August 17, 2026

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 **Company Code No.: 539807**	**National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 **Company Symbol: CCAVENUE**

Dear Sir/ Madam,

Sub: Transcript of Earnings Conference Call for the quarter ended June 30, 2026

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Investor/ Analyst conference call on financial performance of the Company for the quarter ended June 30, 2026 conducted on Tuesday, August 11, 2026, after the meeting of Board of Directors, for your information and records.

This transcript is also available on the website of the Company i.e. www.avenuesai.com.

We request you to kindly take the same on your records.

Thanking you,

Yours faithfully,

For AvenuesAI Limited
(Formerly known as Infibeam Avenues Limited)

SHYAMAL TRIVEDI Digitally signed by SHYAMAL TRIVEDI Date: 2026.08.17 12:30:31 +05'30'

Shyamal Trivedi
Sr. Vice President & Company Secretary

Encl.: As above

"AvenuesAI Limited

Q1 FY27 Earnings Conference Call"

August 11, 2026

MANAGEMENT: MR. VISHAL MEHTA – CHAIRMAN AND MANAGING DIRECTOR – AVENUESAI LIMITED
MR. VISHWAS PATEL – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – AVENUESAI LIMITED
MR. SUNIL BHAGAT – CHIEF FINANCIAL OFFICER – AVENUESAI LIMITED
MR. B. RAVI – INDEPENDENT CONSULTANT AND ADVISOR CORPORATE AND FINANCIAL STRATEGY – AVENUESAI LIMITED

MODERATOR: MR. RAJAT GUPTA – GO INDIA ADVISORS LLP

Moderator: Ladies and gentlemen, good day, and welcome to the AvenuesAI Limited Earnings Conference Call Q1 FY27 hosted by Go India Advisors. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

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

Rajat Gupta: Yes. Thank you, Anuska. Good evening, everyone, and welcome to AvenuesAI Limited earnings call to discuss the Q1 FY27 results. We have on the call with us today, Mr. Vishal Mehta, Chairman and Managing Director; Mr. Vishwas Patel, Managing Director and Chief Executive Officer; Mr. Sunil Bhagat, Chief Financial Officer; and also Mr. B. Ravi, who is advising AvenuesAI on corporate and financial strategy as an independent consultant.

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

Thank you, and over to you, sir.

Vishal Mehta: At the outset, I want to let you know that we had strong revenues this quarter. Revenues increased by 109% year-over-year. We have been concentrating on building volumes and absolute profitability, and both have gone in the right direction with the profit after tax going up by 45%.

I want to walk you through the AvenuesAI strategy, and we believe we have got 4 focus areas. One is payments, second is consumer, third is intelligence and fourth is credit, and they increasingly reinforce one another.

Payments is our foundation. CCAvenue moves money for merchants and continues to fund our investments in the next phase of our business. Consumer is Rediff; Rediff, RediffOne, RediffPay, RediffTV, they give us direct relationship with consumers and business, something most fintech companies simply may not have. Intelligence is Phronetic AI, which is now proposed to be merged with AvenuesAI. We are putting AI on top of transactions, payments and enterprise workflows to create new products and capabilities.

Credit is our emerging distribution layer. Through strategic minority investments in regulated financial institutions, we can distribute credit without putting lending risk on AvenuesAI balance sheet. The important point is that these are no longer separate businesses. They're becoming one integrated platform. We've been building Rediff into a broader consumer and enterprise platform.

RediffPay is progressing well as our UPI-based consumer payments platform. It will be out of CUG this month and into production. RediffOne is evolving into an operating platform for businesses bringing together commerce, communication, compliance and intelligence.

RediffTV as in news and RediffGurus, they add content and community.

The opportunity is therefore much bigger than legacy Rediff business. We are connecting Rediff's consumers and business with AvenuesAI learning from payments and AI capabilities and unlocking value from the ecosystem. AI is the next layer of payments. We believe the next generation of payments will not simply move money faster, it will enable machines to transact. Through Phronetic AI, we launched PayCentral, which we believe is India's first agentic payment platform built on Google's Agent Payments Protocol.

It enables AI agents to transact directly with one another without requiring a person to manually initiate every payment. Think of it simply, an AI agent understands the intent, finds the product or service, makes the decision and completes the payment. We call this Uberizing payments, removing the friction between intent, commerce and payment without replacing the merchant or the consumer.

We believe this can now become a layer of digital commerce. That is the reason why we've changed our name from Infibeam Avenues to AvenuesAI. We are no longer a payments company that does AI. We are building AI-first fintech infrastructure company that started with payments. Payments give us scale, Rediff gives us consumers and enterprises. AI gives us intelligence and credit partnership gives us access to financial products without balance sheet lending risk. This is the ecosystem we are building.

In the first quarter FY27, we actually made meaningful progress across each of these pillars. We received in-principle approval from Central Bank of UAE for Retail Payment Services, which is a Cat III license for Avenues. UAE is already one of our strongest international markets. The license will allow us to broaden our customer reach and product suite and strengthen our long-term international payment strategy. In India, RBI authorized AvenuesAI to set up payment system for issuance and operations of prepaid payment instruments.

These approvals further strengthen our regulated payments infrastructure across India and international market. In terms of our asset-light expansion on credit, we've moved from strategy to execution in credit. We have progressed well in proposed investments of up to 2.5% in RatnaFin Capital, which is an RBI registered NBFC with a very strong SME lending franchisee. We also approved a strategic investment of up to 7% in online PSB loans, India's largest public sector-backed digital credit platform.

Our model is deliberately asset-light. AvenuesAI provides AI payments infrastructure and merchant distribution. Regulated partners provide the balance sheet and underwriting. This allows us to participate in India's digital credit opportunity without taking lending risk onto our own balance sheet.

As far as trust is concerned, on the intelligence side, we are building another important capability. Enterprise AI that stays inside the enterprise. Through Phronetic AI, we are developing on-prem AI solutions using small language models, in specific about $1 billion to $10 billion parameter range. These models can be deployed, trained, monitored and retained within clients' own infrastructure with sensitive data remaining inside the organization.

Our platforms are built specifically around this requirement. For enterprises, particularly those handling sensitive data, sovereignty, security and controls, these model capabilities are becoming increasingly important. We believe this allows us to compete on trust, not simply on model size and creates a new AI native revenue opportunity beyond payments. The Board of Directors have also taken 2 significant decisions this quarter. First, Nueromind, which is our fully owned AI-based subsidiary is being merged into AvenuesAI.

This will give us synergies and seamless operations and lead to cost benefits and data consent also. The second we are doing is a reverse split, which is a face value of share, which was INR1 now is being increased to INR10 per share. Consolidating the face value to INR10 instead of INR1 has a significant impact on how our shareholders will perceive us as well as on the liquidity. I will now hand over the call to Vishwas to take you through the payments business. Vishwas, over to you.

Vishwas Patel: Thank you, Vishal, and good evening, everyone. Vishal has laid down the strategy. Now let me bring in down to what we are seeing when merchants -- with merchants and consumers. Our strategy is simple. We are not trying to add another payment option.

We are trying to become a more deeply-embedded in the merchant's workflow. A good example is the integration of CCAvenue payment gateway with Shiprocket Checkout. Shiprocket's B2C and SME merchants can now access same-day settlement, international payments, no-cost EMI and payment links across WhatsApp, SMS, Instagram and e-mail without managing a separate payment relationships. We are applying the same model across other verticals. Our form builder has onboarded thousands of education institutions and even merchants.

Our BillAvenue platform process millions of utilities, mobile recharges and bill payment transactions with agent-led adoption, driving deeper financial inclusion. Our ResAvenue platform, that is our integrated reservations and payments platform is scaling across thousands of hotels and connects with systems such as Opera Micros-Fidelio, Property Management Systems and leverages our AI-based tools to help them implement smart pricing and optimize occupancy rates.

The principle is consistent, make payments part of the workflow, create more value for the merchant and the transaction volume follows. Our transaction processing volume for the quarter grew 74% year-on-year to INR1,479 billion with continued strength across utility payments, government payments, retail, B2B and hospitality. Our performance reflects that.

Strong execution in our core payments business, completion of a broad and defensible regulatory stack, measured progress in AI-driven commerce and consumer platforms, continued discipline around scale, profitability and risk management. We remain focused on building trust, compliant and intelligent payment infrastructure at scale while selectively investing in platforms that extends our long-term growth runway.

On the consumer side, RediffPay will continue to scale as the UPI platform once it has passed the CUG stage. We see RediffPay as a genuine second leg of the payment business, bringing consumer transactions increasingly onto our own payment rails. RediffOne is also expanding beyond e-mail and communication into commerce, compliance and intelligence, making it an operating platform for businesses.

On embedded lending, our merchant network is becoming the distribution layer. As RatnaFin and OPL progress towards closing, we expect merchant financing, checkout financing and working capital products to become available across the CCAvenue ecosystem with lending risk remaining with our regulated partners.

With that, I hand over to Sunil bhai for the financial performance. Over to you, Sunil bhai.

Sunil Bhagat: Thank you, Vishwas sir, and good evening, everyone. Let me start with the key quarter 1 FY27 numbers. On a consolidated basis, our gross revenue from operations stood at INR2,680 crores, which is up 109% year-on-year. Our net revenue stood at INR147 crores, marginally down by 3%. Our EBITDA, excluding other income, stood at INR100 crores, representing 41% increase year-over-year.

Our profit after tax for the quarter stood at INR85 crores, which is up 45% year-on-year. These performance builds on the strong full financial year '26 trajectory, where our gross revenue was INR8,116 crores, which is up 103%. Our net revenue was -- full year INR603 crores, which is up 15% and PAT was INR295 crores, up 25%.

So far as our FY27 outlook is concerned, our company expects FY27 consolidated revenue to be in the range of INR11,000 crores to INR13,000 crores, that is growth of around 35% and above and also expects the FY27 EPS to be in the range of INR8.75 to INR9.5 per share, which is based on the proposed post corporate action face value of INR10 per share.

Our cost base remains front-loaded as we invest in AI infrastructure, international expansion and our new financial services capabilities. We are, therefore, not building for a short-term margin spike. We are building for a structurally stronger and more scalable margin profile through FY27 and FY28 as these businesses begin to compound. With this, I will now hand over the call for Q&A.

Moderator: The first question from the line of Amish Kanani from Knowise Investment Managers.

Amish Kanani: Congrats on a good growth. Sir, we had filed for this DRHP of Rediff and I understand it was confidential. Last quarter also, I had asked this question. But if you can give us one, the progress on the same. And we were more worried about this corporate action that we are taking, whether that could impact our timing of the issue because one, if you can just remind us of this -- reason for this corporate action?

Was it so critical and whether that impacts the time line for Rediff? Because I understand the valuation of our company would really be unlocked if Rediff has a separate way of valuation because the data is also not coming out in total. So, one, if you can address that?

Vishal Mehta: Sure. So this is Vishal here. Basically, we don't see any impact of the corporate action on the filing of Rediff. They are 2 separate events. The corporate action is, to remind you, just increasing the face value of the share from INR1 to INR10. And so that applies to the shareholders of AvenuesAI. So...

Amish Kanani: Are you -- the merger of that other subsidiary that we are merging with AvenuesAI...

Vishal Mehta: Correct. So the fully-owned subsidiary of the company is merged into the parent. So that has no bearing to the shareholders of AvenuesAI. Basically, it's a 100% subsidiary of AvenuesAI. And so, the proposed corporate action that we have suggested is to merge the fully-owned subsidiary, which was undertaking the work of AI models, AI frameworks and all the opportunities related to that.

We believe that if we bring that company directly as part of AvenuesAI, then the AI adoption will grow much faster. It is part of the -- we've also recently in our press release mentioned that we plan to build out transaction intelligence scores and many more. And so with that kind of -- you see in AI, data becomes extremely critical and important, consented data.

And so what we believe in is that if it becomes part of the main entity, then the growth opportunities and trajectories are significantly more. So we don't believe that this corporate action of merging the subsidiary into parent has any bearing to the proposed filing of Rediff.

Amish Kanani: Any update there? Or it's too early to speak.

Vishal Mehta: It's slightly early to directly talk about it. But yes, I think that we have followed the due process. And you can see some updates which are there on the SEBI website.

Amish Kanani: Sure, sir. And sir, this Pay central thing that we are doing, if you can give us update on how is the commercial traction there in terms of merchant onboarding? And a related question there, sir, is this -- last week was all over place about MDR.

And this time 2 quarters back, I had asked you this question if and when the MDR comes, whether it will be a beneficiary, and you did mention it will be a beneficiary to us. The only concern that now in the public domain is being discussed is that the large payment providers will get a larger share of the MDR and hence, maybe the market gets consolidated.

Given our market share being near to be on a lower side, would it be an opportunity or a threat in that context, sir?

Vishal Mehta: Vishwas, do you want to take the MDR first?

Vishwas Patel: Yes. So MDR UPI is significantly growing on our base. Today, almost 22% of our transactions are on UPI. So any kind of monetization on that UPI will add additional revenues definitely to our platform. Right now, as we stand, the act has been passed by the Lok Sabha.

It still awaits Rajya Sabha and still awaits President's approval and then the gazette and then we will know what kind of pricing and monetization that NPCI and RBI is allowing to be done.

But we know for sure that it's going to be on big merchants and for higher value transactions. But once the final bit come in, then maybe we'll be able to gauge what kind of revenue can be generated. As far as threat is concerned, there's no threat as per se. There are options like UPI, which runs across -- deeply across all kind of payments that happened.

So there is something for everybody in the system, in the ecosystem to gain out of it. And there is no consolidation on the acquiring side. On the issuing side, yes, where a lot of TPAPs have some base. But on the acquiring side, on the online acquiring side, it's quite evenly spread out. So we do have a significant 8% to 10% share of the overall market.

So let's see, as and when monetization happen, it will be good only. It is an endeavour that we ourselves as a company and myself have been working on it to get that monetization going for the last couple of years. So finally it is 55, let's see.

Amish Kanani: Sure, sir. Congratulations on that. And sir, any update on the merchant onboarding in PayCentral, how are we kind of progressing.

Vishal Mehta: It's early days still. So -- in other words, the protocol is new. I think internationally, it's growing a little bit faster than in India. I think the Indian protocol is actually working fairly well. I think as far as using AI for merchant onboarding and productivity, I think there are 3 things that typically you can do with this.

One is, you can actually increase productivity significantly, which is AI is actually complementing the human in terms of getting productivity through. I think there, we have made massive amounts of progress. Second is replacing humans. I think it's dystopian, but it's not something you can rule out. So, in other words, if you take it further, that particular opportunity can replace a human actually in the loop.

And then the third thing is actually AI will end up doing things that you could technically not do in the past. For example, reconciliation of every single transaction as an audit. I don't think that from that perspective, it was possible in the past. You could do sampling, you could do many more, but now you can. So just giving you an example of what you could do now.

So we think that all these 3 things are happening as we speak. As far as consumers opting to actually transact using agents, that is still in the early phases.

Amish Kanani: Sure. Sir, last question before I fall back in the queue. This quarter, we were saying that you are not chasing gross revenue top line growth, but a net revenue. But unfortunately, that number has not grown. And still, we have been able to increase our operating profit, which seems to be coming more from compressing the expense line item.

So if you can explain what is happening there? And what is the trend like? Should we be focusing more on gross revenue or net revenue? Because the guidance also, I think we have given it in terms of gross revenue.

Vishal Mehta: Yes, you should focus on net revenue in our opinion because that is the one which will perhaps give you the best indications in terms of how the company is progressing. Yes, we will -- there are certain specifics that you would take up, including the ones that we talked about, which is distribution of credit and so on and so forth. And that should all pour back directly into the net revenue. So we think that, that is something that one should definitely take a look at. Gross revenue may fluctuate based on mix and other specifics.

Amish Kanani: Sure, sir. So the operating EBITDA margins -- operating revenue margins are increasing more from the expense line item, right, sir?

Vishal Mehta: Yes, that's right.

Moderator: We take the next question from the line of Deepesh from Maanya Finance.

Deepesh: On the enterprise SLM PrivateGPT, there's a new unproven line competing against the well-capitalized global players like OpenAI, Anthropic. So what is the go-to-market strategy or the target customer and the expected revenue contribution time line?

Vishal Mehta: So we find that SLMs are very good at solving specific problems. A lot of it is actually -- if you come to think of it and if you try it out, you can increase -- you must be user of many of the LLMs. But if you keep on prompting, prompting, prompting, you actually get much better results. In this particular instance, what you do is you take data, which is specific to a particular company, you vectorize it, you build out knowledge graphs on top of it, SLMs and then some application layers. We find that enterprises like where data is critical, financial institutions, critical operations in some ways, they would all want this kind of a setup, which is SLM driven.

I think the opportunity is significantly large. it is still in early phases. I think it actually reduces the token cost also significantly. And what we realize is that many of these companies, they can solve a lot of problems building workflows. You don't even have to use tokens and then perhaps optimizing it using SLMs.

And that becomes specific to that particular setup. So we think that it's -- I mean, how do we productize it is a bigger opportunity. And if we are able to give some kind of a DTX and something which consumers and enterprises can start utilizing, it becomes valuable. In terms of impact to our business is concerned, I think it's about anywhere from 9 to 18 months out, where you'll have -- you'll start seeing some good impact, we believe.

Deepesh: Right. And what is the exposure on the tokens which we use in the LLMs? What will be a risk on the token prices? And how has been the trend of the token prices right now for us?

Vishal Mehta: Token is slightly inflationary, you know that. So in other words, I mean, there's lots of optimizations that one can do in that area, in that space. And then there's new stuff happening on a daily basis. So I think for us and typically, infrastructure tokens and so on and so forth, for our internal use, of course, we'd spend. But for the ones that we give to our clients, clients would actually end up paying that.

So we pass on the cost. It's a pass-through for us, typically speaking. But if you think about SLMs and if you have this kind of a fabric, then your token cost falls by about 1/10 of what you would typically see because you don't have to -- the data is actually somewhat air capped. It's not going out. It's within the premises.

And so the utilization and so on and so forth is significantly improved with this particular setup.

So -- I mean the way we see the opportunity is that for critical infrastructure, for financial data, for many others, the utilization of LLM will be limited because of the data security concerns. It will move towards the SLM framework, and that is what most companies would end up working on. That is an opportunity that we believe will perhaps work as well. But if you can actually productize it, it's even bigger.

Deepesh: Right. And about RediffPay, now still prelaunch and the UAE and RBI licenses only newly received, how much of the FY27 growth guidance is already assumed and the contribution from these unlaunched or newly launched businesses versus being a pure core CCAvenue driven?

Vishal Mehta: I think we've not assumed much from RediffPay because it's a UPI payment option. So for FY27 guidance, we have not assumed meaningful contribution from that, if it makes sense to you.

Deepesh: Right. And I mean, as the previous participant said that we are planning to list Rediff as a separate entity. What has the revenues? And will we list Rediff as a AI provider or we will list it as more of RediffPay and -- very similar to the Paytms of the world?

Vishal Mehta: Rediff has 3 large opportunities. One is RediffOne, which is the enterprise side of the business, which has e-mails, commerce, in some ways, CRM, HRMS, ERP. Think of it as something similar to Zoho One in some ways. But I think that's one opportunity that Rediff will go after. Second is RediffPay, which is what you mentioned, which is more like the UPI payment and fintech opportunities, wealth management and many others.

And the third opportunity is, we described as content and RediffTV, which is not the linear TV that we talk about, it's streaming with a lot of content. So we think that it is not going to be the legacy only business. It will be AI-enabled new version of what we think consumers and business will connect into.

Deepesh: So how is it going to be different from -- I mean, just -- sorry, I'm sure you wanted to add, but how is it going to be different to our existing company?

Vishal Mehta: That's consumer-facing payments. This is -- acquiring is in CCAvenue. So merchant acquiring is the -- AvenuesAI will focus on the B2C payments, I mean consumers paying to businesses. And Rediff is going to focus on the consumer side of payments. We see payments as 2 different elements.

Today, for example, a consumer does not download a CCAvenue app and utilize the app. They will go to the merchant where they'll find the payment options and they will pay using CCAvenue. So we are on the business side, on the acquiring side. We are not on the consumer side. Rediff is on the consumer side.

Deepesh: Right. And what about the AI? I mean you've excellently explained how the payment module will be from B2C and with AvenuesAI B2B. What about the AI part of our company? Will that entirely go to Rediff?

Vishal Mehta: AI is completely as part of AvenuesAI. So Phronetic is being merged into AvenuesAI, which is Neuromind as a subsidiary, which is 100% subsidiary, is merged into AvenuesAI now. So the entire AI vertical, all the people and everyone else will be part of AvenuesAI.

Moderator: We take the next question from the line of Gauri Shankar Dalal from Creators Capital.

Gauri Shankar Dalal: A couple of queries I had. Sir, first of all, EBITDA margins have expanded sharply to around 68% of net revenue versus 47% a year ago. So what would be the sustainable margins post all the investments into AI and platforms have been done?

Vishal Mehta: We've given guidance for the year, this year. So if you look at the press release and our guidance, we're projecting revenues to come at between INR11,000 crores to INR13,000 crores and earnings per share from INR8.75 to INR9.50. That is net of the capital that has been allocated to be spending on AI and platforms. And I think that we've adopted the approach of ensuring that we are not chasing the short-term profitability.

We are looking at the long-term impact, but we're going to track and monitor what happens in the short term very sharply. So we have a slightly disciplined approach, and we have put certain guardrails. But yes, we would definitely be increasing our intent to forward invest in AI and that will continue on.

I think as far as the EBITDA for the quarter is concerned and next quarter and the full year, we have given the guidance so you can actually be able to look at what our EBITDA margins has been compared to PAT and come up with the EBITDA versions.

Gauri Shankar Dalal: Okay. And apart from this, as you have mentioned, the gross revenue target for the entire financial year, you have -- it's just an increase of about 35% to 60%, from INR8,000 crores approximate to INR11,000 to INR13,000, But the EPS is flat. The guidance in the EPS part is flat. So considering the PAT margin of 57%, the EPS should have grown by around 20% or so. Why the EPS is flat in the guidance that you've shared?

Vishal Mehta: Yes. So one thing that we think we want to continue on is and we've got a philosophy, and it's pretty simple that we want to protect our earnings of the core business, and we will want to forward invest incremental cash generation to build the business of tomorrow, which is actually in the AI and other areas. So we expect the core business to remain strong and profitable and generate increasing operating accruals.

And we believe that beyond a certain amount, the incremental capacity will be selectively reinvested into AI, Transaction intelligence and other high conviction growth opportunities that we have. So if you think about our philosophy and our approach, the thing is that we want to grow the core.

We want to generate incremental accruals. We want to reinvest selectively in AI. We want to build out all new revenue streams, and then we want to compound earnings over time. So you're right. I think that we believe that additional accruals that come in as part of our build-out will be reinvested back.

And we want to think about -- if we think about our ambition from '27 to '29, it's not simply about maximizing earnings. It is to emerge at the end of the period with both a very strong earnings base and a significantly large AI-led business.

And so, you can expect that we'll invest that incremental accruals back into the business of where we have very high conviction. So, it's a conscious decision that we want to compound today's profitability while investing in the business that can drive tomorrow's growth.

Gauri Shankar Dalal: Sure. Got it. And on this, I had one more query, The net revenue has declined around 2% year-on-year and 1% quarter-on-quarter. Can you give us some reasons in the favor about the net revenue figures?

Vishal Mehta: Yes, typically, first quarter is a slightly low quarter. Second, third quarter is slightly better because of festival season than others. And we believe that as more and more transactions happen through our platform, we have slightly compression as far as our margins are concerned. If you look at our take rates, they have compressed slightly and that has impacted our net revenue. But we believe as we build out other opportunities, which is somewhat credit-based distribution, many others that we should be able to pick up.

And we remain slightly appropriately conservative in terms of how we think through this. But yes, you're right. I think it's a combination of payments being a competitive business. Second, our aspiration to grow payments and increase the core profitability and pull in volumes. And third is, we think that with that, we can build out a lot of other revenue streams, which potentially will offset and help us increase our margins in the medium to long term.

Sunil Bhagat: Can I just come -- Vishal bhai, can I just come in. Gouri, I would also like to add one thing. If you notice though the net revenue may be flattish or slightly gone down, the EBITDA has gone up by 41% and the EBITDA percentages have gone, which was 47% Y-o-Y in Q1 FY '26 is now 68%.

So concentration has been on improving the absolute profitability and the margins therein based on the gross revenues and the take rate, not necessarily on that net revenue. So that is a positive part of the entire results.

Gauri Shankar Dalal: Yes, that's right. But the only issue in this was that, there are a lot of investments into AI automation and all. That's why EBITDA margins and all, we're not able to clearly figure out. What is the ideal, sustainable EBITDA margins going forward excluding all the AI investments?

Vishal Mehta: The guardrails that you can establish is about 15%. That's like a guardrail, if you ask me. We always want to have guardrails, which is we never want to go below that certain amount rather than going into how much EBITDA we can improve and so on and so forth, we want to set up certain guardrails that enable us to ensure that we continue reinvesting into our future and maintain certain profitability in our core. It's not a target. It's just a guardrail.

Gauri Shankar Dalal: And just a last question. The e-commerce platform business was flat last quarter, as flat to slightly higher and a diagonal on a high-margin revenue. So, when does the promised platform AI rewards would show up in the growth numbers? And what about the growth of this platform business?

Vishal Mehta: So we expect that -- I mean, we are investing quite a bit in that area and some meaningful results should start showing up in Q3 time frame. So you can expect that maybe some movement will start in the Q3, Q4 time frame for us in that space.

Moderator: We take the next question from the line of Dinesh Kumar from Calvert Investment

Dinesh Kumar: Sir, I wanted to reflect on what else that we have on Rediff's IPO time line, sir? One. Second one, and what kind of AI investment or AI infrastructure are we building for next -- like you have guided for 2027, '29, we are focusing on the -- more our usual business. So what kind of AI infrastructure are we building upon, sir? And what kind of returns on net basis we see in EBITDA and PAT margins are we looking forward?

Vishal Mehta: So, I'll take the second question. I think as far as the AI part is concerned and AI is a very large topic. So we want to work on and keep on the -- keeping our head straight in terms of not just investing in AI, but we want to actually make sure that there is an investment and a harvesting cycle as well. So our thesis in this is that there is this whole infrastructure-related AI investments, which is not what we want to pursue as far as data centers and so on and so forth is concerned. It's high -- huge amounts of capex and returns over a period of time.

So that is not what the company wants to pursue at the moment. We may invest selectively in smaller capacities, but not the large ones. So that's one. As far as the -- we've recently, in our release, mentioned that we want to build out transaction intelligence score and think of it as, in some ways, alternative risk score. It's not a replacement to any of the scores, but it's actually more about how you do.

We start with transactions. We have universe of transactions. That is our biggest advantage. We have frequency, transaction value, merchant category, tickets, repeat purchase, refunds, chargebacks, you name it. And we want to be able to evaluate using AI, how does this business behave financially or how does this person behave financially.

So for that, you need to create this whole financial behavior graph, which is build out graph per person, device, bank accounts, merchant transactions, refunds and the whole payment behavior. And once you do that, you can build out certain reliability scores. And I think these are the ones which we want to pursue, which is slightly more applied in nature.

You can think of it as like a SLM, as a small language model. And once you apply them, then there is a monetization because if it's meaningful and it gives you good insights in terms of what -- how the merchant or the individual performs, then perhaps there is a score in that -- there could also be an identity and a fraud score associated with some things, which is meaningful for us.

But this gives you some kind of an indication on how we can monetize on it. And then consented external financial data that can potentially be part of the system with training data sets. So we are building out all these predictive models. So you have logistic regression with gradient boosting with neural models and graphs and LLMs enhanced with giving you some indication of what is the probability of certain activities.

So we think that these kinds of things will be highly interesting, and we have a huge edge over it because none of the LLMs can actually replicate what we can do. They don't have the data. and they will never have the data as well. And so we think that, that becomes a differentiator in our opinion on how we should differentiate because -- and then if you build out guardrails and explanation layers and create some kind of a version of what it would look like, then it becomes very meaningful.

So I'm just giving you a perspective of how we think through AI, not necessarily -- what we'll not do is we'll not invest into hundreds of megawatts of data center infrastructure. We may selectively go and invest into smaller data center capabilities. And number two, we will work on application layers, SLMs, which potentially enable us to assimilate all this information and build out. So that's the thesis that we carry. I hope this helps you and answers your question.

Dinesh Kumar: Okay. And sir, recently we have seen Lok Sabha message of the UPI MDR that will open the door to monetization of high merchant payments first. Combined with Rediff's consumer ecosystem and international licenses, the strategic engine in place?

Vishal Mehta: Slightly sorry, I was not able to hear the question properly.

Dinesh Kumar: I'll just repeat. UPI MDR bill is one of the points of discussion in the Lok Sabha. What kind of results or benefits are we expecting from such kind of enactment?

Vishal Mehta: See, I'll tell you, I think it's still early days, like Vishwas mentioned, there are certain guidelines that are expected to come in consumer to consumer, there is no MDR. To businesses, there will be an MDR. It's yet to be ascertained what it will end up looking like. I think that there is a benefit for both CCAvenue and RediffPay if that materializes.

To the extent to which it will benefit, we don't know. It is also based on the competitive scenario. In other words, there are many large incumbents, many who can actually subsidize payments. So we have to see what is the competitive landscape, what is the regulation end up looking like. But one thing we know is that, yes, it will be meaningfully positive. It can't be -- it is not going to continue free. Yes.

Dinesh Kumar: Okay. Sir, in the last quarter, you had mentioned that we are targeting some INR250 crores to INR500 crores of PAT. What kind of time line are we looking for that kind of estimation? And second, sir, promoter hold also, we have not seen a substantial -- we have not seen a substantial holding and there is no sign of any increment. Can you just give us a time line of such sort when promoters are willing to participate in the run or participate in the equity. These 3 questions sir.

Vishal Mehta: Sure. See, promoters are long-term investors. So that much I can tell you. I think whatever is material information out there is what is already out there in the open. But yes, we are long term as far as the promoters are concerned.

In terms of the other question on PAT, I think one decision that we have -- you can count on us is that we are not going to look at just a spike in onetime setup. We want to have a -- I mean, theoretically, it's like a build out. And our investments in AI and some of the forward-looking things, we would rather invest in that and build out a long-term sustainable vision for the company.

So we will not be looking at short-term spike in profitability, but we'd rather keep on investing in -- it's a conscious capital allocation decision, but we want to focus on EPS and make sure that there's guardrails, and we want to keep on investing in our future.

Three years ago, we had made the call that we want to reach to $1 billion in revenues. We made that call somewhere in '23, '24. And I think we are there. And we said in 3 years, we've reached $1 billion in revenue. So we've been fortunate to get there.

I think now we believe that we want to continue building out and investing into the future. If we don't, then I think we won't have a long term. And we think that generating -- if we keep that disciplined approach to capital allocation and put guardrails, then we can build out something very meaningful and maximize the 3-year earnings.

So I think not the immediate quarter and the immediate year earnings. We have given guidance of EPS, which you could follow for this year. But we want to look at what the company should look like 3 years from now, and that is what we want to keep on investing into.

Dinesh Kumar: Last question, what are the good things which have been planned out and have been executed or have happened during the previous year '25, '26? And what are some things that you have planned out, which didn't go well. So, can you just mention something which was planned out and which went well and something which was planned out and didn't go the way you wanted it to as in key business decisions or key takeaways?

Vishal Mehta: Yes. I think we could have expanded internationally more last year. I think given the macroeconomics, it's had an impact. And so I think that we would have liked to be more aggressive in terms of our international growth, something that we would like to take up this year. So that's one.

I think we could -- we believe we can do a lot more in the AI setup. We could have made certain larger investments to get to market and do things faster. We think that we can still continue doing that. I think lots of things are changing in that. But again, we think we could have done that better.

And third is, we should have worked more on ensuring that we can keep on building out the net take rates. And there, the incremental revenue from other activities that we have picked up should somewhat complement what we are doing in terms of going after growth. And so there's a slight latency because a lot of these investments are upfront.

So these are the things we think we could have improved. What we did well, I think we've done fairly well in growth and actually build out some of the latest systems and activities and being able to work on -- get the right folks to build out and also incremental productivity that we get using AI. So I think our disciplined approach is, I think, worked for us.

Dinesh Kumar: Sir, and last one, what is kind of our customer structure sir? Our top 5 clients contribute how much to the revenue? And are we planning to increase it? Or is it getting contracted and distributed more on other remaining -- apart from the 5 -- big 5. So what is our concentration and what kind of diversification or what kind of strategy are we looking towards our top 5 or top 10 contributors to our revenue?

Vishal Mehta: Yes. So you won't see CCAvenue on the Amazon or some of the large merchants if you transact online. You see it in airlines and a few others, but not on the likes of quick commerce and Amazon and others. So we think that going after the larger client base should be our strategy. We want to go as horizontal as possible because when you start thinking about even credit, credit scores and many others and such alternative on a thin file merchants, how do you enable and these transactions can give you a lot more information about them than any other thing.

So we think that going after a larger base should be our approach as we move forward. I think -- from larger clients, I think when we grow internationally, we want to go after large clients. So our domestic approach is slightly different compared to international. In international, because the size and scale of the digital industry is so large, if you look at U.S., most of the transactions are digital in nature. And so, I think there, we would like to work on those larger clients and larger opportunities.

And I think in India also, there will always be occasionally good clients that come our way, which is where if we are able to add value and we are able to grow, then I think we'll certainly -- but India is super competitive, as you can tell. So we think that this thing will continue on. And if you look at the merchant profile, we've actually mentioned several of the marquee clients in one of the slides in our presentation, so you can refer to that as well.

Moderator: We take the next question from the line of Pramukh from My Invest Buddy.

Pramukh: So just a small question. How will it be different from Apple Pay or like PayPal in the U.S?

Vishwas Patel: Okay. I'll take that. So Apple Pay is more on the customer side on the phone where they tokenize their card and they use to pay the merchant. So it's just an enabling form factor for doing a transaction and where their revenues will come in is from the issuing side of the bank who has issued the cards. We are on the acquiring side, as far as CCAvenue is concerned, where we onboard merchants and other things.

Like if you have seen in UAE and in India also, we have gone live with Apple Pay, where we enable the integration and the platform and the systems to the merchant to enable them to collect -- their customers to pay through their Apple Pay. So Apple Pay is on the issuing side, which is just a form factor to enable customers to pay, while we are on the acquiring side. So we -- as hundreds of different options and different form factors, we do allow Apple Pay, Samsung Pay in our systems in India and UAE to accept payments on our platform.

Pramukh: Got it. And another question is on the war side. Like how is the war impacted our revenues? And what percentage of our growth come from increase in the currency appreciation and what percent other way?

Vishal Mehta: See, I think from a macroeconomic perspective, potentially some growth in the Middle East would have been impacted as a result of the macroeconomic impact should have been there. We don't see it too much though. It is there for sure. But we think that, that should come back. People are going to pay utility bills and people -- some travel would be impacted. But other than that, there is a local industry, local commerce, local people. So that should continue on. Anyone who has to pay rent, they have to pay rent and so on and so forth.

So internationally, yes, we operate UAE, Saudi, there are 2 large areas that we think we can focus on and that would definitely have an impact. But again, like I said, we think it's short term, it is not long term. So that will have some impact. As far as the currency and so on and so forth is concerned, there's no material impact as much.

So we don't see that as a material impact yet. But we do believe -- because, see, I think that we do have aspirations to build out U.S. this year. And that's where we'll see maybe that question slightly become slightly more relevant.

Moderator: Due to time constraints, we take that as the last question for the day and would now like to hand the conference over to the management for closing comments. Over to you, sir.

Vishal Mehta: Thanks all for joining the call and looking forward to keeping you updated on our progress. Thanks again.

Vishwas Patel: Thank you all.

Sunil Bhagat: Thank you.

Moderator: Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.