



# InfoBeans Technologies Limited

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## **Management**

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## **Transcript**

### **Surbhi Jain**

Good afternoon ladies and gentlemen. Welcome everyone and thanks for joining this Q2 and FY24 earning calls of InfoBeans Technologies Limited. I request all the participants to please mute their mic. The results and investor update have been mailed to you and it is also available on the stock exchange. In case anyone does not have a copy of this name, please do write to us. We will be happy to send it over to you. To take us through the results of this quarter and answer your questions, we have today with us Co-founder Mr. Avinash Sethi. We will be starting the call with a brief overview of the company's performance and then we will follow with a Q&A session. Kindly ask your questions by raising your hand after the brief overview by Avinash is over and then we will address all the questions one by one. I would like to remind you all that everything said on this call reflects any outlook for the future. It can be construed as a forward looking statement must be used in conjunction with uncertainty and risk-deductivity. These uncertainties and risks are included but not limited to what we have mentioned in the prospectus filed with the SEBI and subsequent annual reports which you will find on our website. With that said, I turn over the call to Mr. Avinash Sethi. Over to you Avinash.



**Avinash Sethi**

Thank you Surbhi. Thank you everybody for joining this call. We appreciate your time and your interest in InfoBeans. So this September quarter results are out here and before we jump into the financials, for the new audience who doesn't know about InfoBeans, there is a very quick overview. InfoBeans is a company founded in 2000 and we are focused on digital transformation and product engineering. On the map you can see locations that we are present at and currently the key strategy that we follow is we want to work with large enterprise customers so that we can generate repeat business in our long tenured relationships. At the same time, we are also riding on the back of platform companies like Salesforce, ServiceNow, Microsoft, UiPath and Automattic and there is a new partnership we have struck this quarter. So the idea is to work with these companies and get an opening inside large enterprises using these platforms. So once we are there, we can then expand our wings and follow land and expand strategy using these platforms. This is a quick journey map over the years of how we have progressed. Last year by the end of March 23, we touched the revenue of 399 crores and two years ago we were at 196. So it's almost more than double the revenue and we also acquired a company from Pune which is a Salesforce Platinum Consulting Partner called Eternus Solutions. Now it is renamed to InfoBeans CloudTech. So our strategy for growth is both organic and inorganic. We continue to make attempts to grow organically as well as inorganically.

A quick glance on the numbers. Six months numbers, we did 190 crores in the last six months. PAT is at 8 crores, cash and cash equivalents, which includes account receivables, is 193 crores. We have grown at 41% CAGR since inception in the last 23 years. One of the points that I mentioned earlier was we focus on large enterprise customers and we have a good portfolio of Fortune 500 customers as well as businesses with a billion dollar in revenue or in valuations. So we have a very large set of customers which allows us to strike repeat business, generate repeat business from these clients and build them over a long period of time. Some of our clients are as old as 20 years with us in the making. Some of the partnerships that we already have and awards which have been given to us. Salesforce, we are a Platinum Consulting Partner. We are a premier partner for ServiceNow. We are a Gold Certified Partner for Microsoft. We've been awarded the dream companies to work for, a great place to work. And recently we've been also awarded as top best companies for women in India. So we are among top 100 companies in India which are rated highly for working for women. Next slide. So these are the core offerings to our customers in all the markets that we operate in. Enterprise customers, we customize applications for them around implementation, integration and migration of CRM packages, ServiceNow packages. Then user experience, rapid prototyping. Then we are investing in blockchain technologies. We're also acting on the RPA space and the DevOps space. These are all high growth technology areas. That is what we are focusing on so that we can generate a much higher return, have much higher growth rate for our business. Some of our clients, ALM is a client which is with us for almost 20 years now. IQVIA is a healthcare fortune 500 company. Co-Advantage is a HR product company. We



are building products for them in the HR space. TRIP Advisor is a very popular name. SMBC is a multinational bank from Japan. There's a storage company which is a fortune 500 company and a fortune 200 company. Then a couple more interesting names out there, we can't really name them, but they're large companies who are working with us over multiple years. The growth trajectory I was mentioning, if you look at FY21 to FY23, we almost doubled. If you look at FY19 to FY22, we doubled there. Then from FY20 to FY23, we doubled there. The stated goal, we want to double ourselves every three years. We are on a path, on a trajectory for that. EBITDA keeps moving between 20% to 29%, we say that 24% is a comfortable number for us. PAT has also been varying from 14%. Now, between 9% to 19%, we believe that 14%, 15% is a comfortable range for us. Next, please. Three founders on the screen and the independent directors that we have on board. Founders from acquired companies as well as long-term leaders that have grown with InfoBeans and are very important pillars of InfoBeans. Here, if you look at, again, the very strong leadership lineup with a very long tenure at InfoBeans as well. Each of these individuals are star performers and has been an immense contributor to InfoBeans. I think everybody also holds stock options. We call them partners in the company. The Q2 highlights here, September 23, if you look at the right-most column, from 94 in June to 95 in September. From almost 15 crores in EBITDA to 15.4 and 3 crores in PAT to 4 crores quarter and quarter. We've been talking on every con call that there is a cost pressure and as a team, we are underutilized. If you look at the September 22 numbers, we did 102 crores, almost the same team size. We could do another 7 or 8 crores with this team size, on the September 23 revenue, which is 95 crores, which would more or less trickle down to the EBITDA and PAT numbers. Essentially, the market is really tough at this point in time, but if you're able to generate some more revenue on top of this, then we'll be back to normal EBITDA margins and PAT margins. We've been continuing to work towards focusing on controlling our costs and increasing our sales and marketing reach to our customers so that we can generate more business. We're continuing to focus on high-growth areas. We're also renewing our client contracts as and when the opportunity arises so that we can pass on the increased costs to our customers. We're not seeing any pushback, so that's good news. In constant currency terms, the revenue remains stable, so more or less flattish. The only solace here is that we're holding up even in the difficult times. Some detail numbers here. In the other income, we are seeing a slight increase because we've got a government grant from the US Government. It is called ERC, which is Employee Retention Credit. It was the US government's mechanism to offer some support to companies which have not laid off people in the COVID times, two years of COVID times. So we applied for it, and there's a delay in the process, but we are getting some credit. We're expecting three more such installments to come in the future of the similar amount. EBITDA has been, so as I said, we've been focusing on reducing our costs, so we saved some money there, but we also spent a lot of money on these sales and marketing expenses. Most of the events have become in-person events, conferences, global conferences, which were stuck because of COVID. Now they've all gone in-person, and we've attended each one of those so that we can increase our market presence and generate more business. So we are putting money where it is



needed and trying to grow the business aggressively. There's a slight improvement in PAT, but this is because of the tax-exempt income on the other income side, which is the credit. That's pretty much it on the numbers side. The split between digital transformation product engineering remains the same, 50-50 more or less. Cloud tech is contributing about 19% of the overall revenue. We have now expanded into four markets, including India now. So India is now contributing about 6%. Europe has grown very well, is now contributing about 15%. So very aggressive growth in the European market. We are very positive that we should be able to retain it moving forward. So key updates on various dimensions here, we struck a partnership on a low-code platform. So we are focusing on low-code, which allows for rapid application building, and RPA also, which allows for rapid application deployment and testing and other things. So that way, we're trying to see if we can reduce people costs by using these technologies. We got six large enterprise customers in Q2, including one fortune 500 customers. Since it is under NDA, we can't name it. M&A pipeline remains good. We have one company each in Salesforce, ServiceNow, and product engineering space. We continue to have discussions around these companies. There's nothing concrete at this point in time, but would say good discussions are going on. As I said, we continue to work on sales side and marketing side, attended global events of Salesforce, which is called a Dreamforce. ServiceNow, which is hosting an annual event called Knowledge. And then there are UI UX conferences, which happens in the local market in the US. We attended all of those. And we also have done multiple events on the city level. I think there are some pictures at the middle of the presentation, where we talk about the local meetups and events that we're doing for Salesforce and ServiceNow, just to strengthen our presence in these markets. And now since India is also opening up in the market, both Salesforce and ServiceNow are very aggressive in the Indian market. So we want to ride that opportunity also. On the ESG front and the CSR front, there are some developments. We run a program called ITEP under InfoBeans Foundation, which is Information Technology Excellence Program. It's an annual program for underprivileged students, and we train them to become employable. So after a year of rigorous training from the practitioners, we have found that in three years, we have been able to place 106 students out of 113, which was kind of a milestone, which was celebrated in Indore. And now at the current point in time, we have three centers in Indore, where we are training 120 students simultaneously. So we're very positive about the contribution that we are able to make towards the community. And these 106 families have really transformed after this employment. So very happy for that. We also got certification from ISO 14001 and 45001 towards the ESG compliances. Now the pictures of the Dreamforce event, which was in Silicon Valley, conducted in Silicon Valley. Our founders and the ICL founders are also there. We attended this, ServiceNow event in India, which was the biggest event called India Dreamin. We sponsored that event. We are also active in the standards space. ICC is one of the big clients there. They do an annual event. So we attended that. The UX conference was attended by a philosophy founder, ex-founder of philosophy, which was Emerson. And we did a roundtable discussion in service now space, where they invited all the partners in India to figure out how to grow in the Indian market. And another conference in Las

Vegas. Some local events organized in cities like Pune, Bangalore Hyderabad and Jaipur, we became a platinum sponsor there. And on the screen, you see the center, in the center, a lady in a sari. She was the ex-chairman of SBI. And Salesforce is now very active in the Indian market, and they want to deploy Salesforce across all the public sector banks. Therefore, they roped in Arundhati Bhattacharya as India CEO for Salesforce. So we kind of got an opportunity to work with her and explore the Indian space of the BFSI segment. Another standard event, and we are a platinum sponsor there. Some of the awards, top 100 best companies for women in India, we got this award second time in a row. And then Asia's Best Employer Award, seventh time in a row. The event that I was talking about, the ceremony, convocation ceremony and the organization program, happened in the presence of the Honorable District Magistrate, Dr. Illaya Raja, in Indore. So regular social activities and fitness camps that we conduct in our offices, on the health checkups, eye checkups, environmental responsibilities, and employee safety management. So just a line on the last slide, the promoter share keeps on showing a decline every quarter. That's only because of the stock options, which is increasing the size of the pie. And therefore, every stakeholder, including promoters, gets diluted slightly. So, quarter on quarter, there will be a slight decrease in the promoter holding, purely because stock options are getting executed every quarter. That's pretty much it. I think we can jump on questions and answers and we can invite the audience to post their questions. Our participants who would like to ask questions, can please ask to unmute. By raising their hand. Yeah, we'll have to order a sequence, right? So we have to follow a sequence where everybody gets a chance. Can we see them?

**Mridul :** Abhishek Kumar has raised his hand. Abhishek, I'm unmuting your line. Please unmute yourself.

**Abhishek:** Yeah, am I audible? Yeah, is it audible better now?

**Avinash:** Yeah, yeah.

**Abhishek:** Thank you. Thank you, team, for putting all these in slides and giving a brief understanding of where the company is heading out. I'll just try to rephrase my question into two parts. So my first part of question is, the US grant amounts, what you guys are getting it? I mean, what are the plans like how you're trying to expand that grants, because I heard that you are going to expand and get the same amount of grant for another four quarters. And the next part of question would be, basically, do you guys have any future plans for anything related to AI? Any internal building of AI or any client for that? Yeah, I guess that's my two parts of the questions. Thank you.

**Avinash :** Sure, Abhishek. So just let me correct you, we got one, so we'll probably get three more. So it's not four, total four grants. So one we've already received, three more will come. There is no separate plan that we need to create for using these grants. This money is typically for the salary that we paid in the past. But nevertheless, the idea is to grow the business. So we continue to invest in growth in all directions. And to follow up

on the second part that you talked about, we are choosing a couple of technologies to invest in. Blockchain is one active investment that we have done over the last 12 months. And second thing that we are asking our team is to, and we do a regular monthly event on AI. Currently, we are spreading the knowledge around AI and the tools that are available to us to practice some of those AI capabilities. If you look at the platforms that we are operating or the platform that we are working with, like Salesforce and ServiceNow, both of them have come out with their AI modules. So we are exploring those. The challenge with AI is, you can only practice those tools, you can't really, I mean, as a company, we don't have access to data to really do something meaningful around AI. So essentially, what Indian IT industry is going to look for, I mean, what they're aiming for is use the tools and engines already being provided by the big players and see how you can benefit your clients. So that is where I think we are also exploring these AI tools and technologies which are available to us by way of either these platforms or by way of Google or by way of Microsoft. So it is an exploration exercise, and we are investing our time in learning and making our team aware of these tools.

**Abhishek:** Okay, great. Thank you. Thank you for that. Because I know Salesforce does have Einstein, but that is not a stable version, I mean, for still to integrate with chat GPT or something. But yeah, I would thought of like internally, you guys are also exploring, I mean, to build up something like kind of an R&D kind of a thing to propose the future challenges for the services for an AI prospective. That was the thought for the question. But anyway, thanks for that.

**Avinash:** Correct. We are doing that. And, just recently on financial side of business, we did explore chat GPT and kind of tools. And, feed that tool with all the annual reports of income gains and the investor presentations, and try to generate data from it, or, try to ask the human queries to that. And the results were pathetic. It was not coming out effectively. So we're trying those test cases and trying to see if it fits any of our customers. Because, unless you have a prototype or unless you have a implementation, which is meaningful to a business, it is not going to be useful. So we are working in that direction. As I said, it is still early and in the explosion mode.

**Abhishek :**Thank you. Thank you. Thank you.

**Mridul:** Thank you, Abhishek. The next question comes from the line of Rajesh Chaudhary. Rajesh, I'm allowing you to talk. Please unmute yourself.

**Rajesh:** Yeah. Good evening. My first question is regarding the revenue. The revenue is more or less stagnant for many quarters. So by when can we expect the growth to come back?

**Avinash :** Rajesh, I want it to happen yesterday. I mean, we can all wish for it. But the market is tough. We've been meeting every customer. We've been aggressive in terms of going on the ground and talking to people. We are attending a lot of events, sponsoring

some of them. We are infusing our presence very aggressively. What I can tell you is the signs are good. We are getting inquiries. We are getting requests for more work. But it is not at a pace that we all anticipated or we all wish for. The other thing is there is also a relativity lens that we have to correct. As I said, we grew very fast in the last two years, between 21 to 23. And we doubled ourselves in that two-year period. All of a sudden, the brakes are applied. And all the economies are just, particularly the Western world, is just being extremely cautious. So when I remove that relativity lens, and if I look at the growth between 19, 20, 21, then I would not really worry too much about the flattishness of the revenue. One thing to look at is, if we have doubled ourselves, we are already at a higher number. And at least we are able to protect it in some way. So that is one positive outcome to look at. Now, how can I go from 90 to 100 to 150 to 200? I think the efforts in both organic and inorganic direction are on. Now, typically, and as an investor, you would only see when it happens. That's the unfortunate part. But as a participant, as people inside the business, we see that we are better off between two quarters in the past versus today. This discussion is far more, I would say, positive as compared to what it was in the month of April or May. So I'm finding it as a decent space to be in. But totally understand your point that there is no growth in terms of the numbers, which is what we are also struggling with. And as I said, we wish it should be better. And it's not only the wish, we are actually working hard in all the directions. It's only time that the results will show up. But when, I can't really pinpoint.

**Rajesh:** And secondly, regarding the EBITDA margins, means they're also on the lower side, because it's a double whammy. If you see the revenues are flattish, and then the margins are slowing down. So that is a bit concerning as an investor, to be honest.

**Avinash:** Absolutely. As I mentioned, we could do 7 to 8 crores of revenue with a similar team size and similar team cost, which would add up to the margins and the EBITDA impact on margins. So it is just that we can't really trim down the teams or our business cost cannot be reduced. We want to maintain the high performers that we have in the team. We want to maintain the relationships. We want to visit customers. So all of those expenses will continue to happen. As I said, any catch up in revenue, any catch up in utilization levels will immediately boost the margins. So I think we are all waiting for that. And I'm now hoping that it will be sooner than later. It will start to show growth. And lastly, regarding the new technologies, like how much is the AI or blockchain part of our total revenue contribution? If you look at blockchain is a drain right now, because they're investing in it. We have a team for it.

**Rajesh:** For coming years, as I understand, as you are investing in new capabilities and new technologies.

**Avinash :** Yeah, that's an investment. We can't make it work in progress because of the accounting standards. So it is a cost which is happening without any revenue. Same is the case with sales. Sales is an investment that will make a future. So these are the things

that are driving the margins. And since it is an important initiative, we can't really drop it. So that blockchain is an important element in the entire equation, which is the investment happening right now. There is no revenue against it. Similarly, the AI, there is no such investment as such in the AI, but we are spending our time to learn and apply those tools and technologies and see whether we can use it in our existing customers. So yeah, I mean, there are some expenses we can't avoid and we don't want to avoid. It's a conscious call to continue on that path.

**Rajesh :** Okay. Okay. Yeah. Thank you. I'm all set. All the best. Thank you.

**Mridul:** There are a few questions in the Q&A.

**Avinash:** Okay. So I can address the questions there. There's an anonymous attendee asking for my thoughts on revenue impact guidance for the next few quarters.

**Avinash:** Unfortunately, we don't offer any guidance because as I said, we also don't know. We want and we are investing in that direction, but there is no guidance we can offer on revenue impact.

**Question from Abhishek:** Any pipeline prospect in Australian market? If no, any marketing in that part of the world?

**Avinash:** Unfortunately, no, Abhishek, we don't focus on Australian market. In fact, we have a client already in New Zealand, but we are not actually pursuing any opportunities there. We already have three or four markets to work in. No point in opening another one and stretching ourselves to them.

**Question from Abhi:** Why do you find it difficult to grow Q1, Q and Y, why? And companies of smaller size, same size and bigger size are managing to grow regularly. We were just giving the same reasons on the past three quarters, which is not justified.

**Avinash:** I agree, Abhi, the restlessness is on both sides. We are equally restless on the current situation. Yes, we have all kinds of examples where some companies are growing, some companies are growing very, very well. Some companies are growing in two digits, some are growing in single digit, some are not growing. Unfortunately, we belong to the last category. We are also unhappy with it. And I share the restlessness and frustration that you are talking about. But yes, that is the situation right now.

**Mridul:** The next question comes from the line of Richa Agarwal, Richa, I am allowing you to talk. Please unmute yourself.

**Richa:** Am I audible?

**Avinash:** Yes, you are.



**Richa:** Thank you for the opportunity. Sir, like you said that there are some companies that are witnessing growth, some are quite stagnant. I just wanted to understand in the end markets, I know you don't give sector-wise revenue, but if you could highlight for us what are the areas where we are witnessing slowdown and what is our exposure to them? And if there is anything that we are doing consciously to increase our exposure in the areas or in terms of capabilities, where there is a scope to grow?

**Avinash:** So, good question, Richa. So, what we do is we are a technology company and we aim to focus on technology play rather than industry vertical play. So, we don't call ourselves an expert in healthcare or BFSI or HR or storage. But we say that we are an expert in let's say product engineering or sales force or Service now or even user experience as a capability. And we try and pitch in those areas. Now, one of the strategies that we are actively pursuing is trying to go into existing accounts and see if we can expand into those accounts which are large companies. So, our wallet share is very miniscule in the total equation of things where these companies have multimillion dollar, maybe not multibillion dollar budgets on the IT side. So, we are trying to expand into those accounts. It is our way to find the least path of resistance to expand into existing accounts itself. So, that is one way to look at it. The other way to look at it is that we are riding on the back of platforms like salesforce and service now. If you look at, we are very active in the space where we are trying to grow in all the four geographies that we operate in using the sales executives of these companies. So, sales force is selling its products and they want the professional partners, services partners like us to implement and service their clients. Same goes with servicenow. So, we are riding on the back of their sales teams so that we can also grow, again it is another path of least resistance so that we can go into large enterprises and try and expand there. So, we are following several strategies to shorten this timeline for sales. But then what is happening over the market that we are interacting with is everybody is talking business but then nobody is willing to commit any funds for investment right now because in their market they are seeing that inflation is high, they are seeing that market is slowing, the consumption is reduced in the market. So, everybody is worried about new business and they are not really willing to make more investments at this point in time. So, they are holding on. So, which is also falling back on us that there are delays in deal closures. The other area that we are continuously working towards is on the inorganic side that we look at companies where which are good synergies and we can acquire them. The pipeline is very active, very good pipeline in the M&A space and the other thing that has happened is in last six months is the, what you say, the valuation, the expectation is also come to a correction. Earlier the valuation demand was very high on the business side. Now they are, they are post corrected and they are now coming in a reasonable range which is our comfort area where we can strike a deal. So, the market is changing for us in that way and unless something happens I can't really comment. We don't give, we don't have a practice of giving guidance. So, I can't give any guidance as well. So, but let me reassure everybody on the call that we are continuously working very aggressively, moving out in the market



and trying to close both on the organic side and the inorganic side. I hope I have answered your question.

**Richa:** And sir, within the small cap IT space who would be your closest peers you know in the listed Indian space?

**Avinash:** We don't really do a lot of analysis there but I think one company comes to mind is maybe Saksoft. They have done pretty well in last a few years. They were stagnant between 19 to 21 but from 21 onwards they've grown very well.

**Richa:** Okay and sir, I just wanted to understand you know the kind of services and solutions that we offer to our clients. Are these more of generic in nature or specialized? How difficult would it be for the client to switch and what would be the duration of these contracts? And one more thing is when you look at the deal pipeline now as compared to you know last few quarters or last year. I mean do you get a sense of revival by the end of the year or this slowdown could actually stretch beyond that?

**Avinash:** I think there is a positivity signal that we see here. It is I mean I just said earlier between the sentiment in April versus sentiment today. I think we have a stronger sentiment today versus what it was. Every IT company in India is similar in my mind. They do similar kind of work and they can be replaceable. They can be replaced by anybody. So I don't think there is any what you say any rocket science that IT companies are offering in India. I mean be it Infosys, be it TCS, be it Persistent, be it InfoBean, be it any other Mindtree, any other company. They are all doing similar stuff and therefore the teams we hire people from all of these companies and they also hire from all the other IT companies. So if these people are moving from one to another obviously the capacity setter is also moving from one to another. So there is no uniqueness in that sense or there is no I would say nobody is irreplaceable in my mind. What else? Pipeline wise I said the strength is better at this point in time.

**Richa:** Okay and sir could you also share you know the share of top client concentration.

**Mridul:** Richa, Sorry to interrupt, We have a few more participants who are willing to ask questions. May I please line you up in the queue?

**Richa:** Sure, sure please.

**Mridul:** The next question comes from Hetal Sonpal. Hetal, I'm allowing you to talk. Please unmute yourself.

**Hetal:** Hi Avinash, how are you?

**Avinash:** Hi Hetal, very well, how are you?



**Hetal:** Wonderful. So I know there might not be a direct impact but are your customers talking about the potential impact of the Gulf conflict on the business in the near term?

**Avinash:** No, we have not heard of any such thing.

**Hetal:** Okay, okay. Yeah because some of the other businesses have been talking about it so I thought I'll check from my InfoBeans perspective. Thanks, that's all.

**Avinash:** Thank you.

**Mridul:** Thank you, Hetal. We have few more questions in the queue, Avinash.

**Question :** How Ksolves is different from InfoBeans? What are they doing differently during this tough time period?

**Avinash's answer:** No idea, sorry.

**Question:** AI tools are extremely helpful in improving their productivity and their fit for typing. Any pilots running within company for that?

**Avinash's answer:** We are using coding tools to or AI tools to improve the developer productivity. That's what we're saying. We are making our team, all the developer community, we are making internally aware. We are running a monthly program called AI Symposium where we are sharing knowledge among the developers within the company so that they can use these tools and generate and reduce their development time. So, yes, that is going on. So, yeah, I'm certain that is, yes.

**Question from AVK :** What is your call to improve revenue? What is your call to improve revenue? What does it mean? Any restructuring requiring technical expertise, ideal manpower management stuff in your drawing board?

**Avinash's answer:** Okay, so, I think I mentioned about a lot of attempts in terms of working towards the sales closures and increasing revenue side. I think we have already, so all the four areas that we are working on is already high growth areas. So, service now, sales force, the demand continues to be there in these businesses. User experience and,, automation towards through low code or through RPA. So, all of these are high growth areas. I don't think we need to worry about any restructuring there. We are already placed well. We saw results happening in the past where we have been able to grow at a faster pace. So, I think that's good. Ideal manpower, yes, we have optimized cost at the people front, but then, we have come at a point where we can't really reduce any further. It's kind of, coming to the bone. We have kind of trimmed ourselves to the bone in that sense. So, yes, I mean, as I said, all of these things are happening.

**Question:** So another question is, do you think remuneration to the resources needs to be reviewed periodically against the resource demand?



**Answer:** One thing that happened to all the companies in COVID is the salary costs have shot through the roof and there is no way you can reduce it. There is no way you can,, stall it. We'll have to continue to support that kind of a cost structure. So, yeah, the answer is we can't really, change it. Plus, the customers are demanding experienced people. They don't want fresh graduates, which is also hurting the space where, you can't hire 100 freshers and then train them for a year and then get them deployed. It is not happening. So, that's the problem where you can't really manage the cost pyramid.

**Mridul:** So, yeah, I think we are at the top of the hour. Okay. So, thank you so much, everyone. Thank you, everyone, for joining us.

**Avinash:** I think there's two more questions, right? Let's take that. Okay, we have two more questions. So, Richa, I see the last question of Richa.

**Question:** Could you share the client concentration, attrition rates, division of contracts, and share our business?

**Avinash:** So, Richa, we get 90% plus business as repeat business every year. Attrition rates are 14% at this point in time, which is the usual rate pre-COVID for us. At division of contracts, typically, we get six months of SOWs. MSAs, which is a long-term envelope, the contracts with the customers are three to five years. But every project, which is under SOW, which is statement of work, comes in six months or a 12-month cycle. Client concentration, I think the top 10% gives us about 60% of anything. And top 20% will give us about 75% or I think close to 20% of anything. So, yeah, we are very high on the client concentration in terms of the large enterprises.

**Question:** Last question, there's one more question from AVK, which is, there was a great demand for resources a few years back. Are we still continuing with the high remuneration during the low demand time?

**Avinash:** Yes, you are right in assuming that AVK, the remuneration demand is still high, even though the businesses are not growing. So, incidentally, the technology area that we are in, these salary levels are very high in those areas. So, we have this cost pressure continue to be there. Is that it? Yeah. All right. Thank you very much. Thank you for your time and patience.

**Surbhi:** All right. So, thank you everyone for joining the earnings call. If you have any other questions, you can write to us on our email address [investor.relations@infobeans.com](mailto:investor.relations@infobeans.com)