

What does the Company do ?

Infollion Research Services Limited operates as a knowledge marketplace, facilitating expert consultation and advisory services across multiple domains. It connects businesses with carefully vetted subject matter experts, senior professionals, and industry leaders , enabling on-demand access to specialized knowledge.

Service Offerings

- On-Demand Expert Calls – Enables business leaders to engage with C-level executives and domain experts for real-time knowledge-sharing.
- Knowledge Tours – Exclusive research trips for fund managers and senior executives, offering deep industry insights through curated stakeholder meetings.
- One-on-One Sit-ins – Tailored consultations for business leaders and consulting teams, addressing specific strategic needs.
- Webinars & Industry Insights – Discussions on market trends, regulations, and investment strategies to keep clients informed.
- Pex-Panel (Temporary Talent Pools) – A flexible engagement model providing ex-CXOs and industry veterans for short-term projects.
- Flexi-Staffing & SOW-Based Workforce – Temporary staffing solutions for C-level executives and specialized professionals, adaptable to business needs.
- HUKSA (Corporate L&D) – A tech-driven learning and development service, leveraging Infollion’s expert network to provide high-impact training programs.

Through these offerings, Infollion provides a scalable, technology-enabled solution for organizations seeking specialized, on-demand expertise while supporting the gig economy model at the senior management level.

Revenue Composition & Growth

Infollion Research Services Limited derives over 95% of its revenue from Expert Call Services, making it the core driver of the company’s business model. The company primarily caters to consulting firms, private equity funds, and corporate clients, offering high-value expert consultations at an average cost of \$400 to \$500 per call (₹35,000 – ₹50,000).

From FY 2020 to FY 2024, Infollion has demonstrated strong revenue growth, achieving a CAGR of 41.63%. This growth has been driven by a significant increase in expert call volumes, scaling from 3,700 calls in FY 2020 to over 12,000 calls in FY 2024.

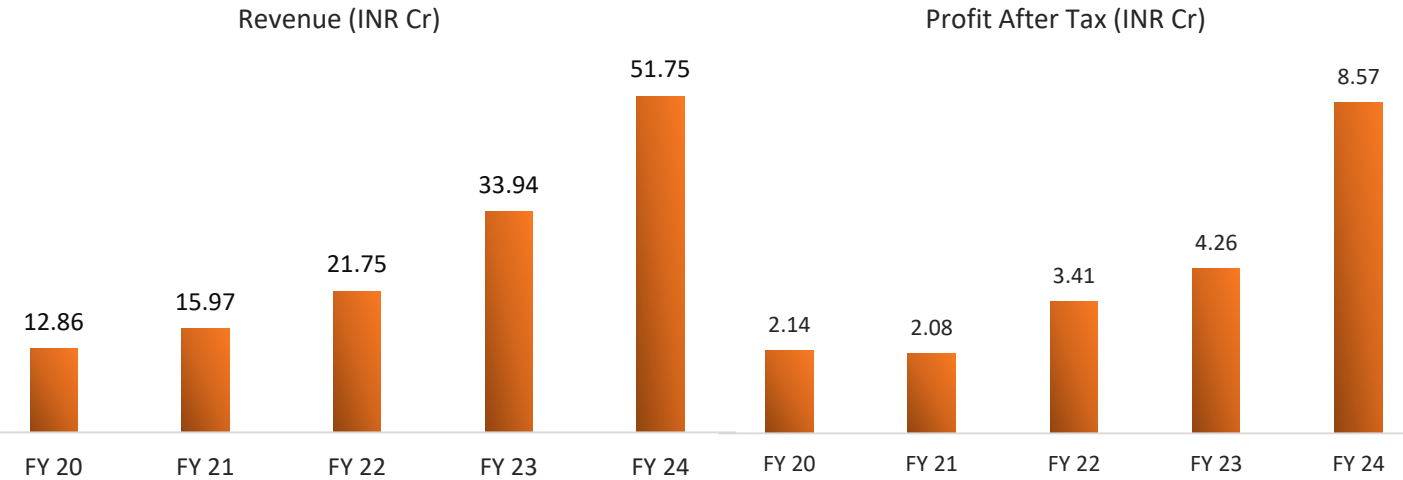
Metric	FY20	FY24	CAGR (%)
Revenue (₹ Crores)	12.86	51.75	41.63%
Profit (₹ Crores)	2.13	8.56	41.59%
Expert Calls (Thousands)	3,695	12,000	34.24%
Revenue Per Call (₹ Thousands)	34,799	43,124	5.51%

Infollion’s Expert Network

Infollion Research Services Limited operates a highly curated expert network, providing clients access to specialized professionals across multiple geographies. As of FY 2024, the company has built a robust expert base of 96,000 professionals, with 20% comprising international experts. This extensive network spans key industries, enabling businesses to source high-value, domain-specific insights tailored to their strategic and operational needs.

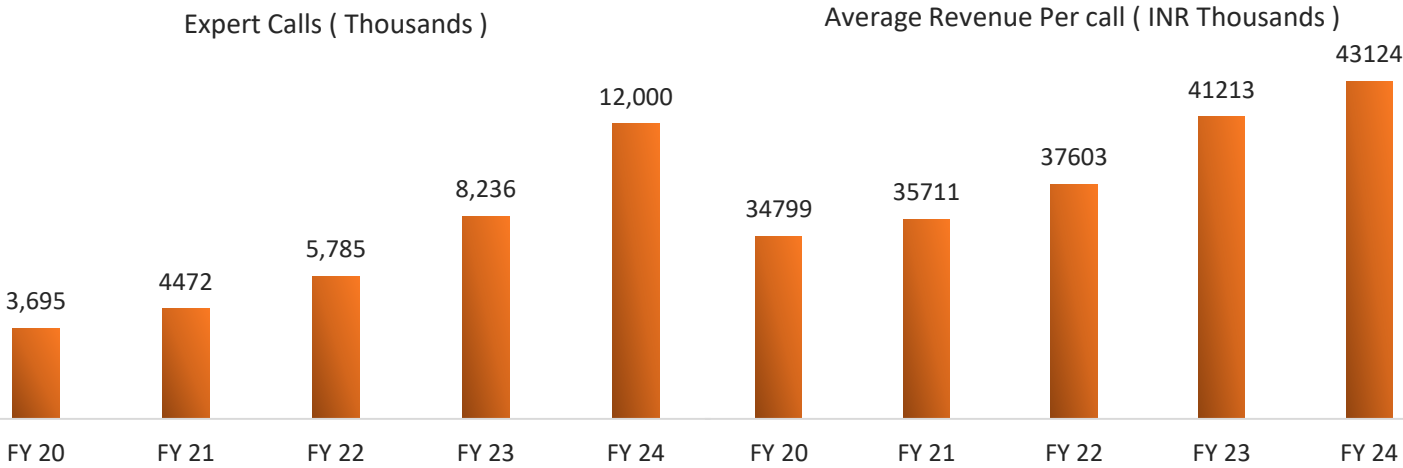
Financial & Operational Performance

Revenue & Profitability Trends



- Revenue Growth:** 41.63% CAGR from FY20 to FY24, reflecting strong business expansion and increasing demand for expert consultations.
- Profit Growth:** PAT Grew from ₹2.13 crore in FY20 to ₹8.56 crore in FY24, achieving a 41.59% CAGR, underscoring operational efficiency and margin improvement.

Operational Growth Metrics



- Expert Call Volume:** Increased from 3,695 calls in FY20 to 12,000 calls in FY24, growing at a 34.24% CAGR, highlighting strong client adoption.
- Revenue per Call:** Improved from ₹34,700 in FY20 to ₹43,000 in FY24, reflecting a 5.51% CAGR. However, management remains focused on scaling call volume as the primary growth driver, postponing price adjustments in the near term to drive market penetration.

Metric	FY20	FY24	CAGR (%)
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Industry and Market Overview

The expert network industry has experienced significant growth over the past decade, driven by the increasing demand for specialized knowledge across various industries, including finance, healthcare, and technology. Expert networks serve as a bridge between businesses and subject matter experts, facilitating informed decision-making and strategic insights.

As of 2023, the global expert network market was valued at approximately \$2.28 billion, with around 120 expert networks operating worldwide. While this represented a modest 1% growth from the previous year, the industry has historically expanded at an average annual growth rate (CAGR) of 16% since 2015. The slowdown in 2023 was primarily due to declining private equity deal volumes, reduced consulting activity, and tighter corporate budgets. However, long-term growth drivers remain strong, with corporate strategy teams, hedge funds, and asset managers increasingly adopting expert network services.

Projections indicate that the market will reach \$10.78 billion by 2032, growing at a CAGR of 16.03% (2024–2032). (Source [Inexone](#) , [Globalgrowthinsights](#) )

Investment Thesis: Infollion Research Services Ltd.

Industry Landscape & Market Opportunity

Expert networks primarily acquire clients based on the strength of their existing expert pool within a given geography. Infollion currently has 96,000 registered experts, with 20% being international experts. As the company expands, onboarding experts from new geographies will enable it to:

- Strengthen cross-border operations, offering clients access to global insights.
- Extract market share from existing players by offering pricing advantages and service differentiation.

The global expert network industry is growing rapidly, with increasing demand from consulting firms, private equity, hedge funds, and corporates. Infollion is capitalizing on this trend by expanding internationally into high-growth regions like the US and MENA.

Competitive Positioning & Pricing Strategy

The industry giants—GLG and Third Bridge—operate at gross margins of nearly 77%, with varying business models:

- GLG and Third Bridge: Charge a \$50,000 annual subscription fee to clients.
- Others: Primarily offer service-based models, charging per engagement.

Infollion’s competitive advantage lies in its aggressive pricing strategy:

- While industry leaders charge an average of \$1,200 per hour, Infollion offers similar services at \$500 per hour—less than half the cost.
- This positions Infollion as a cost-effective alternative, enabling rapid client acquisition in international markets.

Additionally, while major competitors focus on maximizing gross margins, Infollion is prioritizing volume growth over margin expansion to increase market penetration and client reliance

Company				Gross Margins		
GLG FY 2020				73.60%		
Dialectica FY 2022				21.9%		
Prosapient FY 2022				60.3%		
Alphasights FY 2022				42.9%		
ThirdBridge FY 2017				77%		
	Inex One	GLG	Guidepoint	Third Bridge	Dialectica	Prosapient
Payment Model	pay as you go	\$50K prepayment	pay as you go	\$50K prepayment	pay as you go	pay as you go
Average Cost Per Interview	\$1050/h	\$1350/h	\$1200/h	\$1350/h	\$1100/h	\$1100/h

## Business Model Evolution & Revenue Diversification

Infollion's current revenue is dominated by consulting firms, but management is strategically diversifying by targeting private equity and public market investors. To further enhance revenue streams, the company is launching:

- **HUKSA: Corporate Learning & Development Initiative**
  - Leverages Infollion's existing expert network to curate sector-specific training modules in Auto, Manufacturing, BFSI, and Pharma.
  - Targeting corporates, second/third-generation family businesses, and professionals.
  - This division will be a high-margin segment, contributing positively to overall gross margins.
- **Subscription-Based Revenue Expansion**
  - Infollion is exploring subscription models on platforms like HUKSA, aiming to establish recurring revenue streams over time.

## Scalability & AI Integration

With the rise of AI and automation, productivity gains will accelerate, enabling companies to reduce decision-making time. Expert networks play a crucial role in facilitating rapid, data-driven decisions by connecting businesses with industry specialists.

- Infollion is exploring AI-driven expert matching, which will enhance efficiency and scalability.
- Future potential for an AI-powered knowledge hub, providing on-demand insights through a mix of live consultations and pre-recorded expert content.

## Long-Term Vision & Growth Outlook

- Infollion is focusing on a sector-first approach to international expansion, ensuring a strong expert base before offering services in each region.
- Management is not aiming to increase gross margins in the short term but is committed to improving net profit margins over time.
- The company has guided a 40%  $\pm$  10% growth rate, reflecting strong confidence in its expansion plans.
- Leadership stability: Founder & MD Gaurav Munjal has been with the company for 15+ years, ensuring continuity and strategic execution.

## Risk Thesis: Infollion Research Services Ltd.

Infollion faces several key risks that could impact its long-term growth and sustainability. These risks stem from client concentration, technological disruption, regulatory uncertainty, financial vulnerabilities, and competitive threats.

### Client Concentration Risk

A significant portion of Infollion's revenue is dependent on a small number of consulting firms, with the top 10 clients contributing nearly 80% of total revenue. This creates a high dependency risk—any loss or reduction in engagement from these firms could lead to a severe revenue decline. Furthermore, consulting firms may develop in-house expert databases or switch to larger, more established networks, increasing revenue volatility.

### Threat from AI & Automation

Artificial intelligence has the potential to automate expert recommendations and reduce reliance on human-curated expert networks. AI-powered platforms could provide instant, data-driven insights that may replace the need for manual expert consultations. If AI evolves to accurately predict and solve complex industry problems, the demand for Infollion's services could decline significantly.

### Challenges in International Expansion

Entering international markets presents a significant hurdle, as incumbent expert networks (e.g., GLG, AlphaSights, Third Bridge) have strong client relationships and established reputations. Switching costs for clients are high, as transitioning to a new expert network involves uncertainty, trust-building, and operational delays. This makes it difficult for Infollion to win market share from established competitors outside India.

### Regulatory & Compliance Risks

The regulatory environment governing expert networks remains uncertain. Potential risks include:

- Experts being classified as employees rather than independent contractors, which could increase compliance costs.
- Governments imposing fees or licensing requirements on expert networks for listing professionals.
- Stricter data-sharing regulations to prevent experts from inadvertently or intentionally disclosing market-sensitive information, leading to legal and reputational risks.

### Competition from Alternative Platforms

Infollion faces potential disruption from LinkedIn, Fiverr, and freelance platforms, which already host large expert communities. These platforms could leverage AI-powered expert-matching tools to offer faster, cheaper, and more scalable solutions than traditional expert networks. If clients shift towards self-service expert discovery instead of relying on Infollion's network, the company's value proposition could weaken.

### Financial Risks – Receivables & Cash Flow Challenges

Infollion operates on a deferred payment model, where clients pay after a certain period, leading to built-up receivables. While this is common in the industry, Infollion's client concentration magnifies the risk—if a major client delays or defaults, it could severely impact liquidity. High receivables could lead to working capital constraints, making it harder to scale operations.

Valuation

Hybrid Approach – Terminal Multiple + DCF Approach

Financial Modelling for Infollion Research Services Ltd									
Valuation ( INR in Lakhs )									
Particulars	Support	FY 22 A	FY 23 A	FY 24 A	FY 25 E	FY 26 E	FY 27 E	FY 28 E	FY 29 E
Discounted Cash Flow Method									
Dates					31-03-2025	31-03-2026	31-03-2027	31-03-2028	31-03-2029
Net cash from operating activities		54.7	266.9	916.0	826.3	995.7	1,295.3	1,644.3	2,086.8
Purchase of property, plant and equipment		(1.4)	0.0	(2.6)	(30.0)	(30.0)	(30.0)	(30.0)	(30.0)
Free Cash Flow to the Firm		53.2	266.9	913.4	796.3	965.7	1,265.3	1,614.3	2,056.8
Less Interest		1.4	4.6	13.4	12.9	14.6	16.2	17.7	19.0
Free Cash Flow to Equity		51.9	262.3	900.1	783.4	951.2	1,249.1	1,596.6	2,037.8
Forecasted EAT Last Year									2,620.8
Forecasted Price to Earnings Multiple	15								
Terminal Value					783.4	951.2	1,249.1	1,596.6	39,312.2
Cost Of Equity	12%								
Valuation Based on Free Cash flow	28,740								
Number of Equity Shares	97								
Valuation Per Share	296.29								

OPCO – FINCO ( WhiteOak Framework )

Infollion Research Services Ltd (INR in lakhs)									
Dates					31-03-2025	31-03-2026	31-03-2027	31-03-2028	31-03-2029
Operating Company - Infollion									
Particulars	Support	FY 22 A	FY 23 A	FY 24 A	FY 25 E	FY 26 E	FY 27 E	FY 28 E	FY 29 E
Free Cash Flow to the Firm		53.2	266.9	913.4	796.3	965.7	1265.3	1614.3	2056.8
% Growth			401.3%	242.3%	-12.8%	21.3%	31.0%	27.6%	27.4%
Payment to be Paid to FINCO		70.7	102.3	333.8	408.0	509.3	640.1	805.6	1015.3
Excess ROIC		-17.4	164.5	579.6	388.3	456.4	625.2	808.7	1041.5
Growth rate	5%								
Terminal Value					388.3	456.4	625.2	808.7	15622.1
V(OPCO) - PV EROIC FCF	11794.7								
Financing Company - Infollion									
Particulars	Support	FY 22 A	FY 23 A	FY 24 A	FY 25 E	FY 26 E	FY 27 E	FY 28 E	FY 29 E
Invested Capital		883.2	1279.3	4172.8	5100.1	6366.5	8000.9	10070.6	12691.4
% Growth			44.8%	226.2%	22.2%	24.8%	25.7%	25.9%	26.0%
WACC	8%								
Payment to be Received from OPCO		70.7	102.3	333.8	408.0	509.3	640.1	805.6	1015.3
V(FINCO) - Invested Capital	4172.8								
Enterprise Value		V FINCO Invested Capital 4172.8	+	V OPCO V(EROIC) 11794.7					
Enterprise Value		15967.6							

For a detailed analysis, kindly refer to the Valuation file attached to the email.