Tracxn Technologies Limited

Q2 FY27 - Earnings Conference Call

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Management:
Ms. Neha Singh, Chairperson and Managing Director
Mr. Abhishek Goyal, Executive Director
Mr. Prashant Chandra, Chief Financial Officer

Host and Moderator:
Mr. Sidharth Agrawal and Mr. Ashis Dash, Systematix Shares and Stocks (India) Ltd

Moderator
Good evening, ladies and gentlemen. Thanks for joining us today on the second-quarter FY27 earnings call of Tracxn Technologies Limited. First of all, I would like to extend our warmest wishes to all of you and your families for a very happy, safe and prosperous Diwali. On behalf of Systematix, Sidharth Agrawal and Ashis Dash would like to thank the management of Tracxn for giving us the opportunity to host this earnings call. Today on the call we have with us Ms. Neha Singh, co-founder, chairperson and managing director; Mr. Abhishek Goyal, co-founder, vice chairman and executive director; and Mr. Prashant Chandra, chief financial officer. I would now like to hand over the call to Neha to give her opening remarks and take us through the PPT, after which we will open it up for Q&A. Please use the raise-hand option to ask a question, or you can submit your questions in the Q&A box at the bottom of your screen. Thanks, and with that, over to you, Neha.

Neha
Thanks a lot, Sidharth. Hello everyone, and a very warm welcome to everyone joining us today. We're here for the earnings call for the second quarter of financial year FY27.

We're excited to present our results. In terms of format, it will be similar to previous calls: a short presentation covering the key highlights - about 15 to 20 minutes - followed by a Q&A session.

A quick recap of our business for those joining us for the first time: Tracxn is a data and software platform for the private markets. If you look at the parallel public markets, they have created multiple large data companies, many of them highly profitable and cash-rich. As private markets become larger and more important, they will also create similar platforms, and we are building a global platform in this space.

Our customer base includes the investment industry - venture capital funds, private equity funds and investment banks - as well as the M&A and innovation teams of large Fortune 500 corporations. It's also a global platform: nearly half of our revenue is international, and we have customers in over 50 countries.

I'll begin by summarising the financial performance for Q2 and H1 FY27. Revenue from operations in Q2 was 21.3 crore, a 1.1% increase on a QoQ basis. On profitability, EBITDA was negative 5.9 crore and PAT was negative 4.1 crore. Please note this also includes non-cash expenses, primarily the ESOP charge, and we'll cover the adjusted view on the next slide. Deferred revenue at the end of Q2 FY27 was 38.1 crore, a 9% year-on-year increase.

By segment, India revenue grew 6.9% on a QoQ basis, and international stood at 10 crore. Customer accounts grew by 13% to 2,419. Cash and cash equivalents stood at a healthy level of nearly 86 crore. On this slide we've provided more detailed as well as historical numbers for revenue and profitability, which you can go through for more details.

Another metric we like to share is what portion of incremental revenue flows into the bottom line. In Q2 we did not see margin expansion because we are investing in growth. But historically, as

soon as growth accelerates, margins improve quickly - we have converted as high as 80% of incremental revenue into incremental EBITDA. So once growth accelerates, we expect this pattern to repeat, driving non-linear EBITDA expansion.

On the cost side, total expense for H1 FY27 was 52.7 crore. On the right-hand side we've given the key components, which are similar to what we've seen in previous quarters. The bulk of the cost - about 86% of total cost - is team cost, and our entire team is in-house; there is no outsourced or contract workforce. The second-largest item is cloud hosting cost, driven by the data processing and analytics work that we do, and the third is rent. A point worth noting is that we do not have a large paid-marketing expense line item, because we are able to use a lot of our data to generate organic traffic.

Moving to volume growth: both customer accounts and users continue to grow at a healthy pace. We closed September 2026 at 2,419 accounts, a 13% year-on-year increase. The number of users reached 6,854, a 16% year-on-year increase. So we continue to acquire customers as well as penetrate within existing accounts.

Moving to some of the other financial metrics: FCF for H1 FY27 was negative 6.1 crore, and cash and cash equivalents stood at nearly 86 crore. Deferred revenue stood at 38.1 crore at the end of Q2, up 9% year-on-year.

Moving to more detail on the customer base, starting with the split by type. At the end of Q2, 49% of our accounts were from the investment industry - primarily private-market investors such as venture capital funds, private equity funds, investment banks, family offices, accelerators and incubators. 45% were corporates - primarily corporate development, M&A, innovation, strategy and sales teams, as well as consulting companies. The remainder were others, such as educational institutes and government agencies. So we continue to have a fairly healthy spread across the investment industry and corporates.

This slide gives an expanded summary of the titles within the investment ecosystem and the corporates that we work with. This gives us a large addressable market to tap into. As you can see, we cut across a dozen distinct customer segments, which is why we have been able to build a specialised vertical team for each. This is a playbook we invest in, and we'll cover it in the subsequent slides.

In terms of geographical split, 48% of H1 FY27 revenue was from outside India. We have customers spanning over 50 countries, and our top five markets by customer accounts are India, US, UK, Singapore and Germany.

A quick word on the broader market environment. Total dollars invested in the private markets are rising - global tech funding for 2026 is on track to become the highest in the decade, driven primarily by mega AI rounds. Deal volume, however, is at a 10-year low, both in India and internationally. Global late-stage funding also continues to see a year-on-year increase. On global M&A, the rebound is much stronger: 2026 continues with very good momentum, and the current run-rate suggests this year could become the second-highest year after the 2021 peak, both in terms of global M&A deal value and IB advisory fees.

Moving on from the financials, I'd like to walk through some of the key highlights from Q2 FY27 and some of the interesting growth initiatives we are working on, starting with a very repeatable playbook that is working well for us.

I'll start with India revenue overall. India now accounts for over half of our revenue, and we have steadily accelerated our growth rate there over the last two years - on a QoQ basis, you can see the acceleration. This quarter, Q2, India grew nearly 7% on a QoQ basis, which is an annualised run-rate of 30%. So this is a fairly good trajectory. One of the key drivers of this steadily increasing growth is the investment we've made in data and sales across our vertical teams, through a growth playbook that we've implemented across these verticals.

Coming to what this playbook is - we talked briefly about it last quarter. It's a very predictable and repeatable three-phase growth playbook, and we cater to about two dozen customer segments. In phase one, we launch a specialised BU team aligned to a particular customer segment. This phase typically takes about two quarters, and we see a roughly 50% increase in the pace of new customer acquisition, just because of the focused team behind that segment. In phase two, we use what we learn from these vertical sales teams to make our data and product best-in-class for that segment - filling in the small gaps we see for that particular segment. This typically takes three to four quarters, and we see a very notable increase in win rates as soon as this starts happening. Phase three is the scale-up phase: once we have improved win rates, we scale the sales team, typically to about four times its initial size. This drives a very marked increase in the segment's growth rate as well as market share - typically we are able to acquire about 1-2% incremental market share every month.

To show this in action: we have seen this play out in a few verticals now, and a good case study is the investment banks vertical. When we launched the vertical team, new customer acquisition picked up almost immediately. Subsequently, in phase two, we closed the gaps by making our offering best-in-class for bankers. We launched Live Deals so that bankers can source M&A- and fundraise-ready companies; we enriched our investor database to support their outreach; and we expanded our coverage of private-company financials, which is now the best in the market for India as well as globally. As a result, win rates improved substantially and new customer acquisition grew to around 20 a month - nearly double what it was at the start.

We are now in phase three in this BU, where we are scaling the sales team and driving upgrades within existing customers as well as new customer acquisition, and we have gained around 1% incremental market share every month for the last 12 months. If you look at the last quarter, Q2, this segment's revenue grew 11% on a QoQ basis - an annualised run-rate of well over 40%, up from the roughly 20% growth rate we saw last financial year. As the new sales team becomes more productive, we expect this growth to accelerate further.

So this is a good case study, and there are a few verticals in which this has played out. It's the same playbook we are applying across the BUs, and as you can see from the slide, the different vertical teams are in different phases. Most of the growth you've seen in India in the previous quarters is actually from just the two BUs that are in the scale-up phase. As more business units move into the scale-up phase in the upcoming quarters, we expect our overall growth rates to improve meaningfully.

We are now applying the same playbook to international geographies. In India, we invested in sales and data across the last two to three years, those investments started to show results within a few quarters, and India is now growing, as mentioned, at an annualised run-rate of nearly 30%. Internationally, we are following the same strategy, at an earlier stage. We are making similar investments in data and sales across the international business units, we are already seeing early signs from some of the units, and we expect these investments to start showing up in our international growth rates in the coming quarters.

These investments have also led to a one-time cost step-up. Once they are in place - which we expect within the next one to two quarters - we expect subsequent cost growth to return to our historical levels, which have been in the low single digits. Taken together, this also puts us back on a path to profitability.

Moving on to the next initiative - scaling our sales team. One of the initiatives we talked about earlier is scaling our GTM teams, primarily sales. As you can see, our GTM team has grown both in absolute size and as a share of overall headcount. Sales and marketing today account for nearly 30% of total headcount, up from 25% in the same quarter last year - a meaningful shift towards sales-led growth.

We had mentioned earlier that we are scaling our sales team to accelerate growth across the vertical business units. We set out at the beginning of the year with a plan to nearly double our closing-sales team, from 34 at the beginning of 2026 to around 60 by the end of December this year. This covers both India and international markets, with our India-based teams also selling to international geographies. We are pleased to share that we completed most of this expansion as of September 2026 - we have onboarded nearly 56 of the 60 planned closing-sales team members. As these team members ramp up and become more productive, we expect this expansion to drive meaningful growth in new customer acquisition.

Moving on to the next initiative - exponentially increasing our datasets and coverage. As we discussed, data augmentation is one of the key things we do in phase two to increase win rates. At the India level, several initiatives are underway beyond private-company financials, where we are best-in-class in India for investment banks. We also introduced a proprietary industry taxonomy covering nearly 3 million legal entities, to enable deeper sector-wise benchmarking. Another bucket of requests, primarily from venture capital funds, was deeper founder-signal coverage for early-stage investors. For this, we launched a feed of companies founded by alumni of top colleges and top companies, and by serial entrepreneurs, as this is becoming an increasingly important segment for early-stage investors to track. We've also expanded our coverage of cap tables and shareholding of private companies by more than five times, taking it to near-complete. These dataset launches contributed to the growth acceleration we saw in previous quarters, and we expect this trend to continue, because a lot of them have been added recently.

On the international front, we have launched several datasets over the past months. One that recently went live is our coverage of stealth companies - something clients had been consistently asking for, to source early-stage deals before their public launch - and this is already showing good early results. We have launched Talent Signals, which highlights founders

from top colleges, top companies and serial founders. For investment banks, we have launched estimated revenues for private companies and valuations of historical M&A deals - both among the most requested datasets for the investment-banking segment. We have also expanded our coverage of headcount data and growth trends, which now spans more than 3.4 million entities. In the UK, we have expanded our coverage of private-company financials to 5.2 million entities - about 16x since March 2025 - taking it to near-complete coverage. We expect these launches to have a meaningful impact on international growth rates as well.

Our coverage of regulatory data on private companies across geographies continues to expand rapidly. Starting with private-company financials: here we have grown our coverage nearly 11x, and we now have 3.1 million companies with revenue data and 7.5 million companies with detailed financials across 20-plus countries. Next is cap tables, which investors use to track shareholding, valuation and share-price data for private companies. Here we have grown our coverage 5x over the last nine months, and we now track more than 1.8 million companies with shareholding patterns across over 15 countries. We cover 66 million legal entities across the US, UK, Japan, India, Australia and many other countries, and we keep adding more regulatory datasets on these legal entities, including financials, loans and charges data, legal cases, cross-directorships and so on. This also helps us deepen our penetration across customer segments.

Just a point to note here: we've added all these datasets without significantly increasing our headcount in data production, thanks to the automation and AI we've built into our data infrastructure. This helps us scale very efficiently.

Beyond the business units we talked about earlier, such as investment banking, we've also launched specialised teams, or verticals, in several other customer segments, where we continue to see good results. We've listed some of them here, and you can go through them in more detail. To give you the gist: corporate sales, for instance, serves the sales teams of large corporates for business-development use cases, and in this segment India revenue grew nearly 23% year-on-year in Q2. M&A is another vertical that is doing well for us. These are just a few of the live verticals we have. To summarise, the vertical-team playbook continues to do well for us, and as more BUs reach their scale-up phase, we expect a meaningful lift in overall growth rates across India and international.

Moving to the next initiative - AI-native access to Tracxn data. This is another key initiative: enabling Tracxn data within AI-native workflows. Here we have launched three things. The first is the Tracxn MCP for AI tools. The Tracxn MCP is now listed on the Claude and ChatGPT marketplaces, and it also works with tools like Gemini and Cursor; we've also enabled faster responses and lower token consumption. What that means is that all our paid customers can now access reliable, real-time company intelligence from Tracxn's proprietary database directly within Claude and their other AI workflows.

The second thing we've launched is an AI Assistant on the Tracxn platform itself, which lets users query Tracxn data in plain English. The assistant handles data querying as well as more complex tasks, right from the platform. The third is that we are working on agentic workflows that combine investors' in-house data with Tracxn data to address the most common use cases

investors have. These are ready-to-use agents for the tasks investors do most frequently - deal diligence, competition benchmarking, sector landscaping, building a scouting list and many more - and they can be customised to a fund's internal processes and templates. Together, these will make our data significantly more accessible inside customers' AI-native workflows, help us embed more deeply in customer workflows, and we expect this to become a meaningful revenue segment for us.

Moving on to some of the other initiatives for PLG and customer acquisition. First, organic search traffic: we continue to see high and increasing volumes, with over 17 million visits during the first half of the year, and the current run-rate is nearly 30 million. Second is Tracxn Lite: we have now crossed around 350,000 user sign-ups since launch. Another growth initiative is press coverage: in H1 FY27 we had over 2,100 press mentions, and mentions grew 30% on a QoQ basis. It's a very large number, and it helps us strengthen our brand as a trusted data source and convert more sales.

To summarise, our key growth areas are as follows. First, India growth is accelerating. India now accounts for more than half of our overall revenue, and growth there has accelerated to a nearly 30% annualised run-rate based on this quarter's QoQ growth. We are now applying the same playbook to the international business units.

Second, we have built a very repeatable three-phase playbook that lifts both growth and market share within each segment. This is already proven in a couple of segments like investment banks India, which is now growing at nearly 50% annualised run-rate. We are now applying it to a dozen other live business units in India as well as internationally, and as more of these business units reach their scale-up phase, we expect a meaningful improvement in our overall growth.

Third, on the sales front, we had planned at the beginning of the year to nearly double our sales capacity, and we have already completed most of this expansion. We grew the closing-sales team from nearly 34 at the beginning of the year to 56 now, and we'll end up slightly over 60 by the end of December. This helps increase our pace of new customer acquisition.

On the data front, we continue to strengthen our data lead and become best-in-class in the prioritised segments. In India, for instance, we are best-in-class in private-company financials, and we have recently added many more datasets. On the international front, we have launched several other datasets, like coverage of stealth companies, early-stage founders and Talent Signals, and many more launches are in the pipeline over the upcoming months.

Another initiative is AI-native access to Tracxn data, which includes MCP connectors, the in-platform AI Assistant, and partnerships with AI-native platforms.

In terms of profitability, we have taken a one-time cost step-up to fund some of these investments. Once this is complete, we expect cost growth to return to low single digits.

Overall, we have a strong set of growth initiatives in place, and we expect financial year FY27 to start showing the impact of these investments, both in terms of improved growth rates and expanded market share across our key segments.

This covers most of the key updates for the recent period. In the subsequent slides we have also included additional KPIs and detailed financials - please feel free to go through them in more detail. With that, I'll pause and pass it back to Ashis for the Q&A session.

Moderator
Thank you, Neha. We will now start the Q&A session. Participants can raise their hands or write down their questions in the Q&A box at the bottom of your screen. Once we call out your name, you can unmute yourself and ask your question. We'll wait for a minute. Okay, we have the first question from Sanjay Sood. Sanjay, would you like to unmute yourself and ask your question?

Sanjay
My first question is that you have taken very good initiatives for universities, and you have very strong growth there as well. In terms of value, what percentage is it of total revenue?

Neha
Thanks, Sanjay, for that question. The universities segment would be a single-digit percentage for us. There are a lot of other segments that are also growing well for us, including, for instance, the investment-banking segment. In fact, even VC, which was slower until probably two quarters back - we added some datasets for this segment, and now that is also a segment that is growing well for us. There are other segments as well: corporate sales, for instance, is growing well for us at more than 20% year-on-year, and M&A is starting to grow. There are other, more sizeable segments, which we've shown are in the scale-up phase, which is where we are also investing in some of the datasets we mentioned. Hopefully that answers the question, Sanjay.

Sanjay
No, actually, in terms of revenue - if we can get some firm idea. Suppose X is the total revenue and this is showing strong growth; in terms of value, what is it?

Neha
You mean universities specifically?

Sanjay
Yes, yes.

Neha
Talking about universities as a business unit - it's actually a very good strategic business unit for us. In terms of revenue, it's probably only a single-digit percentage, but it is also a great marketing funnel for us. To give you an example, even in our B-schools, we got introduced to a lot of the public-market data platforms back when we were there. Similarly, when we work with a lot of top universities, many of the students who enter the investment-banking, private-equity or venture-capital segments are graduates of these institutes. We've also been able to acquire customers who first used Tracxn as students at their university. Today, we are glad to have most of the top IIMs as customers; Stanford has been a customer, and a lot of other top universities have been customers. So, in addition to being a revenue segment, it's also a great funnel for us.

I think we can go to the next question.

Moderator
Sure. Our next question comes from Abdul. Abdul, you can unmute yourself and ask your question.

Abdul
Hello, good afternoon.

Neha
Hi, Abdul.

Abdul
My question is this: I have noticed that since 2023 revenues have been flat, at around 20 crore per quarter. So what is your plan to increase this? That's the first question. The second is that customer accounts have been increasing, but that is not translating into revenue. Could you shed some light on that?

Neha
Sure - thanks, Abdul, for that question. To take the first one: as we've mentioned, and as we also share data on, venture capital used to be our largest segment, and that segment had a slowdown in deal activity. Even today, deal activity in terms of the number of transactions happening is at a 10-year low, both in India and globally. So what we had to do was change our customer mix and prioritise some of the other segments, which is what we did. It takes us about

two to three quarters to build the offering for a particular segment, launch the team and so on, and that is what we've had to do over the last two years.

But we are seeing results of that very well in select areas. If you look at India as a geography, it grew nearly 20% in the first half, and the current run-rate is even higher - QoQ it's nearly 7%, which annualises to about 30%. There we launched a lot of the business units, and the other customer segments are growing well for us. So that is a change we had to make, and I think we are already able to show it in the numbers in terms of India. Internationally, as we've mentioned, we are replicating the same approach; it's at a slightly earlier stage than India. It takes us about three to four quarters to augment the datasets, but we are already seeing good early results in some parts, and we expect one or two of the business units to start showing signs, as the India units have, fairly soon - in about a quarter or so. That's the first part, on revenue.

The second part is customer-account growth and how that translates to revenue growth. Our customer-account growth has been fairly high over the last two years. One of the reasons is that our customer mix changed, and there were a lot of new segments we had started to acquire. I think in a couple of quarters revenue will catch up to the same rate as customer-account growth. Because we changed our customer mix, we started acquiring a lot of customers in newer segments where the price point was slightly lower. A lot of the growth also happened in India, where the ASP is about half of what it is in international geographies. That's why you saw customer growth accelerate. And this is how the playbook works: when we start working on a particular business unit, customer acquisition grows faster initially, and that is followed by revenue acceleration. That's how you can expect to see this going forward as well.

Abdul
I have a follow-up question on that, if I can ask.

Neha
Yes.

Abdul
First, you said deal volume is at a 10-year low. That's correct, I agree with that. But you've been saying the VC and IB segments have been growing. So what services do you provide them differently? As I understand it, Tracxn is a data platform, so how do you differentiate what you provide to an investment bank versus a venture capital fund? That's the first thing. Second, on customer accounts: I believe there are accounts that are paid and some that are free - customers who are not paying anything and are just using the free services. Can you provide a breakup of that as well?

Neha
Thanks for the question - that's a very interesting one: how does the data differ for IB versus VC? We actually have the same platform, but the datasets a VC would use are different from an IB's. To give an example, most VCs invest in tech, so they are looking at a lot of tech coverage - tech companies and sectors. Sector is probably a higher priority for them than, say, the size of the company: someone is looking to invest in AI companies, someone in defence-tech companies, someone in D2C brands. And these are very early-stage as well - it's probably seven to eight years before a company lists that a VC has to reach out to it to write the first cheque. So the kind of companies and the kind of data these investors look at is different.

Take the example of an investment bank. They look at a lot more offline companies - traditional companies, hospital chains, large food-and-beverage chains and so on. A big criterion for them is revenue: they typically like to work with companies beyond a particular revenue size. We did not use to have revenue as one of the key data points, because for VCs it is a much lower priority, but for investment banks it is a very high priority. So we took about two to three quarters to add private-company financials data, and for India today we are the best-in-class - within about three to four quarters we became best-in-class in that. It takes some time, but we added that dataset, and other things like Live Deals - IBs also want to see which companies are looking to sell and which are looking to fundraise, which helps build their pipeline. So the platform is the same, but the datasets that make it very useful for them are different. When we prioritise a segment and want to grow in it and reach a market share of 40-50%, we have to augment those things. That is what it takes for us to build deeper penetration and the datasets for each segment. Hopefully that answers your first question.

Your second question was about how many customers are paid and how many are free. The customer count we give - over 2,000 accounts - and the user count are all paid customers. We do not include free customers in the customer account count; the total number of accounts we share are all paid accounts. Hopefully that answers your questions.

Moderator
Okay. Our follow-up question comes from Sanjay. Sanjay, please unmute yourself and ask your question.

Sanjay
Last time I had suggested that you can connect with the procurement or supply-chain functions of different multinational companies or good industrial houses. They always have a need for good companies, and many times they are not aware. So that may help. It was just a suggestion - you can take it or leave it. I thought I'd put it across because I am also an old investor.

Abhishek
Sanjay, we can probably reach out offline and do a one-on-one to get more context and learn more about that.

Sanjay
Okay, fine. The thing is, since we are hiring so many people in the sales team, how will they address this? Will they be travelling internationally, or how will they address it? That is a very basic question.

Neha
Thanks, Sanjay - that is a very relevant question. Currently all our sales actually happen remotely, except for a few segments, such as universities, where you need to visit. Excluding those, most of our sales happen remotely; at the price points we are at, people are buying remotely. We have India-based teams that sell remotely even internationally - when we sell to customers in the UK or Germany, we have teams based out of India selling to customers there. They work across different time zones: we have customers in Japan and Singapore, so one team starts in the morning, then we have the EMEA shift, and at night the US shift. The teams are based out of India and sell remotely. We have also had visits, but those are fairly few, because at the price point at which we enter, people are fine buying remotely.

So the sales team we have expanded covers both the Indian market and the international segments we mentioned we are working on. We also scaled because we were seeing results in some of the business units - as soon as we see that conversions have improved, we are able to scale the sales team within those business units.

Sanjay
Thanks.

Moderator
The next question comes from Anubhav Goel. Anubhav, please unmute yourself and ask your question.

Anubhav
Hi ma'am. I just want to understand the international strategy better. In the Indian market our brand is very well known and we are very strong, and that will keep growing steadily. But for the international market, platforms like CB Insights and Harmonic have so many features beyond

just viewing data, and the platforms are so seamless that once you use them, shifting away may not make sense. So is it time for us to really develop new features for clients? Why are we not developing use cases for enterprises, which would be interested in data from India - such a huge market? Just your thoughts on this for the international market.

Neha
Thanks, Anubhav - that's a very key question. Internationally, it's the same strategy: you pick up a customer segment. Already about 48% of our revenue is international, and there are already some TGs we are working with. The playbook is the same. You prioritise a customer segment and first launch a vertical team for that segment - earlier we primarily had horizontal teams. An example of a customer-segment-focused team is investment banks in the UK. Investment banks in India is growing very well for us and continues to grow, and investment banks in the UK can similarly grow well for us. So we have a team behind that segment, and as soon as we launch it we see a slight increase in conversion.

The second phase is that we prioritise data. For instance, if they need private-company financials in the UK, we add Companies House data and augment our coverage of companies there - whatever the top two or three requirements are in that segment, we prioritise and build that dataset. It takes us about three to four quarters to build a good dataset, and as soon as that starts happening, we see increased sales-to-closure conversion - a marked increase there. The third phase is that we scale it. So that cycle is fairly similar.

In today's world, all these platforms are there, but you still have to constantly keep delivering best-in-class for that particular segment. All the new datasets - for instance regulatory data - deepen your penetration; that is one thing. Obviously the front end is there, and you have seamless access to that. But even against the larger platforms, you basically have to become best-in-class in that segment, and I don't think that's a long process - probably just a few quarters - and you are able to start gaining market share very quickly as soon as that happens.

Anubhav
Ma'am, specifically for enterprises, because I think it's such a huge market - could you share a few comments? Is it something we see targeting more aggressively some years later, or is it a step-by-step approach? Or are there some disadvantages we have in terms of reaching them - connecting with them itself is difficult?

Neha
You mean the corporates, the enterprises?

Anubhav
Yes, yes - like the Fortune 500.

Abhishek
Right. On the corporate side, we already have teams for M&A and innovation teams, and we are starting to see some results. We are still working on the offering there, but we expect to start delivering good numbers there in a quarter. We have also started a team for sales and BD folks, who also need data on private companies, and we have started to work on that; I think in three to four quarters that can start to show results. So these are the three segments where we have active teams, which are in phase two in terms of building out the product offering for them, and in the next two to four quarters we should see the response. We are getting good early signs: in M&A specifically we are seeing a good response from customers, and in innovation and sales we expect to see results in subsequent quarters.

Neha
Just to add to your question, Anubhav: enterprises - corporates - are definitely an area of focus for us. As Abhishek mentioned, there are two or three departments we work closely with: M&A teams, innovation teams and sales teams. These are the TGs we are going after, so this is definitely a prioritised segment.

Anubhav
Okay, great to hear. Just one more question: are we working on some innovation beyond chatbots? We could hire some domain experts and try to prepare very rich reports, which users really like. If you could speak to any measures we are using to make the platform better - because on one hand we have so much good data, and in today's world, making sure the client uses this data very well, and providing features around it, is very important.

Abhishek
For innovation specifically, we are building an AI Scout agent. We have constantly gotten feedback from innovation teams that they need a self-serve AI scout, because they usually research different technologies. For example, if somebody wants to track, say, ball-tracking technology or line-marking in sports, they need an AI scout that can help them figure out the five to ten most innovative companies in that market. We are working on that feature, and it will help us serve the needs of innovation teams very quickly.

Anubhav
And this AI that we now have on our own platform - a user can just go onto our platform and put in a query. Is this something that will allow us to make money as well? Is there a top-up balance you have to recharge, and so on?

Abhishek
It is helping us in two ways. First, it is helping us sell higher packs - we have Pro and Power packs, which come with much higher token allowances for AI. Second, once you exhaust the tokens, there is a provision to buy tokens from us. We launched this just last month, so we still have to see early results, and we will cover those in subsequent quarterly calls.

Anubhav
Okay, great to hear.

Moderator
All right. Participants can raise their hands or write down their questions in the Q&A box at the bottom of your screen. Aryamaan, you can ask your question.

Aryamaan
I just wanted to know: say, at my firm, we use Tracxn. What do we do when there are five or ten people in the team but only one or two logins? One or two people need it at once - ten people don't need it at once. So how do we optimise for that? If it is a ten-member team, how do you sell them not just one account or one user, but more?

Abhishek
Today we have the IP data available on the platform, through which we are able to detect some of these things. From IP locations we are able to figure out the cities customers are logging in from, so in most cases we can detect when they are sharing logins. That acts as a trigger for our upgrade team: we reach out to the customers who have the most usage and urge them to buy more seats or move to our full-team packs, and that has been a great route for upgrades. We obviously have some tools in place, but this is one of the biggest signals for us to upgrade customers. A large portion of our business is about landing and then expanding across the team, so this is actually one of our most successful upgrade strategies.

Aryamaan
Any anecdotal evidence of this working out that you could share?

Abhishek

Actually, half of our upgrades happen because of this today.So basically, if the team is using it, you reach out to them, and some of them agree and buy the product?

Abhishek
We tell them: look, your team is using it - why don't you move to the full-team pack? We give them a clean upgrade plan. A lot of the time there is an intent to buy. Our customer segments are among the best-paying customers - investment banks, private equity firms, venture capital funds - they have resources. So if something is helpful and useful for them, and you give them some proof that people are using it, they are going to buy it.

Aryamaan

Thanks so much.

Moderator

Thanks. Participants can raise their hands or write down their questions in the Q&A box at the bottom of your screen. As we don't have any further questions, we will close the call now. In case you have any further questions, you can reach out to the management at investor.relations@tracxn.com. I will now pass it on to Neha and Abhishek to give their closing remarks.

Neha

Thanks, Ashis, and thank you, everyone, for joining us today. Hopefully we were able to give you a clearer picture of our recent business update and answer your questions. For any follow-up questions, please feel free to reach out to me at neha@tracxn.com, or to our team at investor.relations@tracxn.com. Thank you again for joining us, and a very happy Diwali in advance to everyone. Thank you, everybody.

Disclaimer: This transcript has been edited to remove and / or correct any grammatical inaccuracies and inconsistencies in language that might have occurred inadvertently while speaking.