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Operator: Ladies and gentlemen, a very good evening, and welcome to Eternal Ltd.'s Q2 FY27 earnings conference call. From Eternal Ltd.'s management team, we have with us today Alvinder Singh Dindsa, Akshant Goyal, and Kunal Swaroop. Before we begin, a few quick announcements for the attendees. Anything said on this call that reflects an outlook for the future or that could be construed as a forward-looking statement may involve risks and uncertainties. Such statements or comments are not guarantees of future performance, and actual results may differ from those statements. Additionally, please note that this earnings call is scheduled for a duration of 45 minutes, and we will be starting directly with the Q&A section of the call. If you wish to ask a question, please use the raise hand feature available on your Zoom dashboard. We will announce your name on the call and unmute your line, after which you can proceed with your question. We will wait for a minute while the question queue assembles.

The first question is from the line of Garima Mishra from Kotak. Please go ahead.

Garima Mishra – Kotak: Thank you so much for the opportunity. My first question is whether you could comment on the competitive scenario in the food delivery business. Has discounting been more aggressive in Q2 than it was in the previous few quarters? In this context, should we assume that the margins of the food delivery business have peaked and that any surplus would simply be reinvested toward growth?

Akshant Goyal: Hi Garima, Akshant here. I think, generally, the competitive intensity in food delivery was higher last quarter compared to the previous few quarters. This was partly driven by Zomato as well. We have been aggressively investing in growth, and we are seeing good outcomes from certain investments that we have experimented with over the last few quarters, so they are paying off well.

Both in new customer acquisition and in driving the frequency of our existing customer base, we have consistently increased the level of investment over the last few quarters. I think that trend is likely to continue. Directionally, we want to broadly maintain margins and reinvest in growth as much as it makes sense to continue driving growth upward. I think that is the operating principle.

It is difficult to project or comment on the margin trajectory every quarter, but broadly, over the next 1-2 years, we expect margins to remain flattish.

Garima Mishra – Kotak: Sure, that is helpful. On the Quick Commerce business, the new store addition targets that you have laid out are more aggressive than they have been in the past and imply a higher run rate of store additions in FY28 versus FY27. What is giving you this confidence? Of course, there are some things you have already laid out in the letter, but what kind of geographies would this expansion entail? Does this automatically mean that tier-two and tier-three cities would account for the lion's share of these incremental store additions, particularly those in FY28?

Akshant Goyal: That is right, Garima. Directionally, as we have also mentioned in the letter, a large part—the bulk—of the expansion of these new stores will be in smaller cities. We do expect that to be the focus from here on, and we are seeing great outcomes in terms of the payback of these stores in these markets as we have expanded over the last few quarters.

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Garima Mishra – Kotak: Great. That is it from me for now. I will come back in the queue.

Akshant Goyal: Thank you.

Operator: Thank you. The next question is from the line of Aditya Soman from CLSA. Please go ahead.

Aditya Soman – CLSA: Good evening. I have two questions. First, on Dark.ai, while you have included some clues suggesting that it is a privacy-focused LLM for power users, is that correct? Second, can you elaborate a little more on what capex this could entail, how you see monetization, and whether this is within Eternal Ltd.? On Quick Commerce, I also wanted to follow up on the store expansion from the cost side. Is there a meaningful difference in the cost to serve a smaller town today, and how do you expect to overcome that over time? Or is it simply a function of having a higher market share in these smaller towns?

Akshant Goyal: Hi Aditya. Dark.ai is definitely within Eternal Ltd. I think anything in this letter can safely be assumed to be part of Eternal Ltd.

On your other question, all the investments that we have been making in this product have been in the works for about a year. It is not monetized yet. All the costs here are accounted for in our Others segment, so they are already carved out. They are not very meaningful at this stage.

We do not expect that capex or cost to become meaningful, at least as of now, unless, of course, we receive a blockbuster response to this product. In that case, there might be a scenario in which we may have to invest in infrastructure, GPUs, and so on. We will update everyone if that happens.

As a base case, we think this could be a high-gross-margin business that could largely fund itself and reach profitability fairly soon. That is the outlook right now, but it is still very early. Once we launch, we will iterate on the right monetization model and on how much we need to invest to continue growing the business. We will take those calls closer to the launch and perhaps afterward, once we receive feedback from our customers. At this point, there is nothing specific that we want to highlight.

On your question about tier-two markets, I think what you are asking is whether these markets are any different, better, or worse than larger markets from a unit economics standpoint, or whether we are entering these markets simply to gain the first-mover advantage in terms of market share.

What we have seen so far is that the economics are quite robust. As I said, paybacks are extremely good in these markets. The other point is also true: these markets are less competitive. Going in first does give one an advantage in locking in the early users of those markets. Both of these things are true, and that is why we want to double down on expansion into these markets at this point.

Aditya Soman – CLSA: Perfect. If I can just follow up on the first question, will Dark.ai be open to everyone, or will you limit it to a few customers? Or is that something you would rather disclose when it happens?

Akshant Goyal: We will see. I think we are still a few months away from launch, so we will see what the go-to-market approach is. In the long term, it is a product open to everyone.

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The reason we have said it is for power users is that it could be priced in a way that means it may not become a product that everyone wants to use. We are still debating this and we do not know yet.

Aditya Soman – CLSA: Understood. Clear. I will come back in the queue for more.

Operator: Thank you. The next question is from the line of Jignanshu Ghor from Bernstein. Please go ahead.

Jignanshu Ghor – Bernstein: Thank you for the opportunity. I have two quick questions on the Quick Commerce business, especially in the context of expansion into tier-two cities and increasing assortment. How do we manage, or what is our view on, 1P versus 3P here? A few quarters ago, Akshant, you had mentioned that we would keep 90–95% of our SKUs as 1P and the rest as 3P. I want to understand that, and also how to look at working capital in the context of expanding from larger cities to smaller cities and adding more assortment.

Akshant Goyal: Jignanshu, I think we are now at that steady state, where approximately 90–95% is 1P. We do not expect any further incremental working capital change on that account, if that was your question.

Jignanshu Ghor – Bernstein: The second point is on the Quick Commerce profit margin profile, specifically the indirect cost structure. How should we understand this? Despite the excellent growth that we are seeing and the larger number of dark stores being added in smaller towns, the contribution profit margin is explainable, but how should we think about the 15–20% quarter-on-quarter growth that we are seeing in indirect costs going forward?

Akshant Goyal: A lot of the costs below the contribution margin are also variable. We have mentioned this in the past: everything above contribution is not variable, and everything below contribution is not fixed.

For example, technology and server costs are below contribution. As the business scales, those costs will increase. Some of those costs are priced in dollars, so the exchange rate also does not help there.

Broadly, what we should look at is the overall adjusted EBITDA margin. A lot of the growth and improvement we see there is due to operating leverage. As long as we continue expanding, that is what will drive most of the margin expansion. At some point, as expansion becomes a smaller part of the business, we will also see incremental improvement as variable costs come down.

Jignanshu Ghor – Bernstein: Just one very small question, if you can answer it. Are we selling anything different in a smaller town compared with what we are selling in a metro such as NCR? Is customer uptake of product categories different?

Alvinder Singh Dindsa: Jignanshu, not significantly. The assortment in our expansion cities is a subset of what we are selling in the metros. However, the product mix might be different because some of these cities are developing a different base.

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We do see that some products that are harder to find in these cities start selling much faster than they would in a metro because they are more easily available there.

Jignanshu Ghor – Bernstein: Very helpful. Thank you, Alvinder. Thanks for the opportunity. I will come back.

Operator: Thank you. The next question is from the line of Gaurav Malhotra from Axis. Please go ahead.

Gaurav Malhotra – Axis: Thank you for the opportunity. I wanted to touch base on the part of the letter where you detailed how you think about agentic commerce. First, have you opened yourselves up to agentic traffic? I see that you have done so in some places. Why do it right now, when things are still at an evolving stage and you want to build your own vertical agent? I wanted to get some sense of your perspective on that.

Akshant Goyal: Gaurav, I think it is very early, and we want to learn and experiment. In any case, agentic commerce adoption in India is close to zero. We want to be prepared for all scenarios. If it does change, we want to be there for our customers.

We are not saying that agentic commerce is not a use case. It will be relevant for some customers, and we want to be there for those customers on those platforms. These are all iterative things, and they can change over time.

I generally agree with what you are saying. What we are doing right now has no bearing on how we think about the market or what we want to do in the future.

Gaurav Malhotra – Axis: Are you saying that, at some point, if you see the market evolving in a particular way, you may actually block off this agent traffic?

Management: That is also an option that exists at a later stage.

Management: We will think about it once it becomes a relevant question. Right now, this question is not even relevant in the Indian context. Things are playing out differently in the US and in other markets, and we are learning from what is happening there.

We expect that market to lead how things develop in India, because India will follow in some sense. Most of this debate would be settled before any meaningful action or meaningful change in customer behavior occurs in India.

Gaurav Malhotra – Axis: My last question is on food. We see new players entering. Are we learning anything about what has suddenly made a few players interested in food? It is a fairly penetrated category, so it is surprising that people are planning to enter this category at this stage.

Management: It does not make sense to us either. We are equally surprised.

Gaurav Malhotra – Axis: Okay, thank you.

Operator: Thank you. The next question is from the line of Manish Adukia from Goldman. Please go ahead.

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Manish Adukia – Goldman: Good evening. Thank you for taking my questions. I have a couple of questions on Quick Commerce and one on Dark.ai.

On Quick Commerce, I wanted to probe a little further into your comment that you now have a better read on competition. Akshant or Deepinder, could you elaborate on exactly what you mean by that?

Management: We went through a period of 12 months in which competitive intensity in Quick Commerce increased significantly, including the entry of new players and the market becoming a five-, six-, or seven-player market. We now have that 12-month period behind us.

We know how it impacted our business. We know our strengths relative to other players. We have some idea of how other players are thinking about this market, what they are investing in, what they are building, and what their strategy is.

All of that information and data helps us feel more confident about reaccelerating expansion. Doing this last year would have been fraught with risk because we did not know how some of these things would have developed. Payback on investments is very important for us.

We were in a period during the last 12 months when visibility on those things had reduced. Now we feel that, as we also mentioned last time, competition is more predictable. That provides us with an opportunity to become more aggressive on infrastructure expansion.

Manish Adukia – Goldman: Very clear. You called that out in the context of your growth and ability to expand more clearly than you could, say, 12 months ago. Does that better read on competition also give you more comfort around the 1 billion dollar EBITDA guidance that you have for FY29? Or, from your standpoint, has that not materially changed versus what you thought a few months ago?

Management: I would prefer the second option in your question. There are no comments on that at this point. We are still very early in that 3-year journey; we are only 2 quarters in. I do not want to jump too far into the future. We will maintain that guidance as of now.

Manish Adukia – Goldman: Very clear. When you are guiding for growth to pick up in Blinkit from 79%, are you specifically referring to the December quarter, or is that a more generic comment for the next 12 months?

Management: It was a comment specific to what we are trying to say here. As we expand and accelerate store additions, which is starting in OND, we do not expect that to affect margins in the short term. In the longer term, margins will continue expanding, but we do not expect a short-term margin reduction on account of accelerated store additions.

Manish Adukia – Goldman: Just to confirm, when you say growth will pick up, are you referring to store growth picking up or NOV growth picking up in that shareholder letter response?

Management: It was NOV growth.

Manish Adukia – Goldman: You are referring to NOV growth picking up from the December quarter on a YoY basis?

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Management: That is right.

Manish Adukia – Goldman: Understood. Thank you for clarifying. My last question is on Dark.ai. How does this fit into what you already do in District, Zomato, and Blinkit? I am trying to understand your competence in building this business compared with somebody else.

Second, I know it is still early in terms of monetization and how you will think about the go-to-market strategy. From your own assessment, thinking about this from a business model perspective, this is an application layer on top of open-source models. Is this something that you think can become very meaningful, or is it simply one of the things that you are trying and will see how it evolves over time?

Management: It is definitely nascent. We do not have a point of view on whether this could become big. If it works, it will become really big. It is more like a 0-1 bet at this point.

If it works, it is a global business that will generate extremely high shareholder value over the next few years. If it does not work, it is something we will shut down. That is the space we are in.

In these AI businesses, I do not think anyone has a right to win. It is a nascent market, covering both consumer and enterprise AI. Most of the new large businesses emerging are actually startups.

As I mentioned in response to the previous question, this is something we have been working on for about a year. There are one or two more initiatives on the AI side, particularly on the enterprise AI side, that we have spoken about in the past, including Nugget.

Those are businesses or products that we have been working on for many years. We expect the next 12 months to tell us whether any of these will become meaningful. However, any of these businesses, if it scales, will deliver a multi, multi-billion-dollar market capitalization outcome.

We definitely want to take shots at these opportunities where either we have some unique capability that gives us the right to win, which is true for the enterprise AI products we are working on, or we have some unique insight on the consumer side that we think no one else is building and that we can take to market first. Dark.ai is somewhat of an example of the latter.

Manish Adukia – Goldman: Thank you so much for walking me through your thought process. All the best.

Operator: Thank you. The next question is from the line of Gaurav Rateria from Morgan Stanley. Please go ahead.

Gaurav Rateria – Morgan Stanley: Congratulations on a good set of numbers. My first question is on the quality of growth that you talked about, which should be led by MTU growth, and how this number could grow to a much larger level. I think this could potentially be driven by your foray into smaller cities, which is playing out well.

I want to understand how you are seeing MTU growth in the top 8 cities. What penetration level have we already reached there? Is there a North Star metric that we can look at—for example, one city where you have reached a certain ratio and to which other cities can also catch up?

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Management: Even in larger cities, we are still seeing extremely good levels of growth. That is driven by both new customer acquisition and category expansion and assortment expansion.

For example, in our mature cities, Blinkit's MTU is already multiple times that of Zomato, and we do not see any plateau there yet. It is difficult to say how large the top markets can become, and we do not want to speculate on that. Suffice it to say that whether you look at NOV growth or MTU growth, the larger markets are still growing at a very rapid pace.

Gaurav Rateria – Morgan Stanley: My second question is on food delivery and the margins that you want to keep stable for now. You are already in the band that you had discussed, but it looks like the business still has a lot of operating leverage that could deliver margin expansion.

Is this strategy of keeping margins stable more of a near-term measure to counter competition, if any? Or is it more about further expanding the TAM and leading to an expansion of the overall market or overall pie in the country?

Management: It is more the latter. It might also have the first impact you mentioned: it might help us compete with new entrants. However, we started investing not just now but over the last few quarters, and those investment levels are increasing. That investment is also delivering growth, as we can see.

What we are trying to do is expand the market and expand growth for the business, which eventually leads to higher growth in absolute adjusted EBITDA profits. That is what we are trying to solve for, rather than optimizing for the percentage margin.

We feel that we can drive more growth in absolute adjusted EBITDA by investing more in growth rather than optimizing for margins. We have been doing that consistently for a few quarters, and we think we will continue on that path until we see the outcomes.

Gaurav Rateria – Morgan Stanley: My last question is on Dark.ai. How should one think about it? Is it more like an application layer or more like your own reasoning model? Once you gain more confidence and launch it into production, what kind of investments would it require? I am not asking for a quantification, but what type of investments would you need to make—in hardware, software, or otherwise—to scale it up once it enters the production stage?

Management: It will largely be hardware and compute. Those are the investments we will need to make here, and we are already making them because we have been running it as a pilot for the last few months internally within Zomato. That is what it is.

Gaurav Rateria – Morgan Stanley: Thank you.

Operator: Thank you. The next question is from the line of Swapnil Potdukhe from JM Financial. Please go ahead.

Swapnil Potdukhe – JM Financial: Thank you for the opportunity. Can you hear me?

Management: Yes, Swapnil. Please go ahead.

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Swapnil Potdukhe – JM Financial: Thank you for the opportunity. My first question is on question number 10. You mentioned some mature cities in which more than 70% of the NOV is EBITDA-positive. Could you help us understand exactly what you mean by mature cities? If possible, could you name them? Are these cities predominantly in North India? I am trying to understand that...

Management: Mature cities are cities that have been operating for more than 2–3 years. They include the metros and some of our older cities that may not be metros but are among the top 15 or top 20 cities. I do not want to name any specific city here.

Swapnil Potdukhe – JM Financial: Is there any specific skew toward North India, or is it spread across?

Management: It is spread across.

Swapnil Potdukhe – JM Financial: What percentage of our NOV now comes from the top 8 cities?

Management: We are not sharing that data.

Swapnil Potdukhe – JM Financial: Has that percentage moved significantly since the last time you mentioned it was around 70%? Could you answer that qualitatively?

Management: It is reducing directionally.

Swapnil Potdukhe – JM Financial: My second question is with respect to your contribution margin in Blinkit. I can see that NOV per store has increased, and this also happened last quarter. However, your contribution has been flat. This means that the uplift you should ideally get from dark store or warehousing costs has not necessarily flowed down to your contribution. Is there any particular reason to highlight for why that has not happened?

Management: Investment in new stores is also a factor. NOV per store can increase because store sizes have increased. Therefore, the costs will also increase. The two are not necessarily correlated.

The other factor is gross profit. While NOV per store can increase, that does not necessarily translate into gross profit because the mix can be different. There are various factors at play, so there will not be a linear correlation between NOV per store increasing and contribution.

Swapnil Potdukhe – JM Financial: You also said that, in your view, there is not much difference between Quick Commerce and e-commerce. Does that realistically put your TAM at around 30–35 crore transacting users in e-commerce today, assuming that all the use cases currently served by e-commerce will eventually move to Quick Commerce? Is that how one should interpret it?

Management: We are not aware of the 35 crore TAM. I do not know that figure, and no one has disclosed it. If that is the number, then you are right, but we do not know whether that number is accurate.

Swapnil Potdukhe – JM Financial: Directionally, are you saying that all the use cases that can be served on Quick Commerce will eventually move to Quick Commerce?

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Management: Perhaps not some categories, such as fashion, because that is different. What we are saying is that MTU addition can still be meaningful from here. Whether 37 million becomes 350 million, as you are saying, or 100 million or 200 million, we have no point of view on that, honestly.

Swapnil Potdukhe – JM Financial: Just one last question on your AI agents. Can you determine what percentage of your traffic is currently coming from these AI agents? Are there defensive measures you can take to block this traffic if you do not intend to give them access? I am trying to understand what measures you can take if you decide that you do not want to service that kind of traffic.

Management: {? Sahil ?}, right now we are friendly toward that traffic. We have also started investing in the latest protocols that we need to build on our end to make these transactions more user-friendly from an agentic point of view.

The traffic is currently negligible. We are doing this so that we can also see what is happening, collect data, and prepare ourselves in case this gains traction. However, so far there has been no traction, and we do not even have a plan to figure out how to block these agents if we need to.

We also do not have many use cases in which there is nuisance traffic from agents because we are a transaction platform across the board. We do not have traffic that is causing problems for us. We do not see that becoming relevant in the near term. Unless we need to block agents from completing transactions, there is no use case for us to want to block them.

Swapnil Potdukhe – JM Financial: Got it. Thanks a lot for taking my question, and all the best.

Operator: Thank you. The next question is from the line of Rishi Jhunjhunwala from IIFL. Please go ahead.

Rishi Jhunjhunwala – IIFL: Thank you for the opportunity. I have a couple of questions. Despite the fact that our overall store count in Quick Commerce has grown by almost 50% year-on-year, NOV per day and orders per day per dark store continue to grow healthily, at 16–17%. I assume these numbers would be higher for stores that opened 6 or 9 months ago, or earlier.

Incrementally, you are talking about nearly doubling the number of dark stores over the next 6–7 quarters. From a metrics perspective, do you believe that incremental dark stores will ensure that NOV per day and orders per day remain in the current range, or is there still significant scope for these metrics to continue improving?

Management: Rishi, that is very difficult to predict. I do not think we are solving for that either. Ultimately, the objective is to ensure that we are seeing good ROC on the investments we are making.

We continue to update investors on the framework for that and on our outlook for each of the metrics that influence ROC. Based on what we know today, yes, we think NOV per day should increase. We gave guidance last time that, in a steady state, it could reach approximately {? 11 lakh ?} per day per store. We are at 9 lakh today, so we do think it will increase directionally over time.

There could be some quarters in which store growth is lumpy. Therefore, the increase may not be linear, but directionally, it should increase. Even if that view changes, we could still deliver a high

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ROC in the business because margins may increase or something else may happen.

That view can change, but we could still deliver a high ROC. It is therefore very difficult to commit to this increasing continuously over the longer term.

Rishi Jhunjunwala – IIFL: My second question is on {? dark.ai ?}. From a long-term strategy perspective, you are already investing significantly in 3–4 businesses. Is it fair to assume that, over the next 3–5 years, we are leaning toward building businesses that can be monetized on the technology side? Could incremental capital be utilized for that, given that even if {? dark.ai ?} succeeds, it would probably require a significant amount of investment, even if monetization and profitability ultimately turn out to be high?

Are we looking at the next leg of value creation coming from some of the technology assets or capabilities going forward?

Management: That would be a great outcome for everyone if it happens. Our intention is always to continue looking for new opportunities and new businesses. The good thing is that we have the balance sheet to invest, if required, in building these businesses, as long as they demonstrate a longer-term return on capital.

Let us see. We are on that path. The developments on the AI front over the last 2–3 years have given us an opportunity to take a shot at building some new businesses, which is what we are doing right now.

Rishi Jhunjunwala – IIFL: To delve a little deeper, there are also opportunities available on the services side of the consumption basket. Is it fair to say that our preference is more toward the technology side rather than the services side, where we are not present today?

Management: I think so. The opportunities are, of course, many. We have to play to our strengths, and we are choosing whichever business appeals to us and where we feel we have the right to win and the right to build.

We cannot do everything. For example, we have mentioned in the letter that private labels in Quick Commerce are not something in which we believe we have competence. Therefore, we have chosen not to pursue that.

Opportunities are everywhere. We have to focus on areas where we believe we are relatively expert and where we have some core insight that allows us to build a successful business.

Rishi Jhunjunwala – IIFL: Got it. Thank you so much. All the best.

Operator: Thank you. Ladies and gentlemen, in the interest of time, we will now take the last 1–2 questions. The next question is from the line of Vijit Jain from Citi Group. Please go ahead.

Vijit Jain – Citi Group: Thank you for the opportunity. My first question is on the main Zomato app. You have the chat AI interface and a text box, as well as an interactive element. How do users engage with these? Do you see any difference between the two, and does that inform your view on how general horizontal AI chatbots and AI agents will evolve over time? Do users show a preference

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for one over the other?

Management: The current AI bot that you see is showing some traction, but we are still iterating on it. You will see a much better product in the coming weeks and months.

The attempt is to understand which parts of agentic interfaces actually work for our customers. Some of the insights we have shared in response to question 2 suggest that people still want to browse.

On the current Zomato app, users can have a conversation to order their food, but we are not seeing much uptake of that. People still want to browse and order. This is an attempt to learn about consumer behavior, and we will continue to adapt and iterate on how we can improve our interface using the capabilities that AI offers us today.

Vijit Jain – Citi Group: In Q1, you talked about some Gourmet store expansions in tier-one cities. How has that progressed? At an overall level, net-net, your AOVs are stable, and you have said that new cities are perhaps 10–15% lower. Is it the Gourmet stores that are offsetting the impact of new cities, because the new cities are clearly growing faster? I wanted to understand, first, how the Gourmet stores are progressing collectively and, second, whether that interpretation is correct.

Management: We have expanded Gourmet to Bangalore and Bombay as well. However, we are not disclosing the separate total number of Gourmet stores. We have opened stores in those locations, but they do not represent a significant percentage of orders and therefore do not affect AOV in the way you are suggesting.

Most of the offset in AOV comes from assortment expansion in tier-one cities, which leads to higher AOVs in tier-one cities and balances some of the lower AOVs from tier-two cities.

Vijit Jain – Citi Group: As a related question, regarding the Pareto principle you have discussed—the focus within Quick Commerce on the high-volume SKUs that drive volumes—is there any calibration to that assessment as you go deeper into long-tail e-commerce?

Management: We do not have a Pareto principle in mind. I am not sure if we have given that guidance at any point.

Our thought process is that, as we scale up and our supply chain becomes larger, we can add more SKUs at a lower incremental cost. That is why we can add more assortment in tier-one cities faster, because we have greater scale there. As tier-two and tier-three cities also become larger, we can add more and more assortment at a much lower incremental cost.

Vijit Jain – Citi Group: Going forward, would you generally be more comfortable stocking some products for longer than your average stocking period in the past in the dark stores? I am not sure whether I have asked that correctly, but I hope you understand what I am trying to get at.

Management: We already sell air conditioners, and you cannot keep only 1 week of inventory for air conditioners. Therefore, the holding period is obviously much longer for those products. We are comfortable doing that.

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Vijit Jain – Citi Group: Understood. Perfect. Thank you so much. Those are my questions.

Operator: Thank you. The next question is from the line of Abhishek Banerjee from ICICI Securities. Please go ahead.

Abhishek Banerjee – ICICI Securities: I have a couple of questions. First, on growth in Quick Commerce, would you be able to provide some color on the growth in Delhi NCR versus tier-one cities versus tier-two cities on a sequential basis?

Management: Abhishek, we are not providing that breakdown. In general, we have not seen any unusual trends there. A lot of our growth is also related to how our supply comes online, and that tends to create differences between what is happening in different cities.

Abhishek Banerjee – ICICI Securities: In terms of store expansion, you have mentioned that there will be a lot of expansion in tier-two and tier-three cities. Will the capex requirement for adding new stores in tier-two and tier-three cities be much lower than the 2.5 crore figure you shared earlier, or is that a blended number?

Management: That is a blended number, Abhishek. The guidance was given with the understanding that a large part of our expansion would take place in tier-two cities going forward.

Abhishek Banerjee – ICICI Securities: You also commented that the line between e-commerce and Quick Commerce appears to be blurring. Regarding ad revenue as a proportion of GOV, my understanding is that there is still a differential of at least 250–300 bps between what you earn and what some of the leaders in the space earn. Do you think that will also converge over time?

Management: I am not aware of the differential you are referring to, so it is difficult to comment on where we stand versus anyone else's numbers. We are not actually aware of those numbers.

If your question is generally about monetization of ad revenue, the difference between our platform today is that we can tap into brand revenue. Horizontal e-commerce platforms can also tap into ad revenue from sellers who are competing on the platform. As overall assortment converges, these two numbers also tend to converge.

Abhishek Banerjee – ICICI Securities: In food delivery, we are now seeing 5 quarters of acceleration in growth. You also mentioned that you have been somewhat more aggressive in pricing in certain geographies. Is 22–23% YoY growth a reasonable figure to keep in mind for the second half, or should we be somewhat more conservative?

Management: We will not be able to comment on that, as you would appreciate.

Abhishek Banerjee – ICICI Securities: I have one last question on {? dark.ai ?}. I am honestly not very clear on what it is. Is it a Llama-type model that you are building from the ground up, or is it an application layer that utilizes a model such as Llama?

Management: We are exploring everything right now, but we are not building models from the ground up. A model such as Llama is already available, and I do not think we would want to recreate it. Everything else is part of the work that is ongoing right now.

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Abhishek Banerjee – ICICI Securities: If you could clarify that a little further, that would be helpful.

Management: It is the latter. We are using open-source models, fine-tuning them, and building an application on top of them.

Abhishek Banerjee – ICICI Securities: You also mentioned that there may be a need for your own compute and GPUs. That is the backend for...

Management: For hosting the models.

Abhishek Banerjee – ICICI Securities: For hosting the models. Understood. Thank you. That was very helpful.

Management: You are welcome.

Operator: Thank you. Ladies and gentlemen, we will now conclude this conference call. Thank you for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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