quarter-on-quarter, while the EBITDA was at INR 35 crores up 9% on a quarter-on-quarter basis. Our cash position and Collections continue to be robust. Our cash position as of March '25 was INR 165 crores up from INR 132 crores as of December '24. Collections for the full financial year '25 increased to INR 574 crores, up 20% year-on-year.

Coming to the operational performance for the businesses, we start with the EXM business. The EXM payroll business reported a 10.3% growth for the full year and 6.8% quarter-on-quarter. We added the highest number of new logos in Alldigi history at 63 in FY '25 with an ACV of INR 30 crores, which was up 50% from FY '24.

We have posted wins in the PSU and government sectors, both in India and the Philippines. Our international focus on EXM sales continues with addition of INR 14.4 crores ACV up 47%, our overall international contribution to EXM revenues also moved up from 24% in FY '24 to 30% in FY '25.

We posted good additions to our employee record base and continue to lead India's managed service segment. We processed 44.3 lakhs employee records for the quarter. And our base now stands at just short of 15 lakhs, at 14.8 lakhs as of 31st of March. We have made good progress on the partnership ecosystem, have built good funnel and registered wins in the HRMS space, including for SME and SaaS.

Our employee records processed per FTE improved by 11%, both year-on-year, full year and year-on-year, quarter 4. Our key service delivery metrics of payroll accuracy, on-time delivery and query TAT continued to improve year-on-year, setting new benchmarks.

Moving to the CXM segment. The CXM segment continued its growth momentum. We crossed a milestone of INR 400 crores Revenue, with revenue at INR 404 crores which is a 29% year-on-year and 4% quarter-on-quarter sequential growth, supported by deeper penetration in our health care business. The full year revenue growth was supported by a 16% increase in FTEs reflecting the non-linear growth driven by higher productivity, automation and operating leverage.

We also continue to grow the international business, which is now contributing to 3/4 of the total CXM business on a full year basis, up from 72% last year. As it is margin accretive as well, it has resulted in 100 basis point margin expansion for FY '25. We added INR 32 crores of new ACV in the full financial year across both new customers and new LOBs from existing customers.

We have added a sales resource in Philippines for local and Southeast Asia sales and witnessing early traction. This is with a view to improve our seat utilization in Manila, where as you know we drive business in the U.S. hours.

Additionally, all onshore sales resources for Digitide, now carry Alldigi CXM sales targets, too. Our service delivery continues to remain green and we continue to make efforts to infuse Artificial Intelligence into our current customer last year. I will now provide the progress update on the 2 platform projects, viz Smart Pay Version 4 and Smart HR Buzzily.

We have successfully onboarded 130 plus customers onto our SP 4 platform comprising 25% of our payroll revenues. For Smart HR, we have added wins of INR 7 crores ACV, of which INR 2 crores is for the SME segment. We saw a remarkable jump in our Net Promoter Score from 11 in FY '24 to 55 in FY '25 across both businesses, reflecting a strong endorsement of our customer governance and delivery excellence.

Our relentless commitment on diversity and inclusion have been yielding results with general diversity improving from 44% in FY '24 to 47% in FY '25. We continue to receive high ratings and increasing feedback on social media, Glassdoor, AmbitionBox, etc., a direct outcome of our capital focus on employee engagement. We also continue to encourage our employees to participate in the corporate social responsibilities of the company.

Looking ahead, for FY '26 - FY '25 has laid a strong foundation for our journey at Alldigi Tech. And now under the new parent, Digitide Solutions, our strategy remains crystal clear. We are deepening client relationships, expanding our global reach, driving efficiencies through technologies and AI and building our future very high-performance teams. With our platform scaled sales channels expanded and execution culture intact, we are confident of delivering another strong year in FY '26.

With this, I would now like to hand over to Avinash to walk us through the detailed financials. And after that, we'll be happy to take your questions.

Avinash Jain: Thanks, Naozer. Greetings, everyone, and thank you for your interest in Alldigi Tech, the new entrant of the INR 500 crores plus revenue club, now a part of the Digitide Solutions.

Let me begin our performance on the operational revenue front. Revenue for the quarter stood at INR 146.1 crores, reflecting a growth of 12.6% Y-o-Y and 4.7% Q-o-Q. For the full year FY '25, our revenue reached INR 546.3 crores, representing a strong growth of 16.4% over FY '24. Both verticals, CXM and EXM have contributed to this growth. In the CXM vertical, Q4 revenue stood at INR108.6 crores, growing 21.9% Y-o-Y and 3.5% Q-o-Q. International CXM revenue grew 24.5% Y-o-Y, while domestic CXM grew by 14.6% Y-o-Y in Q4.

Both was led by international markets with 4.9% Q-o-Q increase whereas domestic remain largely intact. For the full year, CXM revenue grew by 28.4% Y-o-Y to INR 405 crores. Growth was driven largely by international markets, which now contributes 74.5% of CXM revenues, up from around 72% last year.

In the EXM payroll business, revenue for Q4 stood at INR 36.3 crores, marking a 10.3% Y-o-Y growth and 6.8% Q-o-Q growth. For the full year, EXM payroll revenue grew by 10.3%. Notably, employee report volumes increased by 11.3% Y-o-Y to INR 172.4 lakh reports underscoring a strong operational momentum.

Now moving on to margins. EBITDA for Q4 came in at INR 35.2 crores, flat on a Y-o-Y basis, but up 8.6% Q-o-Q. For the full year, EBITDA was INR 129.6 crores, growing 12.1% Y-o-Y. In the EXM vertical, margins remained healthy at 36% for the quarter 4. EBITDA and for EXM was INR 13.5 crores, showing an increase of 22.7% driven by volume expansion and better cost absorption.

In the CXM segment, EBITDA grew by 30.1% Y-o-Y to INR 17.3 crores in Q4, with margins improving to 15.9%, up by 100 basis points over last year. This margin improvement is due to increased sales in -- of international business.

Coming to the bottom line, PAT for the quarter is stood at INR 19.3 crores, down 6.8% Y-o-Y and 3% Q-o-Q, primarily linked to depreciation linked to our new Manila facility. For FY '25, PAT grew 30.2% Y-o-Y to INR 83.3 crores, with PAT percentage expanding to 15.2%, up 150 basis points Y-o-Y.

On cash flows, our operating cash flow for the quarter was INR 48.2 crores, a growth of 87.5% Y-o-Y and OCF to EBITDA conversion remained strong at about 137%. Full year OCF is stood at INR 121.3 crores, a 33.3% Y-o-Y growth.

With this, I conclude the financial highlights and now hand over the session to moderator for taking up your questions.

Moderator: Thank you. The first question comes from the line of Jyoti Singh from Arihant Capital Markets Limited. Please go ahead.

Jyoti Singh: **Thank you for the opportunity sir.** Congrats on good execution. Sir, my question is on the CXM side, how we are seeing the industry outlook on the health care side. Like it would help us to grow significantly in this quarter? And also, what are the outlook going forward, if you can guide on that front?

Naozer Dalal: **Thank you Jyoti.** So, on the health care side, as I mentioned in the past, we are looking to expand our capabilities into end-to-end patient life cycle management, which covers right from scheduling to care, after care, specialty lines of support as also the collections part of the value chain. We are also looking to expand our existing relationships in health care in Q2.

As far as the CXM outlook is concerned, we believe that we should be able to continue to grow in high teens as we have done in the past and that should pretty much help us to be in good stead in the future also.

Jyoti Singh: Okay. Thank you sir. And also, sir, I just wanted to know what kind of feedback we are getting for our software Buzzily and how clients are reacting on when we are shifting from earlier position to new like CPaaS thing, so if you can comment -- sorry, SaaS per se. So what kind of feedback we are getting and how is the industry, if you can give us outlook?

Naozer Dalal: So as far as I mentioned, we have transitioned almost 26% of our revenues through the Smart Pay 4 platform. And the outcomes which we are seeing and have been addressed the key KPI metrics of payroll TAT and accuracy are in fact, higher for this set of customers than the overall company average.

So clearly, some of the efficiencies, which we expected as part of SP4, like the shortening out the payroll processing time, I think we are seeing early results in the right direction. As far as the market feedback on Buzzily is concerned, I think what I can only say is that, yes, we are getting good reports on the market in terms of positivity to build a good funnel. Our total funnel is almost INR 27 crores at this point in time of which we have won INR 5 crores. Again, on the SME SaaS market, in a short period of time, we have built a funnel of INR 13 crores and won deals of about INR 2 crores. So all in the right direction, I would say.

Moderator: The next question comes from the line of Harsh Kundnani from Aionios Alpha.

Harsh Kundnani: So now, there's a couple of questions from my end. Firstly, if I look at the margins, if we look at the segmental margins, in both the segments, there's a sharp increase in the margins on a quarter-on-quarter basis. But that has not led to as much increase in the commensurate increase of the consolidated margin. So, if you could just help us understand that.

Naozer Dalal: Yes, sure. I've been -- I think one key aspect which I highlighted, -- which I'll reiterate is that for this particular -- for the financial year, we have had to make significant investments in strengthening our operational leadership in Manila. Manila has been our growth center. And from where we were maybe about 18 months ago with 600 seats, we are almost touching close to 2,000 seats as we speak in Manila.

So, we have had to make out of the plan, our investment in terms of the operational leadership, the support leadership in quality, training, workforce management, all the support functions, which we need to run CXM operations. So that's a fairly significant investment, which we made this year, which is, of course, built into our current year baseline.

And I don't think that we will need to do anything significantly more next year other than maintaining at this level or marginally increasing. We have also made significant investments in domestic sales resources for EXM and as I said, shared sales resources on site in the U.S. as part of the wider Digitide structure. So that's the other piece which has impacted margins to some extent.

And then the last piece is you recollect that we have had the divestment of Aparajitha which has led to a significant profit on sale, which added significantly to our PBT and PAT.

But as part of the transition process. I mean, we did have some extended period of notice pay which has impacted EBITDA which was unplanned and not in the budget, so to say.

Q4 over Q3 margins are benefited because we have the tax vouching in this quarter.

Avinash Jain: I think you have covered, Naozer. Harsh, anything is -- other than this, if you would like to know?

Harsh Kundnani: Second question is that any plans for -- any capital allocation plans, any plans for the cash sitting in the balance sheet, I see that dividend is not declared in this quarter. Is that due to the demerger happening at the parent level?

Naozer Dalal: I would just say that we are just taking a pause to sort of go through the demerger process. We'll see if we have to make any incremental investments into our overall capabilities or otherwise, so I think it's a pause and therefore, we have decided not to declare a dividend for this quarter.

Harsh Kundnani: Understood. Understood. And lastly, just on the EXM business, is it possible to quantify the onetime revenue from the tax processing fees? And any outlook on the EXM business going forward?

Naozer Dalal: We are looking to bring back the growth to mid to high teens. I mean the EXM growth this year was muted a bit because of certain elongation of the sales cycle that we saw in the market this year. While overall, as I mentioned, we have booked sales of incrementally about 50% at INR30 crores ACV. But many of our sales came in Q3 and Q4. So that elongation of the sales cycle has resulted in us not being able to book revenues earlier in the quarter, earlier in the financial year to sort of get that impact this year.

So we should see some impact -- a positive impact of that next year. And we continue to sort of invest in our sales capabilities, in our marketing capabilities, we are continuing to build partnerships. We are adding resources, qualified resources as necessary particularly for the international sales. So we believe that the EXM business should grow in mid to high teens in FY '26.

And we should correct some of the muted growth which we saw in FY '25 in EXM. The other question was in terms of the one-timers? Yes, I think it is a reality that with the new tax regime, that number will keep coming down year-over-year. So I mean, the number this year is about just under INR 2 crores, this number was higher last year. I think at least 50% higher, if my memory serves me right. So, we will continue to see that because we see a lot of our customers' employees moving to the new tax regime.

And as you know, the tax vouching work related to -- I mean, going through employee submissions on say, HRA or LTA or some of the other taxes and benefits, which will get in the old tax regime. So, with that going away, this one time revenues which come in every Q4, we'll continue to see a downward trend. But difficult for me to predict where that number could be next year. Yes, but I would not be amiss to say that it may be lower than what we have seen this year also as more and more mobilization and employees move to the new tax regime.

Moderator: The next question comes from the line of Raghuram N.S. from EurIndia Ventures.

Raghuram N.S.: Hi Naozer. Thank you for giving me the opportunity. I see a number of questions on both CXM and EXM. Let me start with CXM. Like what you mentioned from where we were just about 18 months back or 600 seats all the way to 1,800 seats, which have already been announced. And you mentioned nearly 2,000 kind of seats but one doesn't see that kind of ACV, you can say, announcement from a revenue expectation perspective.

So, what is driving whatever I have known of Alldigi and the management team. Obviously, you guys will not really make this kind of commitment on seats without clearly getting that kind of a revenue commitment. So what -- where is the gap there? And obviously, when you were running at about 600 seats, the revenue was anywhere around INR 50 crores to INR 52 crores in Manila. We are running at nearly 1,800 seats now or at least 1,500 seats before you announced this. We are still running at about INR 85, INR 83 crores, INR 84 crores kind of revenue on Manila or international.

So, I can understand that there will be a 1 or 2 quarter kind of a lag in revenue growth from the time the seat expansion is announced. But can you help us understand how this whole outlook for CXM is going to be in FY '26 because we are all looking forward to the revenue growth, matching the kind of seat growth that has happened?

Naozer Dalal: As I mentioned, from FY '24 to FY '25, itself, we have seen a 28% growth as in FY '24, we were at INR315 crores. We have added just under INR100 crores at INR405 crores this year. The Manila standalone revenues has gone up from 90 crores PHP to over 127 crores PHP this year, which is 37 crores above incremental revenue has come in Manila.

So I'm not too sure, which numbers you are correlating to. Our revenues per associate at the organization level has gone up by almost 5% from INR 8.5 lakhs to INR 9 lakhs per employee per month on an overall basis.

So of course, you rightly mentioned, I mean, we don't significantly invest ahead of time so as to minimize the cost of spend capacity. But I think it's going in the right direction. So, when I say that currently, we are about 1,800 seats in Manila. I mean that does reflect in the financial front for the year for 1,800 at this point in time. And as I said, we continue to believe that -- we will continue to grow in high teens, if not more than that in CXM.

Raghuram N.S.: No, I think it's a great achievement. I'm not trying to deliver to what transformation the team has brought in from Manila and international business perspective. I was just want -- obviously, 28% growth is very significant, whether that kind of growth can sustain and maybe even accelerate because we have seen nearly 100% growth in seats. So that was all that I was mentioning. Otherwise, it's been an amazing performance of growing that business.

EXM, coming to that, it's essentially the same kind of -- I can see some revenue, obviously, you have been mentioning about the international business, driving growth going forward, how do you see this as you move ahead further into the FY '26, whether it will further increase, what will happen on a FY '26 level? What's the outlook for FY '26 from an EXM perspective, so whether that is domestic and international.

Naozer Dalal: We are the market leaders in the domestic space. So there is no intent for us to slack it that pace of growth, the pace of investment so that we continue to maintain our lead or enhance our lead over the #2 or #3 player.

That said, international business does give higher what we call PEPM, per employee per month, realization of payroll processing of it's -- on an average, is nearly double than what we can under the domestic industry. So yes, we will continue to focus on the international business.

We have also seen our international margins, for example, and just give you for the last -- by the smaller base, the international part of EXM revenues have grown by a CAGR of almost 20-plus percent, whilst the domestic being a larger base has grown by 4%. So all of that is in the right direction. We continue to look at multi-country payrolls as a key part of our FY '26 strategy.

We are actually onboarding someone from competition in early June, who will help us drive the multi-country payroll working primarily with multinational organizations. So yes, to answer your question, we also believe that we will continue to grow EXM too in mid to high teens-- And there's no reason why we believe that should not happen, with again our significant focus on international.

Raghuram N.S.: At the corporate level, my previous shareholder or investor also asked about this cash on the balance sheet as well as the fact that -- obviously, there has been a change in the way last year was only about -- there was a significant dip in the overall dividend that was given out. Previous year was much higher than that. So are we really making a commitment to this -- to the community that we are going to finally move significantly on the inorganic kind of side. Is that something that is on the hand will?

And the second part was, you mentioned about the Digitide sales team some part of the costs being allocated. If you can help us with what is the absolute number that we are speaking about so that we can build it into the model going forward?

Naozer Dalal: I think its not important whether it's Digitide sales team or otherwise, I mean because as an organization -- as an independent organization, also, we would have to make investment in sales and particularly U.S. sales if we have to continue to grow. I don't have the number ready with me. But -- so the quarter that is we have made investments, it just -- instead of having maybe two dedicated people, as I mentioned, there'll be 5 or 7 of digital sales teams in all carrying quota for selling CXM for all the teams.

So that's the only difference. But the fact that you would have to make investment in sales and U.S. sales is a given. The second question on dividend, as I've already mentioned, yes, I mean, there is no change in overall dividend policy where we want to maintain a consistent predictable dividend policy subject to certain ranges or certain caveats.

And we continue to do that. I mean, as I said, it's just a pause for this quarter, as we do better than as we were settling down in terms of the corporate structure. And I'm sure that at the right time in this financial year, we'll take appropriate call in terms of when the next round of dividends should be.

Moderator: The next question comes from the line of Sanket Sushil Mithbavkar an investor.

Sanket Mithbavkar: One of the highlights of this financial year was that Alldigi technologies has acquired PSU and government sector companies in Manila and also in India. So the contract has been executed and is the revenue included? Or the contracts have been executed -- sorry, acquired?

Naozer Dalal: No, no. This contract -- you're talking about PSU contract, right? That is already signed up in Q4. So again, to be honest, it's a start in -- it's one contract in India and one contract in Manila. But that's a coincidence -- coincidently both in the same quarter into the PSU business and because as you know, public sector units do not outsource and particularly a sensitive area like payroll so I think that's the important part of it.

The -- and of course, as I said, it's a coincidence that we could get growth in the same quarter. But it's a start and we'll try to see how do we continue to see how we can make small but meaningful inroads into the public sector space.

Sanket Mithbavkar: So, it hasn't been included in the -- and the -- it has been acquired. Has it been included -- have you started processing the contract, started in generating revenue?

Naozer Dalal: The contract has been signed. And then of course, as you know, it gets into a transition phase over 2 - 3 months, if not more. So, the revenue from these 2 contracts will come in FY '26.

Sanket Mithbavkar: Okay. And is it substantial? Like is it only funding...

Naozer Dalal: I wouldn't say that is small but appropriate to the average ACV, which we sort of get in the EXM space.

Sanket Mithbavkar: And about the dividend payout policy, which is almost more than the net profit, if you could look at the last year. Is it going to stay the same this financial year as well?

Naozer Dalal: I've already said that. I think it's we better we go on to some other questions because I've already answered it twice.

Moderator: The next question comes from the line of Raj from Arjav Partners.

Raj: Did you commented on the outlook of the EXM part and I wanted to know the outlook of EXM business?

Naozer Dalal: I have already spoken about that, Raj, saying that we will continue to grow in mid to high teens for both CXM and EXM.

Raj: Sorry, I couldn't hear it. Can you repeat again?

Naozer Dalal: We continue to grow in mid to high teens.

Raj: High teens for both CXM and EXM okay. And sir, what would be your outlook on the Smart Pay 4 and Smart HR that...

Naozer Dalal: Yes. I also mentioned in that strategic position, we have a transition plan to all our existing customers through Smart Pay4. We have migrated about 130 customers and about 26% of our revenues already. The balance is work in progress, and we should be completing that by around July, August of this year. On Smart HR, as I mentioned it, we have been able to build a good funnel for the upgraded product, which I did give you the details in a couple of questions ago. So, we continue to get positive feedback from the market.

Raj: So, will this transition be EBITDA accretive for us, yes?

Naozer Dalal: Which one?

Raj: Migration to Smart Pay and Smart HR. Will that be EBITDA accretive to us?

Naozer Dalal: Smart Pay is an internal engine. Over a period of time, we will see some operational efficiencies coming in. Yes, it should be a bit accretive. Smart HR is a market-facing one and as we get new business, as we get new customers, as we increase revenues, yes, that also should be EBITDA accretive.

Moderator: We'll take the next question from the line of Yash, an Investor.

Yash: Yes. So -- and congratulations on a very good set of numbers. My question is, there is a very huge boom of GCCs domestically. So how we are going to tap that opportunity, like -- so is that in the payroll we are going to do? And if that was the case, like what was the growth we are expecting in the next couple of years? Yes or maybe down the net.

Naozer Dalal: Yes. So as you know, there are just 2,000 GCCs in the country now, I mean, about 1,800 - 1,900 GCCs, so you're right, we are looking at GCC there's a potential area for our payroll business to grow our payroll business. So we have worked over the last quarter in terms of doing digital marketing campaigns and reach outs. We have reached out about 1,100 of the 1,800 GCCs but what we also find is that all of these GCCs are very, very small.

The average size of these GCCs is 500 seats. So from an overall opportunity for all for an individual opportunity, this -- it's not large. But we believe that the GCCs once they come into the country, they do grow over a period of time.

But it may not give us large numbers because, as I said, on an average, the GCCs in India or including the data GCCs have come in, they don't have headcount in excess of 500 people

Yash: Okay. Okay. So one more question, sir. Sir, obviously, see, most of these KPOs and GCCs they already have a global giants, obviously, on there. Now how difficult is for our company to make such transition and win those orders from them?

Naozer Dalal: There are wider opportunities for GCCs within the Digitide -- as I said, for the limited, Alldigi perspective it's largely payroll. And unless the GCC has a global partner who is going to perform their payrolls. So for an example, let's say a parent is using, say, ADP, for example, and they do decide that they will just extend ADP to the GCC in India also.

Then to that extent, yes, there will be maybe some difficulty for us to break through. But otherwise, we've also seen there are a lot of GCCs follow their independent paths because -- an ADP, it's quite inflexible in terms of customization, particularly for the Indian taxation landscape. So we see a mix of growth when we see GCC is very open to talk of payroll with us.

We already actually support a lot of GCCs both in India and Manila by the way, in payroll. And yes, so we'll continue to do that. While, of course, related to the larger digital offerings, there are various possible players which is part of the wider Digitide umbrella.

Moderator: We take follow-up questions from the line of Raghuram N.S. from EurIndia Ventures.

Raghuram N.S.: Just thought I'll take the opportunity of having maybe a lesser number of questions around. So on the management team build out, you mentioned that you had to obviously focus and get a much bigger kind of a layer of management built out in the Manila operations. Is that something that is more or less at the -- at its end now, how do we see that?

And also at the sales level, obviously, when we are going to support something which is maybe double the size of what we were supporting until about a year back itself in terms of number of seats, how do you see the U.S. sales team and maybe a wider geographical reach out, how do you see the sales team build out also going in the next year?

Naozer Dalal: Yes. As I said, Raghu, the operational leadership or the senior leadership which we need in Manila is largely in place. Yes, of course, as you get new business, as you win new customers, each of them will come with its own mandated spend in terms of what level of leadership we require to supervise the new customers, what level of support spends are required in terms of quality, training, WFM etc.

So those specific customer-related, investments we'll continue to make, but we believe that the investment base so far in terms of overall country account relationship management leadership, I think should be sufficient, and we don't see any significant add to that, at least in FY '26 is concerned.

So we did hire a sales resource in the Philippines, to look at Philippines local and Southeast Asia business. We have added a couple of sales guys geography in the U.S., but under the wider Digitide umbrella, including very senior sales team to also sort of help us, monitor and provide the local leadership on the ground for our sales team.

So that is also there. And of course, this is something which we'll continue to evaluate because even domestically, for example, sales has come in its own challenges in terms of if someone doesn't perform. So we have also tightened the bottom quartile management process of our domestic sales team. So yes, a little bit of a churn or -- I mean adding sales people to capitalize on emerging opportunities. That will always be there.

And I gave you two examples. One is a person to drive sales in GCC thematically, another person to drive multi-country payroll thematically. So those tactical calls on the sales side, whether in India or the U.S. will continue to take through the year.

Raghuram N.S.: Okay. So also, is this a very clear indication that -- going forward, the sales teams within -- for the overall Digitide platform will be the way to go, and there will -- those people will have a specific sales target within their overall target for Alldigi? Is that the model that's been put in place now?

Naozer Dalal: We are going with that model, more particularly on the international U.S. CXM sales side. There could be some people who would maybe have a target of doing 90% sales for Alldigi, which is the BPO sales, some others could have higher platform sales on the insurance side, but they may have a smaller portion of their targets in terms of CXM sales.

So yes, that's a concept. I think the sales team in the U.S. will work much more closely and try to structure the services and products.

Raghuram N.S.: Okay. No, I understand that. Because obviously, those are some of the questions that will come up now as we move into a more integrated Digitide kind of platform.

Naozer Dalal: Most will be on CXM – the EXM sales team is separate because they are India-based and doing payroll here, which is a very different product to sell. So the domestic India sales team for payroll remaims distinct. While the U.S. sales team is in the process and will further get unified.

Raghuram N.S.: Okay. So we are not really in the process of putting together specific EXM sales person or team for the developed markets?

Naozer Dalal: As I said, we are -- that will be run out of India for the moment.

Raghuram N.S.: You don't have anybody who's going to be based out of the U.S.?

Naozer Dalal: Yes. I think that's the position at the moment.

Moderator: As there are no further questions, I would now hand the conference over to the management for their closing comments.

Naozer Dalal: So, I would like to thank all of you for the time that you give us today. On the back of our strong results in FY '25 across all parameters, supported by investments in key business drivers over the past few years, we are well poised to capitalize on the market opportunities and continue to deliver superior financial and operational performance. With this, we would like to close the call and look forward to interacting with all of you again in the future. Thanks.

Moderator: On behalf of IIFL Capital Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.