1. 00:07:08.370 --> 00:07:13.410
   Hello everyone and welcome to Quess Corp's Annual Investors Meet 2022.

2. 00:07:14.520 --> 00:07:23.790
   I'm your host Girish Kumar Sharma from the Finance and Investors Relations team and on behalf of entire Quess, I warmly welcome you for joining us today.

3. 00:07:24.840 --> 00:07:32.730
   We are all excited to see you in person, and we welcome our virtual attendees. We look forward to spending next few hours with you.

4. 00:07:34.200 --> 00:07:39.840
   During the course of today's evening, our leaders will talk about the priorities for FY23 and beyond.

5. 00:07:40.920 --> 00:07:46.920
   Speaker: We will also talk about some of the key initiatives which we think will catapult Quess to a new level…

6. 00:07:48.030 --> 00:07:49.950
   Speaker: …in the future, in the near future.

7. 00:07:51.420 --> 00:07:54.090
   Speaker: After the presentation, we will have a Q & A session.

8. 00:07:55.140 --> 00:07:56.430
   Speaker: A few housekeeping points:

9. 00:07:57.750 --> 00:08:01.680
   Speaker: All the virtual participants will be in a listen only mode during the session.

10. 00:08:02.910 --> 00:08:11.010
    Speaker: During the Q & A, you can use the chat window to ask questions and the moderator will pick this up for the panel to answer.

11. 00:08:12.810 --> 00:08:19.290
    Speaker: Before we begin, I would like to remind you that presentation today may contain some forward looking statements…

12. 00:08:20.160 --> 00:08:30.090
    Speaker: …which may involve a number of risks and uncertainties that could cause our actual results to differ materially from those made in the forward looking statements.

13. 00:08:30.960 --> 00:08:38.250

Speaker: We do not undertake to update any such forward looking statement that may be made by us or somebody from on our behalf.

14. 00:08:39.420 --> 00:08:47.070
Speaker: All the presentations made today are already uploaded on the stock exchanges and we'll get uploaded on our website www.quesscorp.com.

15. 00:08:47.790 --> 00:09:06.540
Speaker: A recording and transcript of these sessions will be uploaded onto our website post this event. Without any further delay, let's dive right into it. First up, I am honored to invite our Executive Director and Group CEO, Mr. Guruprasad Srinivasan. Over to you Guru.

16. 00:09:10.110 --> 00:09:10.800
Guru: Thank you so much Girish!

17. 00:09:12.870 --> 00:09:21.120
Speaker: Very good afternoon and welcome you all. I take this opportunity to welcome you all for this Quess Annual Investors Meet.

18. 00:09:21.990 --> 00:09:29.880
Speaker: And those, you know, who have come physically, here in the room, thank you so much for taking your time and effort. And we also have…

19. 00:09:30.300 --> 00:09:43.410
Speaker: …participants online, logging in from various geographies; and a special thanks to them because aligning the timeline across geography is something which is tough, but thank you so much for coming in online.

20. 00:09:47.130 --> 00:09:52.800
Speaker: As part of Quess' growth story, we have three key elements that plays…

21. 00:09:53.820 --> 00:10:01.800
Speaker: …as part of our growth. The first is our customers who trust us, work with us, and we grow with them.

22. 00:10:03.000 --> 00:10:15.510
Speaker: The second area is our people who work with us, and who work with us and our brand creating the value for our customers. And the third important element is the stakeholders.

23. 00:10:16.080 --> 00:10:28.860
Speaker: And each one of you in the room here, plus the kind of investor community who's with us, thank you so much for being and being supportive with us, we learn a lot.

24. 00:10:29.790 --> 00:10:46.740
Speaker: I mean, it kind of each one of you are like a sounding board to us. So we hear you, we understand, and then we go back and we implement. And it's a kind of together family that is in this journey of growth, so thank you so much for consistently being supportive to us.

25. 00:10:48.510 --> 00:10:59.760
Speaker: Today's agenda, we're going to talk about, I mean I'm going to run you through key initiatives as well as the key drivers for the business, then I'll have…

26. 00:11:00.450 --> 00:11:05.970
Speaker: …Lohit, Lohit Bhatia, President, Workforce Management Solution, taking us through the entire workforce platform.

27. 00:11:06.750 --> 00:11:24.300
Speaker: Then I have Pinaki Kar, flown all the way from US, to take us through the Global Technology Solution. Then we have product led platform, very interesting platform, we have Sekhar talking about that to us and then we have operating asset maintenance, which I'll come back and cover.

28. 00:11:25.320 --> 00:11:32.940
Speaker: Then of course we have closing remarks and we will run through a Q & A session. So that's the order that we are going to run the event today.

29. 00:11:36.030 --> 00:11:37.530
Speaker: I mean, what is the purpose?

30. 00:11:38.730 --> 00:11:45.900
Speaker: As we as we evolve, as we have integrated our platforms, our purpose is clearly to build a leading institution.

31. 00:11:47.160 --> 00:11:51.120
Speaker: And we are reinforcing and reiterating this throughout Quess.

32. 00:11:52.500 --> 00:12:03.420
Speaker: This institution that drives the productivity to our customers and optimizing and outsourcing is an area where the productivity is directly linked.

33. 00:12:04.680 --> 00:12:16.680
Speaker: How do we partner with our customers to drive the productivity for them? So we are here as an institution, building, I mean driving productivity in the space of outsourcing.

34. 00:12:18.060 --> 00:12:26.880
Speaker: And we want to be the preferred firm with our customers. So, which means, this is a statement that we make to see that it is not the kind of…

35. 00:12:27.390 --> 00:12:34.650
Speaker: …level of engagement, a normal level of engagement; how do we intensify our engagement with the customer by…

36. 00:12:35.040 --> 00:12:44.400
Speaker: …doing multiple things with them. That's how we constantly work, when we go back, and when we go back to the drawing board and create any solution, this is exactly the thought process that goes behind.

37. 00:12:45.840 --> 00:12:55.260
Speaker: Let's look at where are we today. So we are No. 6 business, I mean as a business services, we are No.6 globally by headcount.

38. 00:12:56.130 --> 00:13:18.840
Speaker: And by 2025, we want to be No. 3. So I mean, these are these are, I mean, these are the statement, as well as the kind of work that goes behind for us to get there. We currently ranked at 48 as part of the largest global staffing firm as per SIA report. We want to be top 25…

39. 00:13:19.890 --> 00:13:20.820
Speaker: …by 2025.

40. 00:13:21.930 --> 00:13:30.660
Speaker: Our women employment constitutes about 28%, this is the core. We want to be at 50% from the angle of diversity and inclusion.

41. 00:13:31.890 --> 00:13:38.520
Speaker: We are the market leader in many of our businesses, but we want to be top three in all the businesses that we are.

42. 00:13:39.540 --> 00:13:45.300
Speaker: So that's the kind of goal statement that we are building at a backend to drive our business.

43. 00:13:46.560 --> 00:13:47.160
If you look at…

44. 00:13:48.450 --> 00:13:53.100
Speaker: …however we handled the pandemic, so our revenue is back to pre-covid levels.

45. 00:13:54.240 --> 00:14:08.370
Speaker: And our EBITDA is stabilized. It is about 4.9, we are almost there stabilized and we are further seeing how to working on improving them. Our G&A cost has declined.

46. 00:14:09.840 --> 00:14:19.770

Speaker: I mean, we are able to bring it down and control; bring it down drastically with penetration into our digital application. I'll talk about it as I move forward.

47. 00:14:20.370 --> 00:14:25.530
Speaker: So the revenue growth has picked up pre-covid, our cost to service coming down.

48. 00:14:26.010 --> 00:14:41.520
Speaker: And we are able to accelerate through our digital investments that we have made so, which is quite visible here. Our digital investments have gone up and does bringing down our cost to serve. And this can only accelerate further to grow us very aggressively.

49. 00:14:42.900 --> 00:14:46.740
Speaker: There's a few highest ever points during the financial year.

50. 00:14:47.970 --> 00:14:57.750
Speaker: We have reported the highest PBT in Q3. Our current business, when we acquired used to be about 60 crores, so we have crossed about 100 crores revenue per month.

51. 00:14:59.130 --> 00:15:10.140
Speaker: QITS, which is our technology staffing, Middle East; QRS, which is our selection business and Philippines as a geography growing greater than 50%.

52. 00:15:11.640 --> 00:15:21.450
Speaker: Our cross-selling initiative is where we started two years before, where we almost had zero, and we have set up a team, and we have put a complete process around it.

53. 00:15:22.380 --> 00:15:37.560
Speaker: Where we are today, we do almost about 500 crores of annual contract value, and this is almost doubling as we move the year forward. So, which means we are able to integrate and collaborate our customer base within the organisation.

54. 00:15:39.060 --> 00:15:45.720
Speaker: Our acceleration on the job portal, which is Qjobs for entry level hiring,…

55. 00:15:46.980 --> 00:15:59.160
Speaker: …which is Sekhar will talk about it in detail in his presentation. We started this in November 2020; where we are today, we are at a scale of almost about a million download every two months,...

56. 00:15:59.820 --> 00:16:08.460
Speaker: …for every 60 days. So I mean it accelerates our hiring as we move forward. We have stabilized our debt levels.

57. 00:16:09.360 --> 00:16:12.870
Speaker: Despite of our growth, we are able to control and stabilize our debt levels.

58. 00:16:13.770 --> 00:16:26.820
Speaker: RDS was maintained almost between 55-256 days so, which means there's a lot of work that is happening at a backend to ensure that we invoice on time, we collect on time, and we ensure that we deliver the services to our customers.

59. 00:16:27.390 --> 00:16:43.800
Speaker: We are on the first dividend payout during the financial year - FY22, so there's a few key call outs, as to how we are putting our time and effort to build the structures around that continue to grow within plus.

60. 00:16:45.390 --> 00:16:54.240
Speaker: There are a few growth drivers, which are going to drive our future, this is from 22 – 25, starting from IT services,…

61. 00:16:55.740 --> 00:17:11.310
Speaker: …construction, healthcare, manufacturing, and industries return to work because most of our OEM business was largely, I mean for eight quarters we had almost, I would say, we have been there stabilizing that business.

62. 00:17:12.840 --> 00:17:15.990
Speaker: Return to work is going to accelerate some portion of that business.

63. 00:17:17.190 --> 00:17:26.760
Speaker: And formalization of employment as and when the new Labor Code and the wage code gets rolled out, that's going to accelerate employment addition further.

64. 00:17:28.350 --> 00:17:37.320
Speaker: Demand coming from other geographies, you saw Philippines, Middle East, the way they are accelerating at 50% so that we have demand coming from our international geographies.

65. 00:17:38.250 --> 00:17:48.270
Speaker: EV, there's a lot of work happening around EV, and the renewable energies and digital and infrastructure pairs plays. In the recent budget, you saw the kind of…

66. 00:17:49.320 --> 00:17:56.100
Speaker: …push our reinforcement that was happening on the Gati Shakti to develop the infrastructure around the country.

67. 00:17:57.180 --> 00:18:06.390
Speaker: EdTech, PLI scheme, which is in talks, I mean, we were having a lot of discussion at the forum before we could start. I mean PLI is…

68. 00:18:06.900 --> 00:18:16.530
Speaker: …a scheme which will start accelerating maybe two or three years from now. But the question is, is the platform ready for it, are we prepared to take that kind of…

69. 00:18:17.010 --> 00:18:23.310
Speaker: …upsurge that is going to come up? That's where we are, where we're investing our time and effort. Mobility, of course…

70. 00:18:24.060 --> 00:18:36.810
Speaker: …in itself is going to accelerate a lot of…and all this will also lead lot of technical job, non-technical job, full-time, part-time, apprentice, gig, so this is going to generate a combination of all sorts of employment that we are talking about.

71. 00:18:38.190 --> 00:18:51.390
Speaker: India's penetration, I mean in terms of penetration of staffing is a point 7, and that will accelerate to 3%, so that itself will give you a kind of growth.

72. 00:18:52.770 --> 00:19:02.670
Speaker: Yeah, so I mean, and also the kind of outlay that is coming out, that has been defined in terms of PLI schemes etc., it runs into a few lakh crores.

73. 00:19:03.420 --> 00:19:15.420
Speaker: So, in anticipation of all of this, with our key growth drivers, we are very bullish that all of this has to start transforming into employment and employment generation.

74. 00:19:16.200 --> 00:19:33.990
Speaker: And that's the space that we are into and it leads to a new set of employment, new forms of employment, as well as the kind of real estate and infrastructure that's going to…just to give you some stats, every person that a company hires,…

75. 00:19:35.670 --> 00:19:52.800
Speaker: …in a normal scenario, you need to have 300 square feet of space, so if that much of employment were to happen, automatically it will lead to the infrastructure space as well, right? So overall we are quite bullish, the way we are structured and the kind of business that we are into.

76. 00:19:54.930 --> 00:20:02.550
Speaker: This is the three elements that I was talking about and we started putting this out very clearly, since 2020.

77. 00:20:03.660 --> 00:20:12.840
Speaker: Investors, customers, and people, we had a commitment that 20% ROE from the investor perspective, we deliver…

78. 00:20:13.980 --> 00:20:19.590
Speaker: 20% growth CAGR on CF, and we will be judicious on our capital allocation.

79. 00:20:20.670 --> 00:20:34.050
Speaker: And we have stuck to it. We have been diligently following the kind of principles that we have played around it, leveraging our technology when it comes to customer. So all these applications that you see, Qjob, ReQruit,…

80. 00:20:35.100 --> 00:20:44.580
Speaker: …and WorQ, we have invested in them to accelerate our engagement with customer and you know get a little more entrenched into it.

81. 00:20:46.230 --> 00:20:54.930
Speaker: You know meeting services to meet our customer needs, in fact we have done a lot of structured deals, we have done…

82. 00:20:55.500 --> 00:21:07.770
Speaker: …integrated delivery to our customer, where you know three businesses of Quess comes together. There is a project where Conneqt, staffing, and facility coming together and delivering to our customers. And there are projects where we have integrated…

83. 00:21:08.910 --> 00:21:13.260
Speaker: …between facility, staffing, and security business as integrated sales.

84. 00:21:13.860 --> 00:21:21.630
Speaker: There's a project that we are talking to where I have a technology team integrating into core technology of our customer and then delivering through so.

85. 00:21:22.200 --> 00:21:29.340
Speaker: When we discuss, the level of discussion that happens with customers is also on solution-creation, beyond…

86. 00:21:29.700 --> 00:21:40.110
Speaker: …just applying the brand part. So that's where we bring in USP and value-add and it's coming beautifully together for us. Of course, the layer of productivity or an about all of this.

87. 00:21:41.280 --> 00:21:50.130
Speaker: We continue to be a Great Place to Work. We have been consistently you know getting rated, so you will actually see…

88. 00:21:50.700 --> 00:22:00.480
Speaker: …the kind of, you know, elevation that we are getting year after year. The number of participants here itself is increasing for the survey and still we are able to, you know,…

89. 00:22:01.800 --> 00:22:14.820
Speaker: …command and be there. Developing kind of lead practitioners of trade, so we are spending a lot of time on our own people to create the ability to deliver to our customers.

90. 00:22:15.330 --> 00:22:28.560
Speaker: Our HR processes at a backend, we are running various training and we are finding the next level of leadership within the company to get prepared for the role, whether it can be creating the level two, whether it is sending them to…

91. 00:22:29.970 --> 00:22:37.290
Speaker: …the international universities to study; so there is a lot of work happening at our backend…continuously learning, we're spending a lot of time on our learning…

92. 00:22:38.670 --> 00:22:40.770
Speaker: …and development across the organisation.

93. 00:22:41.970 --> 00:22:43.440
Speaker: So let me drive…

94. 00:22:44.940 --> 00:22:54.300
Speaker: …each of these elements, how does it work? So when it comes to customers, we source almost about 20K+ people every month.

95. 00:22:54.990 --> 00:23:04.920
Speaker: That's the kind of volume, what we are into. And it is just not possible by having a set of field recruiters. You need to have a complete layer of system at the back end.

96. 00:23:05.790 --> 00:23:12.390
Speaker: And if you look at our solution, we've just you know, tried putting them into three separate groups under workforce management.

97. 00:23:13.980 --> 00:23:23.250
Speaker: I mean, the first area is about workforce management, second largely into the customer lifecycle management and facility management; most of our solutions are around it.

98. 00:23:24.210 --> 00:23:28.680
Speaker: And each of this delivery and solution are backed up by various technology platform at the back end.

99. 00:23:29.070 --> 00:23:36.480
Speaker: We start from sourcing; under sourcing we have Monster, we have Taskmo, we have Qjobs. Each of them cater to various segments.

100.   00:23:36.930 --> 00:23:49.620

Speaker: It's white collar, task-based, and blue collar. I wouldn't say just blue collar, blue-gray, whatever, those three-four areas. That's the power of investment and accelerating our hiring.

101.   00:23:50.640 --> 00:23:56.100
Speaker: Then you have selection, the enter talent management on our system, applicant tracking system.

102.   00:23:57.060 --> 00:24:06.150
Speaker: Then you have to onboard them, we have a paperless onboarding, which is, I would say most state-of-the-art. Last time when we were on the stage we were demonstrating this.

103.   00:24:06.870 --> 00:24:22.650
Speaker: I claimed that we take 14 minutes to onboard a person. Today, we have brought that down by half, we do in 7-8 minutes. It has been integrated which but with much deeper technology on WhatsApp and all the state-of-the-art technology that is available.

104.   00:24:23.790 --> 00:24:38.940
Speaker: WorQ, which is our tool, where we monitor everything that associate does on the field, starting from interacting with them and the kind of attendance that shift our roster that they are into, if they are wearing their…

105.   00:24:40.080 --> 00:24:47.370
Speaker: …attire right, if they're wearing a color T-shirt that they're supposed to wear, and stand the system has the capability to detect that; it has face detection…

106.   00:24:47.700 --> 00:24:53.160
Speaker: …to tell me that is the same person in the same lat-long, same geography, so that's WorQ for us.

107.   00:24:53.850 --> 00:25:02.580
Speaker: Then we have a platform that have a backend to manage all kinds of complexities of payroll that one can think of. Managing 400,000 is not easy.

108.   00:25:03.270 --> 00:25:14.040
Speaker: I mean somebody calls incentive in a different name and different type of computations that goes behind, right, so each product, each solution or...

109.   00:25:15.210 --> 00:25:26.280
Speaker: each job that an individual does…if somebody delivers a 10 packet, then the incentive schemes are different than when somebody sells five headsets. But all those complexity, we manage on one single platform; that's the kind of capability what we have built at the backend.

110.   00:25:27.510 --> 00:25:31.410
Speaker: Then to overwatch all of this we have Simpliance.

111.   00:25:32.490 --> 00:25:41.670
Speaker: Simpliance works in that space where it manages anything that has to be done, a few thousand rules, registers, everything at the back end.

112.   00:25:42.150 --> 00:25:55.200
Speaker: So that's compliance. So this is how our system investments and integration of that supports or it's a kind of backbone for us and where we are able to accelerate better than any other competition.

113.   00:25:56.700 --> 00:25:58.470
Speaker: When it comes to people,...

114.   00:25:59.910 --> 00:26:09.330
Speaker: …we have gone beyond salaries right; so we have a product dash where we have almost about 1.5 lakh monthly average users…

115.   00:26:09.810 --> 00:26:27.570
Speaker: …who's almost 80% repeat users. So what do we have on Dash - on one side, we have companies offering something to our associates, it can be payday loan, it can be short term loan, or it can be financial products, it can be by vehicle, on the other side, we have a captive audience…

116.   00:26:28.710 --> 00:26:31.200
Speaker: …who are my associates, who actually get this benefit.

117.   00:26:32.250 --> 00:26:41.100
Speaker: And they get a better price than what they can get it out in the market and in every transaction, we also make bottom line to it.

118.   00:26:42.480 --> 00:27:01.980
Speaker: So, 200+ products, 70+ partners, 12 different category benefits, and Dash helps to increase employees…so I mean the way 3% is, if somebody were to get at a higher interest rate, they get a lesser interest rate, which actually gives them a payback right. So the second area is equal opportunity.

119.   00:27:03.180 --> 00:27:13.290
Speaker: So we have differently-abled people; if you look at 7000 moving to 8000. So we are mindful about it, we are thinking about it, and we are working about it.

120.   00:27:13.860 --> 00:27:21.660
Speaker: And our women population, 26 to 28, we want to take it to 50, so we are parallelly working on that.

121.   00:27:22.440 --> 00:27:42.420

Speaker: Continuous improvement on our GPTW score - so I spoke about 50% participants, now we are at 72%, we are continuing to be there. Recently the team conducted a NPS on our own platform. We had about 120,000 people participate in the survey…

122.   00:27:43.470 --> 00:27:49.290
Speaker: …and 84% of our population are satisfied, very satisfied.

123.   00:27:51.570 --> 00:27:56.520
Speaker: So that's about people; coming back to the stakeholders and investors.

124.   00:27:58.380 --> 00:28:08.910
Speaker: First and foremost, we said we will ensure that our OCF to EBITDA structurally got up, right, so we are almost 67%.

125.   00:28:10.500 --> 00:28:17.820
Speaker: We were about 33, and if I take an average, we are about 67. So that's one commitment that we had made that will be at 70, we are coming there.

126.   00:28:18.840 --> 00:28:23.880
Speaker: Our PPD conversion is 64%; that's another area which is promising…

127.   00:28:25.170 --> 00:28:31.020
Speaker: …and we are continuing to work on that. We said we will ease, will reduce our…

128.   00:28:31.500 --> 00:28:39.930
Speaker: …corporate structure in terms of consolidating entities. So there are few entities which are under MFX, Greenpiece, and Conneqt Business Solution.

129.   00:28:40.800 --> 00:28:50.460
Speaker: We did a dividend payout of 162 crores during the financial year and we are on track to achieve our ROE of 20% for FY23 which we had committed.

130.   00:28:53.040 --> 00:29:00.270
Speaker: There are few business guidelines that we bind each of our business and business CEOs internally.

131.   00:29:01.500 --> 00:29:03.180
Speaker: A: Path for 25% ROE.

132.   00:29:04.800 --> 00:29:10.740
Speaker: That's one measurement that we continue to do and our OCF at 20% CAGR growth.

133.   00:29:12.150 --> 00:29:16.050
Speaker: But should 200 billion in terms of our EBITDA by 25.

134.   00:29:17.640 --> 00:29:18.990
Speaker: Intensifying our tech…

135.   00:29:20.010 --> 00:29:30.930
Speaker: …tech adoption and tech enablement to our businesses; cultural fit largely ensuring the right DNA into the organisation and work when customer first kind of.

136.   00:29:31.800 --> 00:29:44.520
Speaker: reinforcement that goes behind. Digitally-driven leadership: we want each of our leader to think digital when they are providing solutions to our customers, even in place of facility…

137.   00:29:45.180 --> 00:29:54.360
Speaker: …our leaders talk about how do we do UV disinfectant to our customers, so that's just an example. ESG is, I mean…

138.   00:29:55.260 --> 00:30:07.080
Speaker: …we have just started, and we have started participating in it. Our scores, we have moved from where we were to C rating currently. There's a lot of work to be done in that space, but it's on our radar.

139.   00:30:08.670 --> 00:30:22.890
Speaker: Certain things that we will not do, which we reinforced last time, and the same thing continues even now, there's absolutely no change, we will not do any business where there is high risk on government policy risk.

140.   00:30:24.120 --> 00:30:31.710
Speaker: We'll never not do anything asset heavy and no businesses will have any project, which has a long gestation period.

141.   00:30:32.850 --> 00:30:39.420
Speaker: So this is a clear guideline that we keep discussing with our CEOs and instruct them.

142.   00:30:41.430 --> 00:30:44.130
Speaker: Why do we have a clear compelling investment case?

143.   00:30:45.270 --> 00:30:48.930
Speaker: I think the breadth of services of what we can provide.

144.   00:30:50.310 --> 00:31:02.580
Speaker: There's no straight competition to it and our cost to serve is definitely far better because of the kind of efficiencies that we are bringing in.

145.   00:31:03.030 --> 00:31:13.080

Speaker: And reducing our cost to serve actually gives that buck back to our customers. They get a better service, they get a quality service, and we get more wallet share.

146.   00:31:14.700 --> 00:31:21.810
Speaker: Our exposure to fastest growing economies in the world; we have seen this happening, when Lohit presents, you will see how geographies are…

147.   00:31:23.040 --> 00:31:24.750
Speaker: …expanding across

148.   00:31:25.860 --> 00:31:38.400
Speaker: Our superior execution capability and unmatched range of services means today we have the ability to sit across customers and say I can do 1-2-3-4 service lines together.

149.   00:31:39.270 --> 00:31:56.910
Speaker: I can bring in our technology team, bring in staffing team together to deliver something in a very short span or you want to scale up, I mean across country few thousand people, we'll put our neck down and say, yes, we can do this. That's the kind of engine, what we have built at the backend.

150.   00:31:58.230 --> 00:32:02.250
Speaker: And of course, we are continuously focusing without our, you know…

151.   00:32:03.660 --> 00:32:16.620
Speaker: …with all our might, on it, to see how do we generate cash flows. The guidelines that we have put on our capital allocation of one third, one third, one third, which we keep talking about, I think all of that is definitely a compelling proposition for us.

152.   00:32:18.090 --> 00:32:25.260
Speaker: So with this, I will now hand over; I'll invite Lohit to come and run us through the…

153.   00:32:26.370 --> 00:32:33.960
Speaker: …Workforce Management platform. Welcome Lohit! I'll come back when we start the Operating Maintenance platform.

154.   00:32:35.610 --> 00:32:35.880
Lohit: Thank you, Guru!

155.   00:32:38.790 --> 00:32:40.950
Speaker: So after Guru's given you…

156.   00:32:42.510 --> 00:32:50.670
Speaker: what we've done in the past, what we intend to do in the near term, and what we do in the future, it's our job to convert that dream into a reality…

157.   00:32:50.910 --> 00:33:03.330
Speaker: …from a business standpoint. But so glad to see so many faces that we had last met on 5th of March 2020 and finally get to see all of you in person, again, and not through a digital…

158.   00:33:03.720 --> 00:33:13.710
Speaker: …computer or a laptop or whatever devices we've been using in the last few, I mean the two years, two years and 24 months. So give you a snapshot of…

159.   00:33:14.340 --> 00:33:24.900
Speaker: …where we are, I mean all of you have done a lot of work on understanding the business platforms of Quess and among that obviously the workforce management platform or…

160.   00:33:25.290 --> 00:33:35.940
Speaker: …the staffing platform, as we had the earlier genesis; so to give you a bird's eye view, we do general staffing in India, Sri Lanka, UAE, and the Southeast Asian region.

161.   00:33:36.360 --> 00:33:42.660
Speaker: We do professional staffing and IT staffing in India and Singapore. Singapore happened through the acquisition of…

162.   00:33:43.140 --> 00:33:51.840
Speaker: …an asset in Singapore called Comtel, and very recently, I mean just about last year in the midst of the pandemic, we've also rebranded that.

163.   00:33:52.080 --> 00:33:55.110
Speaker: And now it's become Quess Singapore and that's the journey that we've been doing…

164.   00:33:55.410 --> 00:34:04.050
Speaker: …systematically, country after country, instead of using the old terminologies, names we've changed, the legal entities and customer consolidation is coming together.

165.   00:34:04.260 --> 00:34:13.380
Speaker: Because for the customer, it's one Quess, which is in multiple countries, multiple currencies, multiple geographies, and you'll see results of that, and you know the benefits of that.

166.   00:34:14.040 --> 00:34:26.850
Speaker: Selection and the recruitment business or typically the recruitment process outsourcing, as some of your organisations also might be using today and the selection business, so we play in the sweet spot of IT and ITeS there.

167.   00:34:27.720 --> 00:34:39.570
Speaker: During the pandemic, we again sharpened ourselves from the earlier way that we used to perform in seven different verticals we are into, we primarily focus on tech, we focus on IT and ITeS.

168.   00:34:40.410 --> 00:34:44.640
Speaker: Then, obviously the value-added services or the managed services. Herein…

169.   00:34:45.060 --> 00:34:52.590
Speaker: …we provide the manpower business or the workforce management or the staffing business but we add a plus plus layer to it.

170.   00:34:52.830 --> 00:35:01.950
Speaker: Now, what are these two pluses? The first plus is the technology that we give them, earlier we had an app called InEdge, that we used to talk about, it got repurposed, rebranded.

171.   00:35:02.220 --> 00:35:12.480
Speaker: Even better avatar came out and that's called WorQ - W.O.R.Q, obviously we add Q to everything; you give us any word and we'll change the spelling and we'll add a Q there.

172.   00:35:13.380 --> 00:35:23.250
Speaker: You know by now, we become masters at that. So WorQ, the new spelling is W.O.R.Q. Under WorQ, what we do is, we track employees for our customers.

173.   00:35:23.700 --> 00:35:37.020
Speaker: We provide geotagging, GPS enablement, and the customer knows who's gone where, at what time, how many hours have they invested there, what have they conversed with end consumers; if they were in a sales profile, have they sold?

174.   00:35:37.320 --> 00:35:44.580
Speaker: If they were in a KYC or running profile, have they acquired documents, and have those documents being uploaded? So those kind of things.

175.   00:35:44.850 --> 00:35:52.200
Speaker: So that's the repurposing, that's the first plus above staffing, which is technology. The second plus of staffing is even more interesting.

176.   00:35:52.530 --> 00:36:00.510
Speaker: Today, as Quess has become the giant that it has become, we also sit on the table with customers in a suggestive mode.

177.   00:36:00.810 --> 00:36:12.150
Speaker: So we are able to tell them how to maximize on productivity and when you partake in that conversation that I can help you enhance your productivity, then you just don't get your service fees markup which…

178.   00:36:12.600 --> 00:36:19.980
Speaker: …possibly is for the payrolling that you do but you get it for the first plus which is technology and the second plus which is an outcome. So that's what we do.

179.   00:36:21.180 --> 00:36:28.320
Speaker: What did that translate into? So as on December 31st, some of you must have already read or rather I would assume everybody's read…

180.   00:36:28.890 --> 00:36:42.810
Speaker: …the investor deck, and you saw that we crossed the 273000 mark, 48th globally ranked by SIA, Guru also alluded to that; this is by value, so a company which is so heavily…

181.   00:36:43.440 --> 00:36:55.290
Speaker: …dominating in India in INR terms, is divided by 75, which is the US dollar terms and that's how they stack rank. Just to give you an idea if you have to be in the first 10 in the world,…

182.   00:36:56.010 --> 00:37:10.560
Speaker: …that starts that club is at $3.3 billion to $22 billion; if you have to be in 11 to 30th rank in the world, then that club is between $1.5 billion to about $3.2 billion dollars.

183.   00:37:11.070 --> 00:37:24.990
Speaker: And from the 31st thereafter this rank when it was done for 21, that's Jan to December, that's what they do calendar, we were at 992 million, so we got the rank 48th.

184.   00:37:25.530 --> 00:37:34.590
Speaker: If we look at our concluded, you know calendar year which has gone by, like to like basis, it should be somewhere in the vicinity of about…

185.   00:37:35.220 --> 00:37:52.020
Speaker: …38 to 41. So we are coming closer to that, you know goal that Guru has, that's about $1.5 billion that we clocked against $990 million of workforce management, which we are coming closer to that mark that Guru said, you know, rank 25 by 25.

186.   00:37:53.070 --> 00:37:55.650
Speaker: Also, he said, ROE at 25.

187.   00:37:57.270 --> 00:38:01.890
Speaker: We built a professional staffing unit, which is almost 10,000 people today.

188.   00:38:02.760 --> 00:38:14.280
Speaker: That's primarily IT staffing and you've obviously been reading about this a lot, that how the professional stuffing business is evolving, how the IT staffing business is evolving, and this is where…

189.   00:38:14.700 --> 00:38:24.990
Speaker: …Monster complements in a huge way, and obviously Sekhar will talk about it and much bigger the new wave of Monster compliments to this in a big way. We have about 6400 people already…

190.   00:38:25.350 --> 00:38:35.220
Speaker: …outside of India in global currencies, which is in Singapore, in Sri Lanka, in Middle East, and the rest of Southeast Asia; so that's also a pack, which is growing.

191.   00:38:35.520 --> 00:38:39.780
Speaker: Have over 1500 customer franchisees here, and one thing I must again say,…

192.   00:38:40.080 --> 00:38:46.590
Speaker: our customer franchise has been one of the best, and I think from every stage, every conversation when I have done with any one of you…

193.   00:38:46.830 --> 00:38:56.190
Speaker: …over the years, I've maintained this and probably the two years of Covid has shown us, that our cash flows have been very robust and that's one thing that Ravi and his team…

194.   00:38:56.550 --> 00:39:04.680
Speaker: …are very happy about the businesses signing good relationships, signing good customers, where collections does not become an issue in the future.

195.   00:39:05.760 --> 00:39:12.960
Speaker: And then we have about 4800 taskers. We acquired a platform called Taskmo; this was in Jan of…

196.   00:39:14.520 --> 00:39:28.530
Speaker: …you know, last year and 2021, and when you see the way that company has progressed…when we acquired them, they were at an ARR of close to 1.5 crores, that's about 12 lakhs a month.

197.   00:39:29.400 --> 00:39:37.380
Speaker: They had about 300 active taskers in a particular day. Today, they have close to 5000 active taskers in a day and they deliver more than 10,000 tasks.

198.   00:39:37.770 --> 00:39:47.040
Speaker: They've been clocking over 1.5 - 1.6 crores on a monthly run rate basis and we hope that by the time we are exiting March and we come into Q1,…

199.   00:39:47.340 --> 00:39:57.510
Speaker: …we should be close to about 3 crores a monthly run rate, so that means from the time of acquisition to today, we are almost 25 to 28 times growth.

200.   00:39:57.990 --> 00:40:05.790
Speaker: We feel this industry in itself has a 10x growth potential, year after year, and there's a very interesting BCG report if any one of you are interested…

201.   00:40:06.030 --> 00:40:17.040
Speaker: …we can take you through it sometime; it says, by the end of this decade, India will have about 90 million people in just the gig economy. Now, why am I spending this extra minute or two on this because…

202.   00:40:17.730 --> 00:40:29.670
Speaker: …many of you over the years have asked, that as the penetration ratios of staffing goes up, as staffing does well, as Quess is the largest leader, any disruption also to this industry will impact the leader, obviously.

203.   00:40:30.390 --> 00:40:35.790
Speaker: At Quess, one thing we are very clear, if it's an offline business of ours, or if it's an organic business of ours…

204.   00:40:36.360 --> 00:40:46.620
Speaker: …or it's a traditional business of ours, in terms of staffing, we would always be forward-looking, 5-10-15 years, and see if there is a potential technology disruption available, should…

205.   00:40:47.040 --> 00:40:49.440
Speaker: …ever happen and I don't know when that will ever happen,…

206.   00:40:50.040 --> 00:40:58.050
Speaker: …it should be available within Quess. But let me also tell you that during this period when they were growing 25x, our traditional businesses were also growing.

207.   00:40:58.350 --> 00:41:06.540
Speaker: It's just the same thing, you know 20 years ago when staffing came into India, people asked will permanent jobs go away; everybody sitting in this room, has a permanent job at least.

208.   00:41:07.800 --> 00:41:11.520
Speaker: And staffing continued to grow, and it will continue to grow and we'll talk about it, why.

209.   00:41:12.630 --> 00:41:26.850
Speaker: But the new form of employment, which will also be additive, is the gig in the platform economy. And that's why we want to be in every segment of employment – permanent, temporary staffing, and gig for the future, so that's the reason.

210.   00:41:29.700 --> 00:41:33.510
Speaker: So just give you a global perspective, some of you may have seen this in the past,...

211.   00:41:34.830 --> 00:41:39.510
Speaker: …if you look at the world employment confederation data or you look at the staffing industry analysts data,...

212.   00:41:40.200 --> 00:41:47.550
Speaker: …the world comprises of almost $500 billion of market size when it comes to the HR business that we are already in.

213.   00:41:48.030 --> 00:41:56.820
Speaker: Of this, the one geography which is disproportionately large, almost a third, $160 billion comes from the US and Canada itself, that's the largest.

214.   00:41:57.270 --> 00:42:00.810
Speaker: Then you've got the rest of the world where, which would be China,...

215.   00:42:01.530 --> 00:42:09.120
Speaker: …Europe, the South America, Africa, Australia, New Zealand, Korea, Japan, that's the rest of the world…

216.   00:42:09.510 --> 00:42:21.540
Speaker: …and India and this region has about 3% of $15 billion. This is where currently our concentration and focus is, and this is the market which is growing the fastest.

217.   00:42:22.050 --> 00:42:29.700
Speaker: However, the US market, but for the last year and a half, which is again because of the information technology, ITeS growth and advent there…

218.   00:42:29.940 --> 00:42:41.160
Speaker: …has been growing at single digits; Europe has been growing at low single digits, whereas the part of the world where we operate is growing the fastest, is growing at 20% and more. So from that standpoint…

219.   00:42:41.460 --> 00:42:49.170
Speaker: …US is operating in the markets where we have the largest growth potential and the fastest growth today.

220.   00:42:49.740 --> 00:42:55.740
Speaker: So India is close to about $12 billion, we are close to about a billion dollars or so here already.

221.   00:42:56.490 --> 00:43:02.400
Speaker: In fact, just last month itself, in February, our general staffing business alone within workforce management…

222.   00:43:02.700 --> 00:43:16.200
Speaker: …clocked a real cash collection of a billion dollars, with one month of March still to go. So GS itself on a cash collection basis is ahead of a billion dollars and then obviously the rest of them add up to the WFM platform.

223.   00:43:17.430 --> 00:43:23.940
Speaker: We are fairly strong in UAE and we are further growing in GCC. We are No. 1 in Sri Lanka clearly.

224.   00:43:24.960 --> 00:43:36.120
Speaker: You know no points for guessing we are No. 1 obviously in India. Singapore, we acquired Comtel, and we continue to be large there. We have a stupendous market share there in Malaysia and Philippines.

225.   00:43:37.050 --> 00:43:42.840
Speaker: The one thing I would want to draw your attention on this slide towards is that in whichever market we are,…

226.   00:43:43.500 --> 00:43:51.810
Speaker: …we are way above the global standards of the largest leader, and subsequent slide will show you that the world's largest in the 497 billion…

227.   00:43:52.140 --> 00:43:59.250
Speaker: …are at about 5-5 and a 1/2 percent of the market share, we are already in our markets at about 8, 9, and 10%, which means we are…

228.   00:44:00.030 --> 00:44:13.080
Speaker: …faster growing to the key position, and that's the blend between technology and the offline business, which gives us this ability and the scale and the agility that we have to give customers, the ++ models.

229.   00:44:14.310 --> 00:44:22.230
Speaker: So total workforce management disclose to about 1.2 billion or 9% of this market growing reasonably fast.

230.   00:44:23.910 --> 00:44:33.120
Speaker: Again, this is something which you know we benchmark ourselves, we benchmark ourselves both to operators in this market and we obviously benchmark ourselves to global operators.

231.   00:44:33.990 --> 00:44:45.900
Speaker: That clearly means that we have aspirations which are way beyond the $15 billion market that we operate in; we continue to become big here disproportionately large, but we also want to become large the rest of the world.

232.   00:44:46.320 --> 00:44:53.640
Speaker: So just to give you an example, if you look at the world's largest and then you stack rank and I've taken only the Quess WFM part here.

233.   00:44:54.360 --> 00:44:58.950
Speaker: Our CAGRs have been somewhere around 23%, whereas most of the other companies have been…

234.   00:44:59.430 --> 00:45:09.390
Speaker: …in the low single digits. If you look at from an EBITDA margin point of view, and that's a question which each of you have asked, that how much can general staffing go up, how much can WFM go up, because obviously…

235.   00:45:09.960 --> 00:45:13.950
Speaker: …the leading answer to that is that the more it goes up it draws Quess upwards.

236.   00:45:14.910 --> 00:45:22.920
Speaker: The world operates in a tight band of between 2 - 4% as far as the workforce management or the staffing kind of a business is concerned.

237.   00:45:23.310 --> 00:45:34.890
Speaker: So our interest is going to be to inch upwards and towards that 3.8 to 4% mark, which eventually then lifts Quess into the goal that Guru had just set there.

238.   00:45:35.460 --> 00:45:41.280
Speaker: But the most interesting thing here is that, in a short span of just 15 years, this is our 15th year by the way,…

239.   00:45:41.970 --> 00:45:51.600
Speaker: …we are already at 273,000 in the GS business, but if I add APAC and I add professional staffing, that's close to 300,000 already as workforce management.

240.   00:45:52.140 --> 00:45:56.580
Speaker: We've achieved this much of scale in 15 years. The other companies that were comparing…

241.   00:45:57.180 --> 00:46:10.650
Speaker: …are listed 30 years ago, 35 years ago, 40 years ago, and they all incidentally started in the 40s, between 1941 to about 1949 or 1950, so they've been all around for about 70 years. We've created…

242.   00:46:10.950 --> 00:46:19.290
Speaker: …half of that scale in just 15 years, and we continue to run faster than them; and the most important metric here is the EBITDA to gross margin.

243.   00:46:19.710 --> 00:46:26.520
Speaker: So we are a low gross margin operating business as far as India's concerned, but our EBITDA to gross margin that's for every Rs. 100…

244.   00:46:26.790 --> 00:46:38.550
Speaker: …that our sales science from a new customer, 60 gets returned back as EBITDA; that means our SG&A in WFM is very, very, very low in comparison to global averages.

245.   00:46:41.550 --> 00:46:49.020
Speaker: And just one moment before I flip to the other side, on the right side you would see how the Indian staffing industry has been evolving…

246.   00:46:49.410 --> 00:46:59.100
Speaker: …and how Quess has been evolving from this aspect. So throughout you'd see that Quess general staffing business alone I've just compared,…

247.   00:46:59.370 --> 00:47:09.060
Speaker: …the Indian industry and staffing to general staffing, you'll see the stack rank of about 100 companies together have nearly half of the growth that we've been doing. But for the only one time…

248.   00:47:09.420 --> 00:47:18.000
Speaker: …when we were deeply impacted by the pandemic in the first and second quarter. For all of those, you know who very closely track, in Q1, after the lockdown,…

249.   00:47:18.330 --> 00:47:32.040
Speaker: …we shrank about 14 and ½ percent in Q2, we shrank about 4 and ½ percent, so we lost about 20% of our headcount, nearly 50-55,000 headcount was lost. So being the market leader, obviously, you would have a remarkable…

250.   00:47:33.060 --> 00:47:40.140
Speaker: …decline, however, from there, the increase has also been fastest among the entire peer group.

251.   00:47:41.520 --> 00:47:46.320
Speaker: So if you compare, when we spoke pre-Covid, and if you compare today,…

252.   00:47:48.060 --> 00:48:00.270
Speaker: …from 243 in the general staffing business, we had gone down close to about 202,000; for just a few days we went up to 197000, so we lost about 50,000 heads, as I was just mentioning.

253.   00:48:00.780 --> 00:48:14.130
Speaker: And we've climbed back and we've gone above the pre-Covid numbers by over 15% already. So we've climbed about 35,000 heads, so that means the team has actually recovered the 50,000 drop and the 35,000.

254.   00:48:14.790 --> 00:48:18.930
Speaker: Let me also put another analogy here for those you know who love data points.

255.   00:48:19.680 --> 00:48:27.480
Speaker: Our best-ever year in general staffing was when we delivered 51,000 heads, net addition in a single financial year, just before Covid.

256.   00:48:28.260 --> 00:48:40.800
Speaker: When we signed up major large deals, this in 15 years, already, is the second best year, and we still have one full quarter of reporting yet to do, which obviously will come in the next few weeks.

257.   00:48:41.430 --> 00:48:48.120
Speaker: If you look at it from a revenue pipeline point of view, because all of you are always interested in seeing where our wages going, how is the top line growing.

258.   00:48:48.360 --> 00:48:56.220
Speaker: In this business, in about 3 years' time, the minimum wage, the market wage, whichever way we want to talk about it, that's gone up in the general staffing business by about 10%.

259.   00:48:56.490 --> 00:49:02.760
Speaker: But very interestingly it's gone up by almost 30%+ in our IT business…

260.   00:49:03.150 --> 00:49:08.280
Speaker: …and we've all been reading what's happening in the IT business. The reflection of that is that, in general staffing, while we are…

261.   00:49:08.580 --> 00:49:17.730
Speaker: …holding the ground as far as the margin pressure is concerned, and many of you keep asking this question how much of margin pressure comes from competition, how much comes from the newbies who get,…

262.   00:49:18.300 --> 00:49:25.890
Speaker: …you know, acquired or start business in India and everything, but we've been able to maintain that margin pressure, irrespective of the fact…

263.   00:49:26.190 --> 00:49:33.600
Speaker: …that we went down to 50,000 and then we have to recover another 35,000 to go net positive. But look at gross margins from the IT business.

264.   00:49:34.080 --> 00:49:43.350
Speaker: 9800 going to almost 13,000 without including the Selection business and the Search business or the RPO business.

265.   00:49:43.800 --> 00:49:53.280

Speaker: If I include that, that goes up to about 15,000, so the point I'm trying to make is, in that business, 40% of the margins have gone up, and that obviously all of us understand why.

266.   00:49:54.120 --> 00:50:05.070
Speaker: Call to FT ratio, another empirical point on the quality of technology that we deliver, the type of processes that we bring about, from 330 now going up to 424.

267.   00:50:06.030 --> 00:50:13.800
Speaker: A few weeks ago, I had a call with one of you and somebody asked, I mean on that call, one of you asked me this question, Lohit, what's the goal here? Till where can this go?

268.   00:50:14.340 --> 00:50:22.050
Speaker: I said when we started this modeling, and started reporting to the straight go to FT ratio, we didn't make 400 our goal then.

269.   00:50:22.350 --> 00:50:30.300
Speaker: This is a derivative of all the technology that we deploy and what our teams do. The goals that we give them is on the top line growth, on the headcount growth…

270.   00:50:30.600 --> 00:50:39.870
Speaker: …on the EBITDA to gross margin growth, on how much to spend for every new acquired customer, and how to grow the customer - those are the goals. The output in the result…

271.   00:50:40.200 --> 00:50:48.810
Speaker: …comes out in code to FT ratio, which keeps becoming better. So I don't want to put a goal of 500 and then tomorrow say that, hey now that we've already achieved 500, what to do next?

272.   00:50:49.290 --> 00:50:57.150
Speaker: Think someday if it becomes 1000, we don't know, that's the power of technology that we are imbibing already in our core businesses.

273.   00:50:58.200 --> 00:51:05.640
Speaker: Clients, we are already over, you know, 1200 clients. In the last one year, you've been seeing our reporting and you've been seeing…

274.   00:51:06.030 --> 00:51:16.890
Speaker: …while the value and PO size and headcount of each customer has been smaller because, obviously, we are going through or we were going through a pandemic, I wish that word 'we were' is true.

275.   00:51:17.850 --> 00:51:27.600
Speaker: We were going through the pandemic, is what happens, you would notice that the number of customers added just by the staffing business is about 236. That's almost…

276.   00:51:28.080 --> 00:51:40.710
Speaker: …adding one enterprise client every working day of the year. And we still have one more quarter of reporting to go, and like that is every other business in WFM and others who have been adding enterprise customers as well.

277.   00:51:42.060 --> 00:51:43.170
Speaker: Another interesting…

278.   00:51:44.640 --> 00:51:54.450
Speaker: …slide this came out with, a recent report also which was written by one of you itself, this was a chart which Indian Staffing Federation had built…

279.   00:51:54.930 --> 00:52:01.410
Speaker: …in its evolution in the last couple of years and we were evolving and seeing because everybody wants to know how big is India's…

280.   00:52:01.890 --> 00:52:11.760
Speaker: …size in terms of population, to its working population, to its labour force participation, and everything. So if you notice, on the top you'll just see the population, the working age, which is…

281.   00:52:12.030 --> 00:52:20.430
Speaker: …we define as 18 to 60; the government actually starts defining from 15, so labour force participation whenever you will see data that will be from 15 onwards;…

282.   00:52:20.670 --> 00:52:27.030
Speaker: …because soft jobs are allowed in India between 15 to 18. Companies like yours and mine are not allowed to obviously higher below 80.

283.   00:52:27.420 --> 00:52:38.130
Speaker: So working age population, then we've got the labour force participation, we've got the workforce, and the percentages that you see are basically the growth…

284.   00:52:38.610 --> 00:52:46.800
Speaker: …of that category, what's been the annual growth in each of these categories. I'll draw your attention towards the formality side within the formality that…

285.   00:52:47.130 --> 00:52:55.800
Speaker: …temporary staffing which we represent as Quess and within that the tripartite that we represent. And if you look at the growth index and…

286.   00:52:57.060 --> 00:53:06.660
Speaker: …you know, again if you go back into this slide, you'll see the gray bars; don't look at the blue bars, which is of Quess, but look at where the industry is…

287.   00:53:06.900 --> 00:53:17.430
Speaker: …10-16-14 years, obviously that was 4 and then back to 11. Our recent report which came out showed that, you know, the industry is now growing even higher than that. So if you come back to this slide…

288.   00:53:17.730 --> 00:53:28.380
Speaker: …you will realize that the tripartite staffing growth at about 16% means that this eventually with more formalization in the market…

289.   00:53:28.740 --> 00:53:35.850
Speaker: …will automatically see deepening ratios and penetrations of people who are outsourced and staffed.

290.   00:53:36.360 --> 00:53:46.920
Speaker: And Guru also raised that point, where he said point 7% of flexi staffing penetration is already happening. By the way, if you go back into 2015 when the DRHP came out,…

291.   00:53:47.280 --> 00:53:54.600
Speaker: …we had said it's 0.35, so it's already doubled in 6-7 years but it's still a huge catchup to do with the rest of the world.

292.   00:53:54.900 --> 00:54:01.950
Speaker: And that's the movement and that's the wave that we're seeing. So from a market standpoint,…

293.   00:54:02.790 --> 00:54:11.550
Speaker: …today if this industry is at about 3 ½ - 4 million, this industry has a potential to be at about 20 million and for anyone who's interested in…

294.   00:54:12.240 --> 00:54:23.100
Speaker: …more data of our kind of market, large populations transitioning from informal to formality, I would draw your attention to China, you will see similar kind of results and numbers there.

295.   00:54:25.200 --> 00:54:36.810
Speaker: Now, if we say that this industry in a decade can become six times larger and obviously the growth rates can continue 15-16% and more, and let's say we're delivering 20% and more,...

296.   00:54:37.350 --> 00:54:41.070
Speaker: …what would it come from? So there are two things that you should see on this slide.

297.   00:54:41.430 --> 00:54:53.040

Speaker: There's the bottom chart which all of you see in every investor deck that we put out QoQ - that's the spread of how we do business, so BFSI being the largest; let's spend a few seconds here.

298.   00:54:53.640 --> 00:55:00.480
Speaker: India's at all give or take $3 trillion, right, somebody says 2.9, somebody says 2.87, whatever, you're close to $3 trillion.

299.   00:55:01.230 --> 00:55:07.200
Speaker: All of us in this room agree that we will become $5 trillion. The dispute maybe between any one of us,…

300.   00:55:07.680 --> 00:55:14.550
Speaker: …the government might say five years, some in this room will say no it will be four, and some will say it is six, that could be the one year, plus or minus.

301.   00:55:14.970 --> 00:55:21.930
Speaker: But it will be a $5 trillion economy, so if you've created an economy of $3 trillion in 75 years…

302.   00:55:22.530 --> 00:55:32.790
Speaker: …and you're going to add 66% to the economy in just next five or six years, then that money flow, that money supply has to move from the BFSI industry itself.

303.   00:55:33.300 --> 00:55:39.600
Speaker: The beneficiaries of that are the same two-wheeler loan companies, the same four-wheeler loan companies, it's the same housing loan,…

304.   00:55:39.840 --> 00:55:47.850
Speaker: …it's the same banking sector, is the same insurance, same mutual funds, same every one of you sitting here and I'm sure this is how you're modeling growth for your organisations as well.

305.   00:55:48.450 --> 00:55:57.570
Speaker: The second big one, which used to be actually big for us till 2018, if you all remember was retail, and retail is seeing a huge movement…

306.   00:55:58.080 --> 00:56:05.580
Speaker: …from inorganic to organic, and I don't need to take names here, but the fight which is going on to acquire a certain asset in…

307.   00:56:06.480 --> 00:56:15.360
Speaker: …you know, the organized retail play clearly tells us where that industry and market is going to go. Today, as Quess, my sweet spot is the 6800…

308.   00:56:15.810 --> 00:56:27.510

Speaker: …listed companies that I can go to, it's the Fortune 500 companies, it's the large start-ups. So I have a universe in enterprises that have about 10,000. We've got 11050 customers already and growing every year.

309.   00:56:28.050 --> 00:56:32.880
Speaker: That means that universe of 10,000 is there, but if from our 63 million…

310.   00:56:33.540 --> 00:56:40.350
Speaker: …MSMEs and SMEs, out of which a majority is in the retail space, graduate and come to the organized sector,…

311.   00:56:40.650 --> 00:56:50.370
Speaker: …again at the base of the pyramid who do they hire? They hire outsourced employees and that's what Quess and Quess General Staffing business comes into, so that's a big play for us.

312.   00:56:50.760 --> 00:56:57.360
Speaker: Telecom, we work with all the three majors, we've always been working with all of them, all three of them, and we continue to service all three of them,…

313.   00:56:57.630 --> 00:57:10.560
Speaker: …we grow with them. Telecom is going to see the biggest next movement, which is going to be 5G. And that 5G movement, both on the IT side, on the back-end side, and the infrastructure side, but as well as on the front-end side…

314.   00:57:11.190 --> 00:57:19.470
Speaker: …you know, the swapping of SIMs that will have to be done, the new kind of phones that all of us will have to buy…India's current penetration on 5G devices is less than 5%.

315.   00:57:19.860 --> 00:57:28.980
Speaker: So every one of us has a 4G phone today. Some may have already graduated to 5G, but we will have to graduate there if you want that kind of service.

316.   00:57:29.550 --> 00:57:38.340
Speaker: So we are there, that's our sweet spot. Industrial, this is a place where Guru also spent some time. MNI, our manufacturing and industrial segment, we are very, very bullish about.

317.   00:57:38.760 --> 00:57:42.480
Speaker: See the PLI segment is very clear; that's about 2 lac crore of spend.

318.   00:57:43.020 --> 00:57:53.700
Speaker: But the government has said, I will give you 5%, which means the output has to be 40 lac crores. If you look at, on an average, on your balance sheet, 8% is wages and salaries…3,20,000 core rupees of...

319.   00:57:54.240 --> 00:58:03.450

Speaker: …wages and salaries have to be distributed. These organisations when they come to India, and they come with global funding, they don't want to come and work with the…

320.   00:58:04.200 --> 00:58:17.070

Speaker: …unknown player or a regional partner or an organisation which does not have the kind of heft or the size of the financial acumen or the compliance that Quess has. So all of those are natural benefits for us.

321.   00:58:17.910 --> 00:58:24.540

Speaker: Then I can go on and on. This logistics, where e-commerce wave and everything you're noticing…in this space, I mean while…

322.   00:58:24.990 --> 00:58:31.080

Speaker: …we are noticing that this is growing at 35%, 50%, 70%, it still falls in the 4th and the 5th category for us.

323.   00:58:31.410 --> 00:58:40.620

Speaker: And the reason for that is, we are very, very picky and choosy on who we want to work with. So when they are the global names, they are the marquee names, yes, we are there.

324.   00:58:41.040 --> 00:58:48.750

Speaker: When it's a start-up, we want to watch it for some time, as long as we don't get that comfort of capital, of payments, and other things.

325.   00:58:50.370 --> 00:59:03.090

Speaker: But now I'll draw your attention to the chart on top. This is the part of the virgin market, which will unshackle and create India into that 6x kind of a growth on formalization, on…

326.   00:59:03.930 --> 00:59:10.320

Speaker: …you know, going towards the organisation. What will happen is, manufacturing if you notice,…

327.   00:59:11.160 --> 00:59:21.180

Speaker: …there is only 27 million people, 28 billion people in regular against 62 million in the overall manufacturing sector. Construction, even worse, Guru spoke about it.

328.   00:59:21.510 --> 00:59:31.920

Speaker: And that was the reason why a construction vertical was started. Because in the 62 million that we have currently, there is one level of outsourcing…second, third, fourth, fifth sixth…

329.   00:59:32.250 --> 00:59:39.600

Speaker: …sometimes it goes down to the six level of outsourcing and the brand which is getting that infrastructure project done doesn't even know…

330.   00:59:39.900 --> 00:59:49.260

Speaker: …how many layers of outsourcing has happened. That's the sweet spot, and these are the areas where Quess will play a big role tomorrow. And let's spend a minute on…

331.   00:59:49.680 --> 00:59:53.610

Speaker: …what is written there at the bottom, which is Sampoorna Rojgar Yojana.

332.   00:59:54.210 --> 01:00:02.580

Speaker: See, our cross sale is one big initiative. One customer buys more services from Quess. But now just look at a greenfield or a brownfield project which comes into India.

333.   01:00:02.970 --> 01:00:12.030

Speaker: For the first time they want to set up a factory in India, there's a global funding which is coming into let's say semiconductors, chipsets, solar panels, or whatever.

334.   01:00:12.600 --> 01:00:22.800

Speaker: The first thing the client would want is compliance services. That's what Simpliance and Allsec provides. The next thing they'll want is hiring talent for permanent—we do that.

335.   01:00:23.280 --> 01:00:26.610

Speaker: The third thing they'll want is payroll for their core employees. Again, Allsec does that.

336.   01:00:27.030 --> 01:00:35.010

Speaker: The fourth thing that they'll want to do is now start putting construction workers to probably…and I'm not saying all construction will come to us and I'm saying overall construction will happen.

337.   01:00:35.370 --> 01:00:42.960

Speaker: That also Quess does. Then they want people in the assembly line, grey and blue-collar workers, Quess again does that. If they further…

338.   01:00:43.440 --> 01:00:51.330

Speaker: …after the factory has started, they have to start with facility management—Quess does that. OAM does and it's the second largest there as well.

339.   01:00:51.840 --> 01:00:57.180

Speaker: They want security, parameters security as well as electronic security, Quess again does that.

340.   01:00:57.990 --> 01:01:10.140

Speaker: So if you look at from a cross-sell perspective, today the number of services that Quess provides to a customer…so the kind of conversations where we've had with some customers, we call it the Sampoorna Rojgar Yojana.

341.   01:01:10.770 --> 01:01:19.560

Speaker: We're saying it's total employment solution. We'll manage end-to-end for you, including, if you want us to have some dormitories for them, you want us to manage food services for them,…

342.   01:01:19.950 --> 01:01:27.630

Speaker: …and transportation, the only thing is obviously transportation, we're not in that business. So we will obviously take vehicles from a transport.

343.   01:01:28.380 --> 01:01:38.910

Speaker: You know the service provider will obviously move people up and down, but that is something which our M&I and construction team is pitching hard and strong to most of the new customers that they're meeting.

344.   01:01:43.590 --> 01:01:48.450

Speaker: I don't think so we've discussed about this before, but I wanted to spend a minute or two on this today.

345.   01:01:49.230 --> 01:01:56.160

Speaker: See, when you look at WFM, while overall the business has 90% of its revenue coming out of the 2,73,000…

346.   01:01:56.520 --> 01:02:05.670

Speaker: …people in India, and the general staffing that we deploy, and hence the return ratio on the gross margin and EBITDA margin being low, it drags down.

347.   01:02:06.060 --> 01:02:16.290

Speaker: Today, if you really look at WFM, WFM can be split into three businesses - there is general staffing, which is a low single-digit EBITDA margin, which we know about.

348.   01:02:17.100 --> 01:02:22.560

Speaker: There are businesses which are single digits but high single-digit EBITDA margins which are growing.

349.   01:02:23.160 --> 01:02:33.210

Speaker: My Singapore business is like that, my Quess IT staffing business is like that. And all of them have come up the curve and all of them are growing much faster than the rest of the business. My Sri Lanka business is like that,…

350.   01:02:34.500 --> 01:02:39.720

Speaker: my Malaysia business is like that. If you look at another category that we have, which is double-digit…

351.   01:02:40.170 --> 01:02:49.290

Speaker: …EBITDA return businesses, this is the Middle East, which was insignificant four years ago when we acquired and significant today to WFM. We have…

352. 01:02:49.830 --> 01:02:54.150
Speaker: …the Philippines, which is a double-digit higher than a teenager EBITDA business.

353. 01:02:54.630 --> 01:03:07.110
Speaker: And then we have the Quess Recruitment and Selection business, which erstwhile I've spoken about the seven platform or the seven verticals we used to work with, now we work with only two verticals, IT in ITeS, and we focus on only the digital skills.

354. 01:03:07.530 --> 01:03:18.330
Speaker: So we've got three categories of businesses, if you look at pre-covid and post-covid, what started to happen is that on a growing base of the staffing business,…

355. 01:03:18.870 --> 01:03:27.960
Speaker: …the staffing contribution to EBITDA as a share of the pie of WFM is shrinking because the rest of them are disproportionately growing faster.

356. 01:03:28.530 --> 01:03:43.830
Speaker: So they are growing 50%, 70%, and they are starting to contribute to the story of the double-digit EBITDA business as well. So that's how we are internally in WFM tracking this in the next 3-5 years journey.

357. 01:03:45.120 --> 01:03:48.810
Speaker: And this will help us with our margin expansion strategy while we continue to fight…

358. 01:03:49.890 --> 01:03:51.180
Speaker: ..general staffing in a big way.

359. 01:03:52.560 --> 01:04:02.790
Speaker: In our front-end processes, you will notice that we have a lot of technology that we've thrown at it. Guru mentioned about the associate satisfaction index.

360. 01:04:03.360 --> 01:04:15.540
Speaker: We decided, about a year ago, that while we are No. 1 with our customers, and that's a CSAT survey that we do every year, we want to become the No. 1 preferred organisation with our associates as well.

361. 01:04:16.020 --> 01:04:24.660
Speaker: So the first mega survey that we ran with our associates, 1,33,000 people responded using the same vocab and they said…

362. 01:04:25.500 --> 01:04:31.950

Speaker: …I am highly satisfied or satisfied with Quess to the point that I will recommend Quess to my employer,...

363.   01:04:32.400 --> 01:04:43.860
Speaker: the business employer, where they work, the brand. I will also recommend us to other associates if they want to join an organisation. And I think that's something which we are extremely proud about and we'll keep…

364.   01:04:44.460 --> 01:04:54.810
Speaker: …working on this. Our goal is to eventually take this to 90-95%. That also helps us in some ways in consolidation, because if an employer has…

365.   01:04:55.230 --> 01:05:06.120
Speaker: …one Quess and another 2-3-5 or whatever the case may be there, and the associates come back telling the employer, I prefer to be on Quess, I don't prefer to be on any other organisation's payroll,...

366.   01:05:06.600 --> 01:05:14.070
Speaker: that also creates a noise and a voice for us. But within the WorQ app, we're doing task management, we're doing attendance sales modulation,…

367.   01:05:14.640 --> 01:05:30.150
Speaker: … instant service I just spoke about, route management, and digital supervisor. So all of this is the life within the same WorQ app. It gets repurposed from customer to customer and gets white-labeled every time we sign a new customer for their ecosystem.

368.   01:05:31.170 --> 01:05:36.630
Speaker: We've been able to bring our costs down and one of the points that we're very proud in our business is…

369.   01:05:36.990 --> 01:05:41.220
Speaker: …that our general staffing business has as low gross margin and EBITDA margin that it works with.

370.   01:05:41.580 --> 01:05:51.510
Speaker: Again, the EBITDA to gross margin and general staffing business is near 66%. So for every 100 rupees of new gross margin that you add, you again deliver 66 rupees…

371.   01:05:51.840 --> 01:06:00.060
Speaker: directly to EBITDA. And that's because of our cost to serve, which we've kept, and can bring it down with technology over time.

372.   01:06:00.600 --> 01:06:12.450

Speaker: Our POP tool, the paperless onboarding that Guru was alluding to earlier—it used to take 14 minutes for an associate to onboard, now it takes 6 and 1/2 to 7 minutes, so we've sharpened that time also down by 50%.

373.   01:06:12.930 --> 01:06:27.510

Speaker: In that, we are able to now have over 29,000 people every month, coming through the POP gateway. So that's the size, scale, and power that we already have. I've already spoken about the…

374.   01:06:28.530 --> 01:06:44.340

Speaker: …benefit that it gives. It gives immense benefit in call to FT ratio, it gives immense benefit in terms of what we can deliver to customers, in terms of margins from value-added services or technology, which is on the top right corner there that you see.

375.   01:06:46.470 --> 01:06:56.460

Speaker: So last, but not least, some simple focus areas for our businesses. In general staffing, we will want to continue to disproportionately grow on volume…

376.   01:06:57.150 --> 01:07:04.620

Speaker: …and we don't want to be apologetic about it. We want to add 50,000 people and more every year, and we will continue to add those many people and more.

377.   01:07:05.520 --> 01:07:17.610

Speaker: What we want to add with, that is, we want to have the flavor of value-added services and margin mix, along with that. Second, keep our cost-to-serve low and be able to…

378.   01:07:18.150 --> 01:07:27.630

Speaker: …deliver in such a manner that the customer gets a winning feeling at the same time we don't disproportionately pay and our 66% EBITDA to gross margin…

379.   01:07:28.200 --> 01:07:36.660

Speaker: …becomes better rather than becoming worse. In our IT staffing business, we obviously want to go after the digital ecosystem and revenues…

380.   01:07:37.410 --> 01:07:42.090

Speaker: …Vijay, my colleague from that ecosystem, and I often have this conversation that if…

381.   01:07:42.480 --> 01:07:54.840

Speaker: …TCS and Infosys have 55% of their business coming from digital, how much of our business comes from digital? So internally, what we've done is we've divided it by skill metric and margin profile.

382.   01:07:55.350 --> 01:08:01.740

Speaker: While that business clocks close to around 10 to Rs. 12,000 gross margin at a PaPM level,…

383.   01:08:02.250 --> 01:08:14.190

Speaker: there is segments of people who are today at 25 to 50,000, 50,000 to a lakh, and lack and more. This I'm talking about Indian gross margin not talking about overseas gross margin. So that's the focus that we have in digital.

384.   01:08:14.580 --> 01:08:23.550
Speaker: We will continue to focus on recruitment using the RPO solution within the segments where we feel that we are playing very well, that's IT and ITeS.

385.   01:08:24.660 --> 01:08:31.200
Speaker: As far as the Singapore business is concerned, in Singapore, we've added two things. One, we've added a general staffing line;…

386.   01:08:31.590 --> 01:08:40.470
Speaker: …and general staffing has started seeding there. We've acquired the first 10 customers, we've got about 70-80 headcount already, so that's an expansion strategy we have.

387.   01:08:40.710 --> 01:08:56.520
Speaker: The second is the new customers to Quess. The minute we shifted from our name like Stira Corp in the Middle East to Quess Middle East, Comtel Singapore to Quess Singapore, a lot of our customer franchisees started becoming global accounts for us.

388.   01:08:57.870 --> 01:09:00.870
Speaker: In our APAC and MENA region obviously and adjacencies.

389.   01:09:01.290 --> 01:09:07.410
Speaker: Like in APAC, we are disproportionately strong in general staffing. We've now launched a reverse practice which is IT staffing.

390.   01:09:07.650 --> 01:09:13.590
Speaker: So where we are strong in general staffing, we are going after IT, where we are strong in IT, we're going after general staffing and expanding.

391.   01:09:13.920 --> 01:09:22.560
Speaker: The Philippines will become a gateway to services in other markets because the Philippines, after India, is the next best market where you can get IT talent.

392.   01:09:22.890 --> 01:09:31.290
Speaker: And you can use that talent for other countries as well and keep your costs low. Also, we are delivering a double-digit EBITDA margin in the Philippines as well.

393.   01:09:33.630 --> 01:09:43.890
Speaker: So that was about WFM. Thank you very much for coming today again. And I hand it over to my colleague Pinaki, who will take us through the GTS platform,…

394.   01:09:44.550 --> 01:09:53.850
Speaker: …the fastest-growing at the moment and the top of the pack when it comes to EBITDA margin profile. So thank you!

395.   01:09:58.290 --> 01:10:06.480
Pinaki: On a lighter vein, following Lohit is an enviable job, because, he has 90% of the headcount, generally I give 90% of the time also to him, but…

396.   01:10:07.530 --> 01:10:09.390
Speaker: …the good part is that as Lohit said,…

397.   01:10:10.980 --> 01:10:28.200
Speaker: …we are not apologetic about it; he has to push the headcount. And we have decided that in GTS currently, the equation is like 10% of Quess headcount, 20% of revenue, and 55% of EBITDA. So we continue on that path; Lohit has headcount of twin-engine growth right, nothing like that.

398.   01:10:29.520 --> 01:10:29.910
Speaker: So.

399.   01:10:33.060 --> 01:10:34.710
Speaker: Just to reflect.

400.   01:10:35.910 --> 01:10:42.930
Speaker: Two years back in this forum, on March 5 at Grand Hyatt, only the venue changed, but everything else is the same.

401.   01:10:44.400 --> 01:10:53.400
Speaker: So many things have changed, and so many things have remained the same. That time I was coming from the US, and it was the first time we were having an investor conference.

402.   01:10:53.970 --> 01:10:59.640
Speaker: And some of you told me that Covid is catching fast, you plan to be here for two weeks, you better go back fast.

403.   01:11:00.300 --> 01:11:12.060
Speaker: I did not listen to you, and the end result was that I was literally on the last flight, which was a lot back in New York. So from next time, we'll listen to you. So this time, it is the other way around. This is the last engagement that we are having.

404.   01:11:14.100 --> 01:11:15.540
Speaker: But more importantly…

405.   01:11:16.920 --> 01:11:25.020
Speaker: …that when we spoke last time, many of you have been tracking Quess for a long time.

406.   01:11:26.340 --> 01:11:38.280
Speaker: Some of you told us that GTS is a mystery, some told us it's an enigma, some told us that it's a riddle, so then we decided that...

407.   01:11:39.060 --> 01:11:50.880
Speaker: …this riddle wrapped in an enigma covered by mystery, we should simplify and decompose, because one thing in our industry that I've learned, it's my 20th year in the tech services industry…

408.   01:11:51.660 --> 01:12:00.600
Speaker: …my colleague Arjun, who joined us here at Conneqt last year, he also spent 26 years in Wipro before that. Whatever we learned with two constituencies,...

409.   01:12:01.260 --> 01:12:10.320
Speaker: …that is with our customers, investors, and analysts, don't use jargon, simplify, make it simple so that they can model…

410.   01:12:11.040 --> 01:12:22.710
Speaker: …and make it predictable. So I'm not going to use any of the jargon our friends in the industry use. So when we were there two years back,…

411.   01:12:23.970 --> 01:12:41.820
Speaker: …since our point of departure, we acquired two companies in FY 2014-15, Brainhunter in Canada and MFX, the insurance tech company in the US. And in 2017, we took a majority stake in Conneqt, which we made 100% our own last year…

412.   01:12:43.110 --> 01:12:50.100
Speaker: and Allsec in 2019. That was the lay of the land, right? So we had a platform business which was Insure Tech.

413.   01:12:51.480 --> 01:13:02.340
Speaker: There was a CLM Contact Center, not much omnichannel at that point in time, between Conneqt and Allsec, the collections and back-office automation business was also there…

414.   01:13:02.970 --> 01:13:12.270
Speaker: …and a bit of IT services business. So we decided at that point in time, going forward in the next few quarters,…

415.   01:13:12.900 --> 01:13:18.840
Speaker: …we will completely simplify the legal entities.

416.   01:13:19.590 --> 01:13:25.110

Speaker: But we'll come back with a proposition, which is a very simple BPM with digital IT services business.

417.   01:13:25.770 --> 01:13:43.560
Speaker: Doesn't matter where it gets delivered from because the go-to-market, front-end, back-end, and delivery vehicles are harmonized.

418.   01:13:45.810 --> 01:13:51.990
Speaker: At the same time, regardless of the human cost that Covid extracted from us,…

419.   01:13:53.400 --> 01:14:03.990
Speaker: the last seven quarters, since we last met, were actually the best-ever seven quarters for GTS. If FY21 was great, FY22 is even better…

420.   01:14:04.890 --> 01:14:14.010
Speaker: …due to the sectoral tailwinds we are having. So as I told you, we have 40,000 billable employees, 1/10th or 10% of Quess…

421.   01:14:14.730 --> 01:14:26.100
Speaker: …employee base roughly. So around 20% of revenue, around 2300 crores or something was annualised at this point in time, around 55% of the overall EBITDA mix.

422.   01:14:27.300 --> 01:14:40.080
Speaker: So when we harmonize the businesses, we decided, forget about whether it's Connect or Allsec. What are we essentially doing? We have an omnichannel CLA business, right,…

423.   01:14:40.650 --> 01:14:46.950
Speaker: …which is the Contact Center business, which is omnichannel, both voice and non-voice, inbound and outbound.

424.   01:14:47.700 --> 01:14:55.740
Speaker: And that has a 20% digital component today on the omnichannel side, but we are not apologetic about that because many of you had questions 2-3 years back…

425.   01:14:56.700 --> 01:15:07.050
 Speaker: …contact centre may be dead, CLM may be dead. But what happened is that it's the core, and when I show the numbers, that core has actually expanded much more…

426.   01:15:07.590 --> 01:15:16.740
Speaker: …than the adjacent areas. So that core, at least in the Indian context or even in the North American context, has a huge runway.

427.   01:15:17.370 --> 01:15:26.580

Speaker: So CLM will remain CLM, voice can become non-voice, and the channels can change, but that core remains. Because if you see the BPO market growth also,…

428.   01:15:27.090 --> 01:15:38.130

Speaker: …the CLM growth is percentage-wise more than the rest of the BPM market growth. So that's one data point. The second data point is that the HRO services in Allsec, which is our highest…

429.   01:15:38.700 --> 01:15:56.790

Speaker: …value driver in terms of EBITDA, had gangbuster growth in the last seven quarters. I think we started FY '21 at 2.1 million payslips per quarter. Today we're at 3.2 million payslips in seven quarters. I'll show the quarter race movement.

430.   01:15:58.050 --> 01:16:05.250

Speaker: For premiumization, we decided on MFX insure tech platform and the Allsec platform business…

431.   01:16:05.820 --> 01:16:13.980

Speaker: We decided at that point in time it is better to increase the advisor and the analysts' connect, especially for the platform is this feature value-based,…

432.   01:16:14.400 --> 01:16:23.370

Speaker: … to get into those kinds of customer deals. So in every speech metric, we have devoted both of them as serious contenders for the first time because of what we did last year.

433.   01:16:24.840 --> 01:16:32.820

Speaker: As I told you, 3.2 million payslips per quarter, so over a million payslips a month in Allsec. End-to-end collections, I'll come to that, covering 95%+ of…

434.   01:16:33.360 --> 01:16:50.910

Speaker: …Indian pin codes which are delivered out of Conneqt. It's almost a 300 crore run rate kind of a business at this point, and the largest professionally run collection agency in India. The Gross Written Premium (GWP) for MFX has crossed $3.3 billion today.

435.   01:16:52.740 --> 01:16:59.910

Speaker: So that was the past, but I'll just focus on the revenue distribution, so that you can see the view since the last time we met.

436.   01:17:01.050 --> 01:17:17.130

Speaker: The bottom-most is the CLM business. This CLM business as a tool is the omnichannel, inbound, outbound, voice, and non-voice. So in Q3 FY '21, we were at 183.

437.   01:17:18.510 --> 01:17:28.770

Speaker: Today we are at 227. If I go back to the first quarter of Covid, all seven quarters have almost doubled from where it was in FY '21 Q1.

438.   01:17:29.970 --> 01:17:36.480
Speaker: The non-voice BPOPs, 104-124, is essentially the collections business on the back of this automation business.

439.   01:17:37.410 --> 01:17:40.470
Speaker: You understand the collections business that's why we are calling it out.

440.   01:17:40.920 --> 01:17:50.100
Speaker: We are calling it out because there is a moratorium for most of the Covid that you could not collect; there is an RBI moratorium. But when it does come back, and if I tell you the numbers…

441.   01:17:50.850 --> 01:18:09.600
Speaker: …for Q1 of FY '21, if I remember correctly, it was 51 crores. Currently, it completes 60 crores. So all the numbers that I'm showing or even if you see the IT services 96-108, and the platform, which is the most EBITDA activity business, 73 to 81. If you see the quarter movement...

442.   01:18:11.880 --> 01:18:23.160
Speaker: …in revenue, what is it in EBITDA terms, and how did we reach an EBITDA composition of 55% for the group? If we model and see Q1 FY '21,…

443.   01:18:24.360 --> 01:18:44.490
Speaker: …and the last quarter or the seven quarters, all the towers that I'm showing from an EBITDA perspective are either in the 2x or 2.5x range. So there is not a single business in EBITDA composition terms that has not doubled in the seven quarters.

444.   01:18:45.780 --> 01:18:55.950
Speaker: So that was the sectoral tailwind the digitization during Covid helped, and also the cost structure optimization that we could do because that gave us the leverage. So now,…

445.   01:18:56.790 --> 01:19:07.140
Speaker: …going forward, without making any forward-looking comment, one can safely assume that the more revenue growth we are able to drive, like the way we are trying to do 20-24% CAGR,...

446.   01:19:08.580 --> 01:19:14.880
Speaker: …if we do a 24-person CAGR, we will double revenue in three years. So from that perspective,…

447.   01:19:16.020 --> 01:19:26.730
Speaker: …what we can commit, and I'm not saying what we are going to do, but if that happens, the EBITDA growth in this segment would be disproportionate to the revenue and the cost structure leverage that we have.

448.   01:19:28.200 --> 01:19:32.310
Speaker: Now, a simple thesis,…

449.   01:19:33.780 --> 01:19:40.530
Speaker: …like Lohit explained, is the macro on the demographics and how it translates to workforce management.

450.   01:19:41.220 --> 01:19:46.410
Speaker: Because there is a science and art both to it, the scientific part, the mathematical modeling today roughly…

451.   01:19:47.070 --> 01:19:54.150
Speaker: …in the next slide I'm going to explain it further. Our BPO business is a 1500 crore business roughly between Conneqt and Allsec.

452.   01:19:55.140 --> 01:20:10.320
Speaker: At the current rate of growth, and if you just execute and not bungle it up, it should have a trajectory to double in three years. Suppose it becomes 3000 today,…

453.   01:20:11.430 --> 01:20:20.850
Speaker: …between the two at a 1500 crore report at number in days, I think we'll have profitability of around…

454.   01:20:22.830 --> 01:20:27.990
Speaker: …260 to 270 crores roughly. So that's one data point.

455.   01:20:29.340 --> 01:20:36.300
Speaker: Leaving the Canada piece out, which was one of our buys at that point in time, and in negative network business…

456.   01:20:36.810 --> 01:20:53.160
Speaker: …and bankrupt, which we turned around with than 5% profitability today. But even leaving that apart, which we turn around, if you see the composition of the digital IT business itself, the MFX platform, the pure-play services around that…

457.   01:20:54.180 --> 01:21:14.130
Speaker: …in targeted sectors…which I'm coming to in the next slide with the competencies that we are creating in the pure-play IT services business, both from the infra and the digital app side. So there is a complete playbook that we have to create an independent business, one: BPM.

458.   01:21:16.620 --> 01:21:18.090
Speaker: I'll come back to this slide later, but…

459.   01:21:19.140 --> 01:21:20.370
Speaker: …let's move to the next slide.

460.   01:21:22.110 --> 01:21:22.980
Speaker: So currently,…

461.   01:21:24.210 --> 01:21:29.190
Speaker: …we're on this slide, on the left-hand side. We're in customer lifecycle business,…

462.   01:21:30.060 --> 01:21:37.590
Speaker: …voice-based CLM, non-voice based CLM, both inbound and outbound, non-voice BPO collections and back-office automation, mainly on the F&A, APR,…

463.   01:21:38.310 --> 01:21:52.080
Speaker: …tax reporting side, the platform business, which is an insure tech business, as well as the HRO platform that Allsec has. These are the two non-linear high margin businesses where it's outcome-driven and the IT services wherever we have.

464.   01:21:53.190 --> 01:21:59.940
Speaker: Going forward, from our modeling perspective, what we have created, the organisation for the next few years and beyond…

465.   01:22:00.780 --> 01:22:09.540
Speaker: …it's an integrated BPO business, Conneqt and Allsec, leaving the legal entity structure out.

466.   01:22:10.410 --> 01:22:21.090
Speaker: So a BPO business that does CLM, non-voice, etc., and the HRO platform and the digital IT services business, which has both absent infra.

467.   01:22:21.600 --> 01:22:38.310
Speaker: Any Indian heritage, new-age digital IT services player has right? What are the components we currently have? We have insure tech platform, digital engineering, which have just been set up, CX, UI, UX, those competencies are already there in Conneqt Digital,…

468.   01:22:39.510 --> 01:22:47.790
Speaker: …assurance and testing, data analytics and automation, where we need to augment some of the skills. On the infra and cloud,…

469.   01:22:49.170 --> 01:22:55.530
Speaker: …between MFX and Qtek, what we did was that we incubated a business, which was completely organic…

470.   01:22:56.370 --> 01:23:03.540

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Speaker: …and is a 100 crore business today, running almost at a 150 crore run rate in the last 3-4 years, so that, we are taking global.

471.   01:23:04.260 --> 01:23:16.830
Speaker: So data center services, cloud services, cybersecurity, and governance, which we already have, end-user computing, and this. So going forward, we are going to make it simple for you, and when we come out,…

472.   01:23:17.910 --> 01:23:26.640
Speaker: …we are not necessarily going to discuss MFX, Brainhunter, Conneqt, or Allsec numbers. That we can do, because we have the balance sheet and P&L part. But we are going to say…

473.   01:23:27.840 --> 01:23:41.670
Speaker: …that in BPM business under this head, we are doing this much, the digital IT services, this is the apps business, this is the infra business. So that it becomes easier for you to model the clients to understand from the various listings. Now going back to…

474.   01:23:43.080 --> 01:23:51.840
Speaker: …the market potential, I am going to be unapologetic and say that the market is not an excuse for us. There is a huge runway in the market.

475.   01:23:52.410 --> 01:24:02.760
Speaker: So hopefully, we'll be able to execute like we have done in the last few years and see, even if you fail, we can't blame the market for that. But whatever estimates you take, the global BPM market size,…

476.   01:24:03.570 --> 01:24:09.780
Speaker: …whether it's 250 billion or 336 billion, we are just a minuscule percentage of that, so the market is not going to be a limiter.

477.   01:24:10.650 --> 01:24:28.170
Speaker: Indian heritage IT services market itself is more than $200 billion. I'm not seeing the overall $1 trillion pie that's there on the IT services, that's the NASSCOM numbers on this, and there are onsite heavy numbers out of that.

478.   01:24:29.190 --> 01:24:39.510
Speaker: So I'm saying for a 1500 crore BPM business and 800 crore IT services business, which we are essentially today, these two components are around 2300 crores in GTS. Overall…

479.   01:24:40.860 --> 01:24:45.960
Speaker: …the market size is too huge for the market to be limited to that.

480.   01:24:48.000 --> 01:24:54.180

Speaker: And the sample market sector's digital capability platform, F&A outsourcing banking, BPO, IT services, that's the breakup.

481.   01:24:56.220 --> 01:25:05.790
Speaker: And also the analytics and other components, those are the slices and dices. But that helps in practice creation as we decide the practices to create and the...

482.   01:25:06.330 --> 01:25:14.940
Speaker: ...things to create too. But most importantly, they have access to the customer, with the stickiness that we have for clients in the North American market and Indian market for so long...

483.   01:25:15.510 --> 01:25:22.920
Speaker: ...under the various entities we have. So it's a question of executing and delivering those practices,...

484.   01:25:23.460 --> 01:25:38.670
Speaker: ...building the delivery capabilities or augmenting the delivery capabilities that we already have, and building on top of that for the contextual capabilities to reach the goal that will help Quess reach the targets that Guru has set.

485.   01:25:46.140 --> 01:25:55.470
Speaker: Now the focus areas, what we need to work on the BPM side is the premiumization aspect.

486.   01:25:57.120 --> 01:25:57.810
Speaker: Because there are...

487.   01:26:00.630 --> 01:26:15.090
Speaker: ...various segments and facets of the markets if we slice and dice where one can see a nonlinear premium over the linear way the BPM market runs—whether that is social, ORM, or digital marketing.

488.   01:26:16.410 --> 01:26:19.500
Speaker: New geographies like Allsec are 50% US-focused and...

489.   01:26:20.520 --> 01:26:30.330
Speaker: ...BPM is almost 80% US-focused. So what we are doing is we are placing focus on hiring salesforce.

490.   01:26:31.620 --> 01:26:39.960
Speaker: In the sense, to give some disproportionate dividends, if I give you a statistic, some of you who follow Allsec will switch to a separate listed company as well.

491.   01:26:40.470 --> 01:26:47.280

Speaker: You will find that the last two quarters, that the number or volume of deals and the value of deals that we have closed in North America,…

492.   01:26:48.270 --> 01:26:59.460
Speaker: …even if you take before the acquisition in 2019, is more than in the last five years cumulative.

493.   01:27:02.040 --> 01:27:11.310
Speaker: New digital services that Arjun and Ashish are running, like social, ORM, digital marketing, the collections business. Collections business is…

494.   01:27:12.060 --> 01:27:18.540
Speaker: …very transaction heavy, feet-on-street, very physical business today.

495.   01:27:19.080 --> 01:27:27.270
Speaker: But it is very much prone to digitization today again due to the nature of the non-linearity involved. Like, we get paid either on a part instrument that we collect…

496.   01:27:28.050 --> 01:27:38.130
Speaker: …or on the percentage of the NPA. So there is a lever, which is there that it's not an FT-based business, so the laser FTs we use...

497.   01:27:38.850 --> 01:27:46.050
Speaker: …lend to that kind of operating leverage going forward. And the collection business today also the gross margin,…

498.   01:27:47.010 --> 01:27:58.230
Speaker: …I think, correct me if I'm wrong, is around 8-10% points more than the normal voice LM business. So those are the levers that we have got,…

499.   01:27:59.460 --> 01:28:02.700
Speaker: …the digital IT services, both on the apps and infra.

500.   01:28:04.140 --> 01:28:11.850
Speaker: We have strong capabilities today in the data center, end-user computing, cloud - we are just building, cyber security – we've got strong competencies. But…

501.   01:28:13.200 --> 01:28:22.350
Speaker: …under the new-age digital services, app side, what we are building currently it's like baby steps we have taken in the last six months.

502.   01:28:23.790 --> 01:28:38.790

Speaker: Mainly, we are trying to address both the North American market, as well as the vacuum that is in the domestic market. As most of the biggies in the Indian domestic market are in the areas of UI-UX, digital platforms like Salesforce, services like the business apps and...

503.   01:28:39.900 --> 01:28:47.550

Speaker: …the digital engineering side because under the framework, you think, design, architect, implement, and then you run and operate.

504.   01:28:48.030 --> 01:28:54.540

Speaker: And obviously, security becomes an underlying layer to all that, and on the data analytics side.

505.   01:28:55.260 --> 01:29:04.170

Speaker: So there, I think it's less of a demand challenge and more of managing the supply in today's competitive market.

506.   01:29:05.160 --> 01:29:12.480

Speaker: So whereas I think we have a better chance there, with our agility and zero bench policy,…

507.   01:29:13.320 --> 01:29:23.070

Speaker: …it is our ability to attract talent and deploy them readily into projects…because most of the time, what happens is that even if you get a niche resource, a database,…

508.   01:29:24.690 --> 01:29:32.700

Speaker: …or a domain-certified resource, they'd rather want to work and keep their tool sharpened by getting into a project readily…

509.   01:29:33.120 --> 01:29:43.560

Speaker: …than joining a big company and waiting on the bench for three months. Now I can tell with some confidence that the 18 years of my 27-28 years, I spent in Wipro,…

510.   01:29:44.160 --> 01:29:51.630

Speaker: Arjun spent 26 years in Wipro, Ashish, my other colleague who runs Allsec, spent almost all his life in TCS.

511.   01:29:52.230 --> 01:30:02.610

Speaker: So we know how to build those businesses in scale, and we know the advantages and disadvantages that one has when one is on the smaller side. So we are trying to play that to our advantage because…

512.   01:30:04.140 --> 01:30:12.930

Speaker: …in this crowded market, which is a $200 billion market, and just giving a number to build up a 100 million dollar business from scratch in a finite period of time,...

513.   01:30:15.330 --> 01:30:17.790

Speaker: …if we are able to execute the way we are trying to execute…

514.   01:30:19.230 --> 01:30:24.150
Speaker: …in that space or that much of white space is there in the market. But as…

515.   01:30:25.350 --> 01:30:36.180
Speaker: …General Eisenhower said a long time back, all plans are worthless, but planning is very important. So plans may be worthless in war or life, but...

516.   01:30:36.630 --> 01:30:44.040
Speaker: …generally, what happens is that when you do a good planning and execute that, you over achieve the plan or if it's…

517.   01:30:44.940 --> 01:30:55.320
Speaker: …dysfunctional, you obviously underachieved. Like, during the GFC of 2008, plans became worthless. But if you execute, generally you overachieve on the plan, like…

518.   01:30:56.250 --> 01:31:11.490
Speaker: …Arjun and I were a part of the growth story at Wipro. When we joined it was $150 million and when I left it was $8.8 billion. We never knew that, nobody could plan for that kind of growth, right, but when you execute QoQ, those things happen.

519.   01:31:12.990 --> 01:31:24.000
Speaker: We believe that credo that we are planning for this, that planning is important, modeling is important, and execution is important. The plan may become worthless or be on the upside, who knows!

520.   01:31:24.960 --> 01:31:35.880
Speaker: Ultimately, the journey is also the destination, right? So that journey should be good enough and give enough compounding, so that ultimately we reach our destination.

521.   01:31:36.630 --> 01:31:43.950
Speaker: Which is like a fruitful endeavor for all of us. Thank you! Hopefully, we will not meet again after two years, hopefully, we will meet more frequently.

522.   01:31:45.630 --> 01:31:53.610
Speaker: Good to see so many familiar faces, good to see all of you are healthy, and as Lohit said, hopefully, the pandemic is behind us.

523.   01:31:55.080 --> 01:32:05.520
Speaker: So all those were bad, but one thing which will not trade away is the last seven quarters of growth that we had. So pandemic or no pandemic, I think the growth momentum has to continue, thank you!

524.   01:32:08.850 --> 01:32:20.850

Speaker: Now, I think another good news is that there is a break. So that's one of the best news, no more jargon here for the next 15 minutes. After that my…

525.   01:32:21.360 --> 01:32:32.340

Speaker: …colleague, Sekhar Garisa, the head of emerging businesses, will take you through the most interesting and exciting assets that Quess has to offer on the cutting-edge of product-led businesses. Thank you!

526.   01:59:57.330 --> 01:59:59.370

Speaker: Good afternoon everyone! Hello, those at the coffee counter.

527.   02:00:01.170 --> 02:00:09.870

Speaker: Okay, my name is Sekhar Garisa. Very excited to be here! My first Quess Analysts Meet since I joined just a week before the pandemic, a couple of years back.

528.   02:00:11.160 --> 02:00:15.630

Speaker: So excited to be here, meeting some of you in person. I've had some conversations with you guys in the past.

529.   02:00:16.290 --> 02:00:29.700

Speaker: For the next 30 minutes, I'm going to be talking about the product-led platform that Quess has been building over the past 2 to 3 years. A very exciting journey for us, and one in which are the last couple of years, we had some significant wins and progress.

530.   02:00:31.320 --> 02:00:39.330

Speaker: Just to bring everyone up to speed, in terms of how we structure this platform, we've got three groups of products that we are building inside Quess.

531.   02:00:39.930 --> 02:00:51.690

Speaker: We just saw a couple of videos about Monster. Monster has been a point of discussion over the last couple of years between Quess and its stakeholders. So that's the white-collar talent platform. I will be speaking in detail about Monster.

532.   02:00:52.830 --> 02:01:01.080

Speaker: The second one that you see is the distributed field workforce platform, one that Lohit and Guru alluded to in their conversations as well, prior to this.

533.   02:01:01.680 --> 02:01:09.390

Speaker: Where we have three assets that we have built, which cuts across the lifecycle of an employee engagement from hire to manage to engage.

534.   02:01:09.750 --> 02:01:17.490

Speaker: And the third one is the only consumer services platform that we have, which has been an acquisition from HCL Care. So very interesting story; we'll talk about it a bit more.

535.   02:01:19.830 --> 02:01:27.990
Speaker: The reason why I put some numbers on this slide is, at this point, this is one of the four platforms that we have as part of Quess.

536.   02:01:28.290 --> 02:01:33.570
Speaker: And on that platform, there are three subdivisions. If you look at the scale of these products…

537.   02:01:34.050 --> 02:01:43.320
Speaker: …and compare it to the peer group of companies in India and the markets they serve, these are significantly large products on their own, as is…

538.   02:01:43.770 --> 02:01:49.470
Speaker: …even before we go out and start marketing them as individual companies in some cases.

539.   02:01:49.950 --> 02:02:00.030
Speaker: The one thing that's common across all of this is that these are either new to Quess as owners or new in their life journey, having just been incubated a couple of years back.

540.   02:02:00.450 --> 02:02:13.650
Speaker: But what is common across all of them is that they are all technology-led initiatives. And, in some cases, they contribute very significantly to the way we deliver our core business. But in all the cases, they're exceptionally…

541.   02:02:14.520 --> 02:02:29.040
Speaker: …good standalone product companies on their own. If you look at Monster, it is No. 2 in almost all the key markets that we operate in India, Southeast Asia, and the Middle East. We've got 65 million candidate profiles, more than half a million jobs on the platform,…

542.   02:02:30.060 --> 02:02:39.750
Speaker: …and close to 8000 paying customers now; on its own, a phenomenal organisation. In terms of Qjobs, we spoke about it briefly; we launched it in November 2020.

543.   02:02:40.290 --> 02:02:47.940
Speaker: We took 11 months to get the first million candidates on board. The second million came on board in less than 100 days and the third one in less than…

544.   02:02:48.210 --> 02:02:55.050
Speaker: …60 days. A phenomenal growth journey! It's been already used by about more than 5000 companies across India.

545.   02:02:55.680 --> 02:03:05.280
Speaker: Quess itself, for its own hiring needs, gets close to 20% of its candidates from Qjobs. WorQ, which is a distributed HRMS platform that we built,...

546.   02:03:05.610 --> 02:03:12.120
Speaker: ...primarily serves Quess associates at this point and has 270,000 MAUs.

547.   02:03:12.600 --> 02:03:20.400
Speaker: 270,000 of our associates use WorQ at least once a month. Now, if I take this number of 270,000 MAU,...

548.   02:03:20.790 --> 02:03:28.890
Speaker: ...and I take a company equivalent outside of Quess, which is a distributed HRMs that has 270,000 MAU,...

549.   02:03:29.280 --> 02:03:36.600
Speaker: ...the value of that company is in three-digit million dollars. That's the kind of asset that we have built. And this is an asset that has been built for...

550.   02:03:36.990 --> 02:03:46.230
Speaker: ...probably the most complex and demanding customers of all in this space, which is Quess. So it's withstood the test of complexity as well as scale.

551.   02:03:48.300 --> 02:03:51.870
Speaker: We're talking about Dash, an employee benefits platform that we have built.

552.   02:03:52.590 --> 02:04:02.580
Speaker: This is, as you can imagine, Lohit keeps talking about the big numbers that we have got; 270,000 associates, 400,000 associates across Quess. And these associates are in...

553.   02:04:03.510 --> 02:04:11.220
Speaker: ...as many locations as you can imagine, in terms of towns and cities. There's very little interaction that we can possibly have with them consistently.

554.   02:04:11.790 --> 02:04:21.720
Speaker: And attrition is a big issue for this. So we built this platform to do two things; one to build layers of engagement with associates who are widely distributed geographically.

555.   02:04:22.020 --> 02:04:32.550
Speaker: And also build engagement from the perspective of retaining them and reducing attrition. At this point, we're talking about Dash. It has about 150,000 MAU.

556.   02:04:32.940 --> 02:04:42.450

Speaker: The 150,000 associates who today engage with our benefits platform every month, and each one of them engages with the platform eight times,…

557.   02:04:43.020 --> 02:04:51.960
Speaker: …and 80% of them come back every month, and these are numbers. If you were to take an equivalent engagement platform, and there are some in our peer group, again this is worth millions.

558.   02:04:52.860 --> 02:04:59.400
Speaker: Qdigi, our consumer services platform, at this point, is a pure B2B company.

559.   02:05:00.150 --> 02:05:06.570
Speaker: Or the last year, we've taken significant strides to change the colour of this business from B2B to B2B2C.

560.   02:05:06.990 --> 02:05:12.510
Speaker: And from that perspective, we have launched our on-demand products and services business, again a huge tech play here.

561.   02:05:13.080 --> 02:05:21.480
Speaker: To put a company together, which will be for ease of comparison, an urban company with echo or onsite go together, a company which does…

562.   02:05:21.930 --> 02:05:31.740
Speaker: …a lot of on-demand consumer durables services, but at the same time also has the ability and technology play to be able to offer these services to those customers in a B2C model.

563.   02:05:32.160 --> 02:05:36.570
Speaker: Just for you to get a perspective of the scale of operations we're talking about in Qdigi,…

564.   02:05:37.050 --> 02:05:48.270
Speaker: …every year in Qdigi, we do about 1.8 million in-person consumer durable installations or repairs, 1.8 million times.

565.   02:05:48.690 --> 02:05:57.780
Speaker: And a technician from Qdigi either visits a customer's premises and does an installation or repair, or a customer visits one of the service centers of Qdigi.

566.   02:05:58.260 --> 02:06:07.830
Speaker: And all of these 1.8 million transactions, at this point, are driven by a B2B relationship, be it with Samsung or Xiaomi, or Amazon; you name it, we have worked with all of them.

567.   02:06:08.280 --> 02:06:18.750

Speaker: The primary idea here is how do we leverage these 1.8 million transactions and build a wrapper of B2C around it so that it becomes a very scalable and sustainable consumer services company.

568.   02:06:20.730 --> 02:06:26.970

Speaker: This is a snapshot of what our product-led businesses are. What I'll do now, over the next 20 minutes or so, is dive deeper into each one of them.

569.   02:06:27.720 --> 02:06:36.180

Speaker: We've had several conversations about Monster. A lot of people have asked me one-on-one what we've been doing with Monster for the last 3 ½ years that…

570.   02:06:36.600 --> 02:06:46.530

Speaker: …we've been in ownership of Monster. Over the last six quarters, we've had a phenomenal time at Monster, some of it, obviously, as you understand the tailwinds in this sector.

571.   02:06:46.920 --> 02:06:53.670

Speaker: But more importantly, since the time we acquired Monster, we've kind of figured out what we should do with the asset and what kind of…

572.   02:06:53.970 --> 02:06:59.310

Speaker: …business, technology, and operations strategy transformation would make sense for Monster.

573.   02:06:59.820 --> 02:07:08.250

Speaker: And we've got the secret sauce right…over the last six quarters consistently across the metrics that matter for a business like this…what matters for this business,…

574.   02:07:08.610 --> 02:07:15.000

Speaker: …how well are we retaining the customers that we have, which is an indication of the kind of experience and value they are getting,...

575.   02:07:15.450 --> 02:07:19.080

Speaker: …how well are we able to acquire new customers, which is an indication of…

576.   02:07:19.950 --> 02:07:29.820

Speaker: …us saying the right new things about a company that has been in existence for 20 years. And people are buying that our sales and marketing engines and our go-to-market engines are working well.

577.   02:07:30.450 --> 02:07:37.980

Speaker: And what is happening with respect to the usage of the platform, how many times are the recruiters using the platform, how many searches are they doing,...

578.   02:07:38.220 --> 02:07:45.420
Speaker: …what kind of inventory are they consuming, and what kind of job applications are we seeing from the candidate perspective? If you look at all the key metrics,...

579.   02:07:45.780 --> 02:07:51.660
Speaker: …over the past six quarters, we have grown consistently. A lot of work has gone…

580.   02:07:52.290 --> 02:08:00.090
Speaker: …in terms of restructuring our product, rearchitecting it, and modernising it. For those of you who are technologically inclined,…

581.   02:08:00.510 --> 02:08:08.370
Speaker: …we pulled off an application migration modernization, a database migration modernization, and an infrastructure modernization…

582.   02:08:08.640 --> 02:08:19.830
Speaker: …completely on the acloud all at once over the last 18 months. While digital transformation can be as complicated as you imagine it to be, we have to do it because if you don't modernize our core tech stack,…

583.   02:08:20.280 --> 02:08:26.310
Speaker: …everything else that we talk about, all the nice things that we keep hearing about, Big Data, AI, ML, Contextual Search,…

584.   02:08:26.640 --> 02:08:30.990
Speaker: …none of this would be possible. That's what we pulled off.

585.   02:08:31.320 --> 02:08:37.680
Speaker: What we've also done really well is bring the best people into the business. It's tough to attract talent for any company.

586.   02:08:37.980 --> 02:08:43.800
Speaker: It's even more challenging to get people into a company that is going through a journey of transformation.

587.   02:08:44.130 --> 02:08:48.510
Speaker: And that's what we've significantly done well over the last six quarters. We've got folks who've come from…

588.   02:08:48.810 --> 02:08:58.170
Speaker: …the best organisations across the country, product-led organisations, startups, and people who have been co-founders before, and that's the core team that has been driving this transformation.

589.   02:08:58.860 --> 02:09:04.050

Speaker: I want to draw your attention to sales and revenues; if you look at our renewal rate,…

590.   02:09:04.890 --> 02:09:18.690
Speaker: …the number of customers who are renewing our business once they have bought it, six quarters back, we were talking about less than half of our customers who would renew at the end of the year.

591.   02:09:20.040 --> 02:09:24.270
Speaker: Last quarter, what we're talking about is, for every rupee of sale that we have done a year before,…

592.   02:09:24.720 --> 02:09:32.940
Speaker: …this year when we go back to the same set of customers, we're actually getting more than a rupee. It means more people are staying, and people who are staying…

593.   02:09:33.270 --> 02:09:40.020
Speaker: …are asking for more logins and inventory. And that's a real good validation of the kind of service…

594.   02:09:40.350 --> 02:09:45.510
Speaker: …that Monster now offers to its customers, which makes the customers come back and ask for more.

595.   02:09:45.900 --> 02:09:50.280
Speaker: Retention rate, as many of you know who track subscription businesses or SAS businesses,…

596.   02:09:50.640 --> 02:09:58.290
Speaker: …is the single most important metric that any company needs to drive from a long-term growth perspective. And that's something that's playing out phenomenally well for us.

597.   02:09:58.620 --> 02:10:05.700
Speaker: If you see how well the recruiters are using the platform; the recruiters search, and we track the number of searches that they're doing and the inventory they consume.

598.   02:10:05.940 --> 02:10:11.640
Speaker: Because the more inventory they consume, the more revenue we generate, and that's been consistently growing. We almost…

599.   02:10:11.910 --> 02:10:20.370
Speaker: …doubled in the last five quarters. So all the qualitative metrics on Monster, you know, this is the outcome of all the effort we have done – the effort we've done on product,…

600.   02:10:20.730 --> 02:10:26.610

Speaker: …people, and processes are manifesting in the results.

601.   02:10:27.270 --> 02:10:40.200
Speaker: And the external validation for the kind of work that we've done; obviously, all of you would have seen the news that we've raised close to $20 million from some of the marquee investors in the country, Mohandas Pai and Akash Bhanshali.

602.   02:10:41.220 --> 02:10:51.030
Speaker: Quess is also participating in the round. This is a big validation of the kind of work that we've done and the team we have put together, and equally importantly, two more things:…

603.   02:10:51.600 --> 02:10:58.080
Speaker: the kind of opportunity this business has and the roadmap we have, to be able to leverage that opportunity.

604.   02:11:00.330 --> 02:11:07.680
Speaker: What is the opportunity that we're talking about? You know, traditionally, we—Monster and Naukri and everybody else who's in this space —...

605.   02:11:08.010 --> 02:11:16.620
Speaker: have been called job boards. What does the job board do? A job board collects resumes of candidates, builds a search around it,…

606.   02:11:16.950 --> 02:11:26.190
Speaker: and whenever a recruiter comes with a set of qualifying criteria, based on that qualifying conditions, we faithfully give the ratio of the candidates. So we are in the process of candidate discovery.

607.   02:11:26.640 --> 02:11:36.570
Speaker: So that process has always been online. People discover candidates online; subsequent to that, the entire process of hiring candidates has been offline.

608.   02:11:36.900 --> 02:11:43.050
Speaker: And now that has changed completely over the last 2-3 years. So the significant tailwind that the industry is seeing now…

609.   02:11:43.620 --> 02:11:52.710
Speaker: …is that people are changing jobs more often. You know, we say that in the earlier generation people used to do one job, one company all their lifetime.

610.   02:11:53.130 --> 02:12:04.530
Speaker: In this generation, probably people do one job-multiple companies in their lifetime. Going forward, people will end up doing multiple jobs-multiple companies. What this means is that the number of times…

611.   02:12:04.950 --> 02:12:13.170

Speaker: …a candidate interacts with the platform that provides them opportunities to find a job has grown significantly. The second thing we're looking at is that...

612.   02:12:14.100 --> 02:12:23.700

Speaker: …all the recruiters now are open to having a completely distal hiring process, not just sourcing candidates, but interviews, assessments, prescreening...

613.   02:12:24.360 --> 02:12:28.470

Speaker: …you know, all of it happens online. When that happens, when the whole process moves online,...

614.   02:12:29.010 --> 02:12:42.540

Speaker: …whoever is at the start of the process has the right vantage point to play a larger role in the subsequent stages of the hiring process. So which improves the viability, as well as the attractiveness of the platform which does the sourcing.

615.   02:12:43.560 --> 02:12:52.020

Speaker: There's a huge amount of investment that's going through EdTech. We all know the kind of money that has gone into different EdTech companies, billions of dollars over the last 18 months.

616.   02:12:52.410 --> 02:12:59.130

Speaker: What do EdTech companies do? They do talent pipeline staffing and are generating more and more talent.

617.   02:12:59.490 --> 02:13:05.580

Speaker: What do they need on either side of the pipeline? They need leads, people to train.

618.   02:13:05.940 --> 02:13:12.450

Speaker: And that lead generation is something that someone like Monster or equivalent platforms with access to millions of candidates can potentially do.

619.   02:13:12.930 --> 02:13:23.190

Speaker: And on the other side, once they train these people, they need placement services for the same. So as more and more investments go into EdTech companies, they want to train and place more people.

620.   02:13:23.580 --> 02:13:29.760

Speaker: And, we have a very important role to play on either side of it. It's a bit like when e-commerce took off;...

621.   02:13:30.120 --> 02:13:41.400

Speaker: …along with e-commerce companies, payment gateways, logistics companies, and several others also benefited. So from that perspective, we've seen significant tailwinds, and it's validated by our partnerships with EdTech companies.

622.   02:13:42.660 --> 02:13:50.580

Speaker: The last one, and this is something which I would think is an anomaly that many of us believe in,…

623.   02:13:50.970 --> 02:13:57.420

Speaker: …is that job boards as a market is 'winner takes all'. It's actually not true; a lot of that thinking comes from what we see in India.

624.   02:13:57.990 --> 02:14:07.290

Speaker: For several reasons, which are very specific to India, the dominant market player here has a market size that's not supported by the market dynamics everywhere else.

625.   02:14:07.680 --> 02:14:13.980

Speaker: In every other market across the world, the market leader usually has somewhere between 20 to 30% market share.

626.   02:14:14.250 --> 02:14:21.600

Speaker: And that's something that we also believe very strongly will happen in India because the nature of the business is such that it's not a winner takes all.

627.   02:14:22.260 --> 02:14:29.520

Speaker: There is no such network effect in the way job boards are built, which should make the winner take all. It's a special condition in India and which we believe once…

628.   02:14:29.910 --> 02:14:36.630

Speaker: …all of us get our game right, we will see a significant realignment in terms of market price and shares.

629.   02:14:37.560 --> 02:14:41.460

Speaker: And, the other thing that I want to bring to your attention is if you look at the market size,…

630.   02:14:41.850 --> 02:14:48.780

Speaker: …this is the market that we all play at, whether it's Naukri or Monster or Shine or anyone else that you talk about. It is a pure-play…

631.   02:14:49.140 --> 02:14:57.990

Speaker: …paper profile business where we get resumes, it's a database-led business. I build a huge database when somebody pays me money, and I'll give you a few resumes on a paper profile basis.

632.   02:14:58.350 --> 02:15:08.580

Speaker: But if that is what the companies are willing to pay to source profiles. Now that there are two other large spends in the market, what are the candidates willing to pay…

633.   02:15:08.970 --> 02:15:15.780

Speaker: …to make themselves job-ready. That's a huge market that's available and that market is actually three times the size of the job board market.

634.   02:15:16.260 --> 02:15:24.390

Speaker: The other spend is after having sourced these candidates from a job board, what are the companies willing to pay to get through the rest of the process…

635.   02:15:24.810 --> 02:15:35.880

Speaker: …in terms of interviews, assessment, certification, anda checking prescreening. What they pay to the consultants, that market is five times the size of job boards market.

636.   02:15:36.450 --> 02:15:41.370

Speaker: Going forward, the way we are building the platform gives us a very…

637.   02:15:42.690 --> 02:15:51.330

Speaker: …significant play on the entire market size, which is about $9 billion. And that's what is most exciting; we are transforming from being a job board,…

638.   02:15:51.660 --> 02:15:58.260

Speaker: …which plays in a less than a billion-dollar market, and we're doing some great things around it, as is evidenced by the last six quarters' performance.

639.   02:15:58.620 --> 02:16:10.350

Speaker: But, more importantly, the way we are building the product, we will have a right to win at a $9 billion market that's growing at a significant rate and expected to reach about 16 billion in the next five years.

640.   02:16:12.450 --> 02:16:15.570

Speaker: Without revealing too much, what are we going to do differently?

641.   02:16:16.110 --> 02:16:25.710

Speaker: The first one is the data sets are going to be very different. As I keep repeating, we are moving from a database play to a data play.

642.   02:16:26.220 --> 02:16:33.330

Speaker: Because, if you look at it, the kind of data that Monster has, very few organisations in the country have access to.

643.   02:16:33.960 --> 02:16:38.730

Speaker: Not even matrimonial sites! We've got profiles of 65 million people, everything from…

644.   02:16:39.060 --> 02:16:51.300
Speaker: …where they've gone to school and college to which organisations did they work with. We have access to a serious amount of data, now, thanks to advancements in technology.

645.   02:16:52.170 --> 02:16:59.910
Speaker: However, in this business, it is not just about the quantity of data awe have, the authenticity of the data is also equally important. And in this industry, we say that…

646.   02:17:00.540 --> 02:17:06.750
Speaker: …a job posting is a fantasy and a resume is a lie, and we have to match the two to somewhere in between.

647.   02:17:07.050 --> 02:17:14.430
Speaker: Why do we say that the resume is a lie? It's an exaggeration because this is all user-generated content – 'I write about myself'.

648.   02:17:14.700 --> 02:17:20.100
Speaker: Part of it is true, and part of it is exaggerated, but none of it is, at this point, validated or corroborated.

649.   02:17:20.580 --> 02:17:28.770
Speaker: We just get the resumes and we assume that they are true. The first thing that we are doing is building an extensive architecture of data sets that will provide…

650.   02:17:29.280 --> 02:17:35.820
Speaker: …the most information as well as authentic information per candidate compared to any of the peer groups.

651.   02:17:36.180 --> 02:17:44.970
Speaker: So what it means is that apart from the information that the candidate gives about themselves, we are supplementing it with information available about the candidate…

652.   02:17:45.390 --> 02:17:52.560
Speaker: …from multiple sources online. If you are a great programmer, it's unlikely that you would not have any footprint on…

653.   02:17:52.860 --> 02:18:04.110
Speaker: …GitHub or Stack Overflow and if you're a data scientist on Kaggle. So we have several places that could extract information about the candidate beyond what they have shared online.

654.   02:18:05.280 --> 02:18:14.010

Speaker: The third one is platform-generated content, which is a big play on analytics. To all of us who interview people, if I send a resume to you,…

655.   02:18:14.430 --> 02:18:22.500

Speaker: …the moment you see the resume before you interview a candidate, you will draw 7-8 insights about the candidate. You will see that this candidate has gone to a great undergrad school,…

656.   02:18:22.860 --> 02:18:31.260

Speaker: …they have worked in top-tier organisations, sticks to one job for long, or bounces around job. There are so many things…

657.   02:18:31.560 --> 02:18:40.860

Speaker: …that you can derive just by looking at the resume, which currently, at this point, the job boards don't do. We just give the resume to the employers. So that's the third analytics layer we're building.

658.   02:18:41.250 --> 02:18:48.180

Speaker: So the quality of data that we will be able to provide is going to be disruptively different; that's the first layer of differentiation.

659.   02:18:48.630 --> 02:18:58.620

Speaker: The second one is Full Stack, and what I mean by Full Stack is, if you look at the way we currently operate; a candidate wants to find a job, a recruiter wants to find a candidate for the job.

660.   02:18:59.100 --> 02:19:03.270

Speaker: But what we do, when I say we, we as in the industry. What we do is give them…

661.   02:19:04.020 --> 02:19:12.210

Speaker: …thousands of resumes or access to thousands of jobs, which doesn't solve the problem for recruiters or candidates. Because we are only…

662.   02:19:12.600 --> 02:19:21.690

Speaker: …fulfilling a part of what their requirement is and not taking them through. So the way we are building the platform, we define our success as a recruiter finding…

663.   02:19:22.050 --> 02:19:33.930

Speaker: …a candidate in the most efficient manner, not simply saying, I've got 500,000 java developers, somebody has 600,000 java developers, now you go figure. How will you find those five people that you need?

664.   02:19:34.320 --> 02:19:39.330

Speaker: Similarly, from a candidate perspective, we're not saying there are 50,000 jobs out there,…

665.   02:19:39.600 --> 02:19:48.000
Speaker: …we are saying these are the five jobs where you have the highest probability of getting a job; focus on efficiencies and moving the conversation from scale to efficiencies.

666.   02:19:48.660 --> 02:19:58.110
Speaker: The third one is network effects. Network effects, in the sense, have you ever seen a business that has built a community of 65 million participants who doesn't interact with each other.

667.   02:19:59.070 --> 02:20:05.280
Speaker: That's the job board business. Whether it's Monster or Naukri or anyone else, we have built millions of candidates,…

668.   02:20:05.550 --> 02:20:14.070
Speaker: but we have not built it in a way that they interact. We're not talking about building a LinkedIn here but about interacting within the specific context of employment.

669.   02:20:14.310 --> 02:20:19.800
Speaker: So a lot of network effects are going to get into play, again, driven by data analytics and contextual information.

670.   02:20:22.860 --> 02:20:30.750
Speaker: So the core product, which is a paper profile product that we have, we have the best in class data sets, what it means is we no longer will tell you here are…

671.   02:20:31.020 --> 02:20:40.470
Speaker: …500,000 candidates, we will have the ability to say here are the 10 candidates who are the most likely to accept a job with you. Even if you take one particular role type,…

672.   02:20:41.250 --> 02:20:46.950
Speaker: a java developer who's likely to join Infosys is very different from a java developer who's likely to join Accenture.

673.   02:20:47.280 --> 02:20:57.840
Speaker: It's a completely different set of developers who are likely to join Cred or Razorpay. So the most important thing we are aiming at is efficiency and matching than scale.

674.   02:20:58.650 --> 02:21:07.830
Speaker: The second one is that we want to have a play at the larger market size, which I mentioned is $3 billion of what the candidate is willing to pay and...

675.   02:21:08.250 --> 02:21:16.110
Speaker: …$5 billion, which the company is willing to pay to complete the process of hiring. And these are the two new verticals of products that we are building.

676.   02:21:16.530 --> 02:21:22.620

Speaker: And here is where the power of data will come into play. To give you an example,...

677.   02:21:23.070 --> 02:21:31.980

Speaker: …every day, we have lakhs of applications on the platform; say somebody applies to four jobs on the platform, we have that information.

678.   02:21:32.340 --> 02:21:40.140

Speaker: Today, we pass on those applications as we don't benefit from them beyond a point. So imagine if the product says, we see that you've applied for four positions.

679.   02:21:40.980 --> 02:21:49.620

Speaker: Here, pay Rs. 1000 for a test prep guide for the kind of companies that you've applied to. Better still,...

680.   02:21:50.850 --> 02:21:55.110

Speaker: …for these kinds of jobs, you are likely to be interviewed by a person of this profile.

681.   02:21:55.650 --> 02:22:01.290

Speaker: If you are someone with four years of experience, you will be interviewed by an engineering manager or director of engineering.

682.   02:22:01.650 --> 02:22:08.160

Speaker: And here are those people available on the platform itself who can take a mock interview for you for Rs. 3000.

683.   02:22:09.030 --> 02:22:13.710

Speaker: And that's as contextual a cross-sell as you can make using data analytics.

684.   02:22:14.280 --> 02:22:21.630

Speaker: And that's the kind of network effects we're trying to build, which will give us a shot at the 3 billion market size of what the candidates are paying…

685.   02:22:21.990 --> 02:22:30.270

Speaker: …and the 5 billion market size of what the companies are willing to pay. And all of this is possible if you have authentic information. Beyond that, we need two things.

686.   02:22:30.660 --> 02:22:41.970

Speaker: We should be able to aggregate the services in the ecosystem, so the EdTech companies, prescreening companies and assessment companies; they'll all be a part of the Monster platform we're building.

687.   02:22:42.480 --> 02:22:52.890

Speaker: And equally importantly, we need to build a layer of automation so that whether it's a candidate or the recruiter, they're able to seamlessly use all these services on the platform itself without any friction.

688.   02:22:54.780 --> 02:22:59.190
Speaker: There are a few other things from which we reaped benefits over the past six quarters.

689.   02:22:59.640 --> 02:23:04.230
Speaker: The product extensions, one by one, while we build our core product to the right efficiency.

690.   02:23:04.590 --> 02:23:10.290
Speaker: These are a lot of product extensions we're talking about to be able to have a play at candidate services income, as well as…

691.   02:23:10.650 --> 02:23:18.870
Speaker: …assisted search. The ecosystem approach is important because it is a clear differentiator between the way we operate and the way our competitors operate.

692.   02:23:19.170 --> 02:23:24.540
Speaker: Competitors want to have a 100% share of every service. We are very clear that the…

693.   02:23:25.050 --> 02:23:34.590
Speaker: …challenge of recruitment is going to be solved by an ecosystem as a whole. So we have fantastic partnerships that are already working. We have a great partnership with Microsoft, Salesforce,...

694.   02:23:34.920 --> 02:23:41.010
Speaker: …L&T, and a bunch of organisations, which in the long run are going to be significant drivers of differentiation.

695.   02:23:41.820 --> 02:23:47.400
Speaker: Brand repositioning and expanding reach, we haven't spent a lot of marketing dollars in the last 3-4 years.

696.   02:23:48.270 --> 02:23:59.730
Speaker: What Monster stands for to gen Z is not clear, so that's where a lot of investments are going to, and where we raise capital as well, as that's something we are very keen on, repositioning ourselves for the millennial youth.

697.   02:24:00.480 --> 02:24:09.330
Speaker: Expansion of things that are working for us - we have access to the US and Europe inventory, which nobody else in India has, and that's a significant differentiator.

698.   02:24:09.690 --> 02:24:16.740

Speaker: There are several organisations based in India but catering to recruitment processes outside of India. For those people,…

699.   02:24:17.010 --> 02:24:31.620

Speaker: …we are the only ones who can offer global inventory because of our reseller relationship with the Monster parent. We also have access to high potential markets like Southeast Asia and the Middle East, which significantly improves our margin profile, and we obviously spoke about the network effects.

700.   02:24:34.410 --> 02:24:44.130

Speaker: In short, why do we think all of us agree that putting the right person in the right job will always be a trillion-dollar opportunity, and it's going to become more and more complex going forward?

701.   02:24:44.400 --> 02:24:50.160

Speaker: So somebody is going to take this opportunity; why do we believe that Monster has the right to win in a market like this?

702.   02:24:50.700 --> 02:24:59.940

Speaker: We have a significant scale and every great thing we talk about technology, ultimately, needs a large data set for it to start functioning.

703.   02:25:00.360 --> 02:25:11.340

Speaker: Everything that you talk about, Big Data, ML, AI, and data analytics, needs a core data set. We've got 65 million profiles and 8000 paying customers, so everything we do instantly gets us that kind of scale;...

704.   02:25:11.850 --> 02:25:22.470

Speaker: …and gives us the drive to challenge the market leader. In the team we spoke about, we've people who come have come in from Microsoft, McKinsey, GE, Ola, and Flipkart.

705.   02:25:23.160 --> 02:25:26.760

Speaker: People who've come in with the right startup experience and product-led experience.

706.   02:25:27.330 --> 02:25:42.390

Speaker: We are very agile, have partnership in our DNA because we believe that's the way to solve the problem of efficiencies in hiring. And you know we got the might of Quess and the support of investors like Akash Bhanshali and Mohandas Pai, so we're all set…

707.   02:25:43.590 --> 02:25:57.750

Speaker: …to not just disrupt the way our platform works on paper profile but also have a shot at much larger market size. And what we've done over the past six quarters is a testimony to the way we execute our plans. So that's on Monster.

708.   02:25:59.040 --> 02:26:07.140
Speaker: Quickly moving to the distributed field workforce platform.

709.   02:26:07.530 --> 02:26:14.130
Speaker: We've built some fantastic products.

710.   02:26:14.910 --> 02:26:19.140
Speaker: A lot of these actually borrow from each other because the concept of…

711.   02:26:19.800 --> 02:26:30.990
Speaker: …using technology to match the right person to the right job and continue that engagement over a digital platform remains the same, whether it's blue-collar or white-collar, at a conceptual level.

712.   02:26:31.320 --> 02:26:39.570
Speaker: What we use, what kind of products we use, and what kind of UI and UX we use obviously varies. Qjobs is a platform we launched in November 2020.

713.   02:26:40.020 --> 02:26:46.410
Speaker: Again coming in with the deep insights that Quess as a group brings because currently,…

714.   02:26:47.040 --> 02:26:55.650
Speaker: …we are facing challenges in this space at a scale that no one in India does. If you look at it, we have got more than 400,000 associates. Every year we go through…

715.   02:26:56.550 --> 02:27:04.920
Speaker: …a million resumes and process about 500,000 people to be able to meet our own hiring requirements. So we understand the challenges…

716.   02:27:05.310 --> 02:27:18.000
Speaker: …of hiring people at scale and how the existing digital platforms are not able to solve them because they have not been built with deep insights on blue-collars.

717.   02:27:18.810 --> 02:27:24.540
Speaker: Same with WorQ, there's a lot of work, and a lot of new products are coming in on how to engage with…

718.   02:27:24.840 --> 02:27:34.890
Speaker: …the white-collar workforce who are digitally enabled. Now think about the 400,000 people across 300 towns and cities who probably have access to a feature phone,…

719.   02:27:35.400 --> 02:27:44.970

Speaker: …but don't have any face time with their organisation and are part of a tripartite agreement in some cases. Nobody has solved the problem of how to engage with this kind of audience.

720.   02:27:45.420 --> 02:27:54.810

Speaker: And three, what kind of benefits can we actually talk to them about. You know, all of us want to make sure that the attrition levels are low. We are committed to doing engagements…

721.   02:27:55.410 --> 02:28:03.660

Speaker: …but we don't have any tools, and believe me, what we're talking about here are problems that have not been solved for this kind of workforce in the country because,…

722.   02:28:04.230 --> 02:28:08.760

Speaker: …as a customer, we've been looking for these solutions for more than a few years now.

723.   02:28:09.330 --> 02:28:14.850

Speaker: It's frustrating not having found a solution. And the kind of insights that we have made us build these platforms.

724.   02:28:15.270 --> 02:28:20.550

Speaker: And a big validation that we are getting this right is in terms of the way we've been able to scale these platforms up,…

725.   02:28:20.910 --> 02:28:27.900

Speaker: …in a very short time, with hardly any investment put into this. Because what these platforms have...

726.   02:28:28.290 --> 02:28:34.170

Speaker: …is access to customers, which is Quess, which is the largest and the most complicated customer. So you're building…

727.   02:28:34.530 --> 02:28:41.280

Speaker: …a product that is directly being tested by the most complex customer you can hope to serve in this space. So Qjobs…

728.   02:28:42.150 --> 02:28:54.570

Speaker: …is digitally-enabled for the vernacularly driven and built around efficiency with a simple objective. If you want to hire one person, the platform should not offer you more than 3-4 candidates.

729.   02:28:55.110 --> 02:29:03.870

Speaker: Can you hire one person by looking at 3-4 candidates? The job of choosing the right three to four candidates to be put in front of you is for the platform to make…

730.   02:29:04.260 --> 02:29:08.400

Speaker: …and a bunch of things that we do behind the scenes to pick the right three to four candidates.

731.   02:29:08.640 --> 02:29:16.350

Speaker: What kind of information we capture about them, what kind of skills assessment we put them through, so that eventually when you tell me, this is the contours of the job,…

732.   02:29:16.650 --> 02:29:25.470

Speaker: …we should be able to give you just not more than three to four times the number of jobs that you're looking to hire. And that is working out as validated by data, both from Quess…

733.   02:29:25.830 --> 02:29:34.050

Speaker: …as well as by external customers that for in-demand roles like delivery boys, drivers, etc., we have conversions as high as 28 to 30%.

734.   02:29:35.070 --> 02:29:44.400

Speaker: On WorQ, we do two things primarily; we do governance of employees, whatever you can think of from the HR perspective, leave policies, attendance, etc.

735.   02:29:44.760 --> 02:29:54.000

Speaker: What we also do equally importantly is productivity management for a distributed workforce. Let's say you have a promoter, a security guard working somewhere on…

736.   02:29:54.600 --> 02:30:04.680

Speaker: …a client site. Today you spend a lot of time wondering whether the security guard is discharging their duty faithfully and how to put a team of supervisors who can go and check.

737.   02:30:05.010 --> 02:30:10.440

Speaker: For all of those problems, we've been able to digitize their solutions. We have something, for example, a digital supervisor,…

738.   02:30:10.800 --> 02:30:16.620

Speaker: which, over a period of 8 hours, the guard is at duty during the night time,…

739.   02:30:17.040 --> 02:30:21.810

Speaker: checks whether the guard is alert or not by asking them a few questions, like asking them to go and…

740.   02:30:22.140 --> 02:30:32.370

Speaker: …scan a QR code placed somewhere in the facility. So deep insights are coming in from the operations built into the product, which makes this product pretty good.

741.   02:30:32.700 --> 02:30:41.580

Speaker: We have some early interest from several customers, not just in India, but in Southeast Asia as well to deploy WorQ for their own field force management.

742.   02:30:42.150 --> 02:30:53.430
Speaker: Similarly, for Dash, Quess has a payroll bill of upwards of 9000 crores, and unfortunately, at an associate level, someone who earns some Rs. 25,000 won't have…

743.   02:30:53.820 --> 02:31:02.730
Speaker: …either the credit history or the purchasing power to get access to the right kind of services. 60% of our associates are what we call NTC, New To Credit.

744.   02:31:03.120 --> 02:31:14.460
Speaker: They don't have a credit history or access to formal capital, and therefore they end up taking money at obscenely high-interest rates of 24-30%.

745.   02:31:14.820 --> 02:31:22.020
Speaker: What we have done is we said if you have information about them, if you can confirm somebody's employment and payroll,...

746.   02:31:22.410 --> 02:31:29.910
Speaker: …if you can have the ability to do payroll deductions, what is the best possible terms we can bring for this set of people?

747.   02:31:30.270 --> 02:31:36.900
Speaker: And we've been able to get our associates to take loans at anywhere between 12 to 14% which is a significant win for them.

748.   02:31:37.260 --> 02:31:44.610
Speaker: And many of them have taken loans through this platform, and actually, this is the first time they're having access to formal capital.

749.   02:31:45.030 --> 02:31:47.370
Speaker: So it's a lot of work that's happening there, in terms of…

750.   02:31:48.210 --> 02:31:54.480
Speaker: …the benefits that we are able to provide. It has multiple effects; it helps you engage and retain your employees.

751.   02:31:54.750 --> 02:32:02.940
Speaker: We are talking about improving the livelihoods of people. As Guru mentioned, we are able to increase the…

752.   02:32:03.510 --> 02:32:10.380

Speaker: …compensation of someone by 3-5% through benefits like this, and that's pretty significant for an audience like this. Therefore…

753.   02:32:11.550 --> 02:32:17.340
Speaker: …any employer who does this automatically puts themselves as an employer of choice for people of this strata.

754.   02:32:21.060 --> 02:32:25.620
Speaker: So far, what we have done on Qjobs, as I mentioned, we have more than 3 million job seekers.

755.   02:32:26.310 --> 02:32:34.800
Speaker: We have more than 5000 organisations that are already using this. It's at the pre-revenue stage, and very soon, we will start monetising the kind of services that we are providing.

756.   02:32:35.430 --> 02:32:46.380
Speaker: But the validation and this is between Qjobs, WorQ, and Dash, for all three products, you'd be surprised to know that we have less than 30-member team, which is working.

757.   02:32:47.040 --> 02:32:52.380
Speaker: It's as nimble and agile a startup as you can think of, and if you look at the profiles of the people who…

758.   02:32:52.860 --> 02:33:00.000
Speaker: …are working on these platforms, they're no different from any Sequoia or Axel-funded startups.

759.   02:33:00.360 --> 02:33:10.410
Speaker: These guys are absolutely clear they're building a product that has no look-alikes. They are solving a problem that is fundamentally so challenging that no one has been able to solve it.

760.   02:33:10.890 --> 02:33:21.900
Speaker: And they've already delivered these products at scale. We're talking about 270,000 monthly active users, 2.6 million times someone marks attendance on the app.

761.   02:33:22.650 --> 02:33:29.580
Speaker: That's the kind of attendance tracking that we are doing using WorQ. Every time we want to know what the workforce is thinking,…

762.   02:33:30.000 --> 02:33:34.140
Speaker: …and this is in different contexts…during Covid, we wanted to know whether they're safe,...

763.   02:33:34.440 --> 02:33:42.390

Speaker: …whether they've taken the vaccine, if we can help them through any other means, and whether they have access to insurance that we have provided them.

764.   02:33:42.750 --> 02:33:47.160
Speaker: Every time we run a survey, we get a 97% response rate on the platform.

765.   02:33:47.970 --> 02:33:58.680
Speaker: And if we can go and tell that this is a product that can help you engage with your workforce in such a way that each time you want to ask them something, you want to know their feedback,…

766.   02:33:59.040 --> 02:34:03.930
Speaker: …97% of the time you get an instant response rate that's a goldmine for any organisation.

767.   02:34:04.380 --> 02:34:16.080
Speaker: If you're telling them that I'm giving you an app that engages through daily contests or content in such a way that 80% of them will continue using the app month-on-month, that's a gold mine.

768.   02:34:16.560 --> 02:34:26.280
Speaker: If you're saying, I built an app with engagement, where your distributed field workforce is going to come back and engage eight times in the month, and you can in your personal life…

769.   02:34:26.730 --> 02:34:37.140
Speaker: …think of how many apps you open at least eight times in a month. It's not easy to build an app with such high engagement, and that's what we've done. Now all of these assets have been built,…

770.   02:34:37.920 --> 02:34:47.460
Speaker: …drawing from the rich insights we get from the broader Quess group because those are the problems we are engaged in solving all the time.

771.   02:34:47.940 --> 02:34:52.950
Speaker: But as you can see, with Qjobs has been validated by usage by more than 5000 organisations.

772.   02:34:53.430 --> 02:35:01.410
Speaker: We are on a similar path for WorQ and Dash, and we believe all of these assets have a life of their own, where they would continue to significantly add…

773.   02:35:01.980 --> 02:35:16.470
Speaker: …to the efficiencies of how Quess does its work. But equally importantly, all of them have been built with the kind of quality that they can survive as market leaders in their own space as independent product organisations, and that's a North star for us.

774.   02:35:18.720 --> 02:35:22.620
Speaker: Thank you so much! I'll hand it back over to Guru.

775.   02:35:24.300 --> 02:35:27.930
Guru: Thank you so much, thank you, and that's the technology…

776.   02:35:29.040 --> 02:35:31.950
Speaker: …that powers and are the backbone of Quess.

777.   02:35:32.970 --> 02:35:43.710
Speaker: And you saw the kind of work that has gone behind building them. So moving back to the last platform, this is Integrated Asset Maintenance.

778.   02:35:44.430 --> 02:36:00.150
Speaker: Business went through, had a major headwind, and went through little slowness in its growth, but one of the best beautiful businesses, I must say, to be in, to continue to stay invested, and to be in.

779.   02:36:01.980 --> 02:36:10.050
Speaker: What do we do; we have four areas where we work with regard to the industry in the entire…

780.   02:36:11.220 --> 02:36:25.050
Speaker: …integrated asset maintenance business. The first one is facility management, where we work on janitorial and housekeeping services, mechanical, electrical, and plumbing, heating, ventilation, and air conditioning maintenance and management, and food services.

781.   02:36:26.070 --> 02:36:36.270
Speaker: So these are four large revenue streams. When it comes to telecom networks, we have network installation and network optimization. Now, this is an area where…

782.   02:36:37.110 --> 02:36:45.210
Speaker: …we are going to see a lot of potential coming up as part of the 5G, and this business has come out very well post-Covid.

783.   02:36:46.470 --> 02:37:02.850
Speaker: Security services, manned guarding and electronic surveillance, event management securities. So I mean, currently, where we are, what we operate in this space as part of industrial O&M is largely condition monitoring maintenance…

784.   02:37:04.230 --> 02:37:12.090
Speaker: …of equipment and machinery. Largely, we focus on power plants and ferrous and non-ferrous metal areas.

785.   02:37:13.140 --> 02:37:17.700
Speaker: A couple of highlights: So in facility, we manage about 279 million square feet,...

786.   02:37:19.290 --> 02:37:33.120
Speaker: ...and we have almost about 83,000 headcounts across the portfolio, out of which about 50,000 in facility management and about 20,000 in security, and the rest all about 10,000 headcounts.

787.   02:37:34.830 --> 02:37:50.820
Speaker: We manage about 2400 sites and 53+ hospitals. It's a very niche segment. When it comes to industrial, we manage almost 2000 megawatt power plants and...

788.   02:37:51.660 --> 02:38:00.510
Speaker: ...serve 2.8 million meals in a normal scenario. And that's the kind of capability or capacity that we cater to.

789.   02:38:02.610 --> 02:38:18.450
Speaker: Out of the total mix, 58% of business comes from facility, 22% from security services, and the balance between 14 and 6% between telecom and industrial. So two large contributors are IFM and security.

790.   02:38:19.530 --> 02:38:38.760
Speaker: By segment, industrial, so I mean, if you look at 15%, which is IT and ITeS, is where we had exposure to almost about 35%. Due to Covid lockdown and non-return to work, that's a space that has shrunk, and that's an area that is going to…

791.   02:38:40.170 --> 02:38:51.090
Speaker: …have growth potential for this business. With regard to security, we have almost about 22 states' PSARA licenses and two more states are in progress, and this is…

792.   02:38:52.050 --> 02:39:07.500
Speaker: … a kind of entry-level barrier to this business. Once you have a license in these states, you can start ramping up the business. So we already have licenses in those states where we plan to start penetrating.

793.   02:39:09.150 --> 02:39:23.550
Speaker: While they were downsizing, we were working on other segments where the growth was and made a lot of investment in technology. Sekhar did allude to a couple of them and I'll run through them within Facility.

794.   02:39:24.840 --> 02:39:35.310
Speaker: We have a SeQure app that was completely homegrown and belt, where we do a lot many SLAs that we manage and monitor on-site.

795.   02:39:35.940 --> 02:39:50.370
Speaker: So Sekhar gave an example that if there are security guards who had to do patrolling around the site or the kind of tasks that needs to be completed; we track every night checks and patrolling through our site.

796.   02:39:51.750 --> 02:39:56.610
Speaker: For every visitor walking into the site, the check-ins start with face detection.

797.   02:39:57.720 --> 02:40:06.990
Speaker: Accessing that database at a backend and ensuring there is a safe workplace for our customers is what pretty much the SeQure app does.

798.   02:40:08.250 --> 02:40:10.410
Speaker: Digital Supervisor is an area where…

799.   02:40:11.670 --> 02:40:20.730
Speaker: …any kind of distributed asset that is deployed can be scanned, tracked, and traced. So that's an area where…

800.   02:40:21.720 --> 02:40:26.760
Speaker: …we have invested. Homegrown food application, so in a simple way, this is a kind of…

801.   02:40:27.360 --> 02:40:37.830
Speaker: …in-house Swiggy, if I may want to put it in simple terms. So from my desk, I can order food, and it can get delivered…

802.   02:40:38.250 --> 02:40:42.750
Speaker: …within the building. So if it is a hospital environment, somebody can order,…

803.   02:40:43.440 --> 02:40:49.560
Speaker: …we can load our menus there, and they can order from the room, and it gets delivered from our central kitchen,…

804.   02:40:49.950 --> 02:40:58.020
Speaker: …the onsite kitchen on the premises. So this is a kind of in-building or in-house solution that we have created. So we believe that as and when…

805.   02:40:58.470 --> 02:41:06.060
Speaker: …return to work happens in IT, ITeS, the entire cafeteria management is going to change. It's not going to be erstwhile, where…

806.   02:41:06.480 --> 02:41:16.440
Speaker: …everybody will walk into and have their food. So the process is going to change. So considering that we have started, we have gotten a solution around it.

807. 02:41:17.580 --> 02:41:20.730
Speaker: 100% of our attendance is tracked digitally.

808. 02:41:21.840 --> 02:41:31.620
Speaker: So we know, by side, by location, you saw the kind of few millions of transactions coming onto our platform, so we can do rostering management,...

809. 02:41:32.190 --> 02:41:40.200
Speaker: ...whether it is first shift, second shift, last shift, etc. So we do the roster management through that and capture attendance. Qbridge is an application where...

810. 02:41:41.370 --> 02:41:53.160
Speaker: ...see facility is a tough business right? So if I want to take over this and the facility to maintain, there are a lot of elements in it, the number of washrooms, number of conference rooms, number of...

811. 02:41:53.880 --> 02:42:05.460
Speaker: ...pantry and servicing areas; you need to do a very detailed study and then prepare a costing. So we have built an automated system that can cater to and can fast track our entire...

812. 02:42:07.170 --> 02:42:13.860
Speaker: ...commercial or the kind of competition that we can work with the customer in terms of the commercial contracts.

813. 02:42:14.400 --> 02:42:20.790
Speaker: And it can be much more accurate, quicker, and faster. So that is something that we have put together, which will help us...

814. 02:42:21.180 --> 02:42:32.610
Speaker: ...right from acquiring a customer to efficiently billing, which can also at a point bring down our number of days because we will be able to submit invoices much quicker and faster to customer.

815. 02:42:34.170 --> 02:42:41.280
Speaker: On the other side, we have paperless onboarding. We have spoken about it quite a lot.

816. 02:42:42.540 --> 02:42:51.060
Speaker: Qbridge is another application where we do a site survey; there are a few samples that you will see on the other side. So, in a nutshell,...

817. 02:42:51.810 --> 02:43:00.450
Speaker: ...what is going to be our focus area in facility? It's clear that we will focus on return to work; there are green shoots that we are...

818.   02:43:00.990 --> 02:43:10.380

Speaker: …seeing from our customers. Companies that are talking to us are saying that at least two days in a in a week are going to be…

819.   02:43:10.890 --> 02:43:19.470

Speaker: …on-site, and the balance is going to be off-site. So that means it also brings in a kind of partial deployment that we can look for.

820.   02:43:20.040 --> 02:43:27.540

Speaker: Specialized cleaning is an area that we are investing our time and effort to see whether it is UV cleaning or…

821.   02:43:28.530 --> 02:43:37.860

Speaker: …sanitizing the workplace; all of that is where we are talking to our customers. Service integration, so the integration of your…

822.   02:43:38.700 --> 02:43:45.420

Speaker: …food and beverage are integrated services. Between security and housekeeping, that's an area...

823.   02:43:46.200 --> 02:43:55.680

Speaker: …in which we are talking to our customers. Value-added services can be a host of services that can come up in this area.

824.   02:43:56.400 --> 02:44:06.570

Speaker: Security, again, building all India presence, so we have the PSRA licenses. We are now going all out to build our team and then start deploying across…

825.   02:44:07.290 --> 02:44:15.240

Speaker: …geography, so our presence today is in the South, largely. If I were to put it in order, south followed by north, west, and east.

826.   02:44:15.960 --> 02:44:28.290

Speaker: We want to penetrate more into the north, west, and east. So that's a focus that we are going to work on. Our contribution to electronic surveillance today is hardly 2-3%.

827.   02:44:29.490 --> 02:44:40.800

Speaker: That is an area where we are getting a lot of inquiries and setting up. Again, this is not asset-heavy, it's going to be asset-light. We would be kind of integrators for our customers.

828.   02:44:42.390 --> 02:44:55.590

Speaker: Premium services, again, can be escort services or event services that actually command a kind of premium. So that's an area for us to focus on. Under industrial, formalization of the workforce in itself is going to bring in…

829.   02:44:56.610 --> 02:45:06.510
Speaker: …more deployment. An increase in infrastructure spending is going to penetrate more for our industrial and renewable energy. So we have companies like solar panels…

830.   02:45:07.200 --> 02:45:16.560
Speaker: …and renewable energy talking to us to maintain and sustain…with regard to telecom, it's clear a 5G rollout is around the corner.

831.   02:45:17.070 --> 02:45:23.400
Speaker: That's going to bring in a lot of…because the density is going to be very low, and a lot of in-building solution work that needs to be done.

832.   02:45:24.090 --> 02:45:34.080
Speaker: Both operators and OEMs have already started talking to us across the country. And kind of we can be an end-to-end system integrator in that place because it has to speak to multiple…

833.   02:45:35.280 --> 02:45:41.220
Speaker: …components at a point. So the market size is pretty clear, 12 to 15 billion for…

834.   02:45:42.330 --> 02:45:51.150
Speaker: …the facility and about 10 to 12 for the security business. And again, here we're talking about the relevant market size, so…

835.   02:45:51.870 --> 02:45:59.910
Speaker: …we're not comparing property management and all of that. So excluding that, we are just taking the relevant market size there.

836.   02:46:00.450 --> 02:46:09.450
Speaker: Industrial about 1 to 2 billion and telecom in itself 0.5 to 1 in the space where we operate. So in a nutshell,…

837.   02:46:12.330 --> 02:46:21.990
Speaker: What does this all bring in for each of you in the room or what are we taking away from this entire…

838.   02:46:22.950 --> 02:46:35.010
Speaker: …session, and how are we going to structure going forward? So for the three platforms, this segment-wise value driver is what you should look at it, that you're modeling, and that's exactly how we are also working on it at the back-end.

839.   02:46:36.030 --> 02:46:39.840
Speaker: So WFM platform is about 3.1% currently.

840.   02:46:41.460 --> 02:46:51.960

Speaker: By 2025, the growth path will be about 4%, with continuing growth of over 23% CAGR. Under GTS, we are at a 14 ½%,...

841.   02:46:53.280 --> 02:47:10.260

Speaker: …fairly to be around 16% by 2025, so growing at 22%. OAM as a model, 6.4 slightly going to about 7 ½% with 25% growth because we have a catch-up to be done in that space.

842.   02:47:11.070 --> 02:47:22.200

Speaker: Now, what is going to drive; A focus on construction, M&I, and recruitment business, which are accretive because the general staffing continues to grow.

843.   02:47:22.710 --> 02:47:31.650

Speaker: These are the areas where we are bringing a special focus, considering the market penetration and the volume this can bring in.

844.   02:47:32.640 --> 02:47:38.550

Speaker: Lohit spoke about it, improving the revenue mix of domestic versus international. So there'll be a slight…

845.   02:47:39.120 --> 02:47:47.250

Speaker: …uptick that's going to come from international, so we expect to be about 75-25 or maybe 80-20.

846.   02:47:48.240 --> 02:48:05.640

Speaker: Measuring value-added services across WFM services, we spoke about every line item we have. So whether it is WorQ, security app system, or Qbridge system that we are talking about, how do we monetize all this over a period of time is…

847.   02:48:06.690 --> 02:48:10.560

Speaker: …an area where we look at how to bring in value-added services there.

848.   02:48:12.240 --> 02:48:22.050

Speaker: As part of GTS, clear three callouts, BPM, digital IT services, and digital apps. So the definition there plus creating a kind of large...

849.   02:48:23.790 --> 02:48:34.020

Speaker: …team to work on the big deals, typically the big IT companies do it. We are putting a process together to see how to crack large deals, Arjun and the team are working on that.

850.   02:48:35.460 --> 02:48:40.380

Speaker: And that's where the growth and acceleration are going to come from, OAM.

851.   02:48:41.190 --> 02:48:54.240

Speaker: Return to work is extremely clear because you saw the percentage which we have shrunk from 35 to 15%, that in itself will start boosting and we have the continual growth sales team.

852.   02:48:55.440 --> 02:49:02.820
Speaker: Focus approach towards steep IT, ITeS, so that is something that we will continue to do.

853.   02:49:03.330 --> 02:49:15.630
Speaker: Security business to grow at 35% CAGR, again catch up to be done. We have gone a bit slow in that business, did restructuring, got the management team layer changed, and a lot of work that we have done in that space, now we are confident…

854.   02:49:16.740 --> 02:49:25.080
Speaker: …that the business will take off. Our efficiencies in terms of call to associate; so we have started measuring these businesses also at the SG&A level.

855.   02:49:25.650 --> 02:49:34.200
Speaker: We will be about 1:84 currently, we want to take it up to 1:150. So that's what will drive the growth.

856.   02:49:34.980 --> 02:49:43.530
Speaker: In nutshell, overall intensification of cross-selling and you've seen the kind of cross-selling that we are able to…

857.   02:49:44.520 --> 02:49:50.370
Speaker: …demonstrate and that number is going to double so that will continue to happen. Measuring digital revenues…

858.   02:49:51.060 --> 02:50:03.870
Speaker: …separately, so we are going to start measuring that and maybe internally will start reporting that, monitoring them separately. Explore adjacencies in the same business, when I say adjacencies anything...

859.   02:50:04.920 --> 02:50:19.710
Speaker: …again manufacturing and construction, all those adjacencies…when I say, this will not be just a vertical, it's going to be a full-fledged stream. It will have its own hiring, recruiting, process, payroll, everything, it's going to be full-fledged.

860.   02:50:20.730 --> 02:50:29.760
Speaker: Monetizing data, I think this is something that we have been working for some time, but I think we'll have to get our act right. We sit on massive data;…

861.   02:50:30.180 --> 02:50:38.310
Speaker: …why wouldn't any matrimonial sites pay us for the click they can do to check if…

862.   02:50:39.300 --> 02:50:48.780

Speaker: …somebody is working with us and what kind of emoluments the person is getting. So there are background verification companies for that matter. So there are many areas where…

863.   02:50:49.350 --> 02:51:00.000

Speaker: …we can look at and start monetizing our data. When Conneqt does the collection business, we know which pin code has the most number of NPs in the country.

864.   02:51:01.110 --> 02:51:08.550

Speaker: So we actually sit on a gold mine at the backend. So that's a stream that we are going to put together to start…

865.   02:51:10.200 --> 02:51:16.530

Speaker: …seeing how we can monetize our data, which is revealing to our bottom line.

866.   02:51:17.640 --> 02:51:31.710

Speaker: So overall 4.9 with an aspiration to be at 6% by 2025 is something that we as a team and that's what I'm going to drive going forward.

867.   02:51:34.110 --> 02:52:01.320

Speaker: So with this, how is it going to come together under three elements that we consistently keep talking about; as in stakeholders and investors achieving 25% ROE by 2025? So these are 3/3 matrices. Our CAGR growth on OCF is going to be 20%, absolutely non-negotiable on that.

868.   02:52:02.970 --> 02:52:12.600

Speaker: And, kind of aspirational EBITDA at 6% from the earlier modeling by 2025, so how can the current margin lead to that 6%.

869.   02:52:13.410 --> 02:52:21.210

Speaker: When it comes to customers building scale on a single operating platform, it means we don't want to have multiple…

870.   02:52:22.020 --> 02:52:33.900

Speaker: …backend processes. We are going to bring everything on a common platform, starting from hiring to the retirement of an individual, so irrespective of group companies, everything is going to be under one so that it…

871.   02:52:34.290 --> 02:52:43.950

Speaker: …optimizes the SG&A further at the backend. Measure digital revenues, it may sound very simple but it's a very complex process.

872.   02:52:44.790 --> 02:52:55.620

Speaker: We want to time it like a clock. If it is, say we chose to do it in October, every year October come what may, across all our customers, we will run this and start measuring this.

873.   02:52:56.880 --> 02:53:04.500
Speaker: For people, of course, we will continue to be a Great Place to Work. That's going to be an element that will go through our people.

874.   02:53:05.370 --> 02:53:09.840
Speaker: We spoke about it; women will constitute about 50% of our core workforce.

875.   02:53:10.830 --> 02:53:20.010
Speaker: And benefit for our associates to cover greater than 70% of our associates. So that's the Dash program. So today, we have…

876.   02:53:20.460 --> 02:53:35.160
Speaker: …more than 1/4th of our population on that. We want to ensure that 70%…which means that many people benefit from the process. So this is what you can expect,…

877.   02:53:36.390 --> 02:53:42.030
Speaker: …and this is going to be consistently monitored and delivered by our team.

878.   02:53:43.530 --> 02:53:52.350
Speaker: So with this, again, take this opportunity to thank you so much, thanks for all the support. I think you know…

879.   02:53:54.150 --> 02:54:11.820
Speaker: …it's, as I said, this ecosystem between customer, stakeholder, and people and midst of this is where we are, and we look forward to all your support. We will continue to deliver what we have promised. Thank you so much, and with this, we will open up for Q&A. Girish…

880.   02:54:13.620 --> 02:54:22.080
Speaker: Yeah, we'll open up for Q&A and are happy to take any questions you have. Thank you!

881.   02:55:06.660 --> 02:55:18.210
Speaker: Thank you, leaders, for such insightful sessions. We will now start the Q&A session. We will have the session for 30 minutes. I request all the leaders to join us on the stage for Q&A.

882.   02:55:19.980 --> 02:55:34.650
Speaker: In the meantime, let me repeat a few housekeeping notes, as earlier. All the virtual participants will be in a listen-only mode, and if you would like to ask a question, please use the chatbox, and the moderator will read out the question to the panelists.

883.   02:55:35.700 --> 02:55:43.320

Speaker: I request all participants to keep one question and one follow-up in order to allow as many people as possible to ask questions.

884.   02:55:44.400 --> 02:55:47.940
Speaker: The moderator will toggle between in-person and virtual queues.

885.   02:55:49.200 --> 02:55:55.500
Speaker: In the meantime, till the question on the virtual question queue comes up, we will start with the participants in the room.

886.   02:55:57.150 --> 02:56:00.990
Speaker: Please raise your hands if somebody wants to ask a question. Thank you.

887.   02:56:06.540 --> 02:56:11.970
Speaker: Thank you, gentlemen, and thanks for the opportunity. This is Neelesh from BOI AXA.

888.   02:56:12.870 --> 02:56:26.400
Speaker: First of all, congratulations on giving out such a detailed presentation. My only question is, you laid out the plan for FY '25, but you also commented that a few of our businesses on the platform side already have…

889.   02:56:27.270 --> 02:56:39.300
Speaker: …comparatives and millions of valuations. So any thought process on what is our idea on Monster and Qjobs for the next three to four years perspective, what is our game plan over there? Thank you so much.

890.   02:56:43.980 --> 02:56:54.120
Speaker: These platforms are going to need some spending over the next few years, and that's where the private equity money will be used.

891.   02:56:56.580 --> 02:57:09.600
Speaker: Having raised private equity, you know, there is a meter that starts ticking, and you will have to give these investors an exit. And exit could probably be one of many things, one of which could also be a possible IPO.

892.   02:57:10.830 --> 02:57:18.570
Speaker: So that's the plan over the next three to four years. You would want to build a very robust platform, and as you've seen, we've done a…

893.   02:57:20.070 --> 02:57:32.100
894.   Speaker: …fair amount of work, and a lot of progress has been made. We will continue to drive on that front and give our investors the fantastic exit they truly deserve.

895.   02:57:37.980 --> 02:57:43.470

Speaker: We need to look at each of these concepts in a different way because there are different life stages in the valuation of the company.

896.   02:57:43.890 --> 02:57:49.140

Speaker: Monster, obviously, was the first one to be out, it was a more mature business, and we raised external capital there.

897.   02:57:49.560 --> 02:57:53.760

Speaker: We believe the zero to one journey, as we call for every product,…

898.   02:57:54.180 --> 02:58:03.810

Speaker: …where it needs a lot of understanding in terms of what is the specific problem you're trying to solve, has an anchor customer that you can test with, you know that's a journey, where Quess has a lot of roles to play,…

899.   02:58:04.140 --> 02:58:09.840

Speaker: which Quess has done across the assets. So once you come to one to ten on a growth scale-up journey,…

900.   02:58:10.140 --> 02:58:16.200

Speaker: …that's when we believe there will be a lot of external participants who would express interest to take part in the journey.

901.   02:58:16.500 --> 02:58:29.790

Speaker: So we will look for external capital for those assets when the time is right like we've done with Monster, and each of these assets has a definite three to a five-year roadmap for us to see how we can scale them up to a point where monetisation is possible.

902.   02:58:43.500 --> 02:58:55.470

Speaker: This is Abhijit from IFL. Thanks for the sessions and the insight. A couple of clarifications I wanted to seek with regard to the guidance that has been offered for FY '25.

903.   02:58:56.820 --> 02:59:14.520

Speaker: One is whether the 25% RoE target includes any further investments in the digital platforms or do we expect that by then, they will actually turn profitable.

Speaker: So we have considered all the investments required for the modeling currently.

904.   02:59:16.290 --> 02:59:25.800

Speaker: If I take Monster, you know, we can choose not to invest further on that right, so we can always raise capital from outside.

905.   02:59:28.200 --> 02:59:28.950

Speaker: Does that clarify?

906.   02:59:30.510 --> 02:59:44.220

Speaker: On a lighter note Abhijit, mutual fund investment is subject to market risk is something that we always hear. There was an asterisk in the slide, if you saw, excluding the investment into emerging businesses.

907.   02:59:44.940 --> 03:00:04.140

Speaker: So those investments will certainly need to be factored for; there will be a drag, it will drag our ROE down, especially for FY '23 because that's where the maximum spend is going to be seen. We don't expect such similar expenses to continue…

908.   03:00:05.310 --> 03:00:13.620

Speaker: …every year thereafter. It will start coming down and will turn around and start becoming profitable for sure.

909.   03:00:15.450 --> 03:00:25.050

Speaker: Hopefully, by FY '25, both these assets, Monster and the other, will turn profitable by the end, is what we believe.

910.   03:00:27.270 --> 03:00:50.070

Speaker: Just one call out here, specific to FY '23, where we said 23-20%. There, it will be excluding Monster, so including Monster, it will be around 16 to 17%. So that's an adjustment for 25 years.

911.   03:00:51.720 --> 03:01:01.140

Speaker: More importantly, I think this spending that we are doing is not with our money; this money is what we have raised from external capital.

912.   03:01:01.800 --> 03:01:15.630

Speaker: The same as Qjobs, in the other investments also it will be in similar lines, we have brought it up to a particular point and beyond this, accelerated spending is required, and it will be only after we raise external capital.

913.   03:01:18.630 --> 03:01:25.620

Speaker: Thank you, and the other thing I just wanted to check on was with regard to the guidance for the GTS segment in particular.

914.   03:01:27.390 --> 03:01:33.660

Speaker: We've articulated a margin target of 14 ½ percent going to 16%, I believe.

915.   03:01:34.620 --> 03:01:39.540

Speaker: But in the context of the kind of margin improvement we have witnessed over the last seven or eight quarters post-Covid.

916.   03:01:40.080 --> 03:01:51.330
Speaker: Plus, Pinaki's comments about the amount of operating leverage inherent in that business if revenues grow at say between 20-25% and margins could grow disproportionately over a period of time, so is that…

917.   03:01:52.170 --> 03:02:03.510
Speaker: …a rather conservative target that you're putting out there, could it potentially do much better than you are projecting?

Speaker: Potentially it can, but...

918.   03:02:05.190 --> 03:02:23.130
Speaker: …what I'm saying is, we willingly did not under commit to anything. But there is, as you said, a 2% potential and, obviously, if the revenue growth goes beyond 20%, then the potential becomes much more distributed. So it's like a…

919.   03:02:24.960 --> 03:02:33.270
Speaker: …sort of an S curve, that happens beyond a certain revenue growth, which you would have seen in this industry. We have modeled it, and you'd have seen that.

920.   03:02:33.990 --> 03:02:48.030
Speaker: Generally, after a critical mass, the margin performance kicks in even better. So obviously, both probability and possibility are there, I'm not ruling that out, but we'd much rather deliver and then come back after seven or eight quarters.

921.   03:02:49.110 --> 03:02:58.110
Speaker: When you scale, there is also a kind of investment that is going to come in. So yes, what's modelled is budgeting all of that conservatively.

922.   03:03:15.150 --> 03:03:25.080
Speaker: Hi, this is Alok from Edelweiss. First of all, thanks for a great presentation. My question was for Lohit. The first question was,…

923.   03:03:25.710 --> 03:03:39.300
Speaker: …can you give us some colour on the competitive landscape in staffing, especially because there are only a couple of players listed there, so you know what's happening with the number 3-4-5-6 players, where they are in terms of size, etc.

924.   03:03:40.350 --> 03:03:47.010
Speaker: Because you've obviously seen markups not knowing much over the last 2 to 3 years, so any sense, you can share their…

925.   03:03:48.570 --> 03:03:59.040

Speaker: So your first question is, what is happening to the competitive landscape? Indian Staffing Federation has about 1.2 million records that it manages.

926.   03:04:00.000 --> 03:04:10.530
Speaker: We manage about 25% of those 1.2 million records at Quess. So that's clearly made us No. 1 for quite some time now, and we continue to…

927.   03:04:11.100 --> 03:04:19.800
Speaker: …gather pace on that. The difference between us and the No. 2 would be in the range of 100,000 if you take associate to associate.

928.   03:04:20.220 --> 03:04:30.150
Speaker: I'm not taking into context the apprenticeship or trainee business because that's not reported as employees or associates. And in some cases, the top line may or may not come.

929.   03:04:30.930 --> 03:04:38.490
Speaker: The No. 3 thereafter, would be a shape below about 100,000, which means that you know, 100,000 versus 300,000.

930.   03:04:39.060 --> 03:04:49.560
Speaker: And then there are 50,000 and below; 50, 30, and the others, there are many of them. But we always often talk about only these 100 odd.

931.   03:04:50.310 --> 03:05:02.250
Speaker: And that's only 1.2 million. The market itself is as close to 3 ½ to 4 million, which means there's a missing 75%, which is the long tail of the country. That long tail could be small…

932.   03:05:03.030 --> 03:05:10.320
Speaker: …setups; those could be companies that work only in one region, in one district, they work with only three, four, or five customers.

933.   03:05:10.770 --> 03:05:15.120
Speaker: And during the last two years of covid, even as the Staffing Federation…

934.   03:05:15.450 --> 03:05:28.620
Speaker: We did lose about 16 to 17 members, so on a base of 100, when you lose 16-17 in just six quarters or seven quarters, that also tells you that just one shock itself took away some 16-17 players from the market.

935.   03:05:30.060 --> 03:05:36.540
Speaker: So that is the market which Quess as a market leader, I would particularly always keep looking out for.

936.   03:05:37.890 --> 03:05:46.950

Speaker: I would be equally keen to see the market which is with the other players, but that's not the only market that we would look at. I would always look at the…

937. 03:05:47.220 --> 03:05:51.060
Speaker: …3 million markets which are not with the even the Staffing Federation as we know it today.

938. 03:05:51.510 --> 03:05:57.930
Speaker: And then, beyond that, where does the market come from in healthcare, M&I, and construction.

939. 03:05:58.350 --> 03:06:06.600
Speaker: Because the true growth of India as far as outsourcing and staffing is going to come in the next 10 or 20 years from that formulization.

940. 03:06:07.080 --> 03:06:15.780
Speaker: And if we truly believe that formulization is here, then I think that kind of answers your second part of the question, what do you think about prices.

941. 03:06:16.230 --> 03:06:31.140
Speaker: And, my opinion on prices has always been that we want to be at a sweet spot where there's an intersection between the price and value that we give to the customer. You can price yourself very low; that's a choice that every organisation has.

942. 03:06:32.280 --> 03:06:41.850
Speaker: But if you are playing predatory pricing, you should ideally do it when the whole market is captured. So in the SIM card or the telecom business, we know when that happened.

943. 03:06:42.240 --> 03:06:55.980
Speaker: Everybody had 1.7 SIM cards in their pocket or two times the SIM cards, 1 billion+ SIM cards, etc. We're not there yet, but I don't think we need to be so desperate to get deals…

944. 03:06:57.000 --> 03:07:09.960

Speaker: …below cost or near cost; doesn't look good for any organisation.

945. 03:07:11.460 --> 03:07:21.330
Speaker: And, often we hear about them, from time to time. But I think the sustainability of what Quess promises to customers today in terms of 65 offices,…

946. 03:07:21.690 --> 03:07:31.650
Speaker: …brilliant treasury operations, amazing compliances, and technology as Sekhar put on the table today. Every fifth employee of Quess is a recruiter;a we have 1500 recruiters.

947. 03:07:31.980 --> 03:07:39.990

Speaker: This what has been created is something which the customer really wants and, last but not the least, when your customer is giving a 100+ crore program…

948.   03:07:40.470 --> 03:07:46.110
Speaker: …in terms of ACV, you'd much rather give it to a company which has 15,000 crores shoulders,...

949.   03:07:46.590 --> 03:07:55.440
Speaker: …not to a company which has 500 of 1500 crores shoulders. So that scale also begets larger programs and larger deals.

950.   03:07:55.770 --> 03:08:02.880
Speaker: What Quess scan do with the bundling of service, we can go to customers and say up until this point will be considered as staffing,...

951.   03:08:03.300 --> 03:08:09.060
Speaker: …from this point onwards, CLM will come into it, from this point onwards, Heptagon will take over the technology.

952.   03:08:09.270 --> 03:08:18.900
Speaker: And we want parts A, B, and C, all three of them put together as a solution. So we've done deals like that as well. Nobody else in the market can even talk about those deals.

Speaker: I'll give it to Ravi.

953.   03:08:22.080 --> 03:08:27.630
Speaker: Apart from the usual suspects, there are no new entrants into the list of competitors right now.

954.   03:08:28.920 --> 03:08:38.850
Speaker: It's the same; we keep encountering the same names everywhere. The sizes continue to be what they are. The M&C players have actually dropped numbers over the last few years.

955.   03:08:39.690 --> 03:08:49.950
Speaker: Not very surprised, if you ask me, but they have dropped numbers. But it's the usual suspects, no new entrants, and the pricing pressure continues even now.

956.   03:08:50.880 --> 03:09:02.790
Speaker: Till such time, I mean, I don't think as an industry, the former staffing players have not yet got pricing power in their hands, will take some more time, and we'll have to keep pitching at it. At some point,…

957.   03:09:04.230 --> 03:09:05.550
Speaker: …it will turn and we'll start getting pricing power in our hands.

958.   03:09:06.600 --> 03:09:15.090
Speaker: Just to add, Alok, it's not about just a payrolling game right, it's not transition and payrolling. It's about building the sourcing capability.

959.   03:09:16.290 --> 03:09:27.780
Speaker: As Lohit said, 65 offices and the kind of acceleration on sourcing. We did a lot of investments since 2010 on just building our sourcing channels right.

960.   03:09:28.830 --> 03:09:40.110
Speaker: Today, probably our order to fulfillment of a sourcing mandate is much quicker and faster than anybody else by far ahead in the competition. So that's something which cannot be…

961.   03:09:40.800 --> 03:09:48.720
Speaker: …replaced just like that. So it's about the enter sourcing engine and its play around it. So that's going to play a lot of differentiation.

962.   03:09:50.010 --> 03:10:01.830
Speaker: Sure, thanks. If I can just add one question on facility management. There was a slide that was showing an addressable market of 12 to 15 billion, which is nearly probably a lakh-crore.

963.   03:10:03.150 --> 03:10:21.930
Speaker: The largest players are in the vicinity of maybe two or 3000 crores, so is there some scalability issue in that sector in general, which hasn't allowed players to grow to 6-7-8 percent market share historically.

964.   03:10:23.880 --> 03:10:32.700
Speaker: The simple problem is there are too many regional partners like if you take security, there are almost about 30,000 companies…

965.   03:10:33.330 --> 03:10:43.410
Speaker: …in India, in pockets. So that integration, we slowly have to start getting into now. We are seeing that regional players…

966.   03:10:44.250 --> 03:10:55.860
Speaker: …after demonetization and GST implementation, a lot of shortcuts happen in those businesses. So, slowly that is now becoming organized. So over a period of time, I'm sure we will see…

967.   03:10:56.670 --> 03:11:08.550
Speaker: …the bulking up happening among the largest players. Otherwise, there are multiple companies on the same street, and that's the key problem in that segment.

968.   03:11:09.690 --> 03:11:22.650

Speaker: A couple of questions have come online. The first question is what kind of investment is being envisaged for Monster, what is the growth roadmap that we can expect, and what would be the margin profile?

969.	03:11:27.120 --> 03:11:32.670
Speaker: We already have access to about $20 million in the capital that we raised a couple of months back.

970.	03:11:33.510 --> 03:11:48.540
Speaker: And I think we had to close the round. We had definitely more interest than $20 million from multiple investors, and we felt that was the right kind of ticket size to take for the first round at that kind of valuation. As it happens with…

971.	03:11:49.770 --> 03:11:57.840
Speaker: …many product organisations, you can at this point, if you use a $20 million deployed, we can become profitable and sustainable.

972.	03:11:58.290 --> 03:12:05.010
Speaker: The question is, if you are at whatever level and you're going after a $9 billion market that is multi-geography,…

973.	03:12:05.520 --> 03:12:15.390
Speaker: …you would want to have access to more capital to accelerate the growth that you can potentially have. So from that perspective, whatever capital we need to go further from here…

974.	03:12:15.810 --> 03:12:22.560
Speaker: …will only be pure growth capital. It's not from the perspective of building the product and getting to that point of profitability.

975.	03:12:23.070 --> 03:12:33.000
Speaker: So that will be something that we will look at a time of our choosing. So we think we will do one more round of fundraising from a growth capital perspective.

976.	03:12:33.420 --> 03:12:43.980
Speaker: But from building the product and getting to a point where we're starting to see positive EBITDA margins, this round of capital should do it in terms of long-term projections for growth and…

977.	03:12:45.120 --> 03:12:52.530
Speaker: …maybe EBITDA. We've known that these businesses, which are product-led subscription businesses, can have EBITDA margins as high as 40-45%.

978.	03:12:52.950 --> 03:13:00.930
Speaker: It has been demonstrated by our competitors as well as the business models that we have. So that's the long-term number that we are shooting for.

979.   03:13:01.830 --> 03:13:13.050
Speaker: Growth again; where we are, where the market size is, we know that there is a 10x journey possible. How long will it take, and what does it take for us to get there is something that will work over the next few years.

980.   03:13:14.670 --> 03:13:22.620
Speaker: A couple of more questions from Sandesh Shetty. What is the strategy for scaling and training the business going forward?

981.   03:13:23.850 --> 03:13:32.100
Speaker: We are being quite vocal about it, and we are scaling down that business at a point when, as part of WFM, it is to accelerate…

982.   03:13:33.900 --> 03:13:42.420
Speaker: …good EBITDA margins in that business. But in the last 1 ½ to 2 years,…

983.   03:13:43.440 --> 03:13:57.570
Speaker: …the kind of headwinds in this business is pretty high because of covid lockdowns and centres being not being open, the government not being very supportive in this space, so we have taken a cautious decision to scale down the business completely.

984.   03:13:58.230 --> 03:14:05.460
Speaker: And we have a few milestones and obligations to be met, and from where we used to have hundred plus centers,…

985.   03:14:06.240 --> 03:14:17.310
Speaker: …we have scaled down to about 60-65 centers. We will be completing all those milestones and exiting them between 23 and 24, so it's a clear cautious decision that we have taken.

986.   03:14:18.360 --> 03:14:20.400
Speaker: And already, we have modelled and budgeted around it.

987.   03:14:22.470 --> 03:14:27.900
Speaker: When we say we are exiting, we would also be collecting whatever dues that are legitimately due to us as part of the program.

988.   03:14:29.370 --> 03:14:37.590
Speaker: Last question from Sandesh. What would be the strategy to source candidates for construction and similar profiles and how do the margins trend in this place?

989.   03:14:39.030 --> 03:14:53.370
Speaker: There are sourcing pockets for this particular set of skills if I put it across that way. And we are building those sourcing engines in those specific…

990.   03:14:54.420 --> 03:15:05.670

Speaker: …zones so that we accelerate in terms of hiring people from there, bringing them to a kind of giant training center that we are setting up along with customers. So currently,…

991.   03:15:06.150 --> 03:15:14.130

Speaker: …we work with the leading infrastructure developer in the country, and we have also taken over their training centers to run them on their behalf.

992.   03:15:14.610 --> 03:15:21.000

Speaker: And we are using a few skills from our training division to run these centers.

993.   03:15:21.780 --> 03:15:31.440

Speaker: We are mobilizing and bringing the candidates there, training them, and then deploying them onto the site. So there are clear catchments, and we have our own mobilizing…

994.   03:15:32.370 --> 03:15:43.710

Speaker: …methodology that we have deployed to hire them. And these are volume hiring and bulk-hiring that happens from respective pockets, typically from the east and northeast, and some parts of…

995.   03:15:44.910 --> 03:15:53.940

Speaker: …the north. So we have been quite choosy in this space, so we're not getting into anything and every other kind of project.

996.   03:15:54.780 --> 03:16:02.580

Speaker: We are very choosy in terms of the customer and the kind of project that we want to work with. We're not into residential, and these are infrastructure development.

997.   03:16:03.120 --> 03:16:16.290

Speaker: And again, these are workforce accretive kinds of businesses, so these are not outcome-based or milestone-based businesses. That's how we are planning about it.

998.   03:16:24.180 --> 03:16:34.890

Speaker: Anywhere between 8 to 9%, that's the kind of operating margin we are currently at. At an EBITDA level, it should be about 4 ½ - 5%.

999.   03:16:35.820 --> 03:16:47.130

Speaker: That's what this can bring in, but we are in the scale-up mode currently. So we started in June, from June to now, we have almost about 4000 people deployed in 8 different projects across the country.

1000.   03:16:54.930 --> 03:16:58.560

Speaker: Nithin here from Investec. So, Guru, this question is for you.

1001.   03:17:02.310 --> 03:17:22.920
Speaker: So Lohit started off saying he has scale, Pinaki mentioned EBITDA, Sekhar mentioned valuation, but within the operating asset management, wouldn't say anything. So the question is that…

1002.   03:17:24.000 --> 03:17:39.420
Speaker: …since you're looking to scale your security business by 35% and they've expanded to 22 states, do you think initially you will have very low EBITDA growth because the margins will be very low as you won't have geographic depth?

1003.   03:17:40.410 --> 03:17:53.010
Speaker: And second, within the construction business, you said how high are the DSOs; do you think that 70% of OCF to EBITDA still sort of holds overall considering these things happen?

1004.   03:17:54.270 --> 03:17:59.220
Speaker: So let me take the first one; in OAM, we said we'll…

1005.   03:18:00.360 --> 03:18:08.730
Speaker: …commit a growth of 25%, so we are again looking at catching up to what we lost for the last two years, so that's the first…

1006.   03:18:09.120 --> 03:18:15.270
Speaker: …primary push we are doing within the business. And if we were to look at security 35%,...

1007.   03:18:16.050 --> 03:18:25.500
Speaker: …we have covered the real estate in terms of getting those licenses. We need to accelerate, so that calls for some investment. But when I say investment, it's an investment in people.

1008.   03:18:25.980 --> 03:18:42.510
Speaker: And hence till we build that capacity, and if you look at the code to associate that I was talking about, we want aspirationally to be at 1:150 where we are 1:80. So first build capacity and then scale, so we are going to do it simultaneously.

1009.   03:18:43.770 --> 03:18:54.600
Speaker: The best possible way to look at it is that business should give you about 3 ½ to 4% to start with, then slowly start inching towards 6 to 6 ½ percent.

1010.   03:18:55.680 --> 03:18:58.170
Speaker: Coming to the second question.

1011.   03:19:04.710 --> 03:19:14.010
Speaker: Again, it's going to be largely in line with anywhere between 25 to 30 days of…

1012.   03:19:15.000 --> 03:19:35.640

Speaker: …DSO in terms of signing those contracts. Again, the complexity of a large customer going through a PO-PR process but otherwise, it will be as good as a staffing one cycle payroll I would put it across. That is what we are looking at.

1013.   03:19:37.020 --> 03:19:37.890

Speaker: Does that answer?

1014.   03:19:38.940 --> 03:19:51.630

Speaker: Yeah. Any assets within the company, where you think, require some sort of restructuring or rehash in your view, maybe with the operating asset management?

1015.   03:19:53.640 --> 03:20:03.330

Speaker: One is that we have a project that we do specifically for a segment where we do meter reading and bill distribution.

1016.   03:20:04.590 --> 03:20:13.110

Speaker: We are slowly again scaling down, and we would exit that at a point. It's not a separate vertical in itself but rolls up within OAM.

1017.   03:20:13.740 --> 03:20:22.380

Speaker: Probably that's an area where, futuristically, you have automated meter reading and smart meters coming in, so we don't want to be in that space.

1018.   03:20:22.800 --> 03:20:32.070

Speaker: That should relieve a bit of relaxation into the business, so that is one area that I will definitely look at taking a decision within OAM.

1019.   03:20:34.800 --> 03:20:38.430

Speaker: That comes back to the government business.

1020.   03:20:41.400 --> 03:20:53.070

Speaker: What is the size and scale of that? What should we think in terms of implications from that, either DSO or cash flows or growth or revenue?

1021.   03:20:54.690 --> 03:21:11.520

Speaker: It's very small if you look at it; it's about 80 to 90 crores on an annualized basis. That's the kind of business, so should not impact much, but it should bring down my SG&A costs drastically the moment we start getting out of it.

1022.   03:21:12.810 --> 03:21:20.310

Speaker: All these only impacted DSOs, and exiting these businesses will only make our DSOs look much better than what it is today.

1023.   03:21:26.850 --> 03:21:31.920

Speaker: Few questions; one is in one of the slides you mentioned. You are doing…

1024.   03:21:32.640 --> 03:21:38.340

Speaker: …jobs of like two to three companies, and Quess itself; like there are specialised staffing companies, general staffing companies,…

1025.   03:21:38.790 --> 03:21:44.610

Speaker: …individual companies, operating asset management, security management, you are doing everything under one roof.

1026.   03:21:45.360 --> 03:22:02.400

Speaker: Still, you mentioned that you're going to be exploring adjacencies. Just want to understand what kind of investments, newer investments, and businesses you would want to maybe explore in the next two to three years. Are there any new avenues we are looking forward to adding to what we're already doing?

1027.   03:22:03.690 --> 03:22:09.420

Speaker: So two areas, we have explored, and you saw the market potential in that, especially construction and…

1028.   03:22:10.650 --> 03:22:22.770

Speaker: …manufacturing and industries itself. So during the pandemic, if you recollect, reverse migration of employees, our laborers happened.

1029.   03:22:23.640 --> 03:22:39.960

Speaker: It happened largely because of people who are not under proper social security and benefits. It did not happen with the general staffing environment, as they were completely standard. There were no shoulders for them and they didn't know where to go.

1030.   03:22:40.980 --> 03:22:48.570

Speaker: And large projects started suffering because of commitments and investments made and they came to a halt.

1031.   03:22:49.410 --> 03:23:00.000

Speaker: And if you have travelled during that period, most of the flights were full with laborers coming back to their destinations after the first wave.

1032.   03:23:00.960 --> 03:23:08.040

Speaker: And that's when most of these large builders started talking to companies like us and it's not something that you can just…

1033.   03:23:08.520 --> 03:23:14.190

Speaker: …kick-start the program. You need to build a lot of safety net in that business. A: sourcing challenge.

1034.   03:23:15.150 --> 03:23:22.170
Speaker: You need to build the right sourcing engineering or get the right set of people and penetrate deeper into tier 3 and tier 4 locations.

1035.   03:23:22.980 --> 03:23:38.610
Speaker: Naturally, it was easy for us to get there because we had our training division, we have our own offices in many of these towns and cities. The second area is in ensuring reliability. As Lohit said, there is multi-tier subcontracting that happens in that business.

1036.   03:23:39.930 --> 03:23:49.260
Speaker: The partner, A, who gets the contract, will be 4-5 level where they will do subcontracting, and ultimately some local labour supplier will be providing the manpower.

1037.   03:23:49.800 --> 03:23:59.820
Speaker: Managing compliances is not easy because the principal employer is also responsible to ensure that all the compliances are met. And when you have 5-6 tiers happening, it is not.

1038.   03:24:00.300 --> 03:24:09.270
Speaker: So it's a complex process, it is not easy, and when the partner started talking to us, we said, if you want to do it, we don't do it…

1039.   03:24:09.660 --> 03:24:17.100
Speaker: …in a subcontracting way. We have to do it one-on-one with the brand in itself. So today, our contracts are with the brand and not with any other intermediaries.

1040.   03:24:17.640 --> 03:24:24.690
Speaker: That's why I'm repeatedly bringing the caution that we are very mindful of how we want to ramp up and how we want to build.

1041.   03:24:25.110 --> 03:24:32.010
Speaker: I mean, if you want to just scale up, this itself can go 100,000 in a matter of time; we can just deploy people to do this.

1042.   03:24:32.640 --> 03:24:44.340
Speaker: But it's tough. We are being cautiously building, and our investment here largely comes from hiring people from the domain. I need somebody who understands…

1043.   03:24:45.630 --> 03:24:56.820
Speaker: …reinforcement, gas welding, etc. So that's the investment that we are trying to make and get those set of people and get it…

1044.   03:24:58.290 --> 03:25:09.540
Speaker: …kind of guarded around so that you don't have any industrial relations issue at the site. So you have to build all those safety nets and then slowly ramp up the business, and that's exactly what we are doing.

1045.   03:25:12.300 --> 03:25:15.840
Speaker: The point of acquisition is that we don't have this prototype.

1046.   03:25:17.550 --> 03:25:18.210
Speaker: No, nothing at all.

1047.   03:25:21.240 --> 03:25:28.200
Speaker: Also, one more point that I want to get on is like, if you think about these aspirations that we have…

1048.   03:25:28.740 --> 03:25:39.720
Speaker: …in your mind, what would be the top 2-3 challenges that we would face over the next three years to achieve them. Like anything comes to your mind that you're really fearful about at this point to achieve that.

1049.   03:25:42.240 --> 03:25:49.500
Speaker: Unless any other new variants, new waves, and long shutdowns, which we are not anticipating at the moment, but otherwise,…

1050.   03:25:50.850 --> 03:25:58.920
Speaker: …I think, with where the team is and where we are, I don't see any major challenges unless something unforeseen hits us.

1051.   03:26:01.740 --> 03:26:16.080
Speaker: The last question is, we got investors into Monster, and we have demonstrated a few other digital capabilities of WorQ and Qjobs, and Dash; all these three are extremely exciting opportunities.

1052.   03:26:17.280 --> 03:26:26.400
Speaker: Are there any thoughts of getting an investor or two who are like-minded or who gives more capital to us, if at all, required to scale up these businesses?

1053.   03:26:27.450 --> 03:26:36.210
Speaker: Or do you think at this point, we are good enough with our capabilities and capital that we have in the businesses to scale these up because these are big opportunities.

1054.   03:26:38.070 --> 03:26:44.520
Speaker: Definitely, there is a thought, because these are kinds of jewels that we have, and they can phenomenally…

1055.   03:26:45.720 --> 03:26:53.490
Speaker: …come out as a great asset over a period of time. The thought is definitely there. We are working towards that; it may take some time.

1056.   03:26:57.090 --> 03:26:57.600
Speaker: Hi, Nikhil here, from Abacus.

1057.   03:26:59.700 --> 03:27:07.290
Speaker: Just one question from my side. I want to specifically understand the PLI and the scheme and how big it can be for...

1058.   03:27:07.650 --> 03:27:22.950
Speaker: …the staffing industry and which particular sectors you believe that you can achieve that growth in the next two to three years. And how much of those are factored in our current numbers, the growth we are aspiring for by FY '25, especially in general staffing.

1059.   03:27:24.390 --> 03:27:34.620
Speaker: So, if you remember from that pie chart, the largest segment of contribution for the existing services that we provide is for the BFSI industry, at about one-third.

1060.   03:27:35.130 --> 03:27:42.630
Speaker: The second one at about 22% was retail, and retail is also growing. We know how organized retail in India is growing, and I'm not saying that…

1061.   03:27:43.530 --> 03:27:55.440
Speaker: …the unorganized retail will not continue; I mean India is a market where that will also continue, and you can still get to a $1 trillion organized retail market.

1062.   03:27:56.040 --> 03:28:08.340
Speaker: So, if you look at each of those platforms, you will see one of the platforms in which, as a nation, we've lagged is manufacturing. I think I've said in some of the past conferences as well that…

1063.   03:28:09.660 --> 03:28:17.940
Speaker: people move to adjacencies. If you are part of the 350 million people who are living in rural India today,…

1064.   03:28:18.300 --> 03:28:25.980
Speaker: …living off the land either as a landless labourer or providing some support to the agricultural income,...

1065.   03:28:26.580 --> 03:28:35.250
Speaker: …you cannot immediately move to the IT sector just because there are so many full stack developer jobs available. What you can do is move to an adjacency…

1066.   03:28:35.730 --> 03:28:44.910
Speaker: …which could be construction, goods and transportation, warehousing and logistics, manufacturing on the supply chain side,...

1067.   03:28:45.270 --> 03:28:52.980
Speaker: …picking and packing on the assembly line. And then the next generation of all of these people can eventually be in IT and…

1068.   03:28:53.490 --> 03:29:01.350
Speaker: …for sure, be a full stack developer. So that's how adjacencies happen. In '91-'92 when India did that brilliant task of…

1069.   03:29:01.770 --> 03:29:07.710
Speaker: …opening and liberalizing the economy, I think we did a huge amount of benefit to everyone in this room.

1070.   03:29:08.310 --> 03:29:19.530
Speaker: The white-collar worker, the knowledge worker, the graduate, postgraduate, the IT worker, we really did a good service, and I think kudos to the government at that time and thereafter.

1071.   03:29:20.010 --> 03:29:25.440
Speaker: What we missed in the 90s was the buzz of the adjacencies.

1072.   03:29:25.920 --> 03:29:35.610
Speaker: Because we should have realized that to get to the $2,000 GDP per capita, the next aspiration would have been to be like China, doing 6000 or 10,000.

1073.   03:29:36.150 --> 03:29:48.960
Speaker: To do that, you will have to uplift the 350 million people there, another 200 million people who are in between, neither here nor there. Now that can only be uplifted by manufacturing.

1074.   03:29:49.950 --> 03:29:57.120
Speaker: So it's not just PLI; PLI gets spoken about a lot by the media. But let's take a couple of things at a time.

1075.   03:29:57.870 --> 03:30:02.910
Speaker: Income tax of 15% for new manufacturing is the lowest in this part of the world.

1076.   03:30:03.600 --> 03:30:21.090
Speaker: Our income taxes for individuals can go up to 37% and corporates goes up to 20-25% but for new manufacturing is at 15%. Second, MSMEs have been completely revamped. Earlier, an MSME wanted to remain small in India and that's why we have 63 million MSMEs.

1077.   03:30:22.230 --> 03:30:35.250
Speaker: Somebody supplying corrugated boxes to Unilever would tell his brother, sister, or daughter to put up another factory adjacent to this. Get one more room, another legal entity, employ 5 workers…

1078.   03:30:35.790 --> 03:30:43.950
Speaker: …but they will not think scale, they will not think big, because the minute you go above that threshold of 50 lakhs, 2 or 5 crores, your MSME benefit will go off.

1079.   03:30:44.850 --> 03:30:54.360
Speaker: Today, that's been scaled up to 250 crores, which means at 250 crores, it's 20 crores a month. You cannot run an enterprise with 10 or 20 people…

1080.   03:30:54.720 --> 03:31:00.840
Speaker: …if you're delivering 20 crores of output in a month. That means from the 63 million SMEs themselves.

1081.   03:31:01.290 --> 03:31:13.920
Speaker: The government is assuming that there will be a catapulting of people to the next level. Now couple it with Labour Code; and Labour Code has done subsequent things, whether it's on the OSH code, the Payment of Wages Act, or…

1082.   03:31:15.000 --> 03:31:27.540
Speaker: …the Social Security Code. And they're strengthening from the point of view of the formalization of the workforce itself. And now add PLI to it. And in PLI, what you're saying is we're not just aspirants to make…

1083.   03:31:29.490 --> 03:31:41.280
Speaker: …plastic bags for mobile phones, we are also aspirants to make the latest mobile phone in India. Then the next aspiration is why not the camera in India, why only the assembling of mobile phone.

1084.   03:31:42.000 --> 03:31:51.960
Speaker: Now the dreams are, why not the chipset, the wafer, the motherboard, and that's where you go upwards. So there are about 13 plus three sectors added later about 60.

1085.   03:31:53.100 --> 03:32:05.490
Speaker: So there are sectors like chemicals, mobile manufacturing, and consumer durables, and some are listed companies which are benefiting and some are companies that have come from Taiwan, Korea, and other places we know.

1086.   03:32:06.240 --> 03:32:13.020
Speaker: They are obviously looking at solar, and solar is going to be very big. The government of India has an ambitious plan that three gigawatts…

1087.   03:32:13.470 --> 03:32:15.780
Speaker: …have to be underwritten only by the Indian railways per annum.

1088.   03:32:16.500 --> 03:32:26.670
Speaker: There are companies that are not talking about putting up an installed capacity anywhere between one gigawatt to about five to 10 gigawatts per annum in terms of solar panels and solar output.

1089.   03:32:27.180 --> 03:32:37.440
Speaker: So the point I'm trying to make is, all of this, if they are true to take that benefit of the PLI scheme, about 2 lakh crore is what the government wants to give.

1090.   03:32:37.890 --> 03:32:54.960
Speaker: But it's 5% of the output value, so for you to create, I mean to take that 2 lakh crore back into the system by the corporates, you will have to deliver 40 lakh crores of output. That 40 lakh crores of output on wages and salaries come to about 8%, which is 3,20,000.

1091.   03:32:56.100 --> 03:33:12.720
Speaker: I had written a paper; it was in the media and widely circulated at that time when this PLI scheme had come out. We had dissected and as Quess, our opinion was it will contribute to 1.2 crore direct jobs and four times the indirect jobs in these adjacencies.

1092.   03:33:14.760 --> 03:33:21.570
Speaker: The government was silent because they were asked if they were implementing PLI and how many jobs were available. Finally, our Honorable Finance Minister, this budget…

1093.   03:33:22.020 --> 03:33:32.610
Speaker: …took at least half the target that I had taken. I've taken 1,20,000 crores, she said 60 lakh jobs will get created because of the PLI in India in manufacturing. So we are extremely bullish.

1094.   03:33:33.060 --> 03:33:42.750
Speaker: This is the number five or number six sector in our stack rank today, so the potential for it to move upwards is very, very good and.

1095.   03:33:43.500 --> 03:33:53.070
Speaker: Again, I mean, we have to see how fast that formalization happens and how fast that movement from regional and smaller players happens to…

1096.   03:33:53.790 --> 03:34:02.580
Speaker: …large players, but if you go back to our three quarterly reports, we've been giving a number of how much business is coming from…

1097.   03:34:03.330 --> 03:34:10.530

Speaker: …first-time accounts and how much is coming from regional. And disproportionately, now we're getting business from there, which is why I said,…

1098.   03:34:10.800 --> 03:34:25.950
Speaker: …as much as I will keep a watch on each of the hundred players in the top hundred in India, for us, the market is far, far bigger than that. So I hope that answers your question.

1099.   03:34:31.230 --> 03:34:44.610
Speaker: One more question from the online channel. Are we looking at any M&A opportunities? If yes, what are the areas that companies are looking at in M&A?

1100.   03:34:45.870 --> 03:34:56.910
Speaker: We are not looking at any M&A opportunities at this point in time. We've been saying this for a few quarters now and would like to reiterate that there's nothing that we are actively pursuing.

1101.   03:35:03.480 --> 03:35:05.910
Speaker: Hi, Mukul, here from Motilal Oswal.

1102.   03:35:07.020 --> 03:35:17.910
Speaker: Sekhar, you mentioned that you are building Qjobs with about 30 people. Can you share the corresponding number for Monster, how big is that team?

1103.   03:35:18.390 --> 03:35:28.410
Speaker: And while you are talking about the path to profitability by FY '25, what sort of burn rate are you factoring in for FY '23 in that vertical?

1104.   03:35:29.610 --> 03:35:40.590
Speaker: The second part of the question is, you mentioned a 5 billion figure for assisted search category, and I think very interesting examples which you quoted there.

1105.   03:35:41.250 --> 03:35:54.000
Speaker: There are a lot of startups that are trying to address these issues. Are you looking to build all of that organically internally, or will you be looking for acquisitions…

1106.   03:35:54.930 --> 03:36:01.710
Speaker: …that might not be factored into your cost structure as of now? So if you can give a bit more details on that.

1107.   03:36:03.060 --> 03:36:11.340
Speaker: So the first question, Monster, currently we have 500 odd employees, little over 500, of which 60% are for Salesforce.

1108.   03:36:12.150 --> 03:36:22.650

Speaker: So it's still a completely push-driven product, the equivalent number for our dominant market player would be about 2000 employees. So Monster has a 100-member…

1109.   03:36:23.190 --> 03:36:32.070
Speaker: …product and tech team, a 100-member marketing and support team, and a 300-member salesforce team at this point. Because Qjobs, WorQ, and Dash…

1110.   03:36:33.300 --> 03:36:44.220
Speaker: …are pre-revenue companies or companies that are deriving revenues through Quess as a partner. So general staffing is a partner for WorQ as a product. So there, most of the…

1111.   03:36:45.060 --> 03:36:52.650
Speaker: …employees that we have, the 30 or so, are purely productive. So these are brought-in tech teams that have built this. Now, when we look at expanding this,…

1112.   03:36:53.040 --> 03:37:03.240
Speaker: …we don't expect to have the kind of employee strength that Monster has because of the nature of the product. So that's where the synergies come in, and cumulatively, we wouldn't have spent…

1113.   03:37:03.690 --> 03:37:08.370
Speaker: …a lot of money on these assets, primarily because we had access to markets already through Quess.

1114.   03:37:09.480 --> 03:37:13.560
Speaker: In terms of the assisted search question you have, yeah, like I said,…

1115.   03:37:14.130 --> 03:37:23.370
Speaker: …this is a question of aggregation and automation, so it's not to say that every part of the process of assisted search, we will build it ourselves. Let's say,…

1116.   03:37:24.120 --> 03:37:29.610
Speaker: …what is the process; you have a process of discovering candidates or sourcing, as we say, which is what Monster fulfills.

1117.   03:37:30.060 --> 03:37:48.240
Speaker: After that, you have a process of screening and shortlisting, followed by assessment, L1 interviews, or interview as a service; before which ideally, you want the company to start spending its own time and resources. So there are like four or five steps after that.

1118.   03:37:48.960 --> 03:38:02.670
Speaker: Now, possibly we could build all of that, but if you ask me, I don't think it's a pragmatic idea because no one person can build a great assessment for 300 odd skills that companies are looking to test their candidates on.

1119.   03:38:02.940 --> 03:38:13.740
Speaker: So what we're building isn't completely an API-based interoperable platform where whether you are hacker rank or hacker coach or whoever you are, you could come and plug into our system.

1120.   03:38:14.130 --> 03:38:25.350
Speaker: And as a recruiter, imagine a situation where I say, okay, can I source profiles from Monster and automatically put them through a series of pre-screening assessments and tests…

1121.   03:38:26.250 --> 03:38:36.660
Speaker: …either provided by Monster or by partners of Monster on the same platform? So there could be some that we will build. We are obviously building entry-level assessments for different roles because…

1122.   03:38:37.020 --> 03:38:44.550
Speaker: …there, we believe that the assessment itself is a brand, but for many other skill sets, we are integrating third-party solutions onto the platform.

1123.   03:38:44.910 --> 03:38:51.390
Speaker: For services rendered on Monster, we will operate on a revenue-sharing basis so we won't be building that.

1124.   03:38:51.690 --> 03:39:04.650
Speaker: In the course of this, if there is a small startup that is building something interesting, which can integrate very well with Monster, we would be open to exploring. But those are more actually higher conversations than acquisition conversations.

1125.   03:39:07.440 --> 03:39:30.060
Speaker: HI, this is Yogesh from Bianca Securities. So, Guru, you spoke about our ability to offer multiple suits of services to the customers. So your thoughts on how this is providing U&H vis-à-vis the other players vis-à-vis the peers in winning a contract, especially the larger contracts.

1126.   03:39:31.290 --> 03:39:45.060
Speaker: And I think we spoke about some 70 odd wins during the year; so what has been the progress, how does this compare to the earlier years, and where could it go in the future?

1127.   03:39:46.440 --> 03:39:58.350
Speaker: So can you also share metrics like how many of our customers are engaged with us for more than three services or more than two services?
s

1128.   03:39:59.190 --> 03:40:10.350
Speaker: So we definitely track that a lot internally. So we know how many services we have. So we have…

1129.   03:40:10.860 --> 03:40:21.390
Speaker: …put one of our senior-most leaders, who is just right here in the room, Nithin. He has been with us for almost 6+ years and heads this particular initiative for us.

1130.   03:40:22.140 --> 03:40:30.660
Speaker: When we started this initiative, we first started getting all our consolidation of customer databases into one.

1131.   03:40:31.680 --> 03:40:39.630
Speaker: Then started a kind of exchange program because, first, within the organisation, we need the kind of synergy and…

1132.   03:40:40.500 --> 03:40:59.310
Speaker: …ability for every salesperson to go and talk about the product. So we did a sales conference and started engaging sales across the group to understand and learn about the product between the service lines. And that initiative slowly started…

1133.   03:41:00.990 --> 03:41:09.000
Speaker: …externally positioning and discussing with the customer. So that was the first step we took in 2020 during the pandemic, and from there,.

1134.   03:41:09.510 --> 03:41:20.610
Speaker: …the program has matured to where we are today. We exactly know by customers, the number of service lines that we work, what kind of market share we have, and…

1135.   03:41:21.870 --> 03:41:28.620
Speaker: …by revenue streams within that. So that's the first step that we have taken. Second, what we do is...

1136.   03:41:29.640 --> 03:41:36.630
Speaker: …we have involvement from every CEO in the program.

1137.   03:41:37.950 --> 03:41:47.040
Speaker: If there is a lead coming in from OAM to GTS, we have the leaders of both the groups…

1138.   03:41:47.820 --> 03:41:55.350
Speaker: …representing us with the customer. It is just not giving a lead, it is still the conversion of the lead, somebody is going to anchor, and…

1139.   03:41:55.920 --> 03:42:06.180
Speaker: Nithin and the team are going to monitor that completely at a group level. So it's a very closely stitched program that we run; it's not just the lead exchange program, but a complete…

1140.   03:42:06.990 --> 03:42:19.620

Speaker: …end-to-end program that we run. Where can this go from where we are? So 70 wins and 500 crores of ACV. So from the kind of…

1141.   03:42:20.190 --> 03:42:28.260
Speaker: …internal reports I'm seeing, the kind of doubling of ACV this year, that's the kind of potential that this program is contributing internally.

1142.   03:42:33.240 --> 03:42:48.390
Speaker: The second question is to Sekhar regarding Qjobs. So in this blue-collar or gray-collar space, how is the market, who are the leaders, and where does Qjob stand with them?

1143.   03:42:52.110 --> 03:42:56.700
Speaker: There are two generations of companies that operate in blue-collar hiring at this point.

1144.   03:42:57.630 --> 03:43:04.110
Speaker: There was a burst of companies that came in about five to six years back, you know, Work India and a bunch of them.

1145.   03:43:04.560 --> 03:43:13.770
Speaker: Some of them survived, some of them didn't, because at that point in time, predominantly, the blue-collar hiring was through a network of recruiters and offline space and that's…

1146.   03:43:14.310 --> 03:43:25.770
Speaker: …how even Quess would hire then. Of late, though, in the last 18 to 24 months, we've seen a renewed interest again in digital blue-collar hiring platforms.

1147.   03:43:26.400 --> 03:43:32.370
Speaker: The largest probably all of us are aware of, Apna, which has one of the fastest-growing unicorn statuses.

1148.   03:43:33.360 --> 03:43:41.490
Speaker: Apna has about 18 to 20 million downloads. We have about 4 million downloads, but that's not the operating number again.

1149.   03:43:41.820 --> 03:43:47.940
Speaker: You know this will not go down the path of white-collar where people start talking about scale.

1150.   03:43:48.300 --> 03:43:52.680
Speaker: We want to change the narrative to people talking about efficiency and conversion factors.

1151.   03:43:52.980 --> 03:44:00.000
Speaker: So in Qjobs, we also don't say whether we have 3 million, 4 million, or 5 million people because if you're hiring hundred delivery boys,…

1152. 03:44:00.270 --> 03:44:07.890

Speaker: …it honestly doesn't matter. If I give you 500 leads and you're able to fulfill your requirement, that's the north star of customer experience.

1153. 03:44:08.160 --> 03:44:12.360

Speaker: So from that perspective, Qjobs has been built to deliver efficiencies.

1154. 03:44:12.720 --> 03:44:23.130

Speaker: With the scale, we will obviously go behind scale. We are also keen to add more candidates, so that you can cater to more customers and geographies, and also…

1155. 03:44:23.730 --> 03:44:30.090

Speaker: …at this point, many of the companies are still pre-revenue because they want people to get used to a digital mode of hiring for blue-collar.

1156. 03:44:30.450 --> 03:44:37.920

Speaker: We believe we are much ahead in terms of the path to monetization. We also have some of our products,…

1157. 03:44:38.250 --> 03:44:42.990

Speaker: like digital recruiter, where we're saying you actually don't need a physical recruiter intervention.

1158. 03:44:43.350 --> 03:44:52.650

Speaker: In the process of hiring blue-collar, that's a product that is in POC at this point in time, that would be our first way to monetize the services that we are offering.

1159. 03:44:53.280 --> 03:44:58.440

Speaker: So, we believe that this space, which is digital hiring of the blue and gray-collar workforce,…

1160. 03:44:58.830 --> 03:45:06.360

Speaker: has gotten a second lease of life in the last 18 to 24. There is a lot of investor interest, there are three to four companies that are also…

1161. 03:45:06.840 --> 03:45:14.250

Speaker: …trying to come at the problem from different directions, and we believe in terms of the NPS scores of customers that we serve.

1162. 03:45:14.610 --> 03:45:22.260

Speaker: And we're talking about almost 7000 recruiters or 5000 organisations rating our services, compared to others.

1163. 03:45:22.770 --> 03:45:33.810

Speaker: Also, in terms of the conversion numbers, we're seeing both within Quess as well as customers outside. We believe, we are far ahead in terms of the quality game on this one, and that's what we are banking on.

1164.   03:45:37.380 --> 03:45:47.760

Speaker: Finally, regarding our digital assets, apart from Monster, which are the assess ahead in terms of scale or…

1165.   03:45:48.360 --> 03:45:56.880

Speaker: …business model? Of the 3-4 assets that we spoke about, which would be the closest?

1166.   03:45:57.270 --> 03:46:07.440

Speaker: We are looking at a model where the distributed workforce assets we speak about, which are Qjobs from a sourcing perspective, WorQ from management, and Dash from an engagement perspective.

1167.   03:46:07.830 --> 03:46:13.650

Speaker: All three of them could be part of the same platform. This is a platform that helps the organisation…

1168.   03:46:14.010 --> 03:46:24.930

Speaker: …manage the entire life cycle of employees, from hire to retire. So one of the ideas that we have is to raise money at a platform level because the target audience is the same.

1169.   03:46:25.290 --> 03:46:39.780

Speaker: But each of these three assets can be sold individually or collectively as a platform. So that platform, we believe is ready, and we are seeing enough external investor interest to be part of the platform, so that should hopefully go out pretty soon.

1170.   03:46:41.100 --> 03:46:42.300

Thanks a lot for the response.

1171.   03:46:55.020 --> 03:46:57.600

Speaker: Hi, Tarang from Aldrich Capital.

1172.   03:46:58.830 --> 03:47:14.520

Speaker: So on Qdigi, you said that probably you will go through the glide path of moving B2C, isn't it in some sense cannibalising your B2B business by doing so and would it not be…

1173.   03:47:15.600 --> 03:47:32.430

Speaker: …impairing your existing B2B relationships if you decide to go directly. And considering that you're already servicing customers through partners in between, how difficult would it be to now go B2C there?

1174. 03:47:33.540 --> 03:47:41.400

Speaker: Actually, it's not; one business doesn't cannibalize the other. The business that we are currently in when we acquired Qdigi a few years back,…

1175. 03:47:41.880 --> 03:47:51.960

Speaker: … was a completely service center-led business. So we would run the service centers of all the top brands and customers would walk in and get it.

1176. 03:47:52.890 --> 03:47:58.230

Speaker: Obviously, there were a lot of constraints in that business model because it's CAPEX heavy and not scalable.

1177. 03:47:58.860 --> 03:48:04.590

Speaker: We do not own the customer; we only manage the centre owned by a particular brand.

1178. 03:48:04.980 --> 03:48:12.060

Speaker: We don't have the right to interact and do something more with the customers. So the past couple of years, we flipped our service model…

1179. 03:48:12.510 --> 03:48:20.730

Speaker: …from being completely service centre-led; now, 50% of our business comes from service centre-led, and 50% comes from field-led operations.

1180. 03:48:21.090 --> 03:48:28.890

Speaker: For which we don't have any CAPEX. There's a technician who visits home, and there also we have the best brands in India.

1181. 03:48:29.280 --> 03:48:37.140

Speaker: The advantage here is that it's scalable and the economics is pretty healthy. Also, you have access to the customer you can monetize subsequently.

1182. 03:48:37.680 --> 03:48:48.600

Speaker: And when we talk about B2C business wrapper around it, imagine that you buy a washing machine from one of the large primes; that brand engages Qdigi...

1183. 03:48:48.960 --> 03:48:53.370

Speaker: …to send a technician who is on the roles of Qdigi to come and install the device.

1184. 03:48:53.970 --> 03:49:00.060

Speaker: Once the person installs the device, there are several things…I mean, if you look at the time and motion studies,…

1185. 03:49:00.780 --> 03:49:07.110

Speaker: …a technician on average does about four calls in a day. But about two hours is what they spend with the customer and…

1186.   03:49:07.500 --> 03:49:17.580

Speaker: …six hours they spend going to the customer. So once you spend that kind of time, what we are challenging ourselves is, instead of two hours, which is 30 minutes at every household,…

1187.   03:49:18.000 --> 03:49:25.560

Speaker: …can they spend 40 minutes and do something more? Because you have already spent five hours getting there, what else can you do? You've already installed the washing machine.

1188.   03:49:26.040 --> 03:49:32.580

Speaker: I can ask you, and this is a scenario in every household, on average, each of us has anywhere between 15 to 20 gadgets…

1189.   03:49:32.910 --> 03:49:44.850

Speaker: …from three to four different brands. Some of them are in warranty and some are out of warranty. So if the technician is already there, can I ask to take 10 more minutes to scan all of their appliances…

1190.   03:49:45.330 --> 03:49:50.040

Speaker: and the warranty policies that might be in some drawer, somewhere in the house? Isn't this every home scenario?

1191.   03:49:50.460 --> 03:50:00.300

Speaker: So subsequently, whenever you have a problem, what if all you have to do is call a number and find if the product you have of a particular brand is in warranty or not?

1192.   03:50:00.600 --> 03:50:05.790

Speaker: If it is in warranty, we could do this because we have authorization from almost every single brand in the country.

1193.   03:50:06.120 --> 03:50:11.850

Speaker: If it is out of warranty, you can still trust that it is done by Qdigi, which understands this brand intricately.

1194.   03:50:12.150 --> 03:50:18.330

Speaker: So that's the B2C business we are talking about. So another scenario, let's say, I'm still at your home. You have a smart washing machine,...

1195.   03:50:18.690 --> 03:50:26.550

Speaker: …and I see you have a smart AC and maybe a smart light too, so can I do a demo for ALEXA?

1196.   03:50:27.030 --> 03:50:32.220
Speaker: And if you are interested, you become a qualified sales lead that I can pass on and make money on lead generation.

1197.   03:50:32.970 --> 03:50:42.270
Speaker: And so let's say you bought something, but you didn't buy an extended warranty. Can I educate you on how it makes sense for you to buy and sell an extended warranty,…

1198.   03:50:42.570 --> 03:50:51.030
Speaker: which is also from Qdigi? We launched our extended warranty policies this year, and as of last month, we have the highest-selling extended warranty…

1199.   03:50:52.140 --> 03:51:00.600
Speaker: …policies for the durables on Amazon. So we should be closing the year selling almost 100,000 policies. So there are…

1200.   03:51:00.870 --> 03:51:06.780
Speaker: …different ways this can be built, but the core of it is again, you know, technology and data.

1201.   03:51:07.080 --> 03:51:12.690
Speaker: If you are able to leverage that, you can build a really valuable business because we are doing all the hard work, even today.

1202.   03:51:13.020 --> 03:51:22.620
Speaker: 1.8 million interactions and service centers, hundreds of thousands of customer visits, so that's the direction in which we are taking Qdigi.

1203.   03:51:36.780 --> 03:51:42.690
Speaker: If someone has a question, we'll take a couple of questions, and then we'll break.

1204.   03:51:48.420 --> 03:52:01.140
Speaker: Great! Thank you so much again! It's been a real pleasure meeting you in person. Thanks to everyone on the virtual call, thanks for joining us. Ruchi, over to you.

1205.   03:52:11.040 --> 03:52:17.130
Speaker: With this, we come to the end of the evening. Thank you once again, all of you, for those interesting questions.
1206.   03:52:17.550 --> 03:52:26.190
Speaker: Also, thanks to the audience virtually present with us. We do hope that we all interact face to face soon.

1207.   03:52:26.700 --> 03:52:41.820

Speaker: And the people out here, once again, thank you so much. Please join us for cocktails and dinner. We will be just starting that. Thank you to the leadership team here for all the insights. I hope it was helpful for all of us here. Thank you!