



# HRH Next Services Ltd Earnings Call-H1FY2026



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**TIME**  
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## MANAGEMENT TEAM ATTENDEES:



**ANKIT SHAH**  
Managing Director



**GANGADHAR SHERLA**  
Chief Financial Officer



**AKASH TIWARI**  
Company Secretary



**SUPRIYA KSHIRSAGAR**  
Head Service Excellence



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## HRH Next Services Limited

**Finportal:** Good day, everyone, and welcome to HRH Next Services Limited Earnings Call. We appreciate your participation as we review the company's operational and financial performance of H1FY26, and outline our strategic direction. The purpose of today's call is to provide an overview of the company's progress and to address questions from our investors and stakeholders. Please note that this meeting is being recorded, and certain statements made during this call may be forward-looking and based on current assumptions. These involve risk and uncertainties, and actual results may differ. The company assumes no obligation to update the statements except as required by law. We encourage participants to consider these factors and avoid placing undue reliance on forward-looking information. Representing HRH Next Services Limited today, we have Ankit Shah, the Managing Director, Gangadhar Sherla, Chief Financial Officer, Akash Tiwari, Company Secretary, Supriya Kshirsagar, Head Service Excellence, and Rahul Shah, Head of Operations. I now hand over the call to management for the opening remarks. Following their address, we will proceed with Q&A session. Thank you, and over to you.

**HRH Team:** Good evening, all. My name is Supriya, and I will be very happy to take you through the company profile and what has been our accomplishments since the last earning call. And I will also take you through the new developments and the new technology that the company has adopted in the last couple of months. So, happy to share HRH next to you guys. Can we go to the next slide for the company overview, please?

**HRH Team:** Presenting HRH next, everybody. So, company has been established in the year 2007, where we've become a very trusted partners in the BPO space. So, when I'm talking about BPO, I'm talking about a vernacular space. HRH Next takes a very great pride in calling ourselves as one of the only listed companies in the SME sector, where we have gone vernacular in all the regions, where we talk about 11 plus languages. What we mean is that we would like to talk the language that our consumers would like to hear. So, apart from Hindi and English, we have the dominance of speaking to our consumers in all the southern languages of South India, plus Bengali, Hindi and Gujarati, and the Northern space as well.

**HRH Team:** We started in the year 2007, as the headquarters in Hyderabad, but slowly started venturing out so as we can serve the vernacular consumers in the down south. Our first venture out was in Coimbatore in 2019, and that's when the expansion history started. With 20 people in the year 2007, today we are 2,800 plus, spread across 8 delivery centers, and we talk the human languages, we talk all the languages, as I mentioned earlier, we started our services as a conventional, contact center with inbound, outbound, as a service that we were giving to our customers. But very soon,

we also started, servicing the customers through email and through chat. And the most recent development in the organization is we brought AINA.

**HRH Team:** AINA is our AI division. We call ourselves as, Artificial Intelligence for the New Age. Let me give you a brief introduction about what AINA is about. AINA in Hindi itself means mirror. So, our theme to introduce, the AI division is because we want to mirror the human connections from human empathy and also mirroring its emotions in the technology. And hence, we call ourselves as AINA. And what has brought into this kind of an automation intelligence is because, A, we would like to speak to the customers who are very much technologically oriented, so we want to enhance the consumers with smooth transactions, increase the overall productivity, and obviously, at the end, gain a massive revenue boost to the organization. In the coming up slides, I will take you what exactly AINA is all about, and what are our future plans? What is the AI division going to contribute, A, to the brand, B to the customers, and C to the entire community as a nation?

**HRH Team:** Moving ahead... Can we go to the next slide.

**HRH Team:** What we do, a very quick view of what HRH Next does. We are basically that channel that helps brands connect with the consumers in the market. So, as you see that, you know, we have the clientele, which are sector agnostic. We have food tech, we have telecom, we have automobile, and we have edutech to name a few.

**HRH Team:** But what we do is that we cater to the customers, we cater to people in the market, and we are the voice of the brand. And how do we support them? We support them through the channels like Calls, which is, we call it as a voice, inbound, outbound, and through email, we handle their tickets. And we also help the customers who come on the website and handling their chat tickets. Some of the, typical example I can give over here is that about Swiggy. We are the oldest partner in the brand. We've been partnered with Swiggy since 2016.

**HRH Team:** So we started our journey with Swiggy as only inbound call and outbound calling. We were only talking to the hotel people in the earlier days, but later we started speaking to the customers. We also started speaking to the delivery executives in the market. Slowly, we started the bond where we are the central focus of talking to both the customers, the delivery executives, and the restaurants in place. So that is how our growth journey started. We want to replicate the same human connections through the technology that we are bringing out in future.

**HRH Team:** Moving to the next slide, what you will see is the geographical footprint. Yes, this is a quick view of how the company is spread, what we are, and how do we cater to. As you can see. We speak all the South Indian languages, and what you're seeing right now is the total employee strength on the payrolls. While we are strong in the southern space, we definitely have the vision to move to the northern, and also to the western regions.

**HRH Team:** Moving ahead is the operational highlights. Let me take you through the quick operational highlights, what we have been done so far. As a contact center, yes, we are very strong in gig workforce, which is definitely a temp workforce which we hire. What does the TEMP workforce bring to the company? One is that it helps the Companies like food tech and e-commerce section to help them and assess their tickets in the high volume, whenever there is a high volume in the festive season. So, HRH takes pride in standing a very high gig force, as high as 300. In fact, we have the history in the past to give gig workforce as about 2,000 people. We have completed, out of 2,000, we have done about a journey of 300 so far. And what they are basically doing is that they focus on the e-commerce, tourism, and food tech platform, you know, strengthening and flexibling the... this is definitely strengthening the brand, giving a lot of volume, and especially catering to the needs that the customer needs at that point of time, and handling the volume during the festive season. This has been our achievement so far. Adding to our kitty is that we have added another 200 seats, which is a massive increase in the manpower, which is definitely going to boost our revenue in the coming up quarter and towards the year-end. We are actually looking for a huge growth, and this has been catered from our food tech, our telecom, and also the fintech operations with the company.

**HRH Team:** More to say about AINA, where we have started our AINA journey, our AI journey. As we speak, we have gone live with this division. We have completed the testing period, and now we have implementing the AI in the email space, and also the call audit space. I will take you through these two services in detail, in the next slide, where it talks about what these two services are going to do about. These are the services that we clog under AINA, where we actually talk about how our AINA services is going to do. Coming first, in no particular order, though, but I would like to take you about each and every service about AINA. The reason being that each service listed over here is going to have a major impact on the consumers and major impact on the customer experience as well. And how the call center is going to shape up with the introduction of the AI division. Talking about real-time agent assist, today in the manual mode, what we do is that the agent basically remembers the scripts, remembers the FAQ, and then go on the call. But with the introduction of the real-time agent assist, the technology is going to help the associate who is talking to the customer, with understanding the sentiment of the customer, understanding how the call is being routed, whether it is a service call or whether it is a sales call. It guides the associate to what next has to be handled, what is the pulse of the customer, and how we can take the call better ahead.

**HRH Team:** Later, we have the voice bot and the chat bot, as we say that this is basically can be implemented to those queues which are very manual and repeated, where we apply a voice bot to the L1 query. Let me give you an example where we have actually implemented that. So, with one of our customers, we have applied this voice bot for the mundane and routine questions that the students will ask to the educational institution. With this, what happens is that the students get the answer at an instant rate, rather than waiting for the queue, and then, waiting for the answer or the resolution on their enrolments to the educational institution. Apart from that, we have automated call

audits, a very, very important feature for the call center and also for the brand, as a manual practice, out of 1.5 lakh transactions that we do in a call center, humanly, it is impossible to track and audit all those 1.5 lakh calls. So what we have done is that we have brought in automation. And before I continue, I would just like to say that all these services are happening in a vernacular language. It is not just happening only in Hindi and English, but any call that is being spoken either in a Malayalam or a Tamil call, we have the capability and we have the tech partner who can understand, evaluate the sentiments and audit the calls also in that particular vernacular language. So, with these 1.5 lakh calls that are being audited on the vernacular language, you can just imagine how big scope that is, and the canvas is like, too big to understand the sentiments that has happened with the customers on that particular day. Overall, it's a great insight tool which we can give it to the clients to improve the product, improve the service, and most importantly, gain the feedback from the market.

**HRH Team:** Moving ahead is the workflow automation. This can be applied to anybody, sorry, if you can go to the previous slide, please. Workflow automation, it can be applied to anybody, whether it is a client or whether it is an in-house, because this basically tells the opportunity to automate the workflows that are being going in the system, and which will help us to understand the accuracy and adoption of the SOP across the process.

**HRH Team:** So, a lot of technologies in the AI space, we are gaining complete leadership in the regional vernacular AI space. There are a lot of other tools that we are developing, co-developing. We'll take you in detail whenever, if there is any interest, but this is just the overall highlight of what we are doing in the AI space. We can move ahead.

**HRH Team:** This, coming up screen is basically talking about how the, customer experience... Can we move to the next, screen?

**HRH Team:** Yeah, so this is basically talking about how the transformation is going to be after the adoption of AI, and what is the scope of profitability in the financial impact, and how do we create a value to it? So, definitely, there will be an enhanced customer experience, and the operations is definitely going to go in two folds, whether it is in terms of voice, or whether it is in terms of chat, or whether it is in terms of accuracy.

**HRH Team:** Moving ahead, cost optimization is definitely going to reduce because we are going to have through the automation where the routine queues are being called off. Lower training attrition rate, what we take about training, which takes about 6 to 7 days, we will definitely have a shorter training. And most importantly, a very accurate and an assessment-based training. However, at the end, we will have a great financial impact and we will definitely create a value both to the brand as well as to the organization as such.

**HRH Team:** Moving ahead, these are the services which I have been talking about, about inbound, outbound, chatbots, call services, vernacular space, and definitely an omni-

channel support. Yes, we want to have a digital BPO, we want to get into the digital services through all the supports that are available in the services under AINA, as mentioned earlier.

**HRH Team:** Please go ahead.

**HRH Team:** Yes, this is a clientele and our technology partners that you can see, which is helping the brand stand tall. Again, Swiggy, oldest partner, 2016, we started with their only food delivery. Later, we got ourselves into the Instamart and Genie, so we actually cater to Swiggy through all the omni-channel support that we have. Vodafone, we have partnered with Vodafone since 2011, when they were idea cellular way back, so we have worked there, brand transformation and the company through which they became VI. Nobiro is another, an e-commerce client with whom we are being partnered with. CARS24 is with us since lockdown 2020. We have very recently got a contract of IRCTC, where we handle that complete tourism sector. mpokket is another fintech, seated at Coimbatore with a huge potential in the NBFC market, and we are really looking forward for a very great journey being associated with mpokket for almost 3 years now and the rest is the history. Bitspilani is also with us now for almost 8 years. Aha is with us for almost 5 to 6 years. So, if you see the average years of partnership that we have with the client is, standing somewhere around 5 to 6 years of their partnership with us and the technology partners that you see over here are all the pillars for making our AI division stand tall. They are helping us, some of them are either helping us in voiceboards, some are in helping us in the automation of call audits, skill development training, and also understanding the data insights and analytics building for the company.

**HRH Team:** Moving ahead, what are the industries that we serve? This is a quick look about how the financials have been affected, and the industries that we serve. These are the real-time figures that you are reading right now, and this basically tells us after having a contact center with HRHNext, what is the impact that the brand has got from us? Whether it is in terms of telecom, food tech, fintech, or edutech, so this has been the impact that we have given, through our association with the brand.

**HRH Team:** Please go ahead. The summary, the snapshot of what I have been saying so far are the demand drivers. A, we definitely talk about AI automation and adoption in the company. And how is HRH Next growing tall? It's because of the internal talent growth that we have. Yes, we are the vernacular leaders in the market. Cost efficiency, and definitely we cater to the customers 24 by 7. This is an industry overview about things, so we can move to the P&L sheet. I have Gangadhar sir with me, who is the CFO, who will take you through the P&L statement.

**HRH Team:** Alright, I would like to explain about the financials, first, profitability. In that profitability, compared with the H1FY25, there is a hike of 3 crore revenue. This is approximately increase of 11% compared with the FY25 H1 and the EBITDA gone down slightly, that is 1%. There is some expenses out there, which we build our for future, AI



wing. So, EBITDA, gone down by 1% only. I think this is negligible and comparatively PBT. PBT also reduced because of that, depreciation, very high because we bought some, servers and softwares, this cost very much for AINA development. So, because of that only, this gone down, the profitability, it will... the profitability increase in H2, because we generate income in H2 from AINA. And comparatively, last half yearly this tax part is came down. This is because of some inadmissible expenses we reduced. Because of that only, tax part came down, and our Profit after tax increased, but comparatively, last year, this is a slight marginal reduction is there. It will be covered in H2.

**HRH Team:** Next slide. Can we go to the balance sheet? No. Oh, that's fine. Okay.

**HRH Team:** Any questions for us, we'll be happy to take it.

**Finportal:** Thank you for the introduction. We will now begin the Q&A session. Participants who wish to ask a question are requested to raise their hand.

**Finportal:** We'll have the first question from Rishabh.

**Rishabh:** Hello, am I audible?

**HRH Team:** Yes, yes, Rishabh, you are audible.

**Rishabh:** Good evening. I wanted to ask about AINA AI.

**HRH Team:** Yeah, now you... can you just repeat the question? Your voice was not audible.

**Rishabh:** Okay, just... Hello, am I audible now?

**HRH Team:** No, much better, yes.

**Rishabh:** Yes, so my question was that, we are developing AINA AI, and I read somewhere that by next financial year, we are planning for 25% automation. So, I want to know, like, what effect will it have on our employee costs? Because our employee cost is about 50% of our revenue, so are we going to reduce our headcounts, or the revenue is going to increase, but the employee cost will stay the same? So I want some clarity upon that.

**HRH Team:** So, one thing is, I don't think the impact is 25%. Where did you get that figure? So, we'll have to recheck that. I mean, probably you need to take a re-look at the deck. It's available on the website. What it really says is each agent will handle 20-25% more load. It does not mean that, 25% of workforce is going to be reduced. Rishabh, your question is valid. This is a very common notion, that with the advent of AI, you know, people are going to lose jobs. But it is working absolutely in the reverse manner. We are getting more orders, more inquiries, people want human-based support. In fact,

the whole thesis of our AINA launch is that we want to augment AI services along with people. So, the AI-first strategy world over, I don't know if you've been observing some reports, there's an MIT study which says that 95% of all AI-led projects in the POC stage have failed, and that is purely because people don't study how to use and deploy AI effectively. With AINA, our mission is, build the AI engines along with people. We are empowering people to make the best use of technology, so my guess, assumption over the next 2 to 3 years also is that you will not see reduction in manpower, but probably you will see enhanced efficiencies per resource that you deploy.

**Rishabh:** Okay, sir, it would have been my mistake in understanding. Another question I had was, with regard to Swiggy. So, Swiggy has what percentage of our revenue?

**HRH Team:** Swiggy, this book, I think we will do about 40% this year, closing of this year.

**Rishabh:** Okay. And I've seen that our working capital has increased, so our credit period is increasing, year on year, is that right?

**HRH Team:** Yes, absolutely, because we are acquiring new and new clients. If you see our client roster that Supriya took you through, see, Rishab, the thing that we're trying to do is get a foothold with as many number of consumer brands as possible. You should understand that why we are doing it is because once you get a foot in the door, the deployment of AI-related tools becomes that much more easy. So, for example, if I develop some cutting-edge technology, using AINA for understanding voice, or building empathy engines, or whatever. My going to the client becomes that much more easier. I just have to make a phone call and say, why don't you try or deploy our AINA tools? So, to answer your question regarding working capital, yes, we are requiring some brands, and their credit period is slightly lengthier. But from a delinquency perspective, we have almost zero delinquencies.

**Rishabh:** Okay, thank you so much, sir. All my questions have been answered.

**HRH Team:** Thank you, Rishabh.

**Finportal:** Now we'll have the second question from Mr. Sahil.

**HRH Team:** Sahil, you're on mute.

**Sahil Agarwal:** Hello, am I audible?

**HRH Team:** Yes, you are audible.

**Sahil Agarwal:** Yeah, good afternoon, everyone. My first question is what is your real competitive mode? You have built a position in vertical languages across 11 plus Indian languages. I get this is a differentiator. But why can't concentrix or Tele performance



can't hire locally and trained people to do the same, like, within 12 to 24 months? What methodology, training system, or data do we actually have that is defensible? This is my first question, sir.

**HRH Team:** Yeah. So, Sahil, pretty simple. I mean, if they wanted to do it, they would have already done it. But our simple moat in this field is, see, if you look at the geographic distribution of centers, right? Now, we have a very clear-cut strategy, one particular language that we go to, we have, we take a center in one of the main metros, right? For example, just take a look at Karnataka. Our headquartered, I mean, the Karnataka headquarters is Bangalore, but we also go to a place called Tumkur, which is a Tier 2. Okay. This is to balance both cost attrition, and overall capacity building. The same way, you know, in Telangana, we are in Hyderabad, but we're also in Warangal and Nizamabad. The same way in, let's say, for Tamil and Malayalam, we have a huge center in Coimbatore, but we're also present in Palakkad, which is in Kerala, but where we are able to get, manpower from both these locations. So, the mode really is our extremely strong tie-ups with the fraternity, which includes colleges, government colleges, institutes, and, vernacular training centers and skill development centers. Now, the other factor that I want to say is, we are sort of, like, becoming the vendors of choice, we have already become something like that, because of our ability and agility. For large players like Concentrix, they cannot operate at under let's say, 1000ft per single location.

**Sahil Agarwal:** Okay, understood, understood. So, yes, I got it. And second, my question is, like, whether your competitors are, like, actually, like, launch some competing vernacular services in your market. Basically, whether they have some planning to do this or not? And if yes, what's happened to the pricing and client retention?

**HRH Team:** So, Sahil, let me tell you about, you know, the vernacular space. There's a bit of a technology involved, and that is why we have a pure advantage there. Now, just think about 20 years of history and also think about what Supriya told you that we handle close to 1.5 lakh transactions on an everyday basis, okay? Now, that is huge data. So, all our AI engines are built on our own data, which has been mastered over, you know, let's say two decades of time such a huge set of data in terms of vernacular, is rarely available, and that also, is our mode, because ultimately, when we start monetizing, this will change the game. This will completely change the game. The other technical bit that I want to tell you, is that if you've been following, you know, the AI space and the LLM space most of the conversations, anybody who's building a local bot in, let's say, Telugu, Hindi, Malayalam, whatever, they are obviously using a large language model, like let's say an OpenAI or a Gemini, right? But what happens in that particular case is all these models are trained on the entire World Wide Web, which is largely English-driven. So even your Tamil Malayalam call, when it is getting converted through a bot, it is done by converting first into English. So that, somewhere the nuance is totally lost, because, what you talk and what the bot, what the large language model is converting is not very accurate. What we are essentially doing here is converting not

just, you know, we actually don't use any large language models, to be honest. I mean, sometimes we do, but our core competency is to work and develop models based on existing vernacular local conversations which we have mastered over years. So our engines are obviously going to be much more superior, much more contextual than any other competitor.

**Sahil Agarwal:** Okay, sir. Got it. Thank you for answering the question, sir.

**Finportal:** Now we have next question from Neel Chopra.

**Neel Chopra:** Hello, am I audible?

**HRH Team:** Yes, Neel, hi, you are.

**Neel Chopra:** Thanks for the opportunity, and congratulations for a great number, sir. My first question was that you had plans to expand in West and North India, including a new Hindi language center so, what's the capex of the center? When can it become profitable? And what will be the revenue potential once it becomes steady?

**HRH Team:** Yeah, so, we are evaluating which city to actually go to. Our usual, you know, center size is about what makes sense for us is about, close to 300FT. From a 300 FT, usually, what we target is at least about a crore of revenue per month. And, The capex involved usually is, basically, Either we build our first model is if we get, you know, a nice property, usually we try to make it on our own, but in case there are opportunities to go to the market faster, we take a built-in space. That affects the profitability a little bit, but we are okay if we really get a very nice setup at the price points that we want. In that case, if we are doing it, look, I think the turnaround time for a center is roughly about 3 months to become fully operational. And from the 8th or 9th month, you know, once it is fully operational, we start earning money on that.

**Neel Chopra:** Okay, and who are the major competitors in North side?

**HRH Team:** That's a great question, Neel. I think the information is completely available to you. In fact, you asked a very great question today. Maybe you should spend some time and try to see what is happening in the listed space where BPOs are there, and how, our price is there, and our figures are performing. You'll get answers there. I think this is a great opportunity for all of you to partner with us. Take a look at some of those figures that are being put upon the exchanges from all perspectives, from a revenue perspective, from EBITDA margins, from PAT margins, and compared to the multiple that we are getting, I think, you know, this is a great bet.

**Neel Chopra:** And you also tends to expand in the Middle East, so, at which level are, you know, discussions? Have you signed any agreements or LOIs? And what are the regulatory and compliance requirements to operate in UAE or Saudi Arabia?

**HRH Team:** Neel, nothing right now, we are still talking. I think the route that we will now take, definitely, is from the AI route. Once, see, last, 6 to 9 months, the entire, you know, let's say from one year, the entire game has changed. AI has taken a lot of precedence. So, our model, as we go along, will be that, so now AI technologies are language agnostic, you know, region agnostic. We will make, I mean, we've already started our social engines, our IR engines, and PR engines to try to push our AI products and services. So, largely, we will remain here, but when the opportunity comes, I think I'm sure we will go there. No concrete steps have been taken to establish an overseas office as of yet.

**Neel Chopra:** Can we expect revenues from FY27 or 28, it's whatsoever.

**HRH Team:** FY27, 100%, definitely.

**Neel Chopra:** And What percentage of revenue was from the existing clients in this half, and what percentage was from new clients?

**HRH Team:** You're talking about growth, or, what are you talking about?

**Neel Chopra:** Percentage of revenue from existing clients, and percentage of revenue from new clients.

**Neel Chopra:** Like, I have IRCTC.

**HRH Team:** Right. I think that's a forward-looking statement, so, I can just give you an approximate. Our existing clients are, you know, will continue to keep growing. From a projection perspective, over the next 3 years, or next year at least, we expect, you know, this revenue to remain stable. In fact, we are expecting this to grow by another 25-30% easily. The next set of revenue will obviously come from monetization of our AI tools.

**Neel Chopra:** No, sir, my question was basically what percentage of revenue is coming from existing plants, like Swiggy, Vendura, and then, all those. And what new percentage was from IRCTC and all the new plans which have been added?

**HRH Team:** Okay, okay, so good. So, from the existing, IRCTC is also now almost 1 year old. So, we started, full-blown production for IRCTC in February. By February and March, I think we were almost 100% operational. So, the revenue split is 40% will come from Swiggy, and the top 6 to 7 clients will get you at least 90% revenue. That includes Cars24, Meesho, Vi. Does that answer your question? Yeah, I think.

**Neel Chopra:** Yeah, yeah, sir, thanks for answering the questions. Now I will join back the queue.

**Finportal:** Now, next question we'll have from Disha.

**Disha C:** Hello.

**HRH Team:** Yeah, hi, Disha.

**Disha C:** Yeah, am I audible, sir?

**HRH Team:** Yes, you are. Thank you.

**Disha C:** Yes, thank you so much for the opportunity. So, just a couple of questions. We saw the EBITDA margin expanded to around 18% for this year compared to like 9% the second half. So what sort of led to this margin expansion, and what sort of like steady-state EBITDA margins we foresee?

**HRH Team:** The margin expansion probably has happened because you know, up till last year, one of our largest clients we were not fully 100%, the capacity was not occupied 100%. I think now we're in a steady state where most of the clients that we have signed up, we are at almost 100% capacity for all these clients. From a margin perspective, you can expect once we realize the full potential of the AI tools. These EBITDA margins will certainly keep growing up because in that space, the AI space, obviously we are not going for a very-thin margins like a traditional contact center but we are keeping substantial margin because a lot of this tech requires a lot of investments not just from a capital perspective but also from a development cost perspective and things keep changing. So, you will see the full-blown effect of AINA's revenues in H2. I think you will start seeing some of it come in, but 2027 I'm pretty sure that a lot of it will start pouring in from AINA which would substantially improve the margins.

**Disha C:** Yeah, so you partially answered what I was gonna ask next, so the cost savings that we were expecting from the AINA, because we're gonna leverage that, so that'll lead to... so any number you'd like to put, like, how... from, like, this base, 18%, how much expansion, like, 2%- 3%, what sort of... if you can just put any number.

**HRH Team:** See very conservatively in the financial documents, we have kept 2-3% improvement in EBITDA margins but I'm pretty sure that once these large clients start deploying these tools that margin's gonna expand. So currently Disha, we are still not just us, but the entire industry is in a POC stage as far as AI tools are concerned. Some of them are trying out, some of them are successful, a lot of them are failing etc. So still, from a very large industry perspective, AI tools are sort of in a POC stage. We will actually see the growth or result in EBITDA & PAT margins as we keep going along. It is anybody's guess, but I'm pretty sure that when large clients start deploying at a very large level, right, you will see those margins improve substantially. And your question is actually very right. We are probably one of the only listed services entity with an AI focus, and that itself promises a huge potential.

**Disha C:** Yeah, makes sense. So, on a conservative basis, 2-3% is what we can expect, and obviously it's going to improve as the deployment is faster.

**HRH Team:** Yes.

**Disha C:** Yeah, and so, just to clarify, you mentioned that we're expecting 25-30% growth in H2 over H1? Is that right?

**HRH Team:** No, we cannot make that statement at all, and that is not true. That is not, we cannot make that.

**Disha C:** You mentioned something, so what was that growth? Can you just clarify?

**HRH Team:** Yeah, I just want to clarify that 25-30% that you saw is basically, throughput per agent improvement, not in terms of financial metrics.

**Disha C:** Oh, okay, alright, alright, yeah.

**HRH Team:** Yeah.

**Disha C:** Thank you, that'll be it from my side.

**HRH Team:** Right, thank you.

**Finportal:** We'll have to have a question from Rishabh.

**Rishabh:** I had another question.

**HRH Team:** You got it, sir.

**Rishabh:** I wanted to know about the risk factor associated with Swiggy because as you said, Swiggy is 40% of our revenue. So, as we know, these, cash-burning companies, if they tomorrow decided that they want to increase their profitability, and they start, consolidating their vendors, and they, probably, let's say they create their own AI, Then what is the risk? I mean, what's your opinion on this?

**HRH Team:** Yeah great question Rishabh. Actually, if you've been observing the books over a substantial period of time. Swiggy was very high at a certain stage, but now we're at a steady state of 40% roughly. The reason why, so, to answer your question in 2-3 bits, the reason why Swiggy, I mean, the volumes that we are getting now, this is post-automation. The automation potential has been already realized. That is why, you know, our centers are now so geographically divided, it is very difficult for them to kind of consolidate that. It's not that they will not have tried. I mean we've been there from 2016 onwards. But we are very well placed, Rishabh, for two particular reasons. One is, we don't handle only one particular process, right? If it was one particular process, the risk would have been higher. We handle multiple processes across multiple stakeholders, across multiple platforms. So, for example, Swiggy, the Instamart space, the food delivery space, the Genie space, all of them are totally independent run by separate

business and SDU units. And they have already realized much of their targets in terms of automation. The volumes that we are getting are post-automation and in fact, the other flip question that you should ask is how much more can you work with them? So I think that answers your question, Rishabh.

**Rishabh:** Yes sir, got it, thank you.

**HRH Team:** Yeah, Rishabh, so, Rahul is just mentioning that, yeah, go ahead.

**HRH Team:** Hi, Rishabh, so, Swiggy also, in their consolidation phase, they had close to 11 to 12 partners and they've got down to 6 to 7 partners and we are one of their premium partners because we cater to their majors in South Indian languages which is not being handled by any other partner. So their dependency on us is also very high.

**Rishabh:** Then does Zomato also, I mean, avails any such services from some of your competitors?

**HRH Team:** Yes. Yes.

**Rishabh:** Okay, sir. Thank you.

**Finportal:** So now we have questions in Q&A tab, you can just, read it.

**HRH Team:** Yeah, yeah, going through.

**Finportal:** So, we have a question in Q&A tab from Rushil Parikh, that is, there is a considerable decrease in receivables compared to previous H1, previous half year. So you can just answer this question.

**HRH Team:** The collection fee period from employee, the clients is increased because some new clients added and some discounting also reduced. Because of that only, some increase to 45 days to 60 days. Because of that only, it is showing like that but it will be settled within a short period.

**Finportal:** Okay, understood. Sir, we, we have a follow-up question from Rushil that is, is there a reason why the short-term loans and advances have increased this much?

**HRH Team:** Short-term loans and advances. Yeah so, Rushil, there are requirements because the capex requirements for the new clients, as well as deployments for AI technologies, we don't want to lose out on that race. I don't know, we cannot make a forward statement here, but obviously, you know, the potential that we wish to realize from AI, and the new clients, we don't want to lose out.

**Finportal:** Sir, there is also one follow-up question from Rushil. How much revenue are you planning to generate from the investment you spent now?



**HRH Team:** How much of revenue we're planning will we want to generate as much as possible. Rushil, the thing about the AI technologies is that, you know, unlike traditional, the overall business once you set up a center, the potential is the maximum billing that you can expect from a particular seat. But from AI, once you develop these tools, you don't have to develop it all over again. The key advantage for us is that we have access to these amazing clients where deployment and acceptability of AI tools becomes that much more easy.

**Finportal:** Okay, sir. Sir, we have another follow-up question from Ms. Disha.

**HRH Team:** How are you planning to monetize the AI tool, AINA? Well, pretty simple unlike just like any other model. So, AI tools are deployed on for a particular client. The billing models, if you're asking about the billing model it is on a per-minute basis.

**HRH Team:** We don't work on any other model. In the BPO space also, we work on a very stable fixed cost, or fixed cost model, which we call it FT pricing. In AINA also the moderation solution is pretty simple. We just have to sell minutes. It's like a telecom, service. We will keep billing as per minutes consumed.

**Finportal:** Now we'll take the question from Disha.

**Disha C:** Thank you so much for the opportunity again. Just one more question that, in the pipeline how do we see, like, how many logos are we planning to add this year, and any big customers that we're in talks with currently?

**HRH Team:** We have been talks with many customers the lead time for traditional BPO is almost about 3 to 4 months. You understand that it takes time for negotiations because when Supriya was explaining, once a large client enters into contracts especially in this space, the longevity is pretty high. You are seeing, you know, the tenure of minimum 5 to 6 years. So large clients of course, they are in pipeline but to answer your other question, I think with the AI tools coming in, the logo acquisitions becomes that much more easy because shorter lead times. We don't have to really develop infrastructure, etc. You'll also see, a lot of inquiries coming in from New Age Consumer Brands. In the BPO space, we always go for a very safe model, which is large entities, right? Because we want to be assured of revenue, we don't want any bad debts, we don't want any delinquencies, etc. So if you see the logo list, they are your... You know, these are brands which are everyday names, like a Swiggy, like a Curl-On, like a Bits, or whatever. These are, you know, very, very popular consumer-facing brands. That is because we've also been quite choosy, right? We just don't want to do anything where we feel that, you know, after 6 months, this flag's gonna run away, and the expectations are somewhat unreasonable. See, a lot of other players also take up contracts which are paper performance, you know? They will say, yeah, you, you know, distribute these products for me, you do telemarketing, and you do sales. We don't do any of that, because that is not the way our business model is. Our business model is pretty stable revenue. Yes, we will grow at that steady state of 20-25%. We're not looking at whatever from the

traditional BPO space. But, logo acquisitions are going to come, at a much faster rate with AI.

**Disha C:** Yeah and also the stickiness, how do you see, because with AI integrating, what is your take on that on the contract longevity and customer stickiness?

**HRH Team:** That's an uncharted territory currently, Disha. But largely, if you take a look, our AI tools that we are developing currently, we want to deploy it for our existing clients. As and when you will see a rebranded, website going forward, I think in the next one month, you will see that we are going to talk only AI first. Okay? From there, if you're getting logo acquisitions, we don't mind it. I mean, stickiness is fine as long as the clients are paying us and the clients are happy with the results. I don't think they will want to move, because with AI also, you can't really jump from one service provider to the other. There are deep-rooted tech-enabling, tech engagements and tech installations that we have to do. It's not very easy that you move from one voice bot to another, because the machine keeps learning, so you can't just take it from one place and park it to other. So, the moment we start acquiring more logos, I'm pretty confident that stickiness is going to be there. And we are not just talking about one service here, right? We have a bouquet of AI services to offer them. And that is why, when Supriya was talking about the 10 services, it is not just 10, there is so much that you can do in the AI space.

**Disha C:** Yeah, yeah, that's what I wanted to, because it's gonna be a large suite of products, so, like, it'll be very difficult for customers to switch.

**HRH Team:** Yeah and you're asking some very pertinent questions. I think the entire terminology and the way we are talking about our brand is going to completely change. We are now an AI-first entity, we are no longer just a BPO. In fact, now we have become system integrators. So, when we talk to a particular brand. We are not just talking about how many people you want to deploy for your contact center operations. We are saying, where can we now suggest, Right? From digital marketing to PR to data annotations to data analytics to voice bots, etc. I think voice bots is at the end of the entire value chain. We want to now go even further into their journey, and ride the wave with them. So once the brands will start associating with us, they will want to take not just one service, but many parts of the services that we are offering.

**Disha C:** Right, right. And so, just the last question. So, the minimum contract size that we have with clients, you mentioned around 5 to 6 years, right?

**HRH Team:** Traditionally, we sign for a 2-year contract, okay? Contracts are signed for two years, but clients stay for a long time.

**Disha C:** Yeah, so they keep on renewing it, yeah.

**HRH Team:** Yes. In fact, our attrition rate for clients is very low. I mean, unless the client themselves are in some sort of... I mean, their business model changes completely, usually they don't leave.

**Disha C:** Okay, alright. That's it from my side. Thank you so much.

**HRH Team:** Thank you.

**Finportal:** We have another question in the Q&A tab that is from Gursidak Singh. Expected revenue contribution from two new call centers using IPO proceeds.

**HRH Team:** IPO proceeds it's 2024 we did the IPO. So, is he talking about two new call centers?

**HRH Team:** Yeah, so, as I was mentioning per calls, I mean, we usually deploy at least 300 workstations for a center. Right? And, we target close to 1 crore revenue from each center. That's bubble. what revenue on 31st March 2026 will look like. Are we supposed to answer that?

**HRH Team:** Can we answer that? The only thing that we can, we can say is, you have seen the, H1 results, okay? I can tell you that H2 results will be substantially better than each one. We can say that we are definitely going to beat last year's figures by a good range of anywhere between 20-25%.

**Finportal:** Do any other participants have any questions? Kindly raise their hand. So we have a follow-up question in Q&A from Rushil that is, can you let us know the exact reason for increasing the authorized share capital?

**HRH Team:** This is, keeping in mind, the requirements, we are preparing, definitely, for, 2027, when we become eligible for the main board and, all our preparations are keeping in line with the requirements there. If there is also, there could be a possibility that, the company may seek to go to the markets further for any possible, acquisition opportunities for growth in AINA.

**Finportal:** Okay, do we have any other questions? Please raise your hands.

**Finportal:** Okay then. Thank you for such an engaging session. I now invite the management to share their closing remarks.

**HRH Team:** Thank you everyone for taking out time to listen to HRH's journey. From what Supriya and my team have shared, we are one of the largest and most diverse in terms of languages for the consumers in the contact center space and we want to definitely leverage our experience over the past 18-19 years and make AINA the next big thing in the AI space as far as, regional language Indian languages are concerned.



*8<sup>th</sup> December, 2025*

**HRH Team:** So, thank you again and hope to see you soon. Thank you.

**Finportal:** On behalf of HRH Next Services Limited, thank you for joining the Today's call. You may now disconnect.

**HRH Team:** Thank you.