

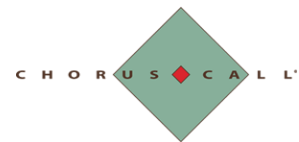
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“Jaro Institute of Technology, Management and  
Research Limited

Q3 FY '26 Earnings Conference Call”

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**MANAGEMENT: MR. SANJAY NAMDEO SALUNKHE – CHAIRMAN AND  
MANAGING DIRECTOR – JARO INSTITUTE OF  
TECHNOLOGY, MANAGEMENT AND RESEARCH  
LIMITED  
MS. RANJITA RAMAN – CHIEF EXECUTIVE OFFICER  
AND WHOLE TIME DIRECTOR – JARO INSTITUTE OF  
TECHNOLOGY, MANAGEMENT AND RESEARCH  
LIMITED  
SAAA CONSULTANTS PRIVATE LIMITED – INVESTOR  
RELATIONS**

**Moderator:** Good afternoon, ladies and gentlemen. On behalf of Jaro Institute of Technology, Management and Research Limited, we extend a warm welcome to all participants joining us for the Q3 and FY '26 Earning Conference Call. We sincerely appreciate your presence as we discuss the company's performance for the quarter, highlight key developments, and outline our strategic priorities going ahead.

This conference call may include forward-looking statements based on the management current beliefs, assumptions, and expectations as of today. These statements are subject to risk and uncertainties and should not be construed as assurance of future performance. As a reminder, all participants will remain in listen-only mode until we open the floor for the question and answer session. Please note that this conference call is being recorded. Should you require any assistance during the call, please press star followed by zero to reach the operator.

With that, I now hand the conference over to Mr. Sanjay Namdeo Salunkhe, Chairman and Managing Director of Jaro Institute of Technology, Management and Research. Thank you and over to you, sir.

**Sanjay Namdeo Salunkhe:** Thank you very much. I am Dr. Sanjay Salunke and I thank you all for joining us today. It is always encouraging to connect with investors, partners, and well-wishers who continue to believe in Jaro's long-term vision and journey. Joining me today is Ms. Ranjita Raman, CEO and Whole-Time Director of Jaro Education and SAAA Consultants, our IR partner.

Over the past few quarters, Jaro has continued to evolve with one clear priority, to build a scalable education company that expands access, meets real industry demand, and creates lasting value. This direction aligns closely with the Viksit Bharat vision, where skilled professionals and lifelong learners are key to India's next phase of growth.

Q3 financial year '26 was a quarter of strong execution for Jaro and it carries added significance for us. This quarter marks the Institute's second financial result following our initial public offering completed in September '25. During the current quarter, we continued to make steady progress across our strategic priorities, program portfolio, and institutional partnerships.

Our efforts remained focused on expanding access, strengthening relevance, and building a future ready learning platform. One clear example of this progress was our regional expansion. With the addition of centres in Kolkata and Indore, we are able to reach deeper into Tier 2 and Tier 3 markets.

These markets continue to show steady and growing demand for structured professional education and are becoming an increasingly important part of how we think about scale and reach. It also showcases the democratization of education. Profitability has always been a core principle for Jaro.

We have built the business with a clear focus on outcomes and financial discipline. As we grow, our approach remains measured and deliberate. We are investing in execution capacity through targeted hiring in coming quarters, supported by clear productivity metrics, while maintaining

tight cost control. We also continue to maintain a strong cash position, which gives us the flexibility to fund future growth responsibly.

Moving to the financial performance, Q3 financial year '26 reflected the benefits of disciplined execution and improving operating leverage. The total income for the quarter increased by 42% approximately year-on-year to INR61.80 crores. This growth was driven by higher enrollments across our flagship programs and expansion into new geographies.

EBITDA for the quarter stood at INR12.29 crores compared to a loss in Q3 financial year '25, supported by improved unit economics, controlled marketing spend, and stronger operating discipline. PAT for the quarter was INR7.03 crores, translating into a PAT margin of 11.38%. For the nine months period ended financial year '26 April to December, total income grew at 13.29% year-on-year to INR203 crores.

EBITDA for the period stood at INR53.05 crores with an EBITDA margin of 26.12%. While PAT was INR31.58 crores with a PAT margin of 15.55%. While margins moderated on a year-on-year basis due to calibrated investments in new initiatives and higher base. Overall profitability remains healthy.

Overall, this quarter is a strong indicator of how we are shaping Jaro education for long-term scale, backed by operational consistency and financial discipline. Thank you everyone for joining us for this meeting today.

For our Q3 FY '26 earnings conference call, we continue to focus on growth, operational excellence, and sustainable value creation for all stakeholders. In case of any further queries, you may reach out to SAAA Consultants, and we are open for the Q&A after Ranjita ma'am's talk is over.

I hand it over to Ranjita ma'am.

**Ranjita Raman:**

Thank you, Sanjay sir. Very happy to be with all of you here. As we scale the business, we are being very deliberate about how we grow. Our priority is to ensure that consistency and quality is maintained. This quarter, our team focused on strengthening delivery and learner support to ensure that growth remains sustainable.

On the academic front, we moved with purpose. We launched multiple high-impact programs with institutions such as IIT Madras, IIT Bombay, Symbiosis, and Delhi Technology University. I would especially highlight the launch of School Connect vertical for IIT Madras. This would not just help us leverage the skilling to the working professional, but also to the school children.

This is a strategic step that deepens our institutional engagement and reflects the long-term nature of our partnership. With program relevance continues to guide our decision, we see a clear demand for practical, industry-aligned capabilities. Under the Next Generation AI Business Master Class program with IIT Madras alone, we upskilled more than 2,000 learners during the quarter. This gives us confidence that the direction we are taking with these programs are resonating.

Now we talk about institutional partnership with organizations like HCL Tech, PNB MetLife, and Sutherland are helping us support structured learning within corporate environments. At the same time, our exclusive partnership with J.K. Shah Classes and the extension of our 5-year association with Symbiosis International reinforces our positioning in the professional education ecosystem.

Access is another area we are paying close attention to. Our collaboration with Jio Ecosystem, including Jio Fiber, Jio Air Fiber, and Jio Store, allows us to offer free learning access to Jio set top box users. This meaningfully expands reach and helps structured learning travel much further.

We have also strengthened governance frameworks, reporting structures, and operational discipline. The quarter gives us confidence not just in what we are building, but in how we are building it. Our focus remains on delivering consistent learner outcomes, strengthening execution capabilities, and ensuring that Jaro is well-positioned to scale responsibly in the years ahead. Thank you to all of you.

**Moderator:** Thank you so much, ma'am. Our first question comes from the line of Sucrit Patil from Eyesight Fintrade Private Limited. Please go ahead.

**Sucrit Patil:** Good afternoon to the team. I have two questions. My first question to Mr. Salunkhe. From a financial lens, before the numbers show up in the reports, what early signs do you track that tell you whether things are moving in the right direction or not?

If there is pressure building, for example, if there is some change in learner engagement or enrollment pace or cost absorption, what is on your screen that helps you to stay ahead? I want to understand your vision on this. Thank you.

**Sanjay Namdeo Salunkhe:** Yes. Thank you for the question. You mentioned about the early signs we track and change in learner engagement. So the early signs what we track is basically we do the business intelligence to explain a little brief. We understand what is required by the corporate world. In the sense, the working professionals who are working in the corporate world, whether junior level, management level or middle management or senior -- the C-suite level, right.

What are their needs for the growth in the corporate ladder, right? And then we submit this business intelligence report along with the industry report what we do, the domestic industry report, the international industry report we study.

And we provide a small piece of paper to the institutions on which the learning outcomes, what should be the learning outcome from that particular program, what should the program fees, what should be the program duration and who should be the TG that we provide. Based on that, the institutions develop the content. They take 4, 5 months, 6 months' time depending upon the length of the program.

After they develop the content, they give it to us to market, so get the professionals from the corporate world. And along with that, we also provide technology support, the LMS. And also,

we have the learning management system, the platform over which the learning happens. And also, we have our studios in IIMS. So we set up studios down there so that their faculties can just come in the studio, deliver the talk and go, right.

So business intelligence, marketing, technology support, then learner feedback support to the institution. Sometimes the learner says because they're experienced people, they say the faculty is teaching from text and not giving a business example for case studies for that matter. So we provide that input to the institution and then they may change the faculty or they may get senior faculty who has corporate experience, okay?

So the question you asked, early science we track. So we track how the demand is increasing for the programs and accordingly we plan our business scenario. Then change in learner engagement. Now change in learner engagement is like the learners are all people being maximum people, 95% people being the working professionals. They want the actual business situations we discuss in the classroom, right?

And after completion, so if you look at the clientele we have, like our partnerships is IIM Ahmedabad, IIM Kozhikode, IIM Indore, IIM Mumbai and furthermore IIMS. Then IIT Madras, IIT Delhi, IIT Bombay, then more IITs. So as the institutions are good, the learning is good. The learning is good, the learners get promotions in the existing company or they may get better job opportunities or some people may move towards entrepreneurship, right?

So this is how and we have thousands of testimonials from the learners saying that thank you very much. I grew after doing a particular program. Thank you. I'll stop here. Did I answer your question? Anything more?

**Sucrit Patil:**

Yes, just an extension to that. But my second question is to Ms. Raman. As Jaro expands its educational programs, I would like to understand what are the main trade-offs you are juggling right now between launching new courses, scaling faculty and keeping the margins steady.

And if something shifts, like a similar extension to my previous question only again, and if something shifts like demand patterns or pattern expectations, what kind of internal signs would tell you that it's time to rethink your working priorities? Just want to understand your view on this.

**Ranjita Raman:**

Sure, sure. I think the second part of the question answers the first part itself. Now I would like to bring your attention towards the demand pattern. Now the tracking of demand pattern goes with the change in the new job roles in the contemporary corporate ecosystem. While we start tracking the kind of roles which are needed, that gives us a sense that there's a need for us to change the program direction as well.

Now what the internal signs that we identify, so let's say, if we offer 240 plus programs, we have to keep looking at revisiting those programs if they remain relevant or we need to add on, include, exclude it from the portfolio. And that then helps us keep the pattern as per the industry demand and keep building the education ecosystem for corporates.

**Sanjay Namdeo Salunkhe:** Just to add on to what ma'am said, you mentioned about keeping the margins steady. Not only keeping the margins steady, our efforts are towards improving the margin. So in this, there are three basic activities that we do to get the enrollments. One is the performance marketing. Second is the referrals. As our programs are fantastic and well thought and the brands are very good, the learning is very good, the growth is very good for the working professionals.

So we get as good as 35% to 36% referrals from the learners who have completed the program or are undergoing the program. And the third one is the organic leads, the people who come to our website and so on. So our attempt is towards to reduce the dependence on performance marketing and increase the referrals and the organic leads, so the margins will improve.

**Sucrit Patil:** Thank you. The last part was very helpful and best of luck for the next quarter.

**Sanjay Namdeo Salunkhe:** Next quarter?

**Sucrit Patil:** No, no. I said best of luck for the next quarter.

**Sanjay Namdeo Salunkhe:** Okay, thank you very much. Nice of you.

**Moderator:** Thank you. Our next question comes from the line of Disha from Sapphire Capital. Please go ahead.

**Disha:** Yes, thank you so much for this opportunity. So just a couple of questions. So for the 9-month FY '26, I think our admissions roughly are about 24,000. What will be the target for FY '26 and how do we see ARPU spanning out?

**Sanjay Namdeo Salunkhe:** Okay, I'll answer the second part. The ARPU has almost doubled in last 4 years. So from 43,000 to almost 84,000 approximately, right? And what was your first part? The question of 9-month '26 you asked. Dishaji, can you repeat?

**Disha:** The number of admissions that we target for this year.

**Sanjay Namdeo Salunkhe:** I don't know whether I can give the projections. But the -- like the quarter 3 had almost a 40% increase in the enrollment admissions. So I do not know whether I can give the projections for quarter 4. But you can -- that's an indication. Overall, I can say that growth will be in the range of 20%-25%.

**Disha:** Okay, all right. And for this ARPU, as you said, the ARPU has almost doubled. So do we expect this range to sustain?

**Sanjay Namdeo Salunkhe:** Yes, not only sustain. The ARPU basically, because we realize the efforts put in for the lower fees admissions and the effort put to the higher fees. For example, if the program is of INR2 lakh and the efforts put in and the program is of INR3 lakh and the efforts put in are not 50% increased, but just marginally increased.

So our focus is towards more and more higher fees programs. But at the same time, we should not lose the TG which cannot afford higher fee programs. We also work with the lower fee

programs. So ARPU will not only not remain steady, but ARPU will increase over a period of time.

**Disha:** Okay, and what's the current proportion of the higher fees programs versus the low fees programs? If you could share that?

**Sanjay Namdeo Salunkhe:** We can say something around 20% or sorry, maybe 30% could be higher fee programs. The higher fees are with IIMS and IITs and also institutes like Symbiosis, right.

**Disha:** So any sort of target you have, how much proportion you want to increase this to?

**Sanjay Namdeo Salunkhe:** Yes, so see we have to cater to both the segments. The senior executives, the fees are something like say for example, AGMP program with IIM Ahmedabad is at INR9 lakh approximately, right. Whereas the lowest fee program could be with Welingkar at around INR1 lakh. So then the variation is quite big.

So it depends upon whether the program is for the junior management level, middle management level or C-suite level, but we don't want to lose a crowd at all the three layers. So that's why we stay focused. But overall, I can say the ARPU will keep on increasing.

**Disha:** Okay, and in terms of your margins, what is the steady state level that you expect going ahead?

**Sanjay Namdeo Salunkhe:** Okay, so you know EdTech industry. So you all are analysts and all people you know better than what we understand because we know our company more. But our EBITDA had been passed also in the range of 30% and our PAT had been in the range of 19% to 20%.

**Disha:** So we hope to sustain that.

**Sanjay Namdeo Salunkhe:** Yes, we'll try to improve.

**Disha:** Yes, and also your CAC, I see this quarter has gone up quite a bit. So can you explain what the reasons are and going ahead, how should we look at this number?

**Sanjay Namdeo Salunkhe:** What happens when we take a new partnership, the CAC is on the higher side, because it's a new marketing. So once the performance marketing gets optimized, the CAC will go down.

**Disha:** Okay, all right. Okay, that's it from my side. Thank you so much.

**Moderator:** Thank you. Our next question comes from the line of Rachit from Evitas. Please go ahead.

**Rachit:** So hi, management team. So I have a couple of questions. So I have understood the model. So one thing I want to understand, in this space, there are so many companies which are there, which are listed, unlisted. So is there any company that we can benchmark this company, any specific industry? That is my first question. And second, so yes, if you can answer this sir?

**Sanjay Namdeo Salunkhe:** Okay. Thanks for the question. Yes, we do benchmarks, but unfortunately in the EdTech industry, hardly companies are there in the profit-making zone. And we are a company on a

standalone basis, profit-making since inception. Also, out of 17 years, 9 years, we have paid dividends. We have done bonus shares. We have given bonus shares twice in our journey. So yes, definitely, but we look at the global companies also to benchmark because in India there are very few companies which are in the profit zone in EdTech. Did I answer your question?

**Rachit:** Yes. So this comes to my second question, team that is -- so you see in India also so many EdTech companies have raised money on high valuation and we see even when they have raised money, 90% are bleeding or in losses. So what is your differential? Why are you guys in profit? That too, when you say that you have been profitable since inception. So what is the secret sauce there?

**Sanjay Namdeo Salunkhe:** So with due respect to all our partners in the business, I will not say competitors, partners in the business, we started a journey by mortgaging our house. And that is why we were very particular about if there is a PAT positive or profit, you continue the journey. We did not. Till the time we went IPO route, we were bootstrapped.

So when you have your not only skin, but the whole body in the game, we are very particular about that continue only if you make profit. Because if we take this money from the investors and they try to grow and go after run after valuation, valuation, valuation, we know we said no, not to do that. Just create value and valuation will follow and we never got into continued cash burn and kind of thing. We never believed in that.

And to give you the best example, because of this long-term thinking and thinking about the bottom line first, give us sustainability and good growth. And we believe in human capital more than equity capital. Now when I say I don't, it doesn't mean I don't respect equity capital. But equity capital can be given by the fund guys. So there are ample number of funds. If you do a good job, they will come and invest in your company.

But getting a key manager is very difficult. Nobody can give you a key manager. So the secret sauce of our company is we always partner with the best of the best institutions. So the learning is good, learning is good, learner's growth is assured and then he thanks us. So that is one. Second, I can give you the fund guys, people call something like mood and all that. We don't understand that much, but I can just give you my idea about mood.

So best partners, the team of Jaro Education, the senior team is very strong and very seasonal and experienced and hardworking. Ranjita ma'am is in front of me right now, 18 years in the company or VP HR 19 years in the company, our CFO 15 years in the company, our Chief Marketing Officer, she is in the company for last 13 years.

Out of three VP sales, two VP sales. One is for 16 years, one is for 17 years in the company. Back office operations head in the company for 17 years, 18 years. So we respect the human capital and that's why we select the best of the best executives and managers for the company. And because we are in service industry, that is very, very, very important. I will stop here. I hope I answered your question. Yes, yes. Thank you.

**Rachit:** Yes. Thank you.

**Moderator:** Thank you. Our next question comes from the line of Rushil from PINC Wealth. Please go ahead.

**Rushil:** Sir my question is that recently we have done a tie-up with J.K. Shah and J.K. Shah is a very well-known, renowned institute. So just wanted to understand why they have selected Jaro and what role Jaro has to play here. So I just wanted to understand the thought process on that. So since they are a reputed institution, so why they need JARO? I just wanted to understand how we are positioning themselves?

**Sanjay Namdeo Salunkhe:** Okay. So Rushil, thanks for the question. J.K. Shah, sir, understands that in the industry, who are the steady players, who are profit-making and who are dedicated to the fantastic deliverables and that's how they approached us and we met together and we have taken exclusive partnership for the online part. And that's a big vertical and as you mentioned rightly, J.K. Shah classes are very reputed. They are in the market for last 40, 41 or 42 years.

Very respectable organization. And we are happy to partner because that crowd of commerce stream is approximately 4.2 million in the country, approximately. So that will give us – there is a new vertical for us and that will give us a big and good volume growth, which will start from, say, April or so.

And what is the differentiation? And they will be running the physical model, the brick and mortar model, the classroom models and we will do the online part for them, the online coaching and tuitions for that matter. So the content will be from their side, the faculty from their side and our marketing capabilities will be used for the growth. And everybody understands now. Future is online.

I'll just give you why the online has zoomed in last four or five years. The new education policy 2020, the government of India announced that the classroom degree, the conventional degree and the online degree is at par, the degree or diploma, because the content is same, the faculties are same, the pedagogy is same, the syllabus is same then why differentiate? Point number one.

Point number two, the government of India wants to achieve the higher education growth enrollment ratio, which is around 29% to 30% currently. They want to achieve it at 50% by 2035. So in the next 9 years, that big jump of 20% and the developed nations, the higher education growth enrollment ratio is around 60%.

So it's an ambitious target. See, the government of India understood that if we are to achieve this target, then going through the physical model of college or education decision is difficult. It will require humongous investments and time. So online is the best mode. And globally, now everything is moving because of the tech advancement. And what has happened best because of this technology advancement and third power factor, I forgot to mention, pandemic.

Pandemic taught us to work from home, learn from home. So now because of this tech advancement, the people in rural India, for example, somebody from Begusarai, Kolhapur, Solapur, Gwalior, Jabalpur, any part for that matter, they never dream that they can be getting

education from IIMs, IITs and top-notch universities like Symbiosis, Amity, Manipal, and so on. Because otherwise, they had to come down to the cities.

And that is very difficult, leaving the parents in the village or rural city, India for that matter. So now this education is available and quality education is available. So that will definitely benefit the population in rural India also. They will grow and society will grow, the family will grow and nation will grow. So that democratization of education has helped us a lot.

**Rushil:** So, sir, just wanted to understand, since you're tied up with this J.K. Shah so like who will be the target like I understand who will be the target customers, but which location, which geography we are going to target? So are we going to target in Tier 2, Tier 3 cities or rural areas for this? Just wanted to understand that?

**Sanjay Namdeo Salunkhe:** Okay. Our TGE is across India. As I mentioned, the approximate population goes into that vertical of commerce around 4.2 million, so almost 42 lakh. So we will go across India. But yes, initially the focus will be definitely Maharashtra, Gujarat, Rajasthan, where J.K. Shah classes have been very popular and known brand for that matter and slowly we'll go across India, all the states.

**Rushil:** Okay. And sir the commercial terms, just wanted to understand the commercial terms within them. So like, is it a high margin or like a similar margin to other collaborations?

**Sanjay Namdeo Salunkhe:** Yes, similar to other partners for that matter. And it's on good side, that much I can tell you.

**Rushil:** Okay. And sir I just wanted to understand, since you have been running this Jaro for a long time, just wanted to understand for the next five years, do you have any vision in terms of growth like what is your internal target in terms of revenue growth and to make margin?

**Sanjay Namdeo Salunkhe:** Yes. So the future is bright, just to brief you. Now, it doesn't mean that if some people did not do good and they shut down their shop or they made losses, instead of taking huge investments of maybe 500 million, a billion dollar and all that, that doesn't mean that sector is bad. If you're mindful of your working, your quality of education, your deliverables, this sector is the best sector, I will tell you because the time is fantastic.

The total addressable market in 2023 was approximately INR13,200 crores, which is projected to be by 28 at INR41,450 crores. So that gives a CAGR growth rate of 25.7% and the best part is, see, education in India and maybe the neighboring Asian countries, parents will not buy clothes for them, but they pay fees for the children and they will ensure that the children educate. So the sector is very strong and sector has tremendous growth. And for our beloved Prime Minister's vision of Viksit Bharat, Aatmanirbhar Bharat, education is the key to success. Padhega India Toh Badhega India

**Rushil:** And sir any new collaboration like J.K. Shah in the pipeline?

**Sanjay Namdeo Salunkhe:** For the commerce, as it's an exclusive partnership we will try to work with them only right now. And let us see in future how it unfolds for that matter, but this brand will help us to grow good.

And that your question of 4 years, 5 years, that's because I told you about the time. So the market is a very fantastic industry and it is recession-free, furthermore I can tell you.

In recession, people will learn to get jobs. In growth phase of the economy people will learn to get promotions. And now everybody has understood that we need to be perpetual learners with the tech advancement so fast. If we don't learn every 2 years, 3 years, new skills or re-skill will be outdated. And in India, people are focused on learn-earn model because maybe somebody comes from a middle-class family or lower-income group, so they have to maybe earn themselves, learn. Even I did that.

I didn't have money for my higher education. So I worked few years, then I took higher education. So that earn-learn model is very popular in India. And all people are focused on educating children. That's why this industry is fantastic. Only one we are mindful about how do we work. So let us not run after doubling and tripling the top line, 200%, 300%. Grow 25%, 30%, 35%, no problem, but look at the bottom line. Bottom line has to improve. Thank you very much.

**Rushil:** And sir, are we going to focus only in commerce segment or we are also looking for other segments?

**Sanjay Namdeo Salunkhe:** No, we are open to all the segments. Like for example, we are already into tech with IITs in management with IIMs and other universities for that matter. So this being commerce stream, it has more population. Like we say, future lies at the bottom of the pyramid late CK Prahalad sir said that. So down the pyramid, there is a big base. So the population is huge down there. So that will add to our top line, our bottom line, everything.

**Rushil:** And sir, also there is a shortage of, like people say that in the coming years there will be a shortage of basically semi-skilled workers like plumbers, electricians. So any thought process on your side to look into this sector?

**Sanjay Namdeo Salunkhe:** See, we do not want to get into the blue-collar middle-job trainings and all right now. We are focused on white-collar and that's why we started with higher education only. Now after this, a few more questions and I will charge you consultancy. I'm just joking.

**Rushil:** Okay. Got it, sir. Thank you, sir, for answering the questions.

**Sanjay Namdeo Salunkhe:** Yes. Thank you.

**Moderator:** Thank you. Our next question comes from the line of Shubham from Glass One Capital. Please go ahead.

**Shubham:** Yes. Thank you so much. Hi, Mr. Salunkhe. First of all, congratulations on the strong Q3 results.

**Sanjay Namdeo Salunkhe:** Thank you.

**Shubham:** Yes. I have two following questions with you. I understand the basics of your business model, which you guys explained, but can you please explain it in a bit more detailed version of it?

**Sanjay Namdeo Salunkhe:** Okay.

**Shubham:** And then I'll be asking the second question once we finish this?

**Sanjay Namdeo Salunkhe:** Okay. So the business model is depending upon the partner institution's requirement, we work. Like somebody, for example, with IIT and IIMs, we do business intelligence. So we suggest what programs are going to be in demand from the corporate world. And after that, they develop the content. After they develop the content, they give it to us. We do the marketing, means getting the learner. Then in case of IIMs more of, they want us to support them on the technology side. So the LMS and the studios are in the campus.

So IIM Ahmedabad campus inside the campus we have two studios and our IT manpower is deployed down there. So the faculty will come, give a lecture, go back and we maintain the studio. So that capex is from our pocket. So likewise, we have 17 studios across India in various IIMs. So IIM Trichy five studios, and so on, depending upon the number of programs.

So the business intelligence, technology support, marketing support means getting the learner. Now here, unlike the school and college for that matter wherein what happens, after the 10th, the student will stand in the queue for 12th. After 12th, they will stand in the queue for the graduation. After graduation, they may go for a job or they may go for higher education. So that path is very clearly defined.

But in case of working professionals, we have to reach out to them. I think some noise is coming. So we have to talk to the working professionals, we have to counsel them, explain them how these programs will add to their profile and how they can grow in the corporate ladder like everybody wants to become the MD of a company or CEO of a company for that matter.

So then we have to educate them that, okay, you are a master of your own domain, but you also need to understand the other functions of management. Supposing you from marketing, you want to become the MD in the future, you should understand finance. Finance is the heart of business. You should understand HR. How can I get the best of the best talent, retain them, motivate them? You need to be good in operations.

You need to be good in project management. You need to be good in IT. So we explain this all to them. So this job is not so easy job. Because these are all working professionals, 5 years, 10 years, 15, 20 years. Explain them. So as I said, business intelligence, technology support, marketing support, learner feedback support to the institute. Your faculties are good, best. Your faculties are giving only theories. These people want business case studies.

So this is all the business model. I hope I explained it properly. And we, like you can say in short, we are the enabler. We do the peripheral work. The higher education is basically the institutions that develop the content, deliver the content, do the assessment, and confer the degree or diploma. But the surrounding peripheral area, we are supposed to do. And that's what the tech companies are doing in this segment.

And because what happens, you know, the institutions are good in delivery and content. But doing counseling for the corporate people and getting them is also a big task. And we also tell them, education institutions, especially the management and the tech institutes also, that have faculty from corporate experience. Because you cannot teach concepts like merger acquisition, valuation from Book. Even the faculty may be PhD.

We do respect all academicians. Corporate guys know better. Because actually, if you heard about Ivy League, Ivy League don't give admission to anybody unless you have 5-6 years of business experience -- working experience. That is because then the understanding of management concept is much, much easier. And you can correlate the management theories with the business situation which you have been working in. I hope I explained the business model properly.

**Shubham:** Yes. It was very clear. Coming to my second question, are there any plans of entering into content development in near future?

**Sanjay Namdeo Salunkhe:** Okay. We initially, when we started our journey, we were also into the content development. Not only content development, the delivery, everything we did. But now when we are working with the Belgium and Russian institutes and universities. But now when we are working with the Indian universities and institutions in India, basically the UGC and the government of India say that, hey, the job of the content development delivery is an institute and university. Supporting roles you can do.

And they are also thinking now that content development can be done by the private companies. If that comes now, the discussions are going on. The government is very progressive. So once that is allowed, we will immediately jump into it because we have that capability already.

**Sanjay Namdeo Salunkhe:** What was your company name you mentioned about?

**Shubham:** It's Glass One Capital.

**Moderator:** Our next question comes from the line of Apoorv Singh from Panchratna Investors.

**Apoorv Singh:** I have two questions. Actually, the first one is regarding your guidance which you gave after Q2. It was INR85 crores for this FY '26. In nine months, we have only done INR31.5 crores. So do you think we can achieve still INR53 crores of that in Q4?

**Sanjay Namdeo Salunkhe:** We did mention about INR85 crores as a figure, first of all. And the second...

**Apoorv Singh:** Sir, you have mentioned in the ET Now interview, two minutes, seven seconds. Exactly, you have mentioned INR85 crores, sir?

**Sanjay Namdeo Salunkhe:** Q3.

**Apoorv Singh:** Yes, you have mentioned FY '26, INR85 crores PAT?

**Sanjay Namdeo Salunkhe:** FY '26?

- Apoorv Singh:** Yes. And it was in your last Q2, ET Now interview two minutes, seven seconds, timestamp.
- Sanjay Namdeo Salunkhe:** Okay, okay. You are talking about FY '26 year as a whole.
- Apoorv Singh:** Yes, sir, INR85 crores. So for that, you need to do Q4 INR53 crores PAT. Will you be able to achieve that?
- Sanjay Namdeo Salunkhe:** We are doing our best. We will try. And then we will see -- now because we are hiring is up now. We have already given 600 offers to the redevelopment executives. So we will try our best.
- Apoorv Singh:** So basically, right now you are not clear on that because there was a guidance very clear. It was a very sharp guidance saying that INR52 crores from FY25 will become INR85 crores. So that is the reason I am asking. Second question is that out of your complete student profile, have you started looking at objectives? Why do they want to join you? Outcomes in terms of transition, acceleration in their career or professional confidence? Do you have the bifurcation?
- Sanjay Namdeo Salunkhe:** One second. Ma'am?
- Ranjita Raman:** I would like to answer this question. Yes. By the way, enrolling students, we also map their journey. What happens after their enrollment? What kind of learning outcomes they are getting? And is it helping in career transition or improvement in their roles within the organization? And we have been able to successfully see more than 70% of the people getting benefited out of it.
- And hence, it builds a strong traction also giving us higher referral leverage, students coming back and referring us to their friends, colleagues and industry peers. So we've seen a great improvement with the help of these programs.
- Apoorv Singh:** Ma'am, can you objectify how many people join you for transition and they want a job out of it as an outcome? And how many people join only for upskilling? And what is the percentage outcome achievement in both these segments?
- Ranjita Raman:** Sure. So this is about 30% of the people, they look for career transition, 70% to upskill themselves, remain relevant to the industry and to their jobs. And to a very large extent, more than 70%-80% of the people are able to achieve their success goals that they set for it.
- Apoorv Singh:** Got it. So basically, you're saying 70% of people are only joining for upskilling, only 30% are joining for looking for a job change?
- Ranjita Raman:** Career transition. Correct.
- Apoorv Singh:** Okay. And what is the focus and what is the company in terms of strategy in terms of making the outcomes from 70%-80% to larger than 90%? Because I think at the end of the day, in any tech company, eventually outcome is something which will -- it is long dated, but it is something which will reflect because that is the only thing?
- Ranjita Raman:** I'm very happy to know that you understand the industry and the objective so well. And that helps me describe the same in a better fashion. I think what is more important here is to drive

objective and that's where we are the enabler here. Education institution's job is to teach and share quality content. However, their reach to corporates and know what is the contemporary skill needed, the career gap, skill gap is where we pitch in.

So all we do is to not just ensure that we market and bring participants, but be the part of the career transition of all the students and help institution to develop, redevelop, work on the content and ensure it is contemporary so the student gets benefited out of it. And like your question said that, how would you map and how would you improve it? I think improvement is a journey and we consistently work on it.

I think previously this matrix used to be anything between 40% to 50%, which has been scaled to 70% now. And with the consistent communication with students and our peer partners, which is educational institution, we will certainly move it far ahead to 90% and plus.

**Apoorv Singh:** You got it. Thank you, ma'am. The only request is that first, I think once we have guided for numbers, we should follow up on it because this time in Q3 interviews, I did not see any guidance numbers. Second request is that, can you please start in your presentations giving demographics of your students?

And the outcomes mapping and everything, which will help because also my background before becoming a full-time investor, I have worked five years in upGrad and a couple of years in Unacademy. So that's where I've spent most of my time. So I'm very keen to look at this, yes?

**Ranjita Raman:** Sure. Demographics and one more piece you said there?

**Apoorv Singh:** So basically demographics of the students and the outcome mapping, basically outcome achievement as a metric to track for the company because that will be your differentiation factor at the end of the day?

**Ranjita Raman:** Sure. Thank you for this suggestion. We'll certainly incorporate this next time.

**Moderator:** Our next question comes from the line of Sheetal from SMN.

**Sheetal:** So I have seen the financial results and in that we can see that quarter 2 results are good as compared to Q3. So is there any seasonality in the business and if yes, what will be the situation in Q4?

**Sanjay Namdeo Salunkhe:** Yes, there is a seasonality. So generally the Q1, Q3 are softer and Q2 and Q4 are stronger. So you must have noticed that Q2 to Q3, there is a little decline because basically Q3 is again because of the admission. So the admission starts from April. March, the admissions get closed for January batch. There are two batches, January and July batch. So 31st March, the admissions for January batch close.

So that's why that quarter Q4 is little hotter. And April in the first month, people say, okay, now there's six months for the batch to start. So I'll take later on. So April is a little lower. From 15th

of May, the numbers start coming in. Similarly, then July batch gets closed in September, 30th September.

So that's why Q3, October goes dull like April and then Diwali, then Navratri and Christmas and all that. So the October goes dull and it picks up from November mid. That's why the Q3 numbers are lower than Q2. And that has been happening right from the beginning of the company's operations. Now Q4 will be stronger. I hope I answered your question.

**Moderator:** And this question comes from the line of Yash Shah from Ekvity Investment Managers.

**Yash Shah:** Congratulations on a good set of results. My first question is in the books, as of 30th September, we can see INR225 crores of other current assets, majorly being unbuilt revenue. So how many years of unbuilt revenue do we have in the books and how much of that would be booked as revenue in the current year?

**Sanjay Namdeo Salunkhe:** Yes, so basically, just to explain to the model, what happens, you know, we take admissions and that time the first fee is received. So if you remember the MBA's two years program, the fees are received in 18 months. So because the government of India, the UGC and all the bodies say that, okay, you're not teaching everything in one day.

So don't take total money upfront. Take semester-wise. So MBA is four semesters. So first semester, before the semester starts, we get the fees. Then the second semester, we get after six months. Then third semester, we get after 12 months. And fourth semester, we get after 18 months.

So then it gets spread. And if it is a BCom program, then it is a 36-month program, but 30 months for the payment to be received. Whereas we incur all expenses upfront right now. But the best part is, in our booking of revenue, we consider the previous historical cancellations.

So what happens if there are 100 learners, in case of IIT IIMS, the completion rate is as good as 95%, 96%. In case of MBA, it varies between 85% to 86%, 87%, 88%, depending upon the institution. So when we book the revenue, we consider the historical cancellation.

So supposing our revenue is INR100 crore, the example I'm throwing. And the cancellation had been, for example, 5%. So we'll consider only 95%. So that's why there's no bad debt as such for the company. Did I answer your question?

**Yash Shah:** Yes, you did answer. So based on what you said, can we expect that all of the unbilled revenue currently that we have will get booked by the first or second quarter of the next year, a majority of the part of the course is ending for the MBA grads. And for BCom, it might continue for another 10 or 12 years going on.

**Sanjay Namdeo Salunkhe:** Correct. For MBA, 12 to 18 months. And for BCom, it could be, say, 24 to 30 months.

**Yash Shah:** Okay. And following on this, the growth in unbilled revenue as of now is currently more than the growth in the actual revenue from operations. And if you see the current ratio as of March

'25, it's close to 71% unbilled revenue by revenue. So how do you see this ratio and what do you expect the ratio to be in the future?

**Sanjay Namdeo Salunkhe:** Yes. So if you grow at a speed of, say, 20%, 22%, then that will not increase substantially. But if you grow at a speed of 30%, 35%, the unbilled will increase. But the best part is because the institutions are all good, there's nothing as bad debt and all that. So the money will come, the money will come spread.

**Yash Shah:** Okay. So what kind of ratio do you expect if we see a 20% to 22% growth? What kind of unbilled revenue to revenue ratio are we looking at?

**Sanjay Namdeo Salunkhe:** I don't have handy that ratio. But I can tell you that, okay, the cash flow is positive. So it was positive for September H1 as well as now for the nine months, the cash flow is positive.

**Moderator:** Our next question comes from the line of Smith Gala from RSPN Ventures, please go ahead.

**Smith Gala:** So my questions are more into understanding the business. So we quoted market size numbers. So out of those numbers, wanted to understand, as per my understanding. We are a company which is more focused on the degree programs than certificate programs.

So what is the market size for us specifically? And as a country like India, what is the percentage of degrees which are allotted online versus offline? And what is the Jaro's market share currently? This is my first question?

**Sanjay Namdeo Salunkhe:** Okay. As you said, the market size I explained in the initial period that the TAM, Total Addressable Market for 2023 or something around INR13,200 crores for online, higher education, and upskilling, and certification put together. And it is expected to be by 2028 at around INR41,450 crores as per the industry report.

So the CAGR growth is 25.7%. So the market size is good. And the growth is going to be good. Now you mentioned about degree and certifications. In India and globally, I will say, but more in India, people don't go to certification. They go to more degree and diplomas. So that's why the flow towards degree and diplomas is much higher.

But now the trend is changing because now people have understood that now I need to upskill or reskill every two, three, four years. So now the trend is moving towards certification, short duration certification, say three months, six months, and so on. And all certification programs are more from the IIMs and IITs.

But they are very particular about the batch size should not be more than 70, 80, or 100 students. And now the other way the trend is changing. Earlier the IIMs and IITs were only giving certification program. And that was the size of exhibit which was not too large, but now it is increasing.

Now the IIMs are moving towards the degree also for the online part. But it is not pure online. It could be hybrid. So the IIM Mumbai has launched Executive MBA two-year program at INR15 lakhs.

IIM Nagpur has launched at INR2 lakh Executive MBA program. It is a weekend. And for the immersions, the working professionals have to go down to the IIMs. So I hope I answered your question.

**Smith Gala:** So a couple of parts to my question. I still want more clarity on what is the ratio of online versus offline of the total number of degrees which are allotted in a full year in India?

**Sanjay Namdeo Salunkhe:** I don't have that number.

**Smith Gala:** And the Jaro's market share in the whole market?

**Sanjay Namdeo Salunkhe:** So Jaro's market share, now if you compare, I do not know right now. See, I'd give you the number of our TAM is INR13,200 crores as on '23. '28 it will be INR41,450 crores. So currently even if I assume, for example, it is around 25,000 approximately. So then our share could be somewhere around maybe 3% or so.

Because the gross fees value, GMV -- the gross merchandise value for FY25, March, our top line was INR252 crores -- our share. But actually, the fees value was around INR625 crores. So if you go by that number, I think we should be around 3% of the market share.

**Smith Gala:** And the ratio of online versus offline?

**Sanjay Namdeo Salunkhe:** That I don't have handy. But we will send it to you, the information through SAAA. Because that is a different order, that volume we have to split. But definitely the classroom model is much higher than the online right now. But there is a change in the next three, four years.

**Smith Gala:** Okay. My second question is, is there any involvement where does Jaro play in designing the courses? And how are the new courses developed? Does Jaro recommend any courses that the educational institutes should begin based on market survey or inquiries it receives? Or it is fully under the control of educational institutions to decide?

**Sanjay Namdeo Salunkhe:** See, now initially when we started our journey, we were working with some institutes and universities. Okay. And then the openness to acceptance from the partners like us was not so high. Right. But slowly when the people realized that the IIMs and IITs are receptive to our ideas and to the program suggested by us, then they started saying, why don't you give that input to us also? So we said, we initially offered you, but you did not take it.

But no, no, no, your IIMs and IITs are taking your ideas of what program we should launch, what fees, what duration, what learning outcome the program should have and for whom it should be meant for. Right. So then we started giving to the universities also.

Like I told you that in the earlier questions, that now we have told these people that we should have corporate experienced faculties. But unfortunately, the academic world does not have too

many corporate experienced faculties. But then now they are taking on, say for visiting faculty for the lectures. Yes, ma'am.

**Ranjita Raman:** I would be happy to answer this question. So the role that we play with most of the educational institutions other than university, which are the premium ones, and you very well know that we work with the world's finest institutions. Our role is not just marketing, it's the course design becomes the first one.

So the idea is to first do a market research and share them a plan of what are the kind of programs which are in demand. And with mutual understanding we co-create the courses and the content. So that's how our role has been so far in this landscape and business.

**Sanjay Namdeo Salunkhe:** Generally, the max of the programs are from our side. We suggest the programs. Unless and until they have their own programs, like MBA is here. So we only use the corrections or suggestions on MBA. That's all.

**Smith Gala:** Okay. One final question from my side. What is a typical student of Jaro look like? Are they working professionals or they are graduates looking for an upgrade? And finally, for just a book keeping question, As of CAGR based over three to five years, are we looking at 25% plus revenue growth and 20% PAT margins?

**Sanjay Namdeo Salunkhe:** Yes. Now I'll answer the first part. Maximum of our learners are working professionals. So I would say something around maybe 88%-90% would be working professionals. So that was the first part. The second part what we're talking about and because people come to online basically because they don't have time.

And this is you can study from anywhere, anytime and affordable. And now why the trend is again improving towards online and increasing, I'll give a good example. The programs as the Government of India said that online degree diplomas and the conventional degree diplomas are at par. Because the content is same, the faculty is same, the pedagogy, syllabus, everything is same. Then why differentiate? Correct.

So that's why the acceptance of corporate has gone up. And the working professionals as they already are working, say for example, somebody working in accounts and finance and doing MBA and finance. So he has already worked for 3-4 years or 5-6 years or 10 years.

And then he knows about the subject matter. So it's much easier and he can correlate from the working to the theory. That's why it's much easier for them. And the fees are very low, 12%-13%. So if the MBA from a reputable institution said 20 lakh rupees, online it's just 2 or 2.5 lakh rupees. So it becomes affordable and you can earn and learn. I hope I answered your question.

**Smith Gala:** Yes, on the last part of my question on the numbers.

**Sanjay Namdeo Salunkhe:** Yes, so the growth, I don't want to project too many things right now, but the growth will be definitely good. And 20%-25% is not a difficult task because the acceptance for the online is increasing day by day.

- Smith Gala:** Okay. Thank you. That's all from my side. Best of luck for the future.
- Sanjay Namdeo Salunkhe:** Thank you.
- Moderator:** Our next question comes from the line of Gunmeen Kohli from GSK Capital Partners.
- Gunmeen Kohli:** Yes, thank you for the opportunity and congrats on hosting your first call after the public issue. I had a couple of questions. First one is how many partner institutes have we added in the nine months? And what is the number of partner institutes we sit at today? Second question would be, what is the take rate for us for the online degree versus the certificate course and the blended take rate? That is what I want to understand?
- And lastly, if you can just throw some light on the operating margins, we've seen that, you know, there has been some rationalization in this financial year. So how are you seeing these costs pan up over the next, say, 12 to 15 months? And what is the plan to, you know, take these back to the pre-existing 30% levels? So those are my questions.
- Sanjay Namdeo Salunkhe:** So, Gunmeen sir, I got lost in the multiple points you asked for. So can you just give me again, I want to understand the number of institutions added?
- Gunmeen Kohli:** How many we've added this year in the nine months and what is the total number right now?
- Sanjay Namdeo Salunkhe:** Okay. How many added in total number right now? One second. So this year we have added four. One is IIT Bombay, second is Delhi Technological University. Now this JK Shah and the Harvard Publishing. So four added between April 25 to December 25. And the total number stands at 32 right now.
- Gunmeen Kohli:** Okay. So this one 34. So have we seen any drops in institutions?
- Sanjay Namdeo Salunkhe:** Not drop, but some partnerships we left. And we thought of adding. Harvard is a good partnership. That's why we thought of taking foreign cities more. IIT Bombay is also fantastic. And Delhi Technological University is also very good. So the one who could not deliver properly or did not have any great content for that matter, we left.
- Gunmeen Kohli:** And how much of our revenue was a part of which we dropped?
- Sanjay Namdeo Salunkhe:** They were hardly negligible, not great.
- Gunmeen Kohli:** Got it. So my second question was on the take rate. What would be the blended take rate right now and what is it across online degrees and executive learning?
- Sanjay Namdeo Salunkhe:** Okay. So out of the total pie, for example, 100 points, 82% is for the degree side and around 17-18% is towards the certification side.
- Gunmeen Kohli:** Yes. I want to understand the take rate.
- Sanjay Namdeo Salunkhe:** Okay. Our share you're talking about?

- Gunmeen Kohli:** Yes.
- Sanjay Namdeo Salunkhe:** Okay. So our share varies from right from 25% to 60%. So on average, it will come around 45% to 50%.
- Gunmeen Kohli:** Okay. And my last question was on the operating margins. We've seen the operating margins are currently at about 25% for nine months. So where do we see these margins maybe 12 to 15 months from now? And what kind of work is going on to bring it back to 30% levels?
- Sanjay Namdeo Salunkhe:** Yes. So we are trying to... Now, initially, the cost will increase, but we are trying to bring it down. And the PPP has increased. The per person productivity has improved compared to the last financial year, this year. And we'll keep on increasing that.
- And we're trying to reduce our dependence on performance marketing. So that will again improve the margins. So margin will be like previous year, 30% EBITDA, positive, obviously, and the PAT will be in the range of 20%.
- Gunmeen Kohli:** And we've seen the other incomes swell up in FY'26. So can you just throw some light on what are these, where this cost is coming from? Are there some initiatives that you've undertaken, which are yet to fructify? So if you can just throw some light on that.
- Sanjay Namdeo Salunkhe:** So the other income is the interest on EBITDA, first point.
- Gunmeen Kohli:** Other expenses.
- Sanjay Namdeo Salunkhe:** Other expenses that includes performance marketing and referrals.
- Gunmeen Kohli:** Yes. So we've just noticed that intensity has increased a little. That's why our margins have eroded a little. So I wanted to understand what measures we've taken and how long will it take for these to fructify for us to come back to the old levels of 30%.
- Sanjay Namdeo Salunkhe:** So in order to motivate the employee base, we increase our incentives a little bit. So the employee cost has gone up. And the performance marketing increases a little when the slow period is there. Like slow period is in the quarter three. So now in the nine months, the two quarters are softer, like quarter one and quarter three. So there in the marketing spend goes up.
- Now quarter four will give us a better PPP, product purpose and productivity. So obviously the margin will increase in quarter three. So of this nine months, three months were good. The Q2, Q1 and Q3 were softer. And that is repetitive every year. And Q4 will be better. So now by the end of the year, the margins will be better than for nine months.
- Gunmeen Kohli:** Thank you. That's it from my side. Good luck.
- Sanjay Namdeo Salunkhe:** Yes. Good day to you too.

**Moderator:** Good day to you too. Thank you so much. As there are no further questions from the participants, I would like to hand the conference over to Sanjay sir for his closing remarks. Thank you and over to you, sir.

**Sanjay Namdeo Salunkhe:** So thank you all the presenters, well-wishers and partners. Thank you for joining our Q3 FY'26 earnings conference call. We will continue to focus on growth, operational excellence and sustainable value creation for all stakeholders. In case of any further queries, you may reach out to SAAA consultants. So once again, thank you for being part of our journey. Thank you. Good day.

**Moderator:** Thank you so much, sir. On behalf of the management and the team of Jaro Institute of Technology Management and Research Limited, thank you for joining us today. We appreciate your time and participation. The conference call now stand concludes. You may now disconnect your lines. Have a great day.