



**“Info Edge (India) Limited
Q1 FY2026 Results Conference Call”**

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MANAGEMENT:

Mr. Sanjeev Bikhchandani – Founder & Vice Chairman

Mr. Hitesh Oberoi – Co-Promoter & Managing Director

Mr. Chintan Thakkar – Director & CFO

INVESTOR RELATIONS:

Mr. Vineet Ranjan - Head, Investor Relations

Anand Bansal: Good evening, everyone. I'm Anand Bansal. I'm joined today by my colleague, Vineet Ranjan. Thank you for joining us.

Vineet Ranjan: Thank you, Anand. Good evening, everyone. Welcome to InfoEdge India Ltd Q1 FY26 Earnings Conference call. Joining us today from management we have Mr. Sanjeev Bikhchandani, Founder and Vice Chairman, Mr. Hitesh Oberoi, Co-Promoter and Managing Director, and Mr. Chintan Thakkar, Director and CFO. Before we begin, I would like to draw your attention to the detailed disclaimer included in the presentation for good order sake. Kindly note that this conference is being recorded and all the participant lines will be in the listen-only mode and there'll be an opportunity for Q&A after the presentation concludes. I'll hand over the call to Mr. Hitesh Oberoi for his opening remarks. Thank you and over to you, Hitesh.

Hitesh Oberoi : Thank you, Anand and Vineet. A very good evening, everyone and welcome to all of you to Info Edge's earnings call for the first quarter of FY26. We will begin with an update on the standalone financial performance, then cover the performance of each segment, along with the commentary on each business. We'll have Q&A towards the end.

For the standalone businesses in Q1 of FY26, billings were Rs.644 crores, a YOY growth of 11% and revenue was Rs.736 crores, a YOY growth of 15%. Billings and revenue, including Zwayam and DoSelect, were at Rs.665 crores and Rs.757 crores, a YOY growth of 12% and 16% respectively. Operating profits at a standalone level grew by 10% year-on-year to Rs.250 crores and the operating margins stood at 34%. The standalone business generated cash from operations before taxes of Rs.180 crores in Q1 of FY26. The cash generation from the recruitment business was Rs.196 crores. The non-recruitment businesses at an aggregate level were cash negative at Rs.11 crores in Q1 of FY26. EPS before exceptional items, net of tax and deferred tax for Q1 of FY26 stood at Rs.4, post split of shares, a YOY growth of 11%. The cash balance of InfoEdge, including wholly owned subsidiaries at the end of June 2025 stood at Rs.4,828 crores. The headcount as of June 2025 was 6,174.

Moving on to segment-wise performance and starting with the recruitment business. In Q1 of FY26, Billings grew by 9% to Rs.470 crores and revenue grew by 15% to Rs.542 crores. The operating profit improved by 12% year-on-year to Rs.284 crores and the operating profit margin was 53%. Cash generated from the recruitment operation was Rs.196 crores. Billings growth in Q1 moderated compared to the mid-to-high-teens growth witnessed in the previous few quarters. This was primarily due to multiple macro events during the quarter and a general demand slowdown across certain sectors which impacted investment decisions relating to people amongst companies. We observed a trend of contract deferrals by some clients towards the end of the quarter, which is usually the peak period for closures. As a result, renewal activity was impacted, leading to a moderation in overall Billings growth. Several segments and sectors such as GCCs, technology companies, retail, healthcare, and manufacturing, continued to post double-digit growth. On the other hand, segments like recruitment consultants, IT services, BPM, BFSI, and infrastructure experienced a moderation with growth tapering to low single digits in Q1. Despite this, the job speak index and recruiter engagement metrics, including CV searches and views, remained resilient, indicating steady hiring during the quarter. Niche and adjacent businesses like IIMJobs and Hirist, Naukri Gulf, and Naukri Fast Forward, the candidate services business, sustained their growth trajectory in Q1 of FY26, with year-on-year Billings growth of 41%, 18%, and 15% respectively. Our employer branding solutions offered across various platforms such as Naukri, IIMJobs, Hirist, and Ambition-box also continued to grow well. We are focusing on strengthening these offerings and deepening our market penetration. The Job Hai business, while currently operating primarily as a premium model, focus on select markets, maintains strong platform metrics, and continues to grow

revenue at a rapid rate, on a small base. On the job seeker front, the Naukri platform now hosts approximately 108 million resumes and added an average of 26,000 new resumes daily during Q1 of FY26. Marketing expenses were elevated in Q1 and can be broadly classified into the following buckets. IPL-related branding campaigns, which are once-a-year activities; focus efforts to further strengthen our job seeker database, especially in emerging cities and non-IT segments; and some increased investments in smaller businesses such as IM Jobs, Naukri Gulf, and Job Hai as they gain scale. These expenses are partly seasonal, and we expect full-year marketing expenses to remain at around the same level, plus/minus a few percentage points, compared to last year. Therefore, the operating PBT margin, with some moderation in Q1, could improve sequentially in the coming quarters, subject to top-line growth returning to healthy levels. Hard to predict what's going to happen in this uncertain environment going forward. In summary, despite the recent moderation in recruitment billings, we remain cautiously optimistic about growth momentum in the quarters ahead. Subject to improvement in growth trajectory, we remain confident of delivering improved and sustainable margins going forward.

Moving over to the real estate segment. In Q1 of FY26, billings growth was 17% at Rs. 94 crores, and revenue grew by 12% to Rs. 111 crores. Operating losses were Rs. 19 crores, and cash losses from operations were Rs. 20 crores in Q1 of FY26. Q1 is typically the smallest quarter of the year from a billing standpoint for 99acres and saw decent growth. This was driven by an increase in both the number of billed customers and the average billing per customer. Billings from brokers and channel partners grew at a faster pace than billings from developers. Live new project listings on the platform grew 17% year-on-year, while live resale and rental listings from brokers grew 29% year-on-year in Q1. App and web traffic continued to grow, leading to an increase in inquiries across all categories. We believe that we continue to gain market share in this vertical and continue to build on the momentum of last year. Marketing expenses were higher this quarter as well. These are in line with the returns we have seen from such investments over the past few quarters. We continue to experiment with our marketing approach and will adjust our strategy depending on results. Our focus remains on driving quality traffic onto our platform. In the coming quarters, 99acres will continue to invest in expanding both its user base on the buyer side and its client base amongst brokers and developers while enhancing the platform experience to help users make informed real estate decisions across both the primary and secondary market segments. \

Moving over to the matrimony business. In Q1 of FY26, billings grew by 36% to Rs.35 crores and revenue grew by 29% to Rs.34 crores. The business achieved break-even at the operating level and generated cash from operations of Rs.6 crores in Q1 of FY26. In Q1 of FY26, the Jeevansathi business maintained its growth momentum driven by monetization initiatives undertaken over the past 12 to 18 months. The focus remains on Hindi-speaking markets where we continue to have a strong presence and see significant long-term potential. Investments in these markets are delivering encouraging results, particularly in terms of user acquisition growth. AI is being leveraged to drive efficiencies in creative development and other related processes as well as to enhance the product experience and improve pricing yield on the platform. Marketing expenses have increased year-on-year but have remained within the 12 to 15 crore range over the past few quarters. The business intends to stay within this range while continuing to operate at or near break-even levels subject to changes in comparative intensity.

Moving on to the Shiksha business. In Q1 of FY26, billing was Rs.45 crores, a YOY growth of 8% and revenue grew by 19% to Rs.50 crores. The business delivered an operating profit of Rs.6 crores and generated cash from operations of Rs.2 crores in Q1 of FY26. Domestic private universities and colleges continue to expand their course offerings beyond engineering with more choices now

available to students. The emergence of new private universities in India presents an opportunity for Shiksha to further expand its footprint. We are investing in creating more comprehensive student-friendly content and are trying to build deep domain expertise in this segment. Higher visa rejection rates for those aspiring to study in the US and a decline in job prospects for students abroad have reduced student interest in going overseas to some extent, especially to the US. Students are opting now to study more in the UK and in continental Europe. The Shiksha business is also facing some headwinds from the new AI bots and the new AI mode introduced by Google in the market.

Moving on to the AI front, our current focus on leveraging AI is centred around the following key priorities. One, enhancing search quality, user personalization, and productivity across existing platforms. Two, building new AI-powered features that improve user experience and engagement. Three, creating entirely new products and monetization levers powered by AI and four, leveraging AI internally to improve operational efficiency and speed in execution. In line with this, we continue to upgrade our database product in Naukri with AI and machine learning, resulting in improvements in recruiter productivity. Similarly, new AI models for job search and recommendations have driven a 15 to 20% year-on-year improvement on the job seeker side. Across our businesses, we are now using GenAI tools to create content and a lot of our recent marketing campaigns are generated in-house and driven by AI. Overall, our AI initiatives are driving growth across all verticals inside Info Edge.

Moving on to the consolidated financial highlights. At the consolidated level, the net sales for the company stood at Rs. 791 crores in Q1 of FY26 versus Rs. 677 crores for Q1 of FY25. The total comprehensive income was Rs. 7,918 crores in Q1 of FY26 versus Rs. 3,583 crores in Q1 of FY25. Profit before tax, without exceptional items in Q1 of FY26 was 436 crores compared to Rs. 329 crores in Q1 of FY25.

To summarize, the recruitment business remains resilient even as billings were moderated in Q1 of FY26 due to macroeconomic factors and some sectoral softness. Engagement on the platform remains healthy and we continue to deepen our presence across GCCs, Small and Medium enterprises, Tier 2, Tier 3 cities and other non-IT sectors to broaden our customer base. Our niche and adjacent platforms like IIM Jobs, Hirist, Naukri Gulf, Naukri Fast Forward, DoSelect, AmbitionBox and Job Hai sustain their growth momentum and hopefully will unlock new growth opportunities in the years to come. The non-recruitment businesses continue to grow steadily and reduce cash losses during the quarter reflecting consistent execution and improving efficiency. In 99acres, we witnessed steady growth despite it being a seasonally soft quarter. We also continue to gain market share supported by sustained investments in marketing, platform improvement and content quality. Our efforts remain focused on further strengthening our leadership in the secondary real estate segment while improving our offerings in the primary new launch and under construction space. In Jeevansathi, topline growth was supported by the continued success of the freemium model, enhancements to the matching algorithms using AI and ongoing efforts to drive monetization. The business achieved breakeven in the quarter. Shiksha's domestic business remained on a steady healthy trajectory and continues to operate profitably. However, it's facing some headwinds and may need to pivot in the quarters to come. Across all our platforms, we are progressing well on the deployment of AI and machine learning to improve recruiter experiences through smarter search recommendations, pricing, creative development and new feature rollouts. Our healthy cash flows and strong reserves remain a core strength. These enable us to invest in long-term growth initiatives, respond to competitive dynamics and evaluate opportunities that create sustainable shareholder value from time to time. Thank you all for joining the call. We are happy to take any questions.

Vineet Ranjan: Thank you, Hitesh. Anand, we can start with the questions now.

Anand Bansal: Thanks, Vineet. Anyone who wishes to ask questions may raise their hand on the screen. We'll take your name and announce your turn in the question queue. And we already have a question queue lined up. So, the first question goes from Vivekanand from Ambit Capital.

Vivekanand: Hitesh, I'll start with the question that everyone is asking. So, you guessed it right, AI and its impact on your business. I want you to also elaborate on the conversations you're having with your tech clients, both IT services as well as GCC clients to help unpack this and its impact. I also know that you did a very big survey recently. So, perhaps you can showcase that as well.

Hitesh Oberoi: What we are doing for with AI internally, I walked you through it. How AI is impacting demand, how AI is impacting our customers, hard for us to sort of say at this point in time. We were growing at 17-18% in Q4. Before that also for a few quarters, we grew at 14-15%. Growth was coming back to normal. Till mid-May, we were confident of Q1. But then, a lot of events happened in the second half of the quarter. As a result, towards the end of the quarter a lot of our clients deferred purchases and reopened contracts and collections were weak. So, hard to say whether this was because of AI or whether this was because of what happened between Iran and Israel or between India and Pakistan, or generally, if there's softness because of demand from the US slowing down. Certain sectors are impacted more than others. Certain sectors continue to grow reasonably well, like GCCs did well for us. Sectors like healthcare, retail, travel, they continue to do well. Banking and financial services and infrastructure, on the other hand, slowed down considerably compared to Q4. If it's because of AI, I think still early days, but there's generally a sense of softness in hiring demand, both in the non-IT side in certain sectors, and also with IT services companies and BPMs. Whether this is temporary or, and whether growth will come back, hard for me to say. Now, July started off on a better note. Some of those pending collections, we were able to collect. Some of those contracts which got deferred, we were able to collect that money in the first 10-12 days of July. So, July collections growth were actually pretty solid, 19% collection and 13% billing. But whether we will be able to sustain this going forward, hard for me to say at this point of time. From a customer standpoint, different things with different companies. In some companies, we are still seeing very strong billing growth even amongst IT services companies. Some companies are soft. Some companies seem to be doing better than others. They're hiring more people. We are still billing a lot more than we were billing earlier from them. In some companies, there is a little more softness on the hiring side. So, it's company by company. The consultant business also slowed down a little bit. Consultant growth was low single digits last quarter.

Vivekanand: All right, this is helpful. Just one follow-up and maybe a bit more philosophical question. Today, when you look at AI, and perhaps its impact on tech jobs, and maybe white collar hiring in general. So, one school of thought is that there will be many more jobs, but there will be job losses also. And net effect, perhaps not too many people know about it yet. But one thing which is quite clear is the high value jobs, perhaps if you were heavily reliant on a job listings model, maybe for job listings of high value openings, you could charge a meaningful tariff or premium versus say the mass market roles. And perhaps you would not be that badly impacted. What I'm trying to understand is your current model is more a database model where you are charging clients based on usage of the database, and not making that much differentiation in pricing by the kind of job that a recruiter is hiring for versus a platform say which would primarily have job postings where it would be easier to charge a premium or a non-linear tariff from those who are hiring very high value targets. So, which is why if you talk about this, and perhaps the implications on revenue trajectory, I think that is what investors are quizzing us on when we discuss with them.

Hitesh Oberoi: What we are sensing right now is that there seems to be more demand for premium talent than regular sort of job seekers. At the same time, I think there is also more demand for

perhaps but early days for us, because where the Job Hai businesses, we are new to that business, but even on Naukri for the less skilled, less experienced, lower sort of wage talent. But the point you make on whether we can up the prices. What we've also seen over the last five years is that the average CTC of a CV being viewed on Naukri has gone up substantially, which basically means that we can up the prices over time if required. Because if companies save more money by hiring through Naukri, because they're hiring more premium talent, then we should be able to charge more. So, we could do that. And nothing prevents us from even moving to a credit model where we say, if you view CVs that are above a certain CTC, then we charge you one credit. On the other hand, if you view CVs, where salary levels are low, we'll charge you half a credit. We haven't taken that call as yet. But it's not as if this can only be done on the job listing side. The point I'm making is you can do it on the resume side as well and the database side as well. We are yet to take that call and let's see how things evolve. Very early days, like I said, these are very different times, hard to predict what's going to happen. You get taken by surprise. We don't want to take decisions in a hurry, we would rather wait for things to settle down. And then understand the trends are long term and then take our calls on pricing.

Vivekanand: My second question is on ad spends. Your P&L almost appears like that of an FMCG company, because you have consistently been spending 12% of your revenue on advertising. And it seems that you are consistently supersizing your brand. So, I just want to get your thoughts on whether this is a phase or this is a business that needs continuous brand investments with this level of FMCG like intensity? Just your thoughts here. Thank you.

Hitesh Oberoi: We've got like these four businesses, and the level of spending is different for different businesses. In Naukri, just some time back, we were spending 3-4% of our revenue on marketing. We've upped it for the last few quarters to maybe 8-9-10% of our revenue. But it's not as if we need to spend this money on Naukri. So, we can even spend 4%, and we'll be fine for some time. Now, what we're also doing is spending a little more on the new businesses that we are building, like Hrist, businesses that are doing better than earlier, like Naukri Gulf, where we are not a reasonably strong player, but it's not as if we dominate the market. We're spending more on JobHai, which is a new business we are building. Some of these investments need to be made upfront. We don't capitalize them, but they're important to build brands in the long run. Naukri, we spent a little more this quarter, because we were on IPL. We can moderate that spend going forward. In 99acres and Jeevansathi, these businesses require substantial investment in marketing even for the foreseeable future because we are trying to gain share in these segments. We're trying to grow these businesses faster than the market and than our competitors. So, we have upped our ad spending in 99acres over the last few quarters. We have upped our ad spend in Jeevansathi also. We expect these businesses to grow fast going forward and we want to gain market share. It's very important for the long run. Because in the end, it's market share, which matters the most, that's what gives you pricing power in the market. Marketing investments in these two verticals will continue. In these verticals, we may be spending a lot more than 10-12% of our revenue in marketing. Shiksha is a tiny business and we don't spend a lot of money on marketing. There are some headwinds there because it's a content business. And content businesses globally, if you study what's happening after these chatbots are getting impacted. Because a lot of the searches and queries are getting answered on ChatGPT and Gemini itself. We are experimenting to figure out how we can build different funnels to get more users on the platform. Shiksha is okay right now but we are trying to figure out how we can de-risk it from whatever we are seeing happen to the publishing industry globally. And therefore, we are experimenting with building a marketing funnel there. Right now, the marketing spend in Shiksha is tiny; it could go up going forward. So, it's a different strategy and different approach in different businesses, depending on market dynamics, competitive intensity, and realities.

Vivekanand: Thanks, Hitesh for the elaborate answers.

Anand Bansal: Thanks, Vivek. Next question is from Sachin Salgaonkar from Bank of America. Sachin, go ahead and ask your question.

Sachin Salgaonkar: First question, Hitesh, wanted a bit more color in terms of slowing billing growth and Naukri. I understand it was on the back of a soft macro and a demand slowdown. But any more color you could give in terms of is it GCCs, ITs, or non-ITs? Where you're seeing slowdown and where things are fine? In particular, I saw GCC being a strong contributor in the past. So, generally, I wanted to get a bit more color in terms of how billing's growth is holding up for GCCs.

Hitesh Oberoi: We saw moderation in growth with segments like with recruitment consultants and with IT services companies, BPM, BFSI, and infrastructure in these sectors. On the other hand, we saw reasonably good growth with technology companies, retail, healthcare, manufacturing, and GCCs. I think GCC growth even last quarter was 17% or so for us.

Sachin Salgaonkar: Is this the same billing's growth or this is the revenue growth you're talking about?

Hitesh Oberoi: Billing's growth.

Sachin Salgaonkar: Question two, a follow-up to the question which was earlier asked by Vivek. This is largely trying to understand how should one think in terms of spending towards advertisement? So one way to think is if a growth slows down, then would the company spend more on marketing and vice-versa, if growth picks up, then what's perhaps the need to spend on marketing? Is that a factor also to be considered, apart from some of the factors what you mentioned as answer to the earlier question?

Hitesh Oberoi: So, in the core Naukri business, if growth slows down, because of softness in demand, we don't need to spend more on marketing. Because there's no shortage of job seekers there. But where we are spending more within the Naukri, we were generally off media for a while. We were spending and the growth was looking up so we were okay. We continue to spend on the blue-collar business, for example, that's a business we're building from scratch that requires investment so that marketing spend will continue to grow. We are spending a little more than we used to on the Naukri Gulf business, because we've been seeing good growth there for the last seven-eight quarters, we are gaining share. We are beginning to spend a little bit on our Hiris business, which is a tech premium tech hiring platform that we're building. Both IIM jobs and Hiris have been doing really well for us. They're growing 40% year on year. These are some investments and in some small cities, like we now are in 80 cities, we've opened new offices, we need to support these offices with some local marketing. So we continue to spend a little bit in on that. But it's not as if we have to spend this money to grow our business. If growth slows down, we can moderate our spend, especially if there's not much competition. In 99acres and Jeevansathi, it's a different story. We are gaining share, we are executing well, we are growing our businesses reasonably, solidly, our metrics are looking very good. All the platform metrics we track are looking really solid. Jeevansathi is the fastest growing matrimony business, it's gaining share. 99acres has been growing much faster than its competitors for the last few quarters and it's been gaining share. We are encouraged by the return that we are seeing on our investment in marketing in both these platforms. We are doing a lot of other stuff as well and it's not just marketing. So I think these investments will continue and I think the other thing we need to understand is that we are cash rich. In times when even markets are slow, maybe sometimes competition sort of slows down the spending, but we can afford to spend and if you

spend in a market where others are not spending, it helps you gain share. So, because there's just less competition for users. And so I think these spend will continue.

Sachin Salgaonkar: Got it. And final question, trying to understand the impact of AI on businesses. Now, you did call out impact on Shiksha. But are we seeing something similar as an impact, let's say on 99acres on Naukri, or is it largely restricted towards a business like Shiksha?

Hitesh Oberoi: You mean the AI that's happening outside the bots? Or how we are leveraging AI? That I took you through.

Sachin Salgaonkar: Not how you guys are leveraging AI, but the impact per se, on the competition on AI in terms of the business getting impacted, per se, because of the bots and what's happening in tech companies, and so on, so forth.

Hitesh Oberoi: So far, we have not seen any significant impact on the Naukri and the 99acres business because of these AI models like ChatGPT and Gemini and others, in traffic. On a content platform like Shiksha, and AmbitionBox to some extent have been impacted. So, we're trying to figure out how to do a better job there. But so far, we have not seen an material impact in Jeevansathi, in Naukri and 99acres.

Sachin Salgaonkar: Perfect. Thank you.

Anand Bansal: Thanks, Sachin. Next question from Vijit Jain from Citi. Vijit, go ahead and ask your question.

Vijit Jain: I have two questions. One Hitesh, I just wanted to double click on the initial remark you made on you said a lot happened in the second half of last quarter and some clients deferred purchases, reopened contracts, etc. Now, I mean, was this specific to certain categories of clients or were you also, were you kind of referring to IT services clients here?

Hitesh Oberoi: IT services, some consultants, mostly large customers.

Vijit Jain: Got it. In general, do you think your ability to take pricing action will continue to be a bit difficult here? Do you have pricing action levers left in any particular segments as you look forward into FY26? And I think I'll just add another question on it. If I look at this other segment that you're now disclosing in your billings, where I think last year, every quarter you had 18 to 20% growth. Now, I know you've called out certain sectors slowing this quarter, but were there any temporary impacts as well? Because it went from 18 to 7.

Hitesh Oberoi: Which segment are you talking about?

Vijit Jain: So, you have those four buckets within your billing's growth, right?

Vineet Ranjan: That's basically non-IT where we have BFSI and all which slowed down in the quarter.

Vijit Jain: This was 17-18-19% odd every quarter last year, and this quarter is about 7%. So, I'm just wondering if there was any one-offs there? Or is that how you should think about it going forward, at least near term?

Hitesh Oberoi: Q3 and Q4 last year was very good for us. And domestic economy is doing well, even IT services companies have started hiring. And growth in almost every segment was in double digits, including consultants have started hitting 10-12%. Now, things slowed down in Q1 because of whatever happened, and especially towards the second half of Q1. Till first half, we were hoping to grow in the teens once again, but growth did moderate substantially in towards the second half of

the quarter. And it moderated for across segments. So, consultants were hit, IT services companies were hit. Some domestic economy depend sectors were also hit like BFSI, and infrastructure, and maybe for different reasons. I don't know the reasons. I can't comment on them beyond a point. And some sectors like healthcare, manufacturing and others like retail, etc, continue to do well on the domestic side. Going forward, a lot will depend on global demand which determines what happens to IT services companies, and which determines their hiring, and domestic demand, which determines what happens to the non-IT companies, mostly in the Indian market. The third thing is all the new stuff that we are doing. Some of our businesses continue to grow at 20-30-40%, but they are like 20% of the total business so in Naukri. We get our pricing as we believe that we are still the cheapest way to hire, the fastest way to hire, the easier way to hire. But normally it's easier to take price increases, when there's a reasonably decent market for hiring. It's harder to push through price increases when demand is soft. So we'll wait and see how things play out in the next one or two quarters.

Vijit Jain: Got it. Thank you.

Anand Bansal: Next question from Deep Shah from B&K Securities. Deep, go ahead and ask your question.

Deep Shah: Thanks for the opportunity. Some of the questions were answered, but I had a follow up on the marketing front. Over the last two years, let's say if we take the same quarter, we've seen like a 20-25% CAGR kind of increase in marketing. And I think you made it very clear that a lot of it is going towards Naukri. So, what is happening? Are we expanding the audience that we're reaching out to? Or is the advertising market become a lot more expensive? Say when you spend on IPL, is that become a lot more expensive? We're reaching out to more markets, if we could actually help us understand? Or is it that the new initiatives that needs a slightly different advertising, say funnel, which you are looking to tap into?

Hitesh Oberoi: Within Naukri you're talking about?

Deep Shah: Yes.

Hitesh Oberoi: Let's look at the spend in three different buckets. One is brand marketing like the kind of stuff you do on IPL. Then there is regular performance marketing, the kind of marketing we do to get more CVs, and so on and so forth. And third is marketing spend on some of the newer initiatives like IIMJobs, Hirist, Naukri Gulf, etc. or JobHai. Now the bucket number one, IPL our team felt that we had been out of media for a while so they wanted to go back and make some noise. Now, that's not what you need to do every quarter to grow your business. We can live without it for a while if you want to. Regular performance marketing spend will continue. Now, performance marketing spends are a function of the cost of acquiring a CV which is a function of competition. And of course, how actively job seekers are looking. We get 26,000 new CVs a day. Now, if it becomes 25,000, will it make a difference for business? No. Can we push marketing, make it 30,000? Very hard. A lot of them come organically anyway. And performance marketing spends are not very high. We can live with a performance marketing spend of even 30-40 crores a year, that should be enough for a Naukri. Now, how much do we want to spend on JobHai is a function of how fast we think JobHai can grow and how fast you want to expand. We are making those investments right now, we are getting some results. If we get even better results, we make even more investments. But this is a new business that we're building for the future. The marketing spend gets clubbed and it's going towards building a brand-new business, IIMJobs and Hirist, because they're growing at 40%. We are spending a little bit not too much on them. Because, again we would like business to actually get organic traction.

And we supplement and complement that traction with marketing. It's not as if we force marketing to down people's business to grow business. In Naukri Gulf we've been growing at 20% for the last three years now, become a solid business for us, it's profitable. We see an opportunity there, we are doing a little more marketing than earlier, that's all. So, these are the three buckets in which within in which we spend. Now the branding bucket, you can do without for a long time it's not necessary. The other two buckets are perhaps we would want to sort of continue with.

Deep Shah: Okay, understood. This is this is useful. Thanks, and all the best.

Anand Bansal: Thanks, Deep. Next question from Nikhil Chaudhary from Nuvama. Nikhil, go ahead and ask your question.

Nikhil Chaudhary: Hitesh, just want more color on non-IT and non-GCC business. While IT services obviously had tariff-related uncertainty but on the non-IT part, be it industrial, be it BFSI, we have been growing in double digits for quite some time, despite the underlying economy had its own problems. And we have discussed in part that Naukri has been defying the gravity, despite of slowdown, we are only accelerating. So, what changed this quarter? Is it like, finally, the investment or marketing is not generating enough ROI, or slowdown is much more pronounced and maybe impacted us with a delay.

Hitesh Oberoi: So, it's got nothing to do with marketing. See, like I mentioned, towards the second half of the quarter, I think there was just some uncertainty because of maybe the geopolitical situation or some other reason. People wanted to wait and watch. I think it was more like - we don't know where it's going and can we just hang on for some more time. Do we really need to hire people right away or can we wait? Perhaps it was a bit of that, and that uncertainty to some extent continues, even with all these tariffs and other stuff. So, it could be impacting some industries, could be impacting hiring. BFSI, for sure got impacted. Infrastructure, I think, was also, hiring was also slow for a couple of months. Certain non-IT sectors continue to do well, but certain sectors were impacted. Now, all this was all okay till Q4 and in fact, growth was accelerating from Q2 to Q3 to Q4. It went up and up. But suddenly, people pressed the brakes. So, companies have slowed down towards the quarter end. Now, will this growth come back going forward? I don't know. Hard for me to say. July was good, we're not complaining. It was good for 99acres also. It was good for Naukri also. But given what happened last quarter, I don't want to say anything about what will happen going forward. It's just, there's too much uncertainty right now in the environment.

Nikhil Chaudhary: Got it, Hitesh. I think more importantly why we were so surprised because Q4 was so strong. We don't see such a stark difference in two quarters. And the two, the point you are making that second half was weak. But I mean, if you look in terms of news and headlines, first half you had tariff-related news, even the war situation was over by 15th of May between India and Pakistan. And I don't think Israel or Iran would have an impact especially on the domestic side of the business. That's where it's a bigger surprise and something which we are unable to digest in terms of.

Hitesh Oberoi: But what happens in our business is, M1 plus M2 is only 50% of the quarter. Because it's a renewal business, month 3 is equal to month 1 plus month 2 in any quarter on the average. And within month 3, the last five days of the month are half the month. That's how it works.

Nikhil Chaudhary: Got it, Hitesh, so basically surprise came little late.

Hitesh Oberoi: Yeah.

Sanjeev Bikhchandani: Hitesh, you want to talk a little about July or not right now?

Hitesh Oberoi: July, I've already said but it's very hard. It's been good.

Sanjeev Bikhchandani: My understanding, and I could be wrong. Hitesh is closer to the operating business than I am. My understanding is that some sort of collections got deferred into July, and then they came in the first week of July. So, it simply because people may have been a little uncertain, a little uneasy where's the world is heading. Where are tariffs going to go? What is happening in geopolitics? What's happening on more than the wars, it was a tariff also, I think that might have impacted into what's going to happen to the economy. So, because it was volatile, it's possible that some people got to see, but I'm not saying that there will be a recovery in Q2, definitely. But July gave us some reason to feel slightly encouraged. Am I right, Hitesh?

Hitesh Oberoi: I did mention that the July collection growth in Naukri was 19%. Billing growth was about 13 and a half, 14%. 99acres was also much better than the previous quarter. But given the uncertainty, I don't know where this is going to.

Sanjeev Bikhchandani: We don't know. But there was some encouraging signs in July.

Hitesh Oberoi: Yeah.

Nikhil Chaudhary: Got it. Thanks, Hitesh. Thanks, Sanjeev. Good luck for coming period.

Anand Bansal: Thanks, Nikhil. Next question is from Swapnil from JM Financial. Swapnil, go ahead and ask your question.

Swapnil: I would like to take forward the July discussion. You did mention that July billings for around 13-14%. Now, at the same time, you were saying that there was a spillover impact also there, and benefit in a way. If I were to ex of that, the spillover benefit, the underlying growth then for the month of July would have been much lower. Will that be a fair statement to say? And that is why the concern that if the underlying growth was not as much, then extrapolating that gives us, keeps us below 10% growth for the entire quarter.

Hitesh Oberoi: I don't know. Like I said, month one is only 20% of the quarter. So, we don't know how things will pan out going forward. I don't want to make any forecast here.

Swapnil: But, but will it be fair, the 13%, 19% growth that you mentioned, that is looking good only because of these. I mean the other way to look at it.

Hitesh Oberoi: On 15th May, last quarter, I would have told you that it looks like we'll grow at 15% but we ended up with whatever we ended up with. Now, if you ask me today if I go by what people are saying, maybe an X number is possible, but I don't know what's going to happen now with all this uncertainty around us. So, it's hard. 99acres and Jeevansathi are more predictable. These are consumer businesses. It's not as if it gets impacted by what happens around us so much. In 99acres, our metrics are very solid. The number of inquiries on our platform, etc. We are gaining share. All that is looking very good. Will it translate into revenue growth? This quarter? I don't know. July was very good. Actually, very solid for 99acres. But will it continue? Hard to say. Naukri is the hardest to predict. Because it depends on the domestic economy also. It also depends what happens in the US.

Swapnil: Let me take this conversation forward and ask you this question. Now, if we were to maintain the margins, at 56% that you did last year on a PBT level in the Naukri business, what would be the billing growth that you would need for this full year to get to those margins on a y-o-y basis to maintain flat, because at 9% from what I remember from previous calls commentary, you said there could be some dilution on the margin side. So, that is where I'm trying to.

Hitesh Oberoi: I don't know. Have you done the math, Vineet?

Vineet Ranjan: If billings growth continues to be in like single digits, while the billings growth of last two-three quarters was still mid-teens to high-teens. So, from revenue, it will still continue to have a spillover benefits in terms of revenue growth. So, it should not hit the margin immediately in FY26. But yeah, if this slow growth continues for like long time, then maybe FY27 can get impacted in terms of margins.

Hitesh Oberoi: We don't want to slow down investments in AI. We don't want to slow down our investment in building the blue-collar job platform. We don't want to slow down our investments in 99acres and in Jeevansathi as we are gaining share. And in markets like these, as we are cash rich, we should be able to utilize that to our benefit. A core Naukri growth is where we have a bit of a challenge. The adjacent businesses are also growing - fast forward business, the Gulf business, the IIMJobs business, the Hrist business. So, let's see.

Swapnil: So, just a corollary question to that. So, let's just say you happen to grow 8-9% only in the near-term next couple of quarters, will you start focusing on margin cut down on some spends?

Hitesh Oberoi: What we may cut down on is branding spend, we may not do IPL type of advertising for the next few quarters. We'll say, we can manage marketing costs. We'll try and remain at the same level as last year in Naukri. But still, we would want to continue to invest in blue collar Job Hai. We want to invest in the businesses that are growing fast, like IIMJobs and Hrist is growing at 40%. We'll continue to do more there, we'll continue to invest in the Gulf. We can still manage with the same marketing expenses as last year. We will continue to invest in AI and when I say AI, one is, the people, two is the servers, and the GPUs and some of those things which we need to invest in for the long term. Now we may not want to delay those investments. I think they are important and strategic for the long run.

Swapnil: Thanks a lot for taking my questions. Very clear answers. Thank you.

Anand Bansal: Thanks, Swapnil.

Vineet Ranjan: There is a question in the chat box as well. Hitesh, I'll read it out. On an absolute terms, what is the range of marketing spend? Are we internally comfortable spending for the remainder of the year on a quarterly basis?

Hitesh Oberoi: In 99acres and in Jeevansathi, there's no limit. We can go to any extent. If you get good returns and if you think we are gaining share and it will help us in the long run. We look at marketing as an investment in these verticals. In Naukri we could, if growth slows down, we may stay at the same level as last year.

Anand Bansal: Thanks, Hitesh. So, there is a follow up question from Vivekanand from Ambit Capital. Vivek, go ahead and ask your question.

Vivekanand: Thanks for the follow up. On investments, Sanjeev, I have one question for you. Now that Ant Financial has fully exited Eternal. Is there any thought process that some of the long-term investors yourself included also would want to recycle capital and perhaps come up with a schedule for monetization? Because that business no longer requires capital perhaps, which is why secondaries are happening.

Sanjeev Bikhchandani: People are selling not because the Zomato business does not require capital. They are selling for whatever reason they haven't told us. It may be because they've achieved a profit objective or they've got some other use for the money. I think our willingness to sell in any of those

two businesses is going to be indexed to our perception and belief about growth in the future. So, will we maximize shareholder value more by selling now or more by holding? And that is how we'll do it. We discuss this constantly in board meetings and among ourselves. And as of now, we have no announcements to make over there.

Vivekanand: All right. Thank you.

Anand Bansal: Thank you so much, Vivek. That was the last question on that.

Hitesh Oberoi: Thank you, everyone, for being on the call. Have a great evening.

Sanjeev Bikhchandani: Thanks. Bye.

Anand Bansal: Thank you, everyone. Thank you so much for joining us.