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BSE Limited

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Dalal Street, Mumbai – 400001

Scrip Code: 517214

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block
Bandra – Kurla Complex, Bandra (E)
Mumbai – 400051

Scrip Code: DIGISPICE

Sub.: **Transcript of the Investors/Analysts Conference Call held on May 18, 2026**

Dear Sir/Madam,

Pursuant to Regulation 30 read with Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the transcript of the Investors/ Analyst Call held on May 18, 2026 with senior management team.

The transcript will also be available on the website of the Company at:
<https://investorrelations.digispice.com/information.php?page=transcripts>.

You are requested to kindly take the above on record and acknowledge the receipt of the same.

Thanking you.

Yours faithfully,

For DiGiSPICE Technologies Limited

(Pankaj Arora)

Company Secretary and Compliance Officer



“DiGiSPICE Technologies Limited
Q4 FY '26 Earnings Conference Call”
May 18, 2026



MANAGEMENT: **MR. DILIP MODI – CHAIRMAN – DIGISPICE TECHNOLOGIES LIMITED**
MR. SUNIL KAPOOR – WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER – SPICE MONEY LIMITED
MS. AASTHA GARG – HEAD, INVESTOR RELATIONS – SPICE MONEY LIMITED

MODERATOR: **MS. HASHIKA MUTREJA – ADFACTORS PR**

Moderator: Ladies and gentlemen, good day, and welcome to DiGiSPICE Technologies Limited Q4 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Hashika Mutreja from Adfactors PR. Thank you, and over to you, ma'am.

Hashika Mutreja: Good afternoon, everyone. A warm welcome to you all, and thank you for joining us today for the Q4 and FY '26 Earnings Call of DiGiSPICE Technologies Limited. We are pleased to have with us today Mr. Dilip Modi, who is the Chairman of DiGiSPICE Technologies; Mr. Sunil Kapoor, the Whole-Time Director and Chief Financial Officer of Spice Money Limited; and Ms. Aastha Garg:, the Head of Investor Relations of Spice Money Limited.

We will start the session with the management providing an overview of the operational and the financial performance for the quarter and the year ended 2026, post which we will have an interactive Q&A session. Before we begin, I would like to draw your attention to the fact that certain statements made during this call may be forward-looking in nature. These statements are subjected to risks and uncertainty that could cause actual results to differ materially. A statement in this regard has been included in the results presentation sent to you earlier.

Thank you, and over to you, Mr. Dilip Modi.

Dilip Modi: Thank you, Hashika. Good afternoon, to all those who have joined this call. It's a great pleasure to connect with all of you. We've also put up our presentation that we will refer to during this call on both our website as well as uploaded it on the stock exchanges. So for easy reference, I would really request if you can open up that presentation. It will just help you follow the conversation.

If you cannot, you can refer to it later and go back and you'll be able to correlate with some of the points we're going to be making during this call. So let me start by saying that this is our first call following the close of the financial year FY '26. So today, we'll be talking both with respect to quarter 4, but more importantly, in respect to the year FY '26 compared to FY '25. It's another year that we've completed in our journey of financially empowering rural Bharat.

Just to recap our business model, we at DigiSPICE Technologies basically are building a business called Spice Money, which, is in the process of being merged into DigiSPICE Technologies. So before the close of this financial year, we are hoping that Spice Money will get directly listed on the exchange and both the exchanges. That is a process that we are working on.

If I now talk about Spice Money, what we are building at Spice Money is a phygital platform. So basically, it is a mobile app used by agents across Tier 3, Tier 4, Tier 5 to deliver basic and formal banking and financial services to communities around them.

As of the end of this financial year 2026, we have seen that now we have close to 1.7 million banking agents who are using our Spice Money agent app to deliver basic banking services to nearly 170 million customers across 2.6 lakh small towns. And when I refer to small towns, these include towns with a population of even less than 20,000.

So we have a deep penetration where bank branches and ATMs have not reached. We have reached through our banking agents. And we have 1.7 million of them as of the end of financial year 2026.

In addition, we at Spice Money are also building a consumer app. So while we have an agent app, we are also building a consumer app. These 170 million customers who transact every year at our agent points, at the agent shop. These are cash first customers who are using our platform in an assisted digital payment mode to come in and withdraw cash from their bank account, deposit cash into their bank account, pay their bills and send money to bank accounts.

We are now hoping that we can bring them on to the UPI rails directly. So as a company, we have a prepaid instrument wallet license from the regulator. And now it is UPI interoperable, which basically means that we can open a digital wallet account with the consumers who are coming to our agent points and they can get a UPI ID. And a QR and a consumer app, and they can put money into the digital wallet and they can start transacting on their own using UPI.

So effectively, from an AEPS-only platform, we are moving to UPI now. This is a different segment of the market. And as you are aware, more and more India is now adopting UPI across small towns. So we will also work to contribute towards the growth of UPI in the country. One of the points I would like to highlight is that in addition to our agents using Aadhaar-enabled Payment System to enable customers to withdraw cash from their bank account and deposit cash into their bank account.

We have also launched UPI Cash Point. So now at our 1.7 million agent points, consumers can use UPI, any of the UPI apps to withdraw cash. This is a new product brought in by NPCI. And it is keeping in mind the growing adoption of UPI across Bharat and the ability for consumers now to use their UPI app to not just pay for goods and services, but also to withdraw cash from their bank account.

As one of the largest BC agent networks on the ground, we have a unique opportunity to enable consumers to now withdraw cash using UPI. So this was a big development in this start of this new financial year. And as more and more of the popular UPI apps go live on this platform, we expect this business to pick up. So not only will we enable people to withdraw cash using Aadhaar, but also UPI.

Just to close on the overall business. So one is our agent business, which is a running business and most of the numbers that we'll talk to you are through for that agent business. The second is the new business that we are building, which is a consumer business. And the third leg, which is also a new business that we are building is the lending business.

So here, we operate as a loan service provider where effectively we enable third-party lenders to lend to our agents to begin with because they are the ones who are on our digital platform.

And this business also, as we will share with you in the numbers, has begun to scale and more importantly, has also -- is moving towards not only scaling on top line, but also getting towards the road map to profitability.

So effectively, the lending business is something that we are looking to further build on. Here, we have our own proprietary underwriting models that as a loan service provider, we work with the lenders to enable them to use to be able to build credit products for our agents. And this is something that we are looking to also scale.

Just directionally, if you are referring to the presentation, I would request you to move to Slide number 4 on the presentation, which shows the roadmap and the way ahead in our journey. So we are deeply committed to building Bharat, not only Bharat's largest assisted ATM network, going deep into Tier 4, Tier 5, Tier 6 markets, but also building Bharat's largest rural collections network.

And here, I would like to emphasize that we also have the BBPS license with NPCI and the regulators. And basically, we are going to use this to enable digital connections at the last mile across small towns. So consumers are now -- will be able to walk up to our agent points and pay their EMIs as per their convenience. And not only consumers, but even agents can now use the Bharat Bill Payment System platform to deposit their cash collections at our BC agent points, which can then help them to move that money to digital faster.

Directionally, we are also looking to use this network to deliver on formal financial products like credit, savings, investments and insurance. Again, in the numbers, we will show you of how in the financial year '26, we have started to see these numbers scale. And then finally, our own home products of our own wallet as well as our own credit, especially on credit, we will share with you in the numbers as to how that has performed in the last financial year.

Going to Page number 5, quickly talking about the key highlights on the year gone by. We have -- from a P&L point of view, we are trying to be efficient. So while we are chasing growth, we are also ensuring that we maintain financial discipline in terms of building a steady P&L. So for the financial year 2026, from our continuing business, we have delivered a PAT of INR 25plus crores against about INR 6.5 crores in the previous year.

And just from an overall PAT point of view, it's close to about INR19 crores compared to INR20 lakhs in the last year. So just on numbers, we are hoping that now the business as we begin to add more products to the distribution pipe will start delivering on operating leverage, and that's going to be the focus in the financial year 2027.

Just on the merger update, again, on Page number 5, we have got various approvals from RBI, SEBI and all in place. The merger application was placed before the honorable NCLT, where our first motion has been accepted. And now we are moving towards convening a meeting of our shareholders for approval of the merger and then moving towards second motion.

So like I said that we are hoping that within this financial year, we can close this merger and Spice Money directly being listed on the exchange. Just overall, I think, as I mentioned on the

credit operations, while we are scaling up the business, we are also ensuring that we are efficient in terms of it beginning to contribute to our bottom line.

And overall, I think as a tech-first business, we are focusing on making sure that we can continue to drive operational efficiency on a constant basis. Just in terms of product expansions, as part of the highlight, we have launched two new products in the last year, insurance and credit card. And both these products, we will share with you numbers of how they've begun to scale.

Also, in terms of our partnerships with banks, there have been recent guidelines on the business correspondent model by the regulator, where they've come up with two variants. One is a business correspondent banking outlet and the other is a business correspondent banking touch point. These are guidelines that are going through deliberation to be closed by end of June and then they come into implementation towards quarter 3.

We have already started working with some of our banking partners to open banking outlets. So some of our agent points are already beginning to graduate from just being ATM and collection points to also becoming banking outlets. So this is on the key highlights. And then finally, I'll close before I hand over to Sunil to take us through the financials, is on Page number 6, where we've given you some key metrics for the year.

So as I said on Page number 6, you can see that we've closed now close to 16.6 lakh registered agents as of March 2026, about 2.57 lakh small towns covered. On a monthly basis, we have nearly 27.5 million customers that we are serving. On the product metrics, AEPS, which is our core business, we grew 15.9% year-on-year to close the year at INR59,000 crores and a market share of close to 18%.

On collections, on BBPS, we did about INR5,700 crores, a 7.5% growth year-on-year. On accounts open, now we've opened close to 1.6 million accounts for our banking partners with nearly a 1.6x growth year-on-year. And what we are finding is that we are now beginning to get good balances in these accounts, which is a good sign of quality. And so we've seen a growth in float balance in these accounts opened by nearly 45% year-on-year.

On credit distribution, where we again work with banks and NBFCs partners, we've seen about over INR600 crores disbursed in the previous year, nearly a 2.8x growth. And just on the P&L numbers, we closed the year at close to INR464 crores, nearly a 4% year- on-year growth, a gross margin of INR200 crores, which is a 13% year-on-year growth and EBIT of close to INR37 crores, which is a 2.4x year-on-year and a PAT for our continued business of about INR25 crores.

So these are the key highlights. I'd now like to hand over to Sunil, who is leading the finance function to talk us through the numbers, which are on Page 7. Over to you, Sunil.

Sunil Kapoor:

Hi. Good afternoon, everyone. So I'm covering the financial highlights for the financial year '26. And if we see that our customer GTV has grown by 10.5% year-on-year. And our revenue has also grown by almost 12%, but it is reflecting on only a 4% over here that's for the reclassification from the perspective. And if we see the gross margin coming to 13% growth,

which is almost INR23 crores increase in the gross margin on absolute terms and which is flowing directly into the EBITDA.

And on the indirect cost, that's an operational efficiency from the perspective that whatever the investment we have done in the network and in the teams, we are continuing to optimize that also. And so we have increased almost INR24 crores of EBITDA in comparison to the previous financial year.

And consequently, the EBIT side, we have a growth of almost 2.5x and reaching to INR37 crores. And PAT of INR25 crores in comparison to the previous financial year. So if we see on the discontinued business side, also the expenses have come down with respect to our focus on closing those entities. And we are working on this discontinued business that in this financial year, this will be -- will convert to, kind of, zero. And we want to kind of get away with the structure of the companies, which is primarily in the foreign land.

And if you see on the PAT after the notional gain/loss INR19.3 crores against INR39 crores of loss in the last financial year. And there is an exceptional item of INR3.3 crores with respect to the labour laws provisions. So considering these numbers, this was a very encouraging financial year for us where we have clocked and created the momentum that profitability and operating efficiency go hand in hand in the growth hand.

So from the perspective of new opportunities and what Dilip has called out, we are hopeful that we will be working on new opportunities like the change in the regulations with respect to BO and BT opportunity and having the financial products, distribution will be the most focus and the credit. And we are hopeful that considering that in this quarter, we will be kind of achieving the EBITDA positive in the credit engine that's -- we are calling it out as a new engine.

But on the Spice Pay side, which is yet in the build stage, we want to call out that we were trying to in-source that. So we have an agility to introduce the products and do the changes as per the customer needs. So hopefully, in the next 2 years, we will be having more on the Spice Pay and having a customer touch base directly and cross-selling and upselling products on that.

And we are very hopeful that the way this financial year is showing the kind of turnaround and growth momentum, we will keep on building on that. And that's all from my side. I'm handing it over to Aastha for the business updates. Thank you.

Aastha Garg:

Hi. Good afternoon, everyone. I'll be covering some of the key business updates for the financial year '26. For those of you who are referring to the presentation uploaded on the exchanges, I'm starting from Page number 8. So I'll start to discuss about the agent base that we've continued to build in the last financial year. We've been continuously working on expanding our agent base across India.

And if you see on the numbers, we have expanded from almost 1 million agents in financial year '22 to almost 1.7 million agents in financial year '26, which is a growth of almost 13.4% over the 5 years. If you see the kind of depth that we are trying to build of this agent base, these agents are now located in almost 2.57 lakh small towns in India across the 6,400 blocks. And out of

this total 16.6 lakh agents, 13.2 lakh agents are sitting in the Tier 4, 5, 6 small towns where the population is typically below 20,000 per small town.

So that is the depth of our base in the core rural areas of India. If you see on the geographical strength, we continue to be strong in the North, East and Central belt of our country, where almost 84% of our overall agent base still lies. And we've been continuously working on expanding our presence in the South and West regions where today now almost 16% of our agents are present, but we'll continue to consolidate on all areas across India, whether it's the high potential district in our stronger regions or the currently weaker regions where we want to build our market presence.

On the top of our agent base, we've also been building on multiple products to come into our pie to expand our overall GTV and gross margins. Looking at the GTV numbers on Slide 9. Overall GTV, we've grown from INR115.8 thousand crores in FY25 to INR127.9 thousand crores in FY26, which is a 10.5% growth year-on-year. And if you see the major percentage of this growth has come in from the newer segment, which typically consists of our credit business and some of the new products that we are introducing.

In the quarterly numbers, there's a slight growth of almost 1%. And this quarterly numbers see a lot of subsidy cycles in our major product, AEPS. So that really impacts the kind of GTV that we see on the overall numbers. On the back of the growth on the GTV, we have also seen our gross margins expand in the last financial year from almost INR178 crores in FY25 to almost INR201.2 crores in FY26, which is a 13% growth.

So against a 10.5% growth in GTV, we have seen a 13% growth in gross margin. This is because of the reason that the new products that we are introducing, for example, credit, insurance, banking, which includes CASA, these are high-margin products as compared to the traditional products that we were working with. Hence, our gross margin percentages are also improving.

Now I'll cover some of the key product updates, starting with our key business, which is AEPS business. On the AEPS business, on the cash withdrawal side, we have seen a growth of almost 16% in the Spice Money GTVs. And against that, the off-us AEPS industry has grown by 9%. So this growth where Spice Money has outpaced the industry has led to an increase in our market share from a 17.27% in the last financial year to 18.4% in financial year '26. There's a slight dip primarily in the quarterly market share of Q4 FY26, and that has been due to the subsidy cycles that we have observed within the different states in the AEPS off-us cash withdrawal business.

On the transaction success rate also, if you see that they have remained stable above 70%, and the customers who are coming on to our platform to withdraw cash regularly have also grown by 6%, from 10.6 crore customers coming in FY25 to almost 11.3 crore customers coming to our platform to withdraw cash in FY26. The major reason for this growth has been the introduction of subscription packs, which is helping us maintain stickiness of the Adhikaris on our platform and leading to overall GTV growth. If you see the GTV of these Adhikaris on our platform, we've seen their GTV contribution to our overall GTV grow from 33% in the last financial year to 44% in financial year '26. So that's where the major growth is happening.

Also, like I already mentioned, we will continue to focus into expanding in our high potential districts where our presence is still weaker than the other regions and continue to expand on the overall cash withdrawal business.

Now coming to the next two opportunities in the AEPS space, which I have been mentioning in the previous calls as well, which is the AEPS Cash Deposit business as well as the AEPS UPI Cash Point business. We've seen consistent growth in our AEPS Cash Deposit business in the last 8 quarters. If you see on Slide 10, we've seen the GTV growth as more and more banks have gone live on this product. And as more integrations of the bank happen, we are hopeful that this is a space that will continue to grow on GTVs for us.

On the UPI Cash Point business, which got formally started in the last month of financial year '26, now we are seeing that we are already at a run rate of almost INR100 crores GTV for a month, and we are holding a market share of close to 30% to 35% in this product as well. This is one of the major products that we see expanding in the next financial year for us from the GTV point of view.

On the top of the cash withdrawal business, we've also built a strong foundation in the collections business. I mentioned upfront that the CMS business in this cash collections pie has been under a high competitive pricing pressure, and we've been continuously solving that by strengthening our supply side. On the overall collections volume, so if you see on Slide number 11, we've seen the volumes expand by 7.4% on the overall collections volume. While if you see the growth that we've gotten in this segment from BBPS, the increase in BBPS business is by 12%. So this is the pie that we are strategically focusing to expand on the overall collections pie.

The BBPS business used to contribute approximately 9% of overall collection GTV in the Q4 of financial year '25, while it has now started to contribute almost 13% of our overall collections GTV in the latest quarter. So that is where we are strategically shifting our focus. And if you look at the overall client funnel also, today, we are working and expanding on the client funnel on all of our fronts, whether it's CMS or BBPS.

But the major focus for us is to slowly transition the clients that we are working with CMS on today, which is the 85 clients to the BBPS agent EMI mode so that as more digitization happens and adoption happens within the enterprises, we are able to grow in the collection space on the back of BBPS business.

Now moving to the other key focus area for us, which has been the financial product distribution business where we entered this business by opening accounts for the partner banks that we are working with. Today, we are working with a couple of partner banks, which is the Axis Bank and the NSDL Payments Bank. And till date, we've been able to open almost 16.5 lakh accounts with them with over INR305 crores of float balance that is lying in these accounts.

This float balance has helped us start generating a recurring float income of upwards of INR50 lakhs per quarter. And if you see the average bank balance per account, it's approximately INR1,800 per account, which means that healthy bank balances are maintained and the good quality accounts we are able to open for the partner banks that we are working with.

The next focus area in this phase for us is coming with more cross-sell products, for example, FDs, RDs and saving products in the coming financial year. The other product that we started distributing in the financial product distribution space is the loan distribution for the lenders that we've partnered with. Today, we have partnered with 7 lenders on our platform. And with those lenders, we've been able to disburse close to INR539.6 crores of loan in financial year '26 as compared to INR198.1 crores loan in FY25, which is a 2.7x growth.

On a quarterly basis also, we are growing faster in this space, and our target will remain to strengthen the supply side as well as bring more categories of products on the credit side. The two new products like Dilip sir mentioned that we introduced in the last financial year include both the credit card as well as the insurance business.

In Insurance business, currently, we are distributing two products where we have sold almost 35,000 policies till date. The target here will again be to strengthen the supply side by bringing more aggregators that we work with as well as at least five more products, insurance products are in pipeline for us in the next financial year to be introduced.

Now coming to the important update on our credit business, where this is the business that we are building on the back of the transaction data that we have of Adhikaris. On the back of this data for Adhikaris and the vintage of them working with us on our platform for a very long time, we are able to underwrite the loans better for the partner lenders that we are working with today, and we are working with them under FLDG-backed model today. And if you see on the disbursement side, the disbursement has grown from almost INR20.5 crores in FY25 to INR66.7 crores, which is a 3.3x growth in our year.

Also today, we are at a quarterly disbursal rate of INR20 crores per quarter and this rate is improving because of our ability to give repeat loans to Adhikaris. Why that is happening? Because once we give loan to our Adhikaris and they are able to show up payback capability, we are trying, we can offer them a higher ticket size loan and that is leading to an increase in our ticket sizes also. We are also able to maintain a stable portfolio quality by maintaining the loss rate in our credit business. And one of the key reasons for that is the platform-led operational efficiencies.

Like I mentioned in the previous quarter as well, we have launched the MSME lending product with Muthoot in quarter 3 of the financial year '26. The numbers though may be small, but this is the major product that will be driving growth for us over the, by driving more strategic partnerships in both Adhikari as well as Vyapar loans as well as then bringing in more products on the MSME lending side to grow in this space.

Then on the last slide, we have just given a list of the key licenses and partnerships that we have. And with that, I think I'll hand back over to Hashika for hosting the Q&A session. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Rushda Saiffee from RoboCapital. Please go ahead.

Rushda Saiffee: Good afternoon. Thank you for the opportunity. I just wanted to know your outlook on top line growth and EBITDA margins for FY27 and FY28?

Sunil Kapoor: So as I mentioned about that whatever the growth we had done in this financial year, and this was kind of a turnaround financial year for us. And we are hopeful that the growth momentum will continue in the next financial year and beyond. And we expect that at least in the profitability terms, we should be clocking 20% growth year-on-year in the coming 2, 3 years, what we envisage.

Rushda Saifee: Okay thank you so much that is all. All the best.

Moderator: Thank you. Next question is from the line of Sailee Shah from Sawai Investments. please go ahead.

Sailee Shah: Thank you for taking my questions. Just wanted to know, do you have any plans to increase your presence in the Southern part of India?

Dilip Modi: Yes, especially with the launch of UPI Cash Point, we believe that there's a great opportunity for us to expand into South India because there is a very strong UPI adoption that we see in the South. And in an informal way, people have been using UPI to withdraw cash. And this has been a product aimed to organize this market and to formalize this market. So on the back of both UPI Cash Point as well as financial product distribution, we believe that there's an opportunity for us to grow in South. It's a very robust market.

And there's a lot of, especially in microfinance and gold loans and all that, there are lots of players in the South. So as we deepen in Tier 4, Tier 5 and Tier 6, there's an opportunity for many of these players to leverage our network. So I think in partnership with them, we hope and believe that over the next 2, 3 years, we can create a presence in the South akin to the presence we have in the North.

Sailee Shah: Understood. Understood. The second question I had was regarding Adhikari loans. What is the growth and revenue expected from that? And what is the rate of interest which we are charging to them?

Dilip Modi: So just in terms of the rate of growth on the Adhikari loans, what we are seeing is that as our underwriting models are getting more mature, we are able to also do not only first-time loans, but also repeat loans, and that is helping us both on ticket size as well as tenure. So that is helping us really strengthen the model itself. As it strengthens with data, there's a compounding impact both in terms of ticket size and tenure and that has an impact on the overall value of the loans disbursed.

So going forward, we believe that as we create more sticky Adhikaris on our platform, because Adhikari loans, we only give to those Adhikaris with a certain vintage on our platform. As we grow the sticky base through subscription and other products that we are launching, more and more Adhikaris doing more on our platform will lead to growth in credit. So it's our own internal flywheel where we are using transactions to generate data to be able to build our underwriting capability to be able to deliver efficient credit, which ultimately becomes a driver of income for our Adhikaris to do more products.

So it's a flywheel that we now hope that we'll be able to strengthen, which basically means that we can see this business growing from an x factor point of view, like we are hoping that this business can grow 2x to 3x every year.

So the only thing we have to watch out for is the performance of the loans. And because it's a daily installment product, we are able to get early signs on performance. And so for us, because we get the first loss default guarantee, we want to make sure that there are no untoward losses that hit us. And that is why as we scale up with lenders, we will make sure that we are able to watch on performance.

Sunil Kapoor:

One point I want to add on this that there are repeat loan borrowers because, and we are growing with them kind of we are enabling them the credit and they are growing and that the ticket size is increasing from that perspective also. And the interest rate is almost 32% to 36% that we charge. And there is also cushion with respect to that we charge lesser to those who are repeat borrowers. And from that perspective, we are building the trust.

Dilip Modi:

Yes. So our focus is basically that as we understand the risk profile of the underlying borrower, we are able to consistently reduce the rate of interest to be able to incentivize them to borrow more to be able to reduce their cost of borrowing. So ultimately, the vision is to go down to close to 24%, 26% and directionally keep moving lower to reduce cost of borrowing.

Sailee Shah:

Okay. Understood. Just last one question, if I may take. Given the macroeconomic uncertainties which we are having, will there be any significant impact on our financials?

Dilip Modi:

Given what's happening at the macroeconomic level, this is, of course, going to impact the whole economy per se, and we have to wait and watch to see what it impacts in rural Bharat. But one thing we are, the way we see our business, and we've seen it every time there's an external shock that the platform that we've built is an essential payments platform. So people use our platform to withdraw money from their bank account to spend. People use our money to pay their essential bills. People use our platform to get access to lower cost credit.

So we are hoping that when there are these external shocks, as an essential payments platform, we'll be able to hopefully see lesser impact and we are hoping so. But having said that, with expected inflation and other things, discretionary spending may reduce, but we are just -- we'll have to see what impact it has on essentials.

So it will be wrong to say that there will not be an impact. We just have to wait and watch what that impact will be, but we continue to focus on driving efficiency. So if you look at collections also, we are moving from collecting from the branches to collecting from the customer.

So our whole focus is on cost efficiency and operational efficiency. So in a situation where the macroeconomic environment is getting tighter, a lot of our partners will be looking to drive efficiency of collections and efficiency in cost. So we hope that as a platform, we can enable them to drive more cost efficiency. So during tough times, we hope that we'll be able to use our platform to enable our partners to bring down costs and improve the time to cash.

- Sunil Kapoor:** I want to add one thing. There is a positive side maybe also with respect to that because whenever there is a macro uncertainties and there is an impact on the Indian economy, the government also comes forward and support -- for the financial inclusion standpoint of view and more and more subsidies may be going into support the basic needs of the people of rural and semi-urban people. And so from that perspective, our AEPS infrastructure, as we have seen in the pandemic also, during that period there was a support from the government and our business has got some positive side of it. That's also important.
- Sailee Shah:** Okay. Thank you and all the best.
- Moderator:** Thank you. Next question is from the line of Utsav Baheti, Individual Investor. Please go ahead.
- Utsav Baheti:** Hello. Am I audible?
- Sunil Kapoor:** Yes, please go ahead.
- Utsav Baheti:** I just had a few questions. Like last financial year, the financial year which has gone by, we saw that Q1 and Q2 saw a good traction in the revenues, then Q3 and Q4 were a little subdued. So I mean, will this be a trend going forward or I mean, was that a one-off kind of a thing? Can you please say something about that?
- Dilip Modi:** Yes. So basically, our business, if you look at it, our main product is AEPS. And what we have seen in H1 compared to H2 last year is seasonality with respect to subsidy cycles. So what we saw is in H1, we actually got more subsidies coming in than we expected, state- level subsidies and all of that.
- So effectively, there's seasonality, which created the situation in H1 versus H2. Now seasonality could be linked to elections. It could be linked to various schemes run by state governments. And that is why directionally, if you see we are diversifying beyond AEPS cash withdrawal to other products so that we can show more sustainable quarter-on-quarter growth and not just rely on such cycles for our core income growth. But this year, we've seen this impact because of H1 seeing more than H2.
- Sunil Kapoor:** That's right what Dilip has mentioned out, but I want to just call out because in my presentation at that time, I have pointed out that revenue growth is almost 12%, 13%. There is in the last two quarters, some classification in comparison to the first quarter also, the first two quarters. So from that perspective, you are seeing that there is a de-growth in the third and fourth quarter. But having said that, that's not much whatever it is coming out here in the numbers, just as a addition to what Dilip said.
- Utsav Baheti:** Okay. Thank you, sir. And one more question. UPI Cash Point like we had mentioned in the last quarter's presentation about UPI Cash Point. I think it has started to -- the uptick has happened in last quarter of this financial year. So can you just explain how does it work and what will be the opportunity size of this market and all, like highlights?
- Dilip Modi:** Yes. So the way UPI Cash Point works, so today if you see when customers want to withdraw cash, what is happening is because of the Ubiquitousness of UPI, where now you see UPI QR at

almost every merchant point and consumers with UPI apps paying using UPI QR. What we've also seen is that many times consumers also end up withdrawing cash which to formalize this point has come of UPI cash point.

So now what is now available to merchants is to sign up as agents on platforms like ours and label their shop as a UPI Cash Point. So -- and put our, let's say, Spice Money QR. So what happens is while they have other QRs at the merchant point to accept payments, our QR can be used to give cash.

So it effectively becomes like an ATM point. So in AEPS, we still had this thing where people had to use their biometric authentication to withdraw cash. But with UPI, all they have to do is use their UPI app to scan a QR. Now given that people across India have got so used to using UPI to scan and pay.

UPI Cash Point is an opportunity for them that when they need cash, they can walk up to a merchant point, which has been signed up as an agent on our platform labeled as a UPI Cash Point and they can scan the QR that we deploy at the agent point and get cash. So we believe that this is a much bigger market than AEPS because by definition, you have UPI spread much more than AEPS.

And the convenience of it is so simple in three steps, they can actually get the cash in their hand. And for the merchants today, it's an opportunity for them to sign up as a BC agent and start earning money on providing the service. So we hope that this will help us grow the market in terms of number of agents functioning as ATM points across India.

Just in terms of numbers, we started really this in March '26. We are hoping to start earlier, but we are waiting for all the players to go live because all the popular UPI apps need to work on this platform. Now most of them are on the platform, barring one or maybe just one actually. So we're just waiting for them to go live.

Otherwise, everyone else is live. And we are seeing our business grow month-on-month. So effectively, just to give you a sense, this month as Aastha said, we're already tracking close to INR100 crores of cash withdrawal, which is like a kind of a 3x compared to last month. So just the Ubiquitousness and convenience of UPI, we believe can drive more kind of UPI ATM points, as we call them, across India.

Sunil Kapoor:

So I think this will strengthen our network also beyond the Tier 3, Tier 4 cities. We will be having more presence in the cities also due to this product. And that will also have an effect on other products of credit and so on. Second point I want to just add on this is that we envisage that this product with our presence will have almost in next 1 to 2 years, there will be a 50% of what we are doing in AEPS.

Utsav Baheti:

Okay, sir. Thank you. Just one more question. I just wanted to understand the license side of it, like do we require a separate license for UPI Cash Point and how -- I mean, if a new player wants to get in, how much time would it take for acquiring the license and all? I mean, just to know the regulatory hurdles?

Dilip Modi: Yes. So UPI Cash Point is meant for a BC network. So anyone who is operating a business correspondent network of banking agents can offer this service. However, it does require you to tie up with the bank and build your product with the bank. So the real moat here is the agent network you have more than anything else.

So in order to offer this service, you have to build the network. And I think that is really the main moat in terms of who has the network versus who has to build the network. So one is we have a network of 1.7 million agents, which can double up as UPI cash points and we can grow this network further on the back of this.

So we have customers who are coming and withdrawing cash. Now they have the opportunity to come and withdraw and using UPI. And we have the platform and the partnerships in place to like Sunil said, scale up this agent base beyond. So it's not a license from the regulator, but it is a partnership with the bank under the business correspondent framework of the regulator.

Utsav Baheti: Right, sir. Thank you so much and best of luck for the future.

Moderator: Thank you. Next question is from the line of Rahul Ahuja from FinWealth. Please go ahead.

Rahul Ahuja: Thank you for the opportunity. Just wanted to understand two responses here like first being what is the target for banking outlet expansion in the next financial year as while the company has already opened 200-plus outlets in FY26? The second follow-up question would be what are the initiatives being taken to improve the customer activity levels?

Dilip Modi: Okay. Thank you, Rahul. So on banking outlet expansion, we are waiting for these business correspondent banking outlet guidelines to be a little clear where both universal banks and payment banks as well as the other banks category are just waiting to see how these guidelines get cleared, because on banking outlet.

They are still under the current guidelines, which are under deliberation because it's going through a consultation process to be finalized by the end of June. There are some conditions around distance from branch and a fixed cost for the outlet, plus a connection to obligation to roll out certain unbanked rural outlets linked to the banking outlet.

So what is happening is that in the current set of guidelines that have come out, the BC-BO or the business correspondent banking outlet has been made akin to a bank branch. And this needs certain clarifications when it comes to payment banks because they don't have branches by definition. So distance from branches and all of that needs to be solved for them.

At the same time, for the universal banks, this obligation of unbanked rural outlets has to be solved for them. So given this, now we're just waiting for these guidelines to be cleared by the end of June, which we think it will because ultimately, to expand the reach of banking in rural and to the Hinterlands, we only modernize the BC model.

And I think the regulator is very committed to taking banking to the masses. And we therefore, believe that once these things are clarified, we can work not only with our current, but more partners to roll out more banking outlets. So we are working in a direction where all the

Adhikaris or our agents who are sticky on our platform and are working with us for a long period of time, can graduate to becoming banking outlets.

So like you saw that if we can get credit and we can perform well on the credit means that we know them well and they are performing well on our platform. So a banking outlet is an opportunity for them to earn more income by distributing more products on behalf of the bank. So I think all the agents who are growing in terms of stickiness on our platform can graduate to becoming banking outlets and that's a very significant number.

So if you look at the number of people who take subscription from us, it's nearly close to 50,000 agents. So we have an opportunity to roll out a significant coverage once the guidelines are clear and once we are able to stitch the model together with our banking partners. In terms of the initiatives around customer activities, yes, like I mentioned, we are in the process of launching our own customer app that is directly engaging with the customer.

Walking up to our agent outlet. But also within our agent app, we are creating a proper CRM program where we are able to help our agents engage with customers and work with their consent to be able to make them aware of more services that are coming on the platform, and we help them to consume more services. So like we mentioned at the start of this call, while we scale up the agent platform, our next big focus is going to be to build and scale up the consumer platform because we have access to lots and lots of consumers who are today transacting at our agent points.

Rahul Ahuja: Okay. Fair enough. Just wanted to understand that what drove the sharp deterioration in the margins despite stable GTV? Is it like seasonal, like structural or just onetime in nature?

Dilip Modi: Which number are you referring to when you say sharp deterioration in margins?

Rahul Ahuja: I'm referring to EBITDA as well as the gross margins?

Dilip Modi: Okay. you're talking about the quarter-on-quarter, right?

Rahul Ahuja: Yes, quarter-on-quarter.

Dilip Modi: So quarter 4 compared to quarter 3. Sunil.

Sunil Kapoor: So quarter 4, we have a gross margin of INR48.6 crores, which is INR3 crores down from the previous quarter. That's one point we have mentioned it out that's about the subsidy cycle in the quarter 3 versus quarter 4 because the revenue is also a little less on the quarter 4 side. And there was some onetime adjustment in the previous quarters, which is kind of reflecting over here and in the quarter 4 also.

So it's a onetime year-end closure, some onetime adjustments are there. So that's not the -- I will say that's not hindering any growth. Run rate standpoint of view, we are at whatever we have clocked for the full financial year, INR201 crores. So you can take it as INR50 crores, INR52 crores is the run rate for every quarter as of now.

Rahul Ahuja: Okay. Great. Thank you so much. That's it from my side.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Dilip Modi for closing comments.

Dilip Modi: I'd like to thank everyone who took the time out to join this call. I would request you all to please refer back to the presentation that we used in our call today. And as a company, we continue to focus on a significant part of Bharat that's underserved when it comes to banking. And today, having built one of the deepest human-assisted ATM and collections network on the back of AEPS.

Now UPI as well as BBPS, we believe that we are playing -- we could play a significant role in not only providing access to banking, but also being able to organize informal data of consumers living in underserved markets to be able to build formal credit savings and insurance products for them.

So we believe that both our agent platform can scale. And on the back of that, we can build a consumer and credit business. So we are looking forward to a journey of taking banking to the masses, using tech and really leveraging the digital public infrastructure that is available to all Fintechs, and we are using that to be able to financially empower a significant part of underserved consumers living in Bharat.

So thank you once again for this opportunity to present our thesis as well as give you an update on our numbers. We look forward to your continued interest in what we are building and to your suggestions as we go forward in the year. Thank you so much.

Moderator: Thank you very much. Thank you. On behalf of DiGiSPICE Technologies Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.

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