Q1 2026-27 Earnings Call Transcript

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Management:

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Mr. Siddhant Singh Baid, Chief Financial Officer
Mr. Yash Vijayvargiya, Co-founder and Sales Head
Ms. Komal Shah, Co-founder and Company Secretary

Ramanuj Mukherjee: Okay, it's 5:01. So I will just get started and as people join in that's okay. So hi everyone, this is Ramanuj Mukherjee and this is our Quarter 1 earnings presentation.

So thank you for joining us. I have with me Komal Shah, our Company Secretary and Co-founder. I also have Siddhant Singh Baid here who is our CFO and Yash is joining also.

So we'll also have Yash Vijayvargiya who is another Co-founder and also currently heading our content and sales. So basically the numbers have been out about a week back. Here's the usual safe harbor etc. And then, this is my first slide. So basically we had a really bad quarter. We had talked about it in our previous 9th June presentation also that we had a really bad quarter in the last quarter of last financial year and it was a surprise to us and to everyone but we worked very hard and thankfully lot of things we have been planning came together in this quarter and it's doing even better in the current quarter. But it had already started coming together which is visible in the results. So Quarter 1 revenue was a 59% quarter on quarter growth and 18% if you look at year-on-year quarter comparison.

So yes, year-on-year growth isn't that great. Not what we would hope for, but we just had a very scary quarter before that - lossmaking quarters and things were not going in the right direction and I'll explain to you why now we have a much better understanding of what was happening and how we fixed it. So hindsight is obvious 20-20 and we can tell you what and I'll tell you today what happened in that quarter. But yes, we have been able to do a turnaround compared to that quarter. Our PAT -, I'm sure it has disappointed many of you. 31 lakh against an operating cash flow of 4 Cr in Quarter 1. Good news is that the trend is still continuing.

August, like July, was great - our best month ever that we have experienced in our history - very, very profitable month and August continues to go in that direction. So it's not a one-time thing. Things are continuing in the same direction. The trend is getting stronger which is good. Our H2 - H2 of FY26 and Q4 of FY26 was - you know we were doing monthly losses, some months we lost one and a half crores, some 1 crore even, but like we were burning money. But April and May became break even - a little positive at 30 lakh per month - I'm talking about our net cash right. So net cash how we calculate is the money that we received in our account - not the booking amount which is much larger but the sales amount which we actually received in account. We used to call it revenue earlier but now the definition of revenue as per accounting principles has been changed. So - this is the thing -

forget the revenue, this is the sales actually received in the account i.e. our collections right in the cash collection in the account minus the costs for the month.

Now why this is not cash flow because cash flow - like some payments are made earlier or later. So, maybe this the outflow of the cost - some of the costs may happen in the next month because of credit periods and so on. But I took the actual expenditure we made in that month that was booked. So then that shows our net cash. This is an internal management thing that we are measuring our progress by. And our goal now is to make 2 cr every month. Right?

So in June for the first time we hit 1.8 cr and in July we did much more than 2 cr and August is also in similar direction. So we hope that this quarter also, we'll be able to keep it at that level which is what we had also talked about in our previous earning call, right? So I had said that our northstar will be hitting 2 crore per month net cash. So we are on that now. So starting from June we started hitting that number.

Now about the profit right so we did an Ebitda of 4.9 cr which is good but then we did after amortization which is for the all the stuff we have built in the past years - invested money in building courses also, in building technology so that non-cash charge is basically like it was there in the last quarter and in future also - so it will be there for the next couple of years, 3 years maybe at this level. So although we have reduced our capitalization like we are not doing capex at the same level as before. So it will not keep growing at the same rate but it'll be around that level more or less, right? And eventually it will taper off.

So we had a 31 lakh PAT after 42 lakh of profit before tax. Right? So new build has largely stopped. So investing outflow was only 1.9 cr in Q1 versus 17.5 crore in the entire financial year last year.

Okay. So yeah, the profit line carries the previous build cost and today's business' real picture is shown from the 4 crore operating cash flow this quarter. Okay. So the other half of the profit story - while we were uh reducing our capex, we have also spent more on advertising and marketing, sales and marketing team because things started working. So I will show you like we did a lot of amazing work around advertising and that started really paying off. So we did invest in advertising and marketing and sales and marketing and software and so on. So our cost went up a bit, right?

So our cost is higher - not much much higher because our overall cash outflow is down like in January our cash outflow per month was around 8 crore and now it is around 6 - somewhere between 6 and 6 and a half cr, right? This includes the actual cost as well as some capitalization expenses also but overall our cash outflow per month has been much more down from that time. Okay. So what we had said in June and what actually happened: So we had said that there will be 2 cr per month net cash in about 3 months and what happened is that we started hitting those numbers. June, July and August is also on track for that and hopefully September also - there's no reason to expect anything different - monthly cash outflow down, right? So like we had the best month which was 5.8 and then six and then it's around 6.2 - 6.3 somewhere this month. So we are able to grow our revenue while the cost remains at that level and not growing as fast as our revenue. Build phase is

complete, capex will stop as I had promised and investing outflow in the last quarter was much lower.

More frequent reporting - so we have moved to quarterly results and so this will be it going forward. We'll try to give you more updates.
Now about um what happened like what went wrong in the specifically in the last quarter of H2 - the first quarter was more or less break even the second quarter was very bad and lossmaking. So what happened is that advertising cost spiked from October 22 and I'll show you the graph. It will help you understand. So a lot of our boot camps weren't viable. So we were not able to organize those boot camps anymore and for some reason I believed that this was happening because of higher Meta head costs, change in algorithm etc. - and this happened in Google, Meta both at the same time, but we were able to solve it. So I took over ads absolutely - like there used to be a director of marketing etc., but then I took over ads absolutely. I started getting into it from February - March and by April I was full-time working on ads and then even now I'm working a lot on ads. Obviously I will eventually set up a team to take over but now I'm like hands-on working on ads and the result has been very spectacular. But anyway so I will show you - there is a graph - this is the graph I wanted to show you. So you can see here for example - the blue line is basically 100 rupees paid leads like qualified leads and you can see in September it was about 1,000 rupees in October - it doubled and then it was very high till March and by April it was down and now it is in the same level. Similarly there are 10 rupees kind of we call it a tripwire funnel. So it used to be like 1,300 rupees in January and February it was still like 900 or something and then now it is at 217. So this is the work that we have done and then even the free boot camp registrations the cost had gone up to 250.

So you saw that around free boot camp started becoming unviable around 200 rupees but I have been able to drop it to 50 rupees - 77 rupees kind of average in the current times. So like this is a change if you want to understand what was going bad in the last quarter and what is really has changed now - this is one of the things that has really changed. The other thing is a sales story - I'll come to that later, but this is a stark change right? And why it happened I will tell you - so what we did is this: this is a slide which explains how we reveal the advertising and it was absolutely a technology first approach. So one of the things that we are very proud of that we did is that we created an entirely new AI-driven technology platform which serves the landing pages in milliseconds. It's like it will be served in 1/10th of a second or 1/20th of a second right? So fast. And this made a huge difference with our ads because Meta started sending us cheaper leads because our post-click experience of everything was so much better. So that was a game changer. Then we created an entire technology stack to create ads with AI. So what happens now is that we are able to launch 50 ads a day sometimes, right? So we are able to build entire funnel that would take a month to build. Now we can build 50 of them in a day and this is AI-driven process and the final quality of the ads is way superior. Earlier we had like a 20-people team making ads - static ads, video ads - there were video editors, there were directors who were shooting, there were copywriters who were writing those and now all of it is done by engineers and media buyers. That's it - like a four people team running all of the ads although that team will change over time but it's incredible what we are able to do with the current team with AI and the quality is up, ad costs are down - you saw the saw the graph how it has changed. Then automated deployment and monitoring - so when you are deploying so many ads, the deployment itself is a process - waring every page, making sure all the correct things are

done and there's no wrong setting and all of that - all of that also we have been able to do using AI and monitor it so hour-by-hour monitoring happens and I receive alert if there is anything wrong. So let's say for example a page load speed goes down or there's an abnormal jump in cost per purchase - anything like that and we'll get the notification that you need to pay attention here or you need a creative refresh in this funnel. We have built now AI monitor which is why we are able to do like cutting edge work in ads sometimes like we are mind blown about what has become possible in the last 6 months. Then automated funnel audits and setup - these are already something we are doing, so this is about the advertising part. There is still more work to be done for example video ads we haven't really cracked at the level we would like to crack with AI. So we are working on that. Apart from that we are also seeing that what happened in that quarter was that at the same time our inside sales also took a big hit. The inside sales team was doing about 2 crore revenue - like it crashed from 3 and half to 2 cr per month and we changed the leadership there. We had a lot of exits but now what has happened is that the last four months we have had sequential growth. Every month we have added more and more revenue and now we are headed towards almost 4 cr per month. So it's already crossed three and a half cr per month and we are looking at achieving 4 cr per month from the sales team. So if you used to know about our business from before, you know that one of the things that used to make me anxious is that our sales team is not growing or if we are growing the sales team it is not becoming productive or we are investing in growing the sales team but then it is crashing later on. This was happening again and again and now we feel a lot better about this because I think we have cracked a lot of those problems because we're able to grow very stably, very predictably and the most important thing is that the sales growth has become stable and predictable and there's no sudden spike and sudden crash - it's like continuing in the same trajectory month after month. So this is something we have seen in sales, right?

So basically where does that leave our situation? So our big problem was that we built a lot of products - we built a lot of courses and then we were able to sell it for some time and not able to sell it later. That has changed because now we can grow the number of boot camps we are doing. Earlier it was the ad cost problem that is totally gone - like now we are able to bring like as many leads - more than we can handle and then the question is that okay, who's going to do the boot camp - do we have so many sales people? Now the sales people are flooded by leads because they have so many leads and that can also be a problem in sales at times. When you know your sales will have too many leads it will cause a problem so now we are effectively using only 50% of the leads and on the other hand we have a scope to increase the number of boot camps but we will need more boot camp leaders so we have Abhyuday doing boot camps, we have some few good very good leaders we have Nidhi, Sagar, Jasjit - now we need more of them so we are training them in house and slowly we will be able to - goal would be to double the number of boot camps. After the IPO we doubled our revenue from 33 cr to 66 cr and that was possible because we doubled the number of boot camps. So I will not promise again that we are going to double our revenue. But at the same time we are working on growing, significantly growing the number of boot camps that we have. Now we are doing eight boot camps per month. Next month we are looking at doing 10 boot camps per month. And by the way one point of time it was down to four boot camps per month. In February, March we were doing four boot camps in a month. And then now we have grown back to eight boot camps per month. and we'll grow even further now going forward. Right? So this is in our hands in a way that we have to train the

right team. Our sales team we have to keep scaling patiently and you know stably without any disturbances.
Same, we have to keep scaling our boot camp delivery team with patience and without any operational hiccups. So this is the challenge - now that is the bottleneck for us. Sales rebuilt. Yes. So inside sales also has grown - from 2 cr to 3 and a half cr per month run rate we have already reached - last month was the best ever month in history - we have never done those numbers. We are hiring new cohorts and they ramp up and become productive in two to three months. So we have to take the cost a little up front but we are doing it slowly and in a very measured manner. But in 2-3 months we really start getting the benefits of that.
So we have a lot of AI automation. I will share the list with you. Many of you had requested to me that please share a list of the AI automation softwares that you have created and what exactly it is that you have created. So today I have that list and any questions I'll be happy to answer. So are we still investing - are we building new courses? Yes, we are building new courses. Just before the call I got a confirmation that we're going to have a tie up with one of the biggest IITs in the country. And we're going to sign an agreement with them soon and after that they are asking for a minimum number of students every year etc. The two courses we are really excited about whether with this IIT or the different IIT - we are looking at doing a course on quantitative finance and we're working with some IIT faculties to build this course. Then algorithmic trading and high frequency trading, building low latency systems so we saw that there is a huge demand in our GCC's and from finance sector engineers really want to do this course and data engineers want to do this course so we are building these two courses - we are building but we are seeing that the cost of building courses is much better now because we are not spending as much as we used to spend on our previous courses and because of AI also it helps a lot and we are able to build courses at a much lower cost. And same thing for technology - we continue to build AI automation everywhere everything is AI first in our company now and we are investing but very frugally and slowly and not investing in things that will bring money a year down the line but something that will work right now. This is the focus.

So about our three revenue engines. So boot camps - usually we are able to recover - booking is obviously much more but we're able to recover four to five cr let's say four cr every month to be very conservative. Some months we have got five also but some months let's say four - definitely community revenue has been consistently above 1 cr for the last four - five months and inside sales - last month we hit 3.5. Before that we were doing 2.5 - 3.3 and then we have crossed 3.5. So 3.5 is a stable number we can take. So this is what our revenue looks like today and these are the three areas - three revenue engines. Refund is around 20 - 30 lakhs per month which has been stable - it's around 2 to 3% every month that it comes to. From now our internal goal is to one, increase the number of boot camps, two, increase the number of salespeople and three, increase the inside sales number. Community I'm going slow right now because it is stable at a place - we have done enough to take it to 1.5 Cr kind of number but if the boot camps turn around - the growth is faster. So if boot camp works I don't want to invest in community because it takes a longer timeline to grow because the there's a whole journey - the customer journey is much longer longer but yes even if we don't do much this 1 cr revenue from the all the communities we have created till now and all of that it will keep coming. Part good thing is that our balance sheet is clean - we have this much cash 2.86 cr and up to 2.11 Cr in this quarter. Also we have 7 cr plus undeployed IPO cash which is meant for acquisitions but I guess although we don't need it immediately we are going to ask for its reclassification in our upcoming general

meetings - whenever we we have annual general meeting we'll try and get it reclassified for other purposes subject to shareholder approval. Then there is zero debt um net cash per month has moved into a very positive direction dramatically.
So boot camps are a growth priority which is why are we focusing on boot camps again instead of let's say communities - it is a proven mechanism for us and we have built a lot of products in the IPO funds and if we can launch more boot camps we can sell more of those so we can harvest what we have invested in, in a better way So all those products are waiting for distribution. We expected our distribution to scale up very fast. So we built all these products and now we are not able to distribute it. So growing number of boot camps solves that problem very fast.

So both distribution channels need more salespeople but we have to do it in a disciplined manner because previously when we tried to scale up the sales team we messed up and now we are more careful and more circumspect about that and obviously more boot camps.

So I had told you like we did a lot of great work this quarter on AI. So we have created an AI voice trainer which does a discovery call and then creates a 60-page personal strategy plan based on a proprietary data - proprietary content and then it does even follow-up coaching.

So as you implement the strategy it will keep coaching you. Similarly AI evaluation - I had told about it already before - it has become even better now over time. We have almost no dependence on human evaluators and quality and satisfaction has been going up really very much and for the first time we feel like we are really a tech company not just online course but technology is the backbone of our delivery self-service support. So now 25% of our support tickets are not just getting created, they are being solved. So we are continuously tracking where the tickets are more and we build self-service mechanisms in our support hub. So people can solve them instantly automatically with AI rather than having to create a ticket and wait for a human to work on it the next day or next 48 hours.

So this is reducing pressure on our support. Even though our number of students is growing, the number of support staff is not going up because it's more and more automated. Certifications and refunds has been fully automated. So if today somebody wants a refund, the system will tell them if they're eligible or not. And if somebody wants to dispute that decisions to a certain extent it can be handled - eventually it'll go to a human. Certifications - if someone requests a certification, a replacement certificate, a hard copy certificate, a soft copy or name change on the certificate, all of that they can request on the portal, they can even do EKYC on the portal itself. Right? So our courses as you know a lot of the courses are government-backed. So they are recognized by national education policy and so on. So they are getting certificates from universities or from NSDC for skill development. So E-KYC used to take a lot of time etc. And we built our own EKYC module which is now handling that.

So building next AI on the outcome itself. So this is what we are most excited about. So one of the core thesis always was services export and people come to us also because services export is huge but things have changed a lot in the last 5 years like Upwork - this kind of platforms are not doing as well as before.
There is a huge issue with the kind of work people are outsourcing.

So people are outsourcing more and more AI related work, AI workflow automation rather than doing the everyday job. So one is that we have been training our students for it but they have to also change how they look for the job itself and we have been building AI-driven software for that. How do you do cold outreach? How do you do customer segmentation? How do you build relationships with them? And AI augmented, right? Because we know that whatever we teach students, they will not implement unless we spoon feed them. But AI makes the spoon feeding really easy and effortless without loss of quality and without investing a lot of money. So for example, imagine a coach which basically after your discovery call knows enough about you and then can creates your offer and places into 70 different platforms. So not one Upwork, not one Fiverr, not not two, three, four of them but 70 of the relevant gig platforms and you are uploading the information once and it is getting created across all those platforms. So we're building this because our students really value this job hunting software. So for example, if you see a job and you just apply on LinkedIn or on naukri.com, it's a very inferior way of applying for a job. So if I want to apply for a job, let's say I'm looking for a job as a data engineer or and I see a company that they have advertised the job, I will attack it like a enterprise sales professional which means that I will map that who are the five people relevant to this post, right? Maybe this person reports to the CFO. Maybe these are the peers. These are the people in the team. These are the people who have a say. And if I find six people, I'll start building relationships with all six of them. I will connect with them on LinkedIn, but also on Instagram. Maybe I'll cold email them. Maybe I'll meet them for coffee and I will basically invest that much time and effort in building a relationship with all of them. And then I have a higher chance of landing an interview or also knowing how to tackle the interview, what is expected from the job. So this is the kind of approach we are bringing to job hunting for our students. We used to tell them to do it but they didn't do it. So now we are building a software which does it for them. So if you share a job post, it will map the organization and tell you who are the people you should connect with and how you should go about your job hunting for that particular job.

AI boot camp operations: the entire boot camp operation used to be very complicated and even now there are like 20 people working on those processes. So while we are keeping the people, but we are also heavily automating everything which reduces the chance of mistakes or mishaps or someone missing something which is still happening but it is getting automated very fast.

So one more big change in our company is that we are going to work from office. Not all of us but about 40 people in Gurgaon and in Indore also 30 people - two offices where core teams will work from office because we have seen that a lot of things get much easier when you work from office and much harder when you work remotely. Frontline workers will still be mostly remote but leadership teams are moving into office. This is helping us. So this is what it is. There will not be a significant cost increase of this - it's hardly like four - five lakhs kind of monthly cost increase. This is uploaded on the stock exchange - so you can that these are the different AI softwares we have created for our students. So for lawyers, for patents, for patent professionals, for academics, so different audiences that we cater to, we have built all these AI softwares that they are using now already. This is in their hands and they are using it and these require continuous improvement and we are working on these also. But this is one big difference like why any of our competitors just can't compete with us because they don't have this kind of softwares which we have invested over the last 2 years and built out.

AI running the business - we have some of the AI products we have built for our internal operations that we're very proud of - MailBhejo like LawSikho, it is MailBhejo.
So it's our own email platform. There was a time when I realized I'm paying four - five lakhs per month for this email software and we decided to replace it with our own software. So we built this - our team built this and basically currently it sent four and a half lakh emails in the last 20 days and it has AI email drafting AI buddy for campaign analysis. Also this is something like a job search or freelance work search - a very critical part for our students is cold email and sometimes they have to pay a lot of money for this cold email software and they don't like to go out and pay for something extra. So now we are trying to bundle it into our existing system so that at least their first 10, 20, 30 campaigns they can do with this mail which doesn't cost us too much money and they start getting results and they're happy and then they can if they want to continue using our infrastructure they can pay us something for the cost. So for our teachers and our educators we have this Answer lens. So it shows who answered the most learner queries, whether the answers were right and who is getting the best feedback. So these are internal - you know kind of like a leaderboard we can see like which educators are doing really well who are really popular, what we need to do, what behavior we need to encourage, what we need to fix and so on. Prospect feed - so this is something very interesting like so for example if you come and tell me that I want to get a job in US corporate law in Chennai then who are the lawyers who do that work in Chennai who should you connect with etc. So we built it - people can figure it out on their own also but we built this and made this very easy that within their LMS students can now find the people they need to network with. Then BootcampOS which is basically automating our entire boot camp process. It's not live yet but we built it and are testing.
So you can find all these details.
Similarly in placement massive amount of changes are happening in terms of AI development and that's the most important thing because if we can crack placement and we have a clear delta in the market that people who come to us they are able to get jobs, better and faster freelance work, there is nothing that could be better for us. So because in the end people are looking at that and by building all these software we are giving the tools in their hands that makes it easier and easier for them to actually get those opportunities.

So this is the story now. Yeah. Judge us on the scorecard - boot camps going up, collections getting better and monthly cash outflow has reduced quite a bit. Net cash generation is doing good and if you ask me what is next for us my goal is next is to hit - cross 10 crore revenue and keep costs - the cash outflow under 7 cr so that we can hit this net cash at 3 cr per month, right? So this is where we are and on the US university part, we had put it on hold - we had shared that in June also that right now we don't want to work on this but if we are able to keep this 2 cr going till September my goal is from October - November start pursuing the US university bit again and start working on with the regulators to get our approval. Pre-approval was done, the final approval was pending and we can start working on that again - this is my plan. So this is my presentation. Thank you very much. If there's any questions, happy to answer. At this point, the chat is open. You can share your questions in the chat.

Komal: There are some questions in the Q&A. Ramanuj, if you want to take up the questions in Q&A.

Ramanuj: Yes.

Question: What effect on the company as PM will start free classes for competitive exam?

Ramanuj: So no effect at all because we are not in that space at all. So he's talking about the competitive exams like JEE, NEET - we are not affected. We are in professional education - most of our students are above 30 years of age so I don't think.

Question: Does company plan to raise funds in one year?

Ramanuj: No because see we are currently accumulating cash and what we need - we don't need to build new things. We built a lot of new things. Our only thing is to build distribution and is it true that if I raise 10 cr now or 20 cr or 50 cr can I build my distribution faster? No, that is not the problem.
Cash is not the problem in growth. I have built enough products. I have built all the softwares - where I need to spend money on is basically distribution at best but that we are able to able to finance from our internal cash flow right now so we are adding cash on cash so right now we don't see any need to raise any money.

Question: Have we changed our strategy for growth from growing sales team to focusing on boot camp?
No it is both - both engines - double engines. International sales status we are not doing any international sales. We are fully in India. Once we set up the US university will chase US sales again, until then only India. There is some sales coming in solicitor qualification exam from neighborhood countries - from Gulf and all of that in our UK entity but we have not actively pursued it yet but might do so. For the solicitor qualification and Canadian bar exam we have become prominent in the world in these two areas - Canada bar exam and solicitor qualification exam for UK.

So we might see some international revenue but not focusing on it - I don't even have an international sales team, nothing.

Question: What is the revenue guidance for the year and next?
Ramanuj: I don't want to give any revenue guidance - I don't want to jinx it. Things are going good. Every time I give revenue guidance I don't know what happens so I told you all the things - you can extrapolate from there if you want but I am not giving any revenue guidance.

Question: Why is our EBITDA percentage down year on year despite so much improvement operationally? Will this be the new normal?

Ramanuj: See like I said, no it will not be, because see that quarter we were turning around from a bad quarter. So what happens is that - think of it this way that obviously January, February, March was very scary. So we were not investing that much - then we started investing again in the next quarter. So some of the growth that we have seen in this quarter has happened because of the sales and marketing investment done in that quarter.

So EBITDA is looking bad but in the current quarter your EBITDA will suddenly look way better right? So it will not be the new normal. You will see much better going forward.

Question: Lack of investment into build will not hamper growth as Company may lack in latest content?
Ramanuj: So we are still investing like half a cr - 70 lakhs per month in capex right so we have not stopped it so that is enough for us to keep competitive and we are way ahead of any competition - we are not facing any competitive headwind. Our competitors are shutting down because they cannot compete with us. While we were doing badly in ads that was still one thing but since we have fixed our ads, two of our competitors shut down. One of them is a huge funded billion dollar valuation company which exited legal education. Because if you look at what we are offering there is nobody who's even close to any of these value propositions so that is not the issue. Our issue always has been that how do we distribute - like our distribution has to scale up proportionately and that has not been working.

Question: IIT Roorkee tie up - how is it working?
Ramanuj: It's working great - it is working so great that other IIT are doing tie-ups with us because you also want to have you know more courses and more partners.

Question: What is the difference between now and earlier when you were spending 15 cr plus in a quarter with now at 2 cr?
Ramanuj: So we are building huge course catalogues. We are building huge AI also. The thing is that AI development was very expensive in the past. We were buying a lot of data. We were buying a lot of stuff that was super expensive. There was a time when I was spending 30 - 40 lakhs on server cost in a month. All that is down. There was a month where I spent 17 lakhs on transcribing calls. Now that costs me 1,700 rupees. It’s now efficient - like we got better at those things, right? So just to say that we don't need to spend as much but we can grow faster because of AI. That's one. So we are and we are still investing. We haven't stopped investing.

Question: Referral portal - it is good source of customer acquisition?
Ramanuj: We have a referral portal but to be very honest we built that technology and then we need to work harder on it but we just haven't been able to focus on it. There is so much to do and so little time and management bandwidth is limited. So you are right, referral portal is a great way and at some point we have to work on it but right now the situation is that I am using 50% of my leads because my sales team is not big enough to handle all the leads - something like that right?

Question: Can you name some of the competitors that have shut down?
Ramanuj: You can just Google, you'll find. I don't want to say - people will feel bad - we all know each other, right? So don't want to. This will become part of some archive.

Question: You mentioned breakthroughs in sales with technology. How much have the ad costs reduced from 2024 levels to today?
Ramanuj: So 2024 I cannot say about 2024. I don't remember 2024 ads - it is even cheaper than 2024 for that matter. My free registrations used to come at about 120 per lead and today they are at 50 rupees per lead, 40 rupees, 70 rupees per lead so it is even better than that time. CAC has really improved. Last month CAC was incredible.

Question: How much cash we have today?

Ramanuj: End of today I cannot say but it's around 9 - 10 cr cash in bank somewhere around somewhere between 9 and 10 cr we added now in that quarter also we added two and two something cr we added.

Question: Do we have plans of buyback?
Ramanuj: No absolutely not - these are not things I want to think about. So right now I want to think about how do you grow the business? If I have 40 - 50 crores of cash sitting in the bank someday then I will think - right now this is not the time.

Question: One promoter kept selling its stake during the year. Any reason for stake sale?
Ramanuj: So this is a person in the promoter group not the promoters - promoters are not selling. I and Abhyuday haven't sold anything. Now uh there is one person in the promoter group who exited the company one year back. He was our technology head and he exited a year back and so then after that he sold - I mean we don't control and he sold without notifying stock exchange without notifying us and he had asked for permission also from the company secretary which was denied and he still went ahead and sold it. We reported it to the stock exchange. He even had insider information and he still did all this. We have dutifully reported it to the stock exchange to take proper action. But if you ask me why is he selling, I don't know the answer. I personally intend to buy. I'm waiting for the window to open and I'll buy. And even I think today one of our parents is buying - has filed a trading trading plan to buy more shares and so on. So we are buying.
So Abhyuday's father has filed a trading plan to buy more shares and I will also - if I can buy after the trading window opens then I will buy. I have in the past also bought from the open market - again we'll buy from the open market as soon as we get an opportunity.

Question on microlearning courses.
Ramanuj: Microlearning courses we are working on but like I said see the priority remains the boot camp sales team. I have a team working on microlearning so we have some great opportunity on microlearning - we are building, we have a lot of inquiries also on microlearning but I don't have a clear number or I mean it's still in a planning stage. So I'll have more to share in future.

Question: In terms of course sales per month, can you explain that 6 months sequentially?
Ramanuj: I can do so from memory but I don't have a slide on this. Right? So course sales which actually hit the account not booking. So last month we did 8.8 cr, previous month we did I mean I think around 8 somewhere - 8.3 or something. Before that also was around that only 8 something or 8 maybe slightly less than 8 - that was in June and before that we were doing something like seven, some months six. I'm not ready with the exact numbers and slides for sequential revenue - not revenue, the sales for those months but if there is interest we can prepare this.

Question: How does the management think about ROC?
Ramanuj: So see, I explained that we invested a lot in building so many courses because we are expecting our distribution to ramp up and we are not able to ramp up the distribution. So because of that our revenue did not grow as fast. Now if our distribution grows then suddenly ROC also will start looking much better and that's going to happen. I hope we are able to deliver that expected EBITDA margin. So this is very hard for me to say but it is definitely going up from the previous quarter in a big way.

Question: What are the list of items management would like to achieve by the end of the year?
Ramanuj: Biggest list item is hitting 10 Cr - I mean in the next and this is not for the whole year but in the next six months definitely do 10 cr revenue and with a cost of around 7 cr and stay at that level. This is the first goal it was eight and six and now reached to 10 and seven. This is achievable and we are just working on it. We have to just improve our operations, improve basically whatever we're doing, doing it a little better will create that outcome. So that is the first thing and once we do that my goal is definitely to restart our US sales engine with the university up and running and with the courses approved.

Question: Did you have any management level hires in the last 6 months?
Ramanuj: Yes, these are good questions. You know what I should get these questions before the presentation so that I can make a list and come. But yeah like we had some fabulous hires in the last three months. People who are making a huge difference mostly on technology, on automation and systems - very huge very very good hires.

Question: Can we expect PAT of 10 cr in the year?
Ramanuj: I don't want to comment on PAT. What I can comment on is net cash. This is what I'll stick to. So let's just look at this quarter, right? The current quarter - how it is going because half of the quarter is over. So I can tell you what has happened in the first half, right? It is there in the slides also which we have submitted to the stock exchange. So like I said we did a 2.3 Cr net cash - sorry like it may not be 2.3 but 2.2 whatever something like that. Let's say 2. So if my revenue is around 8 like my revenue should land somewhere upwards of 24 cr maybe 24 maybe 25 maybe a little more so that is one - that is on the revenue part and then when I'm looking at my cost, cost is around somewhere between 18 and 19 crores maybe 20 cr max not more than that. This is my cost outflow and cash inflow so it's looking pretty good but then the amortization is there - the amortization will land with 4 crore - 4 and a half cr right, so then whatever is left that will go towards PAT after paying taxes and EBITDA will be obviously better because EBITDA is before amortization right and we are not capitalizing in - capital expenses are much lower now.

Question: What are the monthly fixed costs in 6.5 cash outflow?
Ramanuj: I'm not prepared with the list - I'll not be able to answer that question off the cuff.
I can tell you my ad cost is around 2 cr per - it has been stable at 1.8 - 1.62 somewhere in between. People cost is around 3 cr I think - software cost somewhere between 50 lakh to 1 cr.

Ramanuj (in response to a question on number of people working from office): So Pranit right now though no one is working from the office hardly maybe five people but we'll have 70 people working from office going forward. We have a HR department. Yes we do. But if you outsource your hiring to HR then it will not work. So we are very much hands-on on our hiring.

Any other question?
Ramanuj: [Reading question]: Sir this time you seems to be more defensive than all your previous con calls.

I don't know - the business is doing very good. So if you mean that I am more conservative. Yeah maybe I have become more conservative after disappointing myself and investors in the past.

Question: At what cash level will we start working on the US university?
Ramanuj: So more than cash in the bank what I'm looking at is having 2 cr per month cash flow. 2 cr - 3 cr we will not be spending that much cash but it gives me confidence that it will not happen that I start working on US and I'm investing money and time and effort there and suddenly my business in India is going off track and I have to come back and I have to focus here again and I have to leave that orphan. I don't want to do that so that's why I will wait to start that but yeah by then by that time I think we'll have somewhere like 15 - 20 cr of cash in bank so it'll give us that much comfort. Also in the past a major bottleneck were the hosts of boot camps were changed this quarter suddenly. So we have had internal training programs and there is a difference now.
There's a lot more people who are able to deliver good boot camps but we'll need even more. So it is a process and it'll go on. So for the current levels we have enough people but for growth we'll need even more.
So, internal training program - that is what has changed. We also get better after making mistakes once or twice - you don't make the same mistakes. So your next - second, third attempt has a higher chance of success by the end of the year.

Question: Can we end up at a 24 crore cash level?
Ramanuj: Yeah, I think so. I mean if we continue on the current trajectory then yes.

Do you guys have any questions for Siddhant? He's our CFO or for Komal? She's heading our compliances. We have also Yash who is who is heading our sales. So you can address your questions to them and they can come and speak. That'll be great.

Question: Till what revenue will the 7 cr expenses be fixed?
Siddhant: I think like what we've already mentioned we're keeping 7 crores as expenses at a 10 crore revenue level and that is what we want to focus on and bring that stability to it. So the 7 cr expenses will funnel in the 10 cr revenue uh growth and with the 3 crores of net cash that is what we're looking at.

Question: What are the risk areas which we are keeping an eye on which can again derail our current improved performance.
Siddhant: Well I'll tell from the finance standpoint what are the risk areas which we are keeping and quite frankly I'll say unit economics. I mean there's a difference between investing in growth and keeping a very close eye on our unit economics and I think what we are focusing on very extensively now with a very clear north star metrics of being net cash positive - that is something that we are keeping a very close watch on and everything else depends on that the compounding of revenue growth and the optimization of cost - all are a factor of that. So that is one area that we're keeping focus very strongly on because everything else will be a sub-set of that.

Second question is billion dollar company that left law education sectors how can it positively or negatively impact us?

Siddhant: I don't see how it is impacting us quite frankly - like we had earlier mentioned in the presentation is that we have created a lot of entry barriers for our competitors. You can see a lot of tech work that we have done for our students for internal development in terms of improvement of processes and q somebody may have a big amount of money but when you have such high entry barriers which basically helps you optimize your cost you see the per lead costs have gone massively down and we were able to do that because of the kind of money that we had invested over the years in our technology. I think that entry barriers make it difficult and that is something which is difficult to counter. So I don't see any negative impact on our side because we have been very focused on creating those entry barriers.

Question:So the seven crores of undeployed fund - where are the IPO funds that are not used held?
Siddhant: These are mostly these are all most of them are in investment in bonds and mutual funds.

Question: Can you give amortization timeline for the next 3 years?
Siddhant: So I mean like I've clearly said that since our deployment on capex most of the heavy lifting has already been done so amortization is a factor of of that kind of a deployment and and now we see not much money being invested in capex of course we'll keep investing money in content development and tech but it is not at at that kind of a level.
Ramanuj: Four - four and a half crores kind of number will continue for next year two to three years.

Ramanuj: (In response to a request to continue con call quarterly): Sure. Of course.

Question: we are planning to use automated AI calls in discovery as well as in boot camps but the general experience is that AI is boring and not interesting to listen to so much long time can it cause long-term brand image issue for us?

Ramanuj: So yes, we receive complaints that there are AI calls, but we also have seen our boot camp attendance double or increase by 50%, 70% so we know that it works but it has to be worked judiciously it has to be used judiciously and not overused so that's that's what I think

About risk areas - When I talk to my co-founders, basically we all agree that everything is under control but there are two things. One is that bad hires in important places is a big risk. Second is that our ad cost ballooning like it did in the past after October that is also a risk. These two things we don't have to allow to happen.

University approval in Arizona is very fast like two months, one or two months once we apply.

So we have to be really good at keeping our ad costs down going forward.
This is a critical thing.

Question: What is the TAM? Is there a cap of 120 - 150 cr?

Ramanuj: No, that's not true. The TAM is massive especially that with all the courses we have built out and what we are selling now it's not restricted to law, right? So yes law can be maybe 150 but there other category much bigger like patents is so huge, US accounting is huge, so it's not about how big the ocean is, it's about how big a bucket we have to take - what we can do with that, right?

Question: Can you give the split in revenue from different brands such as LawSiho and Skill Arbitrage?
Ramanuj: I can tell you for the month it is 55- 45. So, LawSikho has grown back up again in a big way. And earlier it was around 25%, now last month it was 45% of the revenue but month on month - we haven't prepared it.

Question: So what changed for LawSikho?
Ramanuj: We were able to do the boot camps again. We had stopped doing law boot camps. We started doing LawSikho boot camps. Most of the communities are huge in law compared to the new stuff. So all that benefits are coming. So boot camps are starting and they are becoming profitable on ad level and there are more communities for LawSikho.

Question: Will the 50/50 proportion remain for the overall year?
Ramanuj: It can remain. I mean it's not something I focus on but I know last time people asked so this time I checked before coming that what is the current level but it is not something that is critical for us as such.

Ramanuj: (in response to a question on sales figures for different courses): So sales figure - I don't know like we'll have to see - these are courses which require some convincing - these purchases are not something that is a necessity but more of a desire and a commitment. So it requires sales support. It does not happen without sales support.

Question: Which courses are more profitable? Skill arbitrage or LawSikho?
Ramanuj: LawSikho courses are more profitable.

Ramanuj: Yash, any questions you see that you want to pick up from the Q&A?
Question: Is there any seasonality in revenue for our sector? Ah, you answer this.
Yash: So I think except festival season mostly because of ad cost, otherwise we have seen people buying our courses in terms of sales enrolling and everything, our batches are consistent. So I don't think there is a seasonality except whatever happens at the marketing end of it.

So basically what we have seen is that is where we focus a lot on our sales because it takes away that seasonality that sometimes comes from the marketing part or boot camp part.
So that's the idea. You want to add something to that Ramanuj?

Ramanuj: I think we have seen October, November, December being off several cases in some of the years. But it is not much and it can be overcome if our sales growth and boot camp growth is strong then that will not matter and if we are really good at our ads and everything it should not affect too much.

Ramanuj: And this year it will be less of a problem because our sales team is much stronger than before.

Yash: Absolutely. And also like marketing part as well because these are the two uh variables that generally hit us during the festival season.

Other questions?
So your customer student Google review is so good but the same is not reflected in your sales figure. Is there a time issue for the process? I think this you have already taken.

Ramanuj: Do you want to answer this question on risk areas?
I I did I gave some answer but maybe you can add.
Yash: No, mostly you covered whatever I was going to say. So I don't have anything additional to those.
Ramanuj: Uh you can talk about the mistakes we made while scaling up before and that we are avoiding now.
Yash: Yeah. So one of the common risk areas is that we have realized that we are growing - we have doubled our revenue in 3 months. So now I want to decide that okay now within the next 2 months I want to double my sales revenue. I think that is the biggest risk area when you start figuring out that you are not you have to expand your training part - management bandwidth as well as the training other part of it. So one mistake that we did in the past was that we thought that okay look now we are able to train callers, right? So we were like let's scale it up. We thought if we can train not 30, we can train 80 people also but where the problem happens is what happens when all of all 80 of them are here? Who will manage them? How will you ensure that the performance is there or not? Will the chaos happen? And so I think we have learned that a lot now we are very careful in expanding our management as well as the last leg of bandwidth together.

Ramanuj: Last year I used to beg people like I went and spoke to some senior executives - please tell me how you manage your sales team. I tried to set them with you know one of them. I used to pay someone two lakh rupees per month just to coach Siddhant. It didn't work but like we are desperate to figure out what we know now.

So those are hard learned lessons - how to scale up without crashing.

Yash: And also like the good part is that you are scaling consistently at a certain pace.
Ramanuj: Pranit is asking won't having a sales team in person help than having remote people.

Yash: I will take that up. I absolutely agree with you. That is my experience. That is a conversation we have had that while we are not disturbing our existing sales team but we have also realized that having that energy on the sales floor helps. So this is a challenge that in one year I have realized that we are able to have very good callers but a lot of time what happens is having them perform consistently in remote setup and keeping them motivated becomes a bit of a challenge.

We have been able to crack it but would we want to keep doing it when we have 500 or thousand people? No. Now we would also want to have a physical sales team. That is why

we are opening an office here. We are building a physical sales team also because we have realized and we have done this on a small basis previously also we had some part of it and we had achieved good success. So now we want to replicate it in terms of a physical sales team as well.
Ramanuj: And we are not doing it in Gurgaon because Gurgaon callers are much more expensive - 2x 3x more expensive.
Yash: And we have seen most of our good callers - we have gotten really good talent who have been with us for 2, 3, 4 years performing exceptionally well are from these cities. So these are the cities we would want to open our offices in.

Question: Out of 70 people we plan for in person, how many are sales versus other department?
Ramanuj: At least 40 people in Gurgaon and none of them are sales. Maybe some sales leaders will be there.
Yash: In Indore out of 30 about 20 are in sales. Rest 10 will be in other departments but about 15 to 20 will be so 60% will be in sales in or in our office because obviously like Ramanuj said that you get better people in smaller cities when it comes to sales and the quality is far better for counselors

Ramanuj: There's one exception to that - if we start selling in the US we might hire in NOIDA or in Gurgaon.

There is a question about mainboard listing. So we have got two conflicting types of advice and haven't made up our mind. One advice is that the moment you become eligible, go and get listed - which is January and anyway we have moved to quarterly reports and everything so it won't be such a big difference.
Then some people have said no this is a thing that you should properly think through - let your numbers improve let your stock price improve and then you go into mainboard.

So I don't know what is the right thing but the business is heading in the right direction. So we are not in a hurry to decide but from January we'll get eligible and I think it's not bad - probably I am more partial towards getting on main board than not

In terms of hiring a professional investor relations services we have hired before it never worked for us. Okay. So if you guys know really amazing investor services, do introduce because we are open to - actually I'm looking for somebody very good but I will not hire anybody and everybody because I had three bad experiences. So I would only hire very carefully.

What is the cost of a sales team member Indore versus Gurgaon?
Ramanuj: So in Gurgaon if somebody's good at sales they will earn one lakh including incentives not necessarily in our team but anywhere like any place one lakh - one and a half lakh even a good senior sales leader will charge one and a half - two lakhs and so on and in Indore the same number is 30,000 to 50,000.

Yash: And also adding to that what happens is that in a city like Indore in my experience the quality of people that you get is good because there are limited opportunities - people who are working in the colleges. So you get really really smart people who want to come into

sales. There are very few companies where they see that there is this growth. So the quality is also very good.

Why Indore for office?
Yash: Because I'm in Indore.
Ramanuj: He heads the sales function and he is a Co-founder and he's in Indore.

Question: General question why none of the edutech companies become giant in this sector.
Ramanuj: So there are a lot of giant edutech companies - you have Upgrad which is massive, there are companies doing thousand cr revenue per year, 2,000 cr revenue per year, there are three companies at least doing 3,000 2,000 cr kind of revenue per year and I'm not even going into other ones. You know Upgrad and Emeritus both are in professional education. We are in professional education. There are large huge professional education companies. So it's not like there are none. It is possible to build a huge company in this space. Even there are companies like Classplus. Classplus I think is doing 500 cr revenue 600 cr revenue - I don't remember exactly. They're also doing very good selling online courses.

Ramanuj: (in response to a question on whether there are edtech companies with long tenure)
Why not? Companies like Physicswallah and Upgrad. Upgrad has been around since 2012 so it has been 14 years now - so it's not that there are no older companies, right?

I don't think there are more questions coming.
So thank you very much. I think we have answered most of the questions. Really appreciate you joining us and thank you very much. Take care. Bye-bye.
I'll end the call. Thank you everyone.
Thank you. Bye.