August 04, 2025

To Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Scrip Code: 539658	To Listing Department National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai - 400 051 Scrip Code: TEAMLEASE

Dear Sir/Ma'am,

Sub: TeamLease Services Limited (TeamLease/Company) - Transcript of Q1'FY26 Earnings Call

Ref: Regulation 30 of Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015

With reference to the above-mentioned subject and pursuant to Regulation 30 of the SEBI LODR Regulations, 2015, please find enclosed the Transcript of Q1'FY26 Earnings Call hosted on Thursday, July 31, 2025, at 05:00 P.M. IST. The same is available on the website of the Company at https://group.teamlease.com/investor/earning-call-transcript/.

Kindly take the above said information on record as per the requirement of SEBI LODR Regulations, 2015.

Thanking You.
Yours faithfully,

For **TeamLease Services Limited**

Alaka Chanda
Digitally signed by Alaka Chanda
Date: 2025.08.04 10:39:19 +05'30'

Alaka Chanda
Company Secretary and Compliance Officer
Encl: As above

"TeamLease Services Limited Q1 FY '26 Earnings Conference Call"

July 31, 2025

MANAGEMENT:	**MR. ASHOK REDDY – MANAGING DIRECTOR AND CHIEF EXECUTIVE DIRECTOR, TEAMLEASE SERVICES LIMITED**
	MRS. RAMANI DATHI – CHIEF FINANCIAL OFFICER, TEAMLEASE SERVICES LIMITED
	MR. KARTHIK NARAYAN – CHIEF EXECUTIVE OFFICER, STAFFING, TEAMLEASE SERVICES LIMITED
	MS. NEETI SHARMA – CHIEF EXECUTIVE OFFICER, SPECIALIZED STAFFING, TEAMLEASE SERVICES LIMITED
	MR. NIPUN SHARMA – CHIEF EXECUTIVE OFFICER, DEGREE APPRENTICESHIP, TEAMLEASE SERVICES LIMITED
MODERATORS:	**MR. AMIT CHANDRA – HDFC SECURITIES**

Moderator: Ladies and gentlemen, good day and welcome to the TeamLease Q1 FY '26 Earnings Conference Call hosted by HDFC Securities.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*', then '0' on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Amit Chandra from HDFC Securities. Thank you and over to you, Mr. Chandra.

Amit Chandra: Thank you, operator. Good evening, everyone. On behalf of HDFC Securities, we welcome you all to the TeamLease Quarter 1 FY '26 Earnings Call.

Today, we have with us the Management Team of TeamLease represented by Mr. Ashok Reddy - MD and CEO; Mrs. Ramani Dathi – CFO; Mr. Karthik Narayan – CEO, Staffing; Ms. Neeti Sharma - CEO, Specialized Staffing; Mr. Nipun Sharma - CEO, Degree Apprenticeship.

I will now hand over the call to Mr. Ashok Reddy for the opening remarks, post which we can open the floor for the question-and-answer session. Thank you and over to you, Ashok.

Ashok Reddy: Thank you, Amit. Good evening and thank you all for joining the call. We have had another quarter of growth. At the group level, we added about 5,000 headcount and it has been a quarter where we have grown in all the three businesses of Staffing, Degree Apprentice and Specialized Staffing. We have had a net growth in headcount in all the three businesses.

We also added over 110 new logos across the businesses and despite the persistent macroeconomic headwinds affecting the BFSI and IT services verticals, we have delivered EBITDA growth of nearly 39% year-on-year. Quarter-on-quarter, EBITDA got impacted on account of seasonality aspect of the ED Tech business that we see every year. The resilient demand from enterprise clients and tech profiles in non-tech companies and global GCCs have helped sustain the growth momentum largely for us. With a sharp focus on operational efficiency, the diversified service mix and financial discipline, we are gearing up for a steady profit expansion trajectory for the remainder of the fiscal year.

I think I will have the businesses detail a little more specific to the three businesses and then finance before we move on to the questions. On to you, Karthik.

Karthik Narayan: Yes, thanks Ashok. Q1 FY '26 marks the beginning of recovery for some sectors while others experienced mixed performance. The efforts we made last year to win new logos began to bear fruit early in the quarter, particularly within the BFSI segment. With our strong hiring capabilities, we are optimistic about delivering value to our clients throughout the rest of the year. The consumer durables vertical, which was expected to perform strongly in Q1, and traditionally that is a big quarter for them, was impacted by seasonal factors and saw moderation around mid-quarter. And I will kind of share a little bit more about it as we move ahead.

That said, our general staffing business continued to deliver, closing the quarter with a net headcount addition of approximately 3,000+, reflecting a 5% year-on-year growth. Notably, third of these additions came from new client acquisitions. Topline momentum remains strong, revenue growing 11% year-on-year, supported by solid execution and disciplined operation management. General staffing and allied services therefore posted 11% year-on-year growth at the EBITDA level.

Across vertical, banking and financial services, one of the key components of the services sector, has continued to be a mixed bag since Q3 FY '24. We saw some hiring at the beginning of the last financial year, but that tapered off following the RBI's cautionary stance and advisories related to NBFCs and Fintech, disbursing small ticket unsecured loans.

To put that overall sector into perspective, some of the major banks hired only half as many people in FY '25 compared to FY '24, indicating the extent of hiring containment by leading financial institutions. We had called out in our May results that the recent positive policy actions from the RBI, such as the revision in credit risk weightages and relaxed norms for NBFCs, coupled with rate cuts, might result in some recovery. We are noticing that some of the NBFCs have resumed hiring, though at a slower pace. Some of the other parties, Microfinance Institutions, Fintech players, are gradually regaining momentum, though they remain well below previous hiring levels. Credit card business specifically still remains significantly subdued. It is too early to say how this will pan out, but we are positive about this, combined with the fact that income tax relief will lead to a consumption pickup and the need for asset products from financial institutions.

Consumer business, on the other hand, which is one of the larger verticals, comprising FMCD, FMCG and retail. Despite some headwinds there, high input costs, subdued urban demand, we were noticing companies reporting sequential improvements in volume in Q4, largely led by semi-urban and rural growth. While April in itself started on a good note, we saw unseasonal rains and weather impacting the sale of FMCD goods, which is largely air conditioning, refrigerator parts, which resulted in muted growth for the rest of the quarter in terms of headcount addition for us in that sector.

So in summary, Q1 we are seeing a mixed bag of sectoral growth. BFSI grew by 6.4% in terms of headcount, FMCG de-grew 4.4%. The rest of them, FMCD, telecom, retail, e-commerce, all remain flat. Sales aggression continued with us, closing the quarter with about 44 new logo signers, 60% of them coming up on a variable markup side.

On the hiring side, for the quarter we delivered about 17,000 plus new joinees, 10% higher than the last quarter, and 25% of them hired through non-recruiter channels. 24% of these gross joinees are first-time employees.

Another key pillar of our business strategy is driving optimization and leverage, essentially doing more with less using technology as key leverage, and this continues to be in play. As we move into Q2, we expect some of the more muted sectors around FMCG, FMCD telecom and BFSI to accelerate. And in conclusion, I can say that while we have delivered a year-on-year growth in our general staffing business this quarter, despite sectoral headwinds, we have about 20,000 plus open positions and our continued focus on driving productivity, especially in sales and hiring, combined with the momentum we are seeing from our digital transformation gives us strong conviction about the year ahead.

With that, I would like to hand it over to Neeti for the Specialized Staffing narrative.

Neeti Sharma: Thank you, Karthik. The IT hiring environment in Q1 of this year remained cautious with muted demand from traditional IT services companies. However, we have seen signs of growth in the Tier-2 IT firms, product companies, and digital-first organizations. Amidst this backdrop, we have delivered improved momentum marked by net headcount addition, better delivery efficiency and strong customer traction. We closed the quarter with a net headcount addition of about 115 resources, a combination of both India and global headcount increase, reflecting healthy growth in delivery capabilities aligned to strategic demand. We have retained our margin discipline by maintaining cost control, focusing on high-value skill placement, and improving recruiter productivity.

In the last quarter, we have onboarded 11 new clients consisting of 5 GCCs, including strategic logos across global consulting firms, life science and pharma, manufacturing, and engineering customers. Our client pipeline remains robust with high-quality deals in advanced stages of closure, reinforcing visibility for H2 and FY '26. The GCC segment remains a cornerstone of our business, both in terms of volume and stability, contributing approximately 46% of headcount and 64% of net revenue. We continue to deepen engagement across 75 GCC customers of ours with high activity in the BFSI, healthcare, high-tech, and engineering segments. Despite broader market softness, GCC hiring remains steady, reinforcing the structural strength of this model.

Our build-operate-transfer model continues to scale as well. In quarter 1, we expanded engagement in verticals such as BFSI, IT, and product engineering. We have also strengthened our GCC enablement offering through ecosystem partners across infrastructure, legal, and technology, positioning us as a full-stack workforce solutions partner. Tier-2 GCCs and new delivery hubs are expanding across India, creating consistent talent demand in newer geographies. Project-based, just-in-time hiring is on the rise, and our pan-India network is helping us deliver to these new requirements. Also, niche digital skills in AI, ML, cloud platforms, and cybersecurity continue to see a huge rise in demand, and we are proactively investing in sourcing and delivering on these skillsets. Recruiter productivity continued to improve, aided by automation-first workflows, focused hiring systems, and upskilling of the recruiters.

We saw further improvement in fulfillment cycles and sourcing efficiency during the last quarter. Our global business contributed meaningfully in this quarter, with close to Rs. 14 crores in gross revenue and over Rs. 1 crore in net revenue, with a positive EBITDA. The combined value of India delivery and Singapore and UAE presence has opened up new revenue opportunities for us. We are leveraging this synergy for consulting-led hiring and end-to-end delivery from India into global markets.

In summary, while broad-based IT hiring faces macroeconomic headwinds, a selective focus on Tier-2 IT services, companies, expanding GCCs, and non-tech firms undergoing digital transformation positions us for continued growth and resilience in the coming quarters. Q1 marks a period of improved execution, productivity, and strategic pipeline building, reinforcing our strong foundation and increasing global traction.

With this, I hand this over to Nipun for further conversation on these.

Nipun Sharma: Thank you, Neeti. The Government's renewed focus on skilling and vocational education, highlighted in the annual budget, is encouraging. Apprenticeships are gaining momentum, with NSGC data showing an 18% annual growth in apprentice adoption over the last 3 years. At TeamLease Degree Apprenticeship, we believe the answer to India's skills gap lies in formal, work-relevant education, funded by industry, and delivered through education and structured partnerships. Our program spans NAPS, NATS, and work-integrated learning programs, and we partner with 22 universities to offer degrees, diplomas, and short-term certifications across white and blue-collar roles.

In Q1, our TLDA added about 1,700 apprenticeships across NAPS, NATS, and WIP, driving an increase in operational PAPM priorities services. Of these, 1,472 additions came from our learning-led program. We onboarded 14 new client logos in Q1. Promotion of learning solutions remains a focus area. Amongst existing clients, 22% have adopted learning solutions. This growing adoption reflects the tangible impact learning has on improving productivity, reducing attrition, and enhancing apprentice engagement. Our key focus this quarter has been monetizing our apprenticeship-linked product lines, including managed training services for companies building entry-level talent pipelines. The market response has been encouraging.

We continue our outreach with events and roadshows to advocate for degree apprenticeships as a sustainable talent strategy. These efforts led to active engagement from 94 clients and prospects in Q1. Recent government announcements reinforce our direction. The Central Apprenticeship Council recommendation for inflation-linked stipend increases, the Rs. 60,000 crore ITI upgradation plan, and the launch of SOAR, Scaling for AI Readiness, signals strong policy support for apprenticeships and employability.

Looking ahead, we see growing interest in education-integrated apprenticeships and WIPs across industries such as food processing, healthcare, financial services, ITES, BPO, Pharma, etc. We are well-positioned to build on this momentum in the coming quarters.

With this, I hand it over to Ramani.

Ramani Dathi: Thank you, Nipun. Good evening, everyone. At group level, we have added 5,000 billable headcounts in Q1 FY '26, including 110 net additions in specialized staffing. On a year-on-year basis, we have added about 19,000 headcounts, despite headwinds in BFSI and IT. With respect to hiring trend, almost 65% of the gross joinees in the quarter were from Tier-2, Tier-3 cities with an average salary of Rs. 21,000 versus total base average of Rs. 27,000. Historically, metros and Tier-1 cities used to contribute to 60%-70% of gross joinees in staffing business. The change in this mix has marginally impacted the Q-o-Q revenue growth in staffing. Overall, revenue grew 12% year-on-year and EBITDA by 39% year-on-year. This demonstrates significant operating leverage and also excluding inorganic contribution, year-on-year EBITDA growth stands at 34%. All the new acquisition integrations are completed and have contributed by about 4% in Q1 EBITDA and 1% in the Q1 topline.

EBITDA on a quarterly basis got impacted by seasonality in ED Tech business as well as core employee salary appraisals in this quarter. Year-on-year PBT and PAT grew by about 30%. DSO in staffing business stands at 7 days and the overall group DSO at 17 days. Funding exposure in the staffing business is maintained at 14% with high cash conversion to EBITDA. Free cash balance stands at Rs. 310 crore net of cap expense over the quarter. We have received lower withholding certificates at the start of the financial year and completed IT assessments till assessment year 23-24 along with the refunds till the year of assessment. All balance sheet metrics are stable and steady.

We can now move to specific questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Deep Shah from B&K Securities. Please proceed.

Deep Shah: Yes. Hi. Thank you for the opportunity. Sir, first question is on specialized staffing. So could you share some light, so I heard the numbers, but could you share some light on how is the margin profile or the business profile different in India versus overseas? And what kind of traction are you seeing in India and overseas? Because it seems that this business, if done well, it can help us offset a lot of weakness on the IT front? I will ask the remaining question after this.

Neeti Sharma: Yes. So, Deep, thank you. This is Neeti here. The global numbers right now are very small. So for us to start looking at a trend of a comparison within India to global is too early for us. Having said that, when we are looking at hiring from India, the idea is that wherever there are global requirements, if we are able to use our delivery capabilities, which are India delivery capabilities, we should be able to do better in terms of our execution and margins. So that is the reason why we actually even forayed into the new geographies, but Ramani can add in case there is something to that.

Ramani Dathi: Yes. In terms of absolute numbers, the rate cards that we are currently getting in our Singapore geography are almost 5-6 times higher than the Indian ones. But in terms of margin percentage, as of now, our Indian clients are doing much better. But we have a steady pipeline of onboarding in Singapore as well as Middle East in the coming quarters, so wherein the margin expansion can continue.

Deep Shah: Right. And Ramani, if I heard you correctly, you said that the acquisitions contribute to 4% of overall EBITDA?

Ramani Dathi: That is correct. Yes.

Deep Shah: Right. Second question is on these other HR, other businesses, so would it be fair to say that the growth we have seen in ED Tech is more a function of the NEP, which was delayed last year, which is why 1Q was very poor. Would there be a fair statement to make, so this growth should not be extrapolated, going ahead, in the ED Tech business particularly?

Ramani Dathi: No, not really, Deep because overall, in ED Tech topline, full year revenue, there has been a 40% growth year-on-year. So, it is not just an aberration because of the last year Q1 impact.

Deep Shah: Fair. And within the RegTech side, so what would be the steady state, say, growth projections that you would have both on actually HR and RegTech? And when should we expect that these businesses, at what scale should they comfortably breakeven?

Ramani Dathi: No, they should maintain a revenue growth of 25%-30% consistently and with an EBITDA margin of anywhere between 6%-8%. So this is at HR services segment level.

Deep Shah: Understood. So I understand that, but I am seeing within that HR and RegTech, would you be able to provide, say, at what scale would HR Tech and RegTech kind of, so I think RegTech is already breaking even, but HR Tech at what scale would you believe that it starts to break even and take care of itself?

Ashok Reddy: So Deep, this is Ashok. The RegTech and EDTech businesses are profitable. EDTech has an element of seasonality, but at a cumulative level for the year, ended positive for last year and will be positive this year. The HR Tech is really where the investments are happening and we believe that by mid-next year, we will be EBITDA positive there.

Deep Shah: Understood. Perfect. So by mid-next year. Fine. Thank you and all the best.

Moderator: Thank you. The next question is from the line of Amit Chandra from HDFC Securities. Please proceed.

Amit Chandra: Yes. Thanks for the opportunity. Sir, my first question is on the general staffing segment. So you mentioned that most of the headwinds that you are seeing in this segment has been behind and we have seen an addition of around 5,000 associates, including BA. So how is the pipeline for 2nd quarter looking because traditionally, 2nd quarter has been the strongest quarter for us? And we mentioned that we have 20K open positions. So is it higher than what we had at the same point of time last year? And also, we have mentioned that 60% of the new clients that we are signing up are on the variable markup model. So when we start seeing the benefit of this on the overall PAPM for the general staffing?

Ashok Reddy: Sorry, Amit. I will just answer the last one before Karthik takes over the answer to the earlier two. The incremental signups from a volume perspective are relatively small. So I think the overall impact on the PAPM from the variable model will take some time to kick in because a larger element of the growth still comes from the enterprise clients who are on a fixed PAPM and a lower PAPM. But I think the element of driving new signups continuously in the variable model in the long run will start to benefit. Having said that, on the specifics of the open positions and growth, Karthik will answer.

Karthik Narayan: Yes. So Amit, a couple of things. One is from a growth perspective, two or three things that we are seeing, one is clearly open positions coming in from some of the sectors which largely in H2 last year had come down significantly, which is banking finance and also the consumer business. We are seeing that open up. So are we seeing growth, green shoots coming through to Q2? The answer to that is yes. We are definitely seeing that and quite positive in delivering for Q2. From an open position perspective, one is, is it the same as last year? I would still say it is lower than last year. Last year, if I recall it well, it was north of about 30,000 odd. It is roughly about 20,000 odd around this time. That is, again, predominantly due to some of the slowdown which has occurred in banking finance. Some of our growth is also coming through because we are gaining wallet share in some of our existing accounts, so irrespective of how our customers are growing, because of the growth in wallet share, we will be delivering a positive result through Q2.

Amit Chandra: And also, we had earlier guided or mentioned that the steady state volume growth for general staffing could be in the range of 15%. Now, we are at 5%-8% kind of a growth number. Obviously, we have headwinds specifically from the BFSI and Telecom, but when we expect the volume growth to reach to 15% kind of a number, or is it too optimistic to handle that?

Karthik Narayan: So Q2 is quite positive, Amit, from an open position and a number outlook. So I think if the Q2 kind of tailwind holds into Q3, we should be able to kind of drive the numbers up.

Amit Chandra: And Ramani, if you can give the PAPM number for this quarter and also in terms of margin tailwinds, are there any margin tailwinds that we have in the general staffing apart from the variable markup that we have signed? And is there any other margin levers that we can see coming out here?

Ramani Dathi: The PAPM has been flat on a quarter-on-quarter basis, Amit. And as far as tailwinds are concerned, so we are working on other value-added services both to clients as well as associates. So that is going to help us expand profits as well as margins in the next 2-3 quarters. But other than that, with all fixed costs now being fully absorbed, the volume growth should directly contribute to higher operating leverage and better productivity. So that also becomes a tailwind going forward.

Amit Chandra: So coming on to the specialized staffing segment, obviously we have seen good recovery there and this is mostly led by the higher GCC contribution. So if you can split out in terms of what is the revenue split between India and global in this quarter? So you mentioned Rs. 14 crores is global, which is around 8%. Is it right assumption? Around 8% of the specialized staffing is from global right now?

Ramani Dathi: That is right, Amit, yes.

Amit Chandra: And how do you see this changing over the next, say, one year in terms of the pipeline and the traction that we are seeing more from the Indian and global clients?

Ashok Reddy: It will broadly hold at 8%-10% for this year, Amit. Because I think we are expecting the domestic growth also to sustain. So I think both will run in tandem at the current point in time. But as we build more clients and expand the element of the presence and delivery capability in Singapore and other places, then we could look at that growth kind of outpacing the domestic. But this year, I think we will look at it being around 8%-10%.

Amit Chandra: And in the specialized staffing, we have seen the margins being soft in this quarter. So any specific reasons for that? And what is the steady state kind of a margin level that we can expect for the specialized staffing business?

Ramani Dathi: So specialized staffing, two reasons. So one is this quarter, we have our annual employee appraisal for core employees. So that has an impact. And also, we are taking up some MSP mandates. So varying the margins, the gross margins are on lower end. But at the same time, we do not have any associated cost for that. While on overall margins, it is dilutive. On absolute profits, it is still accretive.

Amit Chandra: Thank you. I will be back in the queue.

Moderator: Thank you. The next question is from the line of Dipesh Mehta from Emkay Global. Please proceed.

Dipesh Mehta: Thanks for the opportunity. First on general staffing, I think you indicated some of the segments where you are seeing weakness like BFSI telecom. I am not very clear if you can give sense about where you are seeing signs of recovery entering into quarter 2 and beyond? And what factors, let us say, still one need to be watchful in terms of the anticipation of that acceleration kind of thing? So that is first on the industry side, if you can give that some sense. Second question is about the press release where we are seeing steady profit expansion trajectory for the remainder of year. Are we indicating profit growth to accelerate into next 3 quarters compared to where what we deliver in quarter 1 or how one should understand the statement? And last question is about specialized staffing. I think you partly answered about some weakness what we observe in quarter 1. But on steady state basis, whether historical range which we used to operate in terms of margin profile upwards of 7% is a good range to look for specialized staffing. Thank you?

Karthik Narayan: Yes. Dipesh, on the general staffing part, I think there are three aspects. But sectorally speaking, the first part is that BFSI growth is coming back in some of the sub-segments within BFSI, namely NBFCs. So that is one part of it. And in terms of the three aspects, one is growth which is taking place where the overall hiring is going up in this. So that is BFSI to some extent hopefully with the festive season up starting August 15th till about Diwali; consumer, both consumer durables as well as FMCG business, we are expecting it to kind of come back. So those have been flattish for a while, and especially in Q1 that I called out because of unseasonal rains. The second thing which I have spoken a few minutes back was on wallet share. So it is not just growth which is taking place. Even within existing customers, we are gaining wallet share. So that is what will lead to positive for us. And the third aspect, especially in FMCG, is formalization which is continuing to take place. So even some of our existing customers are increasing their formalization of their workforce. So that is also adding to the positive momentum. So all the three aspects put together is what will contribute to growth in Q2.

Ramani Dathi: Hi Dipesh. On profit expansion, Q1 we have maintained about 39% of year-on-year growth, also including about 4% contribution from inorganics. But for the rest of the quarters in the year, we should be able to maintain at least a 30% EBITDA growth year-on-year. I think there is one more question on specialized staffing.

Neeti Sharma: So Dipesh, I guess about 7%-7.2% is the right number and I think we will get there towards the end of the year.

Dipesh Mehta: So broadly, for the last question, just to get more clarity, what you are indicating is it would be a gradual recovery from where we are today to where we exit. 100 bps kind of swing will be gradual. And what will drive it if you can give us a factor which will contribute to that expansion?

Neeti Sharma: So more number of customers that are giving us high value mandates. Secondly, different product mix that we are bringing to the table which again are higher margins along with the staffing mandates that we are doing. Like I called out in my conversation, the build-operate-transfer, the bot model that we are working with GCC does give us a higher margin percentage. So just a combination of different products as well as higher value mandates on IT skills is something that we are looking at improving our margins.

Ramani Dathi: And also economies of scale because the fixed costs are also fully absorbed in the business. So that will also help us in margin expansion.

Dipesh Mehta: No, I understand. But some of the factors which you alluded, then in first place, we should not have seen some correction in margin, right? Because we were always operated about 7, though some of the mandate which you alluded, I understand that part. And maybe appraisal is always the annual kind of thing. So I am not very clear why it came down?

Ramani Dathi: No, Dipesh. In fact, we lost almost 40% of our headcount. We did almost 9,000 plus headcount came down to 6,000, especially with IT services impact. So that is when our margins got diluted from about 7%-7.5% to 6%.

Dipesh Mehta: Fair. I was more referring to sequential, but I get the sense. Thanks.

Ashok Reddy: Year-on-year, it is about the same.

Moderator: Thank you. As there are no further questions from the participant, I now hand the conference over to Mr. Ashok Reddy for the closing comments. Over to you, sir.

Ashok Reddy: Thank you very much. I think as we have called out, we are seeing green shoots. We have had a quarter where all three businesses have grown in headcount. We are seeing green shoots of demand coming in for the DA business and the staffing business and we expect that to kind of hopefully sustain out into the coming quarters. And I think a large element of the supporting fixed costs will stay constant, which will enable us to improve and work on the profitability. A lot of the technology initiatives also will play out from the hiring perspective and operations side as we go forward. And we expect that also to create leverage into the coming quarters. We are quite bullish about the coming quarter with the current outlook on open positions that we have from the customers and the translation of the delivery capabilities that we have built. So we will continue to work on these fronts for profitable growth and come back to you in the coming quarter. Thank you very much.

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