Veranda Learning Solutions Limited

February 09, 2026

BSE Limited Dept of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 **Scrip Code: 543514**	**National Stock Exchange of India Limited** The Listing Department, Exchange Plaza, Bandra Kurla Complex, Mumbai – 400 051 **Symbol: VERANDA**

Dear Sir/Madam,

Sub: Transcript of the Earnings Call held on February 06, 2026

Pursuant to Regulation 30 read with Part A of Schedule III and 46(2) (oa) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Call held on February 06, 2026, post announcement of financial results of the Company for the quarter ended December 31, 2025.

The aforesaid information is also hosted on the website of the Company viz. https://www.verandalearning.com/web/index.php/stock-exchange-intimations

Thanks & Regards,
For Veranda Learning Solutions Limited

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S. Balasundharam
Company Secretary & Compliance Officer
(M. No: ACS-11114)

Veranda Learning Solutions Limited

Q3 & 9 Months FY26 Earnings Conference Call"

February 06, 2026

MANAGEMENT: **MR. SURESH KALPATHI – CHAIRMAN AND EXECUTIVE DIRECTOR– VERANDA LEARNING SOLUTIONS LIMITED**
MR. ADITYA MALIK – CHIEF OPERATING OFFICER – VERANDA LEARNING SOLUTIONS LIMITED
MR. MOHASIN KHAN – CHIEF FINANCIAL OFFICER – VERANDA LEARNING SOLUTIONS LIMITED

MODERATOR: **MS. SOUMYA CHHAJED – GO INDIA ADVISORS LLP**

Moderator: Ladies and gentlemen, good day and welcome to Veranda Learning Solutions Limited for Q3 and 9 months FY '26 Earnings 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 touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Soumya Chhajed. Thank you, and over to you, ma'am.

Soumya Chhajed: Good day, everyone, and welcome to Q3 and 9 Months FY '26 Conference Concall of Veranda Learning Solutions Limited. We have on call with us Mr. Suresh Kalpathi, Chairman and Executive Director; Mr. Aditya Malik, the Chief Operating Officer and Mr. Mohasin Khan, the Chief Financial Officer.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, viewed in conjunction with the risks pertaining to the business. I now request the management to take us through the business update. And post that, we will open the floor for Q&A. Thank you, and over to you, sir.

Suresh Kalpathi: Thank you, Soumya. Good afternoon, everyone, and thank you for joining us today. On behalf of the entire leadership team, we sincerely appreciate your continued engagement and confidence in Veranda Learning Solutions. Before we discuss our quarterly performance, I would like to briefly reflect on the broader policy environment shaping India's education sector.

The Union Budget 2026 that I've spent a few days ago clearly reinforces the idea that education must serve as a direct pathway to employment, entrepreneurship and global competitiveness. Initiatives such as stronger education to employment linkages, focus on emerging technologies, creating digital skills, improved access for women and the creation of integrated university industry ecosystems are closely aligned with how we've been building Veranda over the years.

At Veranda Learning Solutions, our strategy is consistently focused on outcomes, whether through job-oriented academic programs, government test preparation, vocational skilling or digital-first delivery models. The emphasis on employability, industry relevance and scalable digital infrastructure strongly validates our approach and the direction of Veranda 2.0.

Against this backdrop, we're pleased to report a strong performance for Q3 and for the 9 months ended December 2025, driven by robust enrolment growth, improved operating leverage and disciplined execution across our core verticals. Our results this quarter reflect both the strength of our operating model and our readiness to capitalize on the structural opportunities emerging in India's education ecosystem.

We focused on scaling student enrolments, expanding course offerings, launching new programs across online and offline formats and building strategic partnerships. Our Q3 and 9 months FY '26 performance has been exceptional with top line growth of 52% year-on-year in Q3 and 29% year-on-year growth in the 9 months ended December '25, underscoring the success of our focus on operational excellence and disciplined expansion.

Over the past few years, Veranda has evolved into one of India's most diversified education ecosystems. Our presence now spans government test preparation, higher education and academic programs, vocational and professional training and the rapidly expanding commerce test preparation vertical.

Enrolments increased to 111,363, up 55% year-on-year driving collections growth of 46% to over INR144 crores for the quarter. While each vertical has contributed meaningfully to growth, the portfolio has now reached a level of maturity that allows us to move toward a simpler, higher-margin structure.

As part of the Veranda 2.0 strategy, as we had outlined consistently in many calls before, we have advanced the demerger of our commerce vertical as planned. Following receipt of NOC from the stock exchanges and with no observations clearance from SEBI, the scheme has now been filed with NCLT.

This step is intended to unlock long-term shareholder value through the creation of J.K. Shah Commerce Education Limited, a focused and scalable commerce education platform. We have also successfully created SNVA Veranda through the strategic disinvestment of our vocational education assets. This transaction combines Veranda's strong domestic scaling brands with SNVA's international university network across the U.S., U.K., Europe and Singapore.

The platform enables seamless global learner pathways, enhances employability-focused education in emerging domains and accelerate scale towards 200,000-plus learners annually. The entity is projected to generate over INR250 crores in revenue by FY '27, growing at a 25% CAGR with EBITDA exceeding INR60 crores, and it will pursue a separate public listing over time.

This represents both a divestment and a step-up, transforming our vocational portfolio into a globally scaled equity partnership. We continue to strengthen our core verticals, including government test preparation and academic programs, which offer strong demand visibility, scalable cost structures and steady cash flow generation.

Looking ahead to Q4, our efforts remain focused on enhancing faculty capabilities, driving digital-led admissions, strengthening university and corporate partnerships, introducing high-value courses and optimizing marketing efficiency across all our functions. These initiatives are expected to support robust growth, improved operational efficiency and sustained value creation across all our verticals.

I would now request Mohasin to take us through the financials for the quarter and the 9 months ended December 2025.

Mohasin Khan: Thank you, Suresh. Let me walk you through the financials brief. Good afternoon, everyone. Revenue from operations in Q3 FY '26 rose 52% year-on-year to INR117 crores in current quarter. Gross profit is up 47% year-on-year to INR76 crores, driving gross margin of 65% in earlier quarter from 62%.

Operating expenses were streamlined and reduced over the past year. This cost discipline has translated into a 328% of surge in EBITDA compared to year-on-year to INR53 crores, with EBITDA margins expanding to 45%, underscoring our strong operating leverage. As Suresh was saying, the continued execution of Veranda 2.0 restructuring strategy, the benefits of which were visible from previous quarter, materially lowered finance costs and depreciation during the year, resulting in a year-on-year PAT increase to INR17 crores in Q3 FY '26.

And also to say that this is a consecutive fourth consecutive PAT positive quarter for the Veranda. And consistent strong quarterly execution since the start of FY '26 has translated into a robust 9-month performance with revenue reaching INR350 crores, up 29% year-on-year. Expenses remained broadly stable, enabling operating leverage and EBITDA has been reaching INR150 crores for 9 months number with a substantial 409% year-on-year increase.

This execution-led performance over the 9-month period resulted in a PAT of INR114 crores for the 9 months, underscoring the company's disciplined and execution-focused approach. Our balance sheet remains strong with existing debt of INR222 crores at an average interest rate of 17% as on date. And there have been steps in refinancing being taken, which will be seen in the ongoing quarters. This is for the overall update for the Q3.We can go ahead with the next Q&A session.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Harshal Mehta from Zen Nivesh. Please go ahead.

Harshal Mehta: So congratulations, sir, and to the entire team for strong operational and financial performance. Sir, my first question is that regarding our ongoing demerger. Earlier company had shared a broader time line for the completion process, and I completely understand that the final outcome depends on the regulatory and procedural approvals. But broadly, are you on track what is the earlier indicated time lines, as in any material bottleneck that we should be monitoring at this stage?

Suresh Kalpathi: Thank you, Harshal. Currently, where we are as far as the demerger process is concerned, we have gotten the NOC from our mother exchange. We also got a no observation letter from SEBI. Subsequently, last week, Tuesday, we had filed with NCLT. Going forward, the process -- and we are really trying to see how to accelerate the process beyond what we had indicated earlier.

So we are in the process of submitting no objection certificates from both our secured and unsecured lenders, which we hope to get during the month. Subsequently, we plan to be able to get it to NCLT so that we can proceed possibly directly to a meeting of the shareholders in a court convening here.

As we speak, based on how I'm seeing the progress from my position, the attempt would be to get the approval from NCLT if we can before end of April, and possibly start work on the listing and trading permissions and the hope will be to get this listed and traded sometime in June of this year. So that's sort of where our time lines are. We are trying to see if we can accelerate it even further. But as we speak, we are fairly confident that this will be listed and traded before end of June with approvals from NCLT by April.

Harshal Mehta: Great, sir. This is very helpful. Sir, my next question is regarding the profitability. So earlier in past con calls and presentation, we have guided somewhere around INR75 crores of profitability. And we have already achieved INR40 crores in the last 2 quarters. So based on the visibility and strong momentum that we are having, especially from the commerce segment, are we confident of achieving this guidance? Or would you like to even revise this guidance on the upside, if possible?

Mohasin Khan: I'll take up this. So with the current numbers, Harshal, I think we'll be at the track to achieve the guidance. Upside is not -- the upside will always be there, but we stick to our guidance numbers. We are trying to achieve that numbers as the focus.

Harshal Mehta: Yes. So finally, sir, last question was regarding the recent budget, as you also mentioned in your opening commentary. So I guess Finance Minister has mentioned that government will be facilitating professional institutions such as ICAI, ICSI and ICMAI for short-term modular courses regarding that Corporate Mitra to support MSME. So we are having strong presence in that particular segment. So do you think that there is some kind of opportunity or some kind of -- that we can align with this initiative and participate in this market also?

Suresh Kalpathi: Yes. I think this was one of the most beneficial thing that was announced in the budget, that they will have professionals with specific defined certification who can help MSMEs do their compliance but at a more affordable cost. So given our strong presence in this vertical across online, offline and the academic segment, we expect to play a significant part.

We are waiting for the government to formally announce, through the respective associative bodies, the levels of certification and programs. I think once they have been announced, we will probably be one of the first to take a significant advantage of this program. And I think since it's focused on Tier 2, Tier 3, this will help us significantly expand our reach and I think leverage especially our online and our offline centers spread throughout the country. Yes. So this is a significant announcement, and we are probably uniquely positioned to take a fairly leveraged advantage of this announcement.

Moderator: Thank you. The next question is from the line of Deepesh J from Maanya Finance. Please go ahead.

Deepesh J: Now what will be the reinvestment strategy for the surplus cash flows generated, post demerger and divestment of the vocational segment?

Suresh Kalpathi: So as far as the cash is concerned, I think currently we want to sort of deploy it quite significantly to as quickly as possible deleverage the organization so that at some point we make it debt-free. Having said that, there is a plan to expand our academic footprint. So we are currently working on a plan to add possibly about 10 to 15 managed colleges going into the next year.

So certain amount of investments will happen in growth. Also, we are ensuring that when subsequently the residual stakes are being bought out in some of these businesses, the company expects to do all of the residual purchases through internally accrued and generated cash, rather through additional leverage or equity dilution. So some cash is being set aside for purchase of residual stake. Some cash is going to be used to drive our expansion, especially in the commerce vertical. And some of it will be used to continue to deleverage the balance sheet as quickly as we can.

Deepesh J: Okay. My second question is regarding once this is demerged and the commerce division actually goes. I was going through your results. There's no significant growth in the other businesses. So can you give growth strategy on how you plan to have a decent growth and also a decent ROE for the future?

Suresh Kalpathi: So a couple of verticals that we will have in Veranda, which is our K-12 academic and for the government test prep. As far as the government test prep business is concerned, there is a plan to expand the network of our centers through franchising. You will see that happening, especially in the southern markets of Tamil Nadu, Karnataka and Kerala.

Next year, we also plan to launch our online programs in both Telugu and Hindi. This will help us get into Andhra and Telangana and into a significant part of the Hindi heartlands. So we expect these measures to potentially drive up our EBITDA in the commerce vertical by about 60% to 65% in FY '27.

Most of this is going to come from an asset-light model. So we're not looking at significant investments being made, but we expect our EBITDA to move up at least 60%, 65% going into FY '27 from this year. Now as far as our academics segment is concerned, it's largely managing CBSE and Cambridge international schools.

Again, we are working on an asset-light model with a couple of REITs, which will allow us to open new schools that are managed by us, but except that it would be asset-light and funded through some of these REIT vehicles that specifically focus on the schools and education segment.

So there, again, our current strength of students is about 5,500. Next year, the existing strength is expected to move up in the schools that we currently manage. And hopefully, we will double the number of schools that we manage during the next year. So there, again, we expect our EBITDA from the schools -- K-12 managed schools business to significantly move up probably by another 60%, 65% in that segment, too.

And given that most of this will be an asset-light opex model, the managed school segment is again expected to deliver a strong growth. Now apart from that, what we are also looking at doing, post the demerger, is that currently, we have a significant corporate cost deeper, which runs into probably about INR4 crores and above per quarter. Now quite a bit of what we are carrying is because of the size and complexity of the organization we today have.

Post the demerger, we expect the corporate costs also to be significantly whittled down. I think all of these factors will ensure that the non-commerce business that will emerge, post the demerger of J.K. Shah Commerce Education, will also be a fairly robust, fast-growing business with a significant return on equity that it will have. So there are plans. And I think during the next quarter, when we close out FY '26, we'll probably have a more detailed commentary because we'll be closer to the demerger too.

Deepesh J: Okay. So -- fine. So the demerger questions, I'll keep it for the next quarter. Now coming to the question, actually in a broader perspective about AI. Does the company see AI as an opportunity or as a challenge? And if as an opportunity, then what is it that we are going to incorporate or are planning to incorporate so that we can maximize on this AI opportunity?

Suresh Kalpathi: Aditya, would you like to talk of some of the programs that we are doing on AI and agentic AI?

Aditya Malik: Sure, sure. Thanks, Suresh. Yes. So we are approaching this in 2 aspects. One is an opportunity for us to launch courses for our students. So currently, as we speak, we are running a couple of courses from our company, Edureka, which is focusing on the tech training for tech professionals on Gen AI as well as agentic AI.

They are both short-term courses as well as certification courses in partnership with institutes like Illinois Tech, also leading to a masters program in MS from one of our own SNVA Veranda University. So that's on one side of it, where we are offering this to our retail customers through B2C channels as well as offering this to our large corporate customers, some significantly large big names for the training side of it.

So that's one side of how we are using AI as a business opportunity. On the other side, to get the efficiencies in our operations, we are looking at AI like any other organization. We have piloted the telecalling opportunity, the inside sales opportunity, what we call it counselling, to our prospective customers using AI bots.

We are also piloting AI for generating content across multiple organizations and then modifying it. We are also piloting AI around the video ads, etcetera. So to summarize, from an internal efficiencies perspective also, we are looking at that as a tool to generate operational efficiencies.

Now to answer your specific question around to see it as an opportunity or as a threat, we definitely see it as an opportunity; opportunity in terms of doing more business, opportunity in terms of getting more operational efficiencies to do EBITDA. The way education has evolved over the years, you still will need a significant amount of human interventions. As they say, from an Indian culture perspective as well because teacher place never ends. So that will still remain and while the delivery model will keep evolving. So as any other organization, we'll keep evolving with it. I hope I answered your question.

Deepesh J: I'm also talking about the operational cost. How much of your operation can reduce potentially with introduction of AI, both in J.K. Shah as well as in Veranda? And secondly, that -- if you can quantify how much of your sales -- I mean, I'm sorry, how much of your revenues is coming from AI courses also currently?

Aditya Malik: So from operational efficiencies in terms of quantifying the cost, it's early days. We are still at a pilot stage like many other organizations in terms of trying a few things out and seeing what will give us the impact. So I would not be able to quantify the exact savings which we'll get because of using of AI.

What we are definitely seeing is better efficiencies in terms of customer service, in terms of ensuring that we are able to revert fast to the customers, in terms of generating the better quality of content. We are definitely seeing that. But in terms of quantification in terms of a rupee value, we are still some time away. In terms of our AI course revenue, so specifically from our company which is Edureka, which is Brain4ce, under the legal name of Brain4ce, almost about 35% to 40% of our revenue comes through AI courses as of now, which is increasing by every month.

Suresh Kalpathi: Just to add to it in terms of areas of efficiency that we are currently piloting, the first is in terms of telecalling. We already have agentic AI being used. So we have agents who are today picking up calls from our inbound potential customers, which are nonhuman and agentic AI. We already have them interspersed among our existing pool of telecallers.

There are also agentic AI bots, which are now picking up calls.As Aditya mentioned, it's early stage, but we are seeing significant improvements in performance compared to the costs that we have to buy these agentic AI numbers. The second one where we are using it is in terms of assessments.

So it's again being piloted in multiple verticals to take care of the assessments that we have, which is today starting to be done through AI tools rather than through human assessors.The third area where we are looking at creating significant impact is in terms of customer support. So in many of our verticals, we are in the process of launching 24/7 customer support, where when our human pool of people are on a break or on a shift break, the AI -- agentic AI bots automatically take over.

So customer support is again where it will go very deep compared to what we were doing before, where we can provide 24/7 support. We are also introducing this to make our programs available in multiple languages. So some of our top programs are going to be available in all languages, again, fully supported through AI tools, whether it's in terms of dubbing it into other Indian languages, or using our existing faculty, but being able to allow them to deliver it in all languages in India.

The fifth area that we are currently using it and piloting is in terms of providing mentorship to our student base. In many of our verticals, today, the mentorship is provided through a human intervention. We continue to believe that, that mentorship will require significant human intervention.

But today, we are introducing multiple support tools to those mentors using AI tools to ensure that we can now mentor more efficiently and probably reach a much deeper audience. So across functions, across verticals, it's currently being tested. And as Aditya mentioned, early days for us to put a number on efficiency.

But across all functions, it is being used, and we have significant incentive programs for all our employees based on the percentage of AI adoption that they are able to showcase. So early days to put a number, but be assured that it's being piloted across almost all functions in the organization.

Deepesh J: Great to hear that at least -- actually you're aware of what are the fields where you can apply AI and you are getting AI-ready. That's a very good sign. I'll ask my demerger question in the next quarter.

Moderator: The next question is from the line of Sudarsana Narashiman an Individual Investor.

Sudarsana Narashiman: So with all these growth plans, what is the cadence we can expect for the FY '27?

Suresh Kalpathi: Mohasin, you want to take it?

Mohasin Khan: Yes. So current year, I think with the divestment happening, as we have already said that we'll be reaching INR180 crores in bottom line and INR50 crores in the top line. And in the current, same with vocational also being part of our revenue structure, we are expecting the numbers to reach INR850 crores to INR900 crores and EBITDA of almost INR280 crores to INR300 crores bottom line. So we are almost in the progress in line, and we are preparing the budget along the same lines. So these are all the guidance which we are expecting for next year also.

Sudarsana Narashiman: And how about the SNVA get Veranda as a growth path in listing? Because you mentioned it will be listed sometime later, but any plans immediately will lead it to that?

Suresh Kalpathi: Aditya, you want to give a brief on what we are planning with SNVA Veranda organic? And I'll probably add a few lines on the plans on top of that.

Aditya Malik: Sure, Suresh. So as we had announced September last week and October first week, the merger with SNVA, and the name of the company also has been changed now to SNVA Veranda Limited.

As you are aware, just to recap, the intent behind doing that, apart from the financial reason of divestment, was to making sure that we take the business global with SNVA's business spread mostly outside India by owning a couple of universities in US and Europe and learners coming out of 66 countries, and Veranda's business specifically focused on Indian market, we had a great opportunity, which we leveraged on to take the higher education and vocational business global.

Happy to report that the integration and coming together in the first quarter, post the merger, has gone off fairly well. We have started working as one team without any disruption. In terms of day-to-day working operationally, things go on. But the advantage of having our own universities and marketing their programs, offering those additional courses to our customers have started showing the results.

Early days for that because the impact will come as the year progresses, but we are fairly on track to meet the numbers what we had set out for the financial year. And as we plan for the next year, which is FY '27, we are -- we have aggressive targets, which we have in plans to even grow at a faster pace outside India as well as in India as well by opening a couple of campuses in

Europe as well as a couple of campuses in Middle East as well. Suresh, you want to add on something which I missed?

Kalpathi Suresh: So for FY '27, we expect to be able to reach a top line business of about INR250 crores in SNVA Veranda, and we are targeting an EBITDA in excess of INR60 crores for FY '27. What this also indicates is the ability and the acceleration that we can achieve now that, as Aditya mentioned, the integration is completed. We expect to be able to significantly accelerate and grow further. And you will see that happening starting from the current quarter, which is Q4 of FY '26.

On top of that, I think there are some interesting potential that are being evaluated by SNVA Veranda. It's too early for us to comment on it. But if some of these strategies, we are able to get them through, you might see SNVA Veranda being listed in the bourse as an independent company. And internally, our target is to take it for a listing only when it crosses about, at least, INR100 crores of EBITDA as a debt-free business.

So we think those days are not too far away. Just with where we are today, we are targeting to exceed INR60 crores of EBITDA with a INR250 crores top line in FY '27, which sort of positions it well for an FY '28 INR100 crores plus EBITDA organization, which could probably set the stage for a potential listing. Outside of that, a couple of other interesting strategies, as I mentioned, are being evaluated. If some of them happen, you might see a listing happen in a much bigger scale and much earlier.

Sudarsana Narashiman: Thank you. And my last question is, sir, in terms of refinancing your debt. So there was something in your presentation, you are taking loan of INR140 crores, please correct me if I'm wrong. So is it to refinance whatever the high debt that you have?

Suresh Kalpathi: Mohasin, you will take it?

Mohasin Khan: Yes. We have mentioned in the disclosure, it's only to refinance the existing debt with the effective credit high-cost debt at a rate of 17.23%. The entire proceeds are being used to refinance. As you have seen in earlier calls, we are sub two-digit, we got at 9.9%. So it's completely towards the refinancing of existing debt. This will significantly reduce our interest going forward.

Moderator: The next question is from the line of Athar Syed from SmartSync Services. Please go ahead.

Athar Syed: Yes. So sir, I have some couple of questions. So my first question on this, after the demerger, the demerged entity of commerce vertical, it will be led by Professor J.K. Shah. So what will be the plan -- after Professor J.K. Shah, who will lead the company of demerged entity basically? Because I think Professor J.K. Shah is right now 60- or 70-plus? So can you please throw some light on this?

Suresh Kalpathi: Yes. So first is to confirm, yes, that he will be the Chairman of the new organization that will be formed, post demerger, J.K. Shah Commerce Education Limited. He is not 70-plus, but he is 60-plus. He's about 64. Already, there are multiple people in the organization, which is, when I say organization, the commerce vertical, who are being groomed as successors. The professor's son and daughter themselves have been with the organization for the last 7, 8 years, and they are being mentored to take on a significant role over the next 3, 4 years.

Apart from that, we have multiple other people who are being groomed within the academic part of the commerce vertical, within the online part of the commerce vertical, which is headed by Bhanwar Borana. And of course, in some of the regional like Navkar and Logic, we have the next generation who are already being groomed.

So we expect the professor to be the mentor, would be the strategist and given his 40-plus years of experience and the credentials that he carries, to be able to drive the strategy and, to some extent, oversee the execution of the entire strategy in the commerce vertical.

As you will know, the professor stopped taking classes almost 15 years ago, but still the entire organization, including the entire Veranda commerce vertical, is being driven based on his strategy and direction. So yes, he is 60 years plus, multiple levels of succession planning is already in place, and some of it has been in execution for the last 2 to 3 years.

Athar Syed: Okay, sir. And can management also share KPI for Veranda 2.0, like, for example, student acquisition cost or lifetime value per student?

Suresh Kalpathi: So in the government test prep, the typical programs are about 6 months duration. So if you should call a value, it's less than 1-year. But in our academic, which is our managed K-12 and Cambridge schools, the typical lifetime value is 14 years. Kids typically join when they are in LKG or pre-KG and stay with us till 12 standard. So there, the lifetime value is close to 14 years.

But in the government test prep space, as it is very symptomatic of that entire sector, programs are typically 3 months to 6 months, and the batches do start 4, 5 times a year. So lifetime value there is less. Volumes are much, much more. As far as the academic space is concerned, the LTV of the customers is about close to 14 years in all our segments in the K-12 managed space.

As far as commerce is concerned, we have a few segments. The online programs, we have repeater batches, we have acceleration programs before the exams. We have just a test series, doubt clarification programs. So durations could run anywhere from 2 weeks to almost 6 months as far as the online programs are concerned.

In the offline space, in our physical centers, like if it is in Bombay, like in Andheri or in any of our other centers, possibly in Ahmedabad, in Chennai, in Kerala, Karnataka, in the offline centers, typically, the students take up the full package, which means they do all programs of CA Foundation or all programs of Group 1 and Group 2 intern. So there, the duration could be 6 months to 1-year in terms of duration of programs. In terms of lifetime value, hence, it would be 6 months to 1-year.

As far as the commerce part of the academic programs where we manage junior colleges and B.Com colleges, there, lifetime value could be about 5 years, 11th and 12th of commerce program and then, subsequently, B.Com first, second and third year. So there, it is about 5 years, which is in the academic part of the commerce vertical. So across sectors, it does change. Typically -- so hence, running anywhere from 2 weeks to about 14 years in the K-12 space.

Athar Syed: And sir, one last question on this. Like, we saw good growth in student enrollment. So what will -- hello?

Suresh Kalpathi: Please go ahead.

Athar Syed: Yes. So one last question on the reason behind enrollment growth. This time, we saw good growth in student enrollment. So can you please throw some light on this?

Suresh Kalpathi: The student enrollment typically is the fastest in our shorter-duration programs. The longer-duration programs, for instance, in our K-12 managed school segment, our student strength is about 5,500, 5,600 students. In the B.Com colleges and junior colleges that we manage, our strength is about 17,000 students. Whereas if you go look at our government test prep, it runs into 40,000 to 50,000.

And then, of course, in our online program for commerce, we probably have students in excess of 100,000. So shorter-duration programs, significant growth in terms of student enrollments. The longer-duration programs, student strength is lower, lifetime value is much, much higher. But I think your question in terms of where the growth was coming from, a significant part of our growth has been coming from our commerce vertical.

Athar Syed: Okay. Okay. And sir, what is the reason you are very bullish on commerce segment -- commerce vertical basically? You had also mentioned in past con call also, we can expect 30%, 35% growth also in commerce vertical. So what was the main reason behind this?

Suresh Kalpathi: I think two key reasons. The first one is, overall from a macro perspective, as you would have noticed even in the current budget that the growth is extremely strong and the numbers that we are looking at from the overall economy going into now multiple trillions of dollars. I think with every economy that's gone through growth going from the top 50 economies to a top 5 to a potentially top 3 economy in the world, services becomes a big part of the GDP. And within services, financial services becomes a large part of it.

If you go back just by 40 years, how many people were investing in the stock market from a retail perspective? Very little. Today, that segment has become very, very large. So the understanding and the returns that we get from understanding the commerce part of it in the internal economy has significantly gone up, and there is a requirement for trained professionals for education, for knowledge in this sector. That is coming from India growing economy going into the top 5 in the world.

The second one that we are also seeing, which is another significant reason, is offshore work in terms of financial services is now happening in a large part in India. The number of global competency centers, GCCs that we talk about, there are now GCCs that are being set up exclusively for financial services, back-office work in India. It's very similar to what happened with software offshoring, which got triggered in the year 2000.

One is starting to see that happen in India. Some of the GCCs being set up are now expected to have 100,000 people just in a single organization. So significant scale in terms of offshoring of financial services, back-office work to India is currently happening. So first, due to India's GDP growing, big factor, GCCs coming into India, adding on to that.

Really, these are the twin engines that are driving the demand for trained professionals as far as commerce is concerned. That's been our reason for having significantly invested and built arguably India's biggest education company in that space. And I think as we go forward, you will also see that translate into numbers, both in our top line and the bottom line.

Athar Syed: Okay, sir. Great. Just last one question. How many colleges do we have as of now?

Suresh Kalpathi: We currently have 15. Three are being added as we speak. They will go operational by June. We'll start taking students from this academic year. For the coming academic year, there is a plan to add another 10 to 15 more, which will literally double our size in FY '27.

Moderator: The next question is from the line of Srikanth an Individual Investor.

Srikanth: Yes, with AI increasingly being used for personalized learning content creation in education, how does Veranda see AI impacting in its core test preparing in coaching business for next 2 to 3 years?

Suresh Kalpathi: Aditya, you want to take it?

Aditya Malik: Sure. So the way we see it, we see AI more as an enabler. As I was sharing earlier in the previous question on AI, we are already starting to use AI to do assessments for students. We are already starting to use AI to generate good quality content and examples, including videos, et cetera.

So from our perspective, whether it is a test prep segment, coaching segment, higher education segment or school segments, any of these segments, for us, AI is an enabler, which will supplement our teaching efforts, which we are doing in the classroom or online. That's how we are viewing it.

Srikanth: Will it reduce your business?

Suresh Kalpathi: So in some sense, Srikanth it is -- we expect this to be able to accelerate and make a lot of our services very efficient. But end of the day, if you really look at it, we are a learning organization. So people come to us for a disciplined program to acquire knowledge, typically based on outcomes.

So if you today look at the number of videos available, for instance, if one has to learn about AI, there are some great programs that are available on YouTube, which are literally free of cost. But as Aditya mentioned just a few minutes ago, our revenue numbers from AI and agentic AI courses that we have launched today is 40% of Edureka's total revenue.

So clearly shows that people, while a lot of this content is available, and today with AI, ability of organizations like us to generate very high-quality content very, very efficiently at very low costs is significantly enabled. Students, corporates still look for an organization that can provide a disciplined learning path that generates outcomes.

So content is available, content generation is now going to become simpler, easier, much easier, much faster of a much higher quality, but our work as we see is to provide that learning path, a very curated learning path and two is to ensure that we have people who will mentor and directly learns to achieve that outcomes in a disciplined fashion.

So in short if it is availability of good quality content which is now available free. It was available for free even 5 years ago. People come to organizations like us because we curate them, we provide a defined learning path and we mentor our students in a path to achieve outcomes.

So that will continue to happen. As we had mentioned earlier in the call, our costs across all functions to be able to achieve this is expected to come down, which means starting from telecallers, who are now already interspersed with agentic chatbots, to assessments, where we are increasingly using AI for assessments. In terms of customer support, again, we are using a lot of AI chatbots and agents.

So costs across functions is expected to come down. Our ability to generate returns for our learners, based on our curated content and learning path, continues to be very strong. As Aditya mentioned, in fact, our revenues from delivering some of these AI, Gen AI and agentic AI programs has actually gone up very sharply in the last 6 months.

Srikanth: Okay. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to the management for the closing comments.

Suresh Kalpathi: Thank you. Thank you to all once again for joining us on this call where we spoke about our quarterly Q3 numbers and 9 months ended December 2025. Again, just to summarize, we had one of our strongest quarters, both in terms of growth in top line and in terms of our bottom line EBITDA. We are also significantly closer to our process of demerger and listing our commerce vertical.

And from many of the views that I hear, the listing of the commerce vertical could be very significant. And given its projected EBITDA for FY '27 at INR200 crores could -- again, potentially could be a $1 billion listing all by itself. We are very close to that, and the process is on track to potentially have that listing done by June of this year.

On all the other segments, we are growing fast. We are moving to a place where we are replacing our high-cost debt, which is at 17%, to refinance, which will potentially come at less than 10% of interest. So there is going to be a significant savings in interest cost again moving forward. As far as the rest of Veranda 2.0 execution is concerned, it's on track and we expect to deliver a Q4 and a very strong closing to FY '26 and a great commentary of what we expect for FY '27.Thank you once again for joining us on this call today.

Moderator: Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us. You may now disconnect your lines.