



**“Ceinsys Tech Limited  
Q4 FY26 Earnings Conference Call”  
June 03, 2026**



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**MODERATOR: MS. ANANYA MUKNE – ARIHANT CAPITAL MARKETS**

**Moderator:** Ladies and gentlemen, good day and welcome to the Ceinsys Tech Q4 FY26 Earnings Conference Call hosted by Arihant Capital Markets. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Ananya Mukne from Arihant Capital Markets. Thank you, and over to you, ma'am.

**Ananya Mukne:** Hello and good afternoon to everyone. On behalf of Arihant Capital Markets, I thank you all for joining into the Q4 FY26 Earnings Conference Call of Ceinsys Tech Limited. Today, from the management, we have Mr. Kaushik Khona, Managing Director, India Operations; Dr. Abhay Kimmatkar, Managing Director and Mrs. Amita Saxena, Chief Financial Officer.

So without any further delay, I hand over the call to Mr. Kaushik for his opening remarks. Over to you, sir.

**Kaushik Khona:** Good afternoon everyone. It's a pleasure to welcome you at this Earnings conference call for the fourth quarter and the full year ended financial year 2025-26. Let me at first thank our host of today's con call M/s. Arihant Capital. We have a pleasure to present the best quarterly and financial results of the company for the year ended 31st March 2026.

In the interest of some of the people who may be new to the company, let me first start by giving you a brief overview of the company, followed by the performance highlights of the quarter and the year under review. Ceinsys Tech has been rebranded to CS Tech AI, while the corporate name remains as Ceinsys Tech Limited.

We are a leading technology solution provider in the IT-enabled sector, providing engineering and technology solutions in the infrastructure domain. We are acclaimed for our expertise in geospatial engineering as well as other engineering services and solutions. We offer a broad range of geospatial intelligence services, including data creation, data analytics, decision support system and enterprise web solutions.

After the acquisition of mobility business of Allygrow in 2022, we acquired geospatial business of VTS in U.S.A. in the year 2024, which was majorly operating into telecom domain. Since then, we are identifying some more targets for the inorganic growth to expand our horizons into the domains where company is already operating.

That is the geospatial engineering services and the technology solutions for which the company has already mobilized around USD28 million. We serve prestigious global clientele that include large corporates, OEMs, asset management companies and government bodies, highlighting our robust reputation in both geospatial and manufacturing sectors.

With offices in India, U.S., U.K. and Germany, the company combines local expertise with the brand international reach. Additionally, the company has initiated and invested into development

of product solutions focused on the infrastructure vertical and emerging technologies through new vertical focused on artificial intelligence and machine learning and embedded electronics.

This vertical emphasizes the development of the AI and ML-enabled applications and solutions to enhance our delivery from the -- for the existing domains at the outset, reflecting the company's commitment to innovation and maintaining a competitive edge in a dynamic technological landscape.

Now let me come to the highlights of our financial and operational performance for the fourth quarter and the year ended 31<sup>st</sup> March 2026. We have delivered a best-ever quarterly performance, marking continued sequential improvement and extending our growth momentum over the last 8 quarters.

For the quarter under review, the operational revenue stood at INR171 crores, registering a strong growth of 20% year-on-year EBITDA for the quarter increased significantly by 50% year-on-year to INR40 crores with EBITDA margins improving to 23.6%, representing an expansion of 475 basis points compared to the corresponding period of the last year.

Net profit for the quarter stood at INR 37 crores, reflecting a robust growth of 70% year-on-year. PAT margins also improved substantially to 21.8% and an expansion of 641 basis points year-on-year. For the financial year 25-26, the operational revenue stood at INR 661 crores, registering a strong growth of 58% year-on-year.

The EBITDA for the year stood at INR 145 crores, reflecting a robust increase of 86% year-on-year, while the EBITDA margins improved significantly to 21.9% on a full year basis, representing an expansion of 327 basis points over the previous year. Net profit for the year stood at INR133 crores, delivering an exceptional growth of 111% year-on-year and the PAT margins also surpassed 20% for the first time with an expansion of 507 basis points year-on-year.

This robust performance was supported by strong growth across various business segments. For the quarter under review, our Geospatial Engineering Services revenue increased by 75% to INR102 crores. On the Technology Solutions side, the revenue slightly declined to INR 68 crores and therefore, reflecting the mix of the 2 segments.

For the full year, our Geospatial Engineering Services revenue increased by 76% year-on-year to INR 359 crores. Similarly, our Technology Solutions grew by 41% year-on-year to INR 301 crores. Demand for our offerings remains strong. During the quarter, we booked our new orders aggregating to INR 62 crores, including mobility -- excluding mobility and product services, taking our closing order book as on 31<sup>st</sup> March 2026 to a healthy number of INR876 crores.

At the same time, we have maintained discipline on working capital with our net working capital cycle improved marginally to 157 days from 162 days of the previous quarter. Another key highlight for the year was our strong cash generation. We delivered positive cash flow from operations and further strengthened our balance sheet with the overall net cash balance increasing to INR 248 crores as on 31<sup>st</sup> March 2026 from INR 123 crores a year ago.

We continue to strengthen our order book by securing multiple orders across domestic and international markets. Domestically, the company has secured a major contract from MHADA of worth INR 41 crores for the development and maintenance of integrated project management system and GIS-based digital platform, along with the service order from ISRO, which also contributes to a 3-year subscription renewal.

On the international front, the company has received an order of INR 21 crores for the design, supply and installation of Georgia Land Information System. And through our U.S. subsidiary, we have secured a purchase order also for hybrid power transfer case amounting to INR 4 crores.

This is a result of a continuous business development efforts, which we are doing for the U.S. operations. These wins reflect the breadth of our capabilities and our continued success in securing large and strategic projects across multiple domains. We have been aggressively working on building the pipeline for the new orders and we are expecting good confirmed order book in quarter 2, quarter 3 of this year.

There are many opportunities which could not be concluded due to several instance of code of conduct in the last 12 months, but now we are seeing positive traction for those opportunities to conclude in the near future. Overall, our strong financial performance, healthy order book, improving cash position and continued success in securing strategic projects provide us with the confidence on delivering sustainable growth and creating long-term value for all our stakeholders. With this, now I open the floor for the question-and-answer session. Thank you.

**Moderator:** Thank you. We will now begin the question and answer session. Our first question comes from the line of Ashish Soni with Family Office. Please go ahead.

**Ashish Soni:** Sir, first question is on the acquisition. You said 2 quarters back acquisition should be done by sort of this timeframe. So what is happening on that front? And if you can elaborate what are -- when we can close an acquisition?

**Kaushik Khona:** Sure. So as you are aware, we have been targeting to get some inorganic growth, and we have also been working for various opportunities which we have been tapping. In fact, the 2 opportunities which we were kind of tapping, there was some challenge as regards to the business continuity, and therefore, we had to take a call not to pursue that. We have also been pursuing a few opportunities.

And based on these opportunities, we find that the new opportunity which we are tapping right now, there could be a closure of inorganic growth for the purpose of due diligence in next 1 or 2 quarters. The amount of INR 235 crores, which was mobilized had been earlier earmarked for the particular 70%, 20% and 10% kind of scenario.

With the kind of options which we are getting, there may be a slight change in the requirement of the funds, but that is why the Board has decided to slightly modify and instead of around INR 220 crores being – INR 210 crores for the purpose of acquisition and expansion, that has been now restructured to also include the opportunities by way of joint venture, etcetera, which were not earlier included. And therefore, that small changes are also being proposed for which the

special resolution by way of postal ballot will be circulated. So there are some opportunities which we are pursuing for which we are trying to find some changes, as already mentioned.

**Ashish Soni:**

Okay. And regarding management changes, Suraj sir left, whatever little I know. So what is the plan? Are we searching for some senior leadership because I think he was given last U.S. leadership. So what is the plan? And do you think you can maintain the growth rate what you have seen in last 2, 3 years going forward in the next 2, 3 years?

**Kaushik Khona:**

Certainly, a good question. In fact, we were expecting Suraj sir to contribute to a new vertical. but as he decided to move on. In fact, we have remobilized and, I would say, restructured the entire organization structure. And the U.S. business is also being -- we have already, I would say, recruited three major senior positions in U.S, who are -- include who are doing the business development as well as execution.

And our COO, Mr. Rahul is going to head that U.S. business delivery also. So -- and he has already been performing on a year-on-year basis with a growth of more than 50% on a CAGR basis. He has already developed his team at U.S., and he is also being taking control of the new initiatives.

In fact, the two major businesses which you see, the INR 22 crores of Georgia and INR 4 crores, which I just mentioned, are the result of the continuous BD efforts and also his involvement over there. So I think we have got the new management team, although it is -- we have realigned the management team to take care about the U.S. business, and we are seeing a very good traction for the efforts which we already built in the last 3 to 4 quarters.

**Ashish Soni:**

And the growth question, you said -- I asked that can you maintain the growth momentum what we have shown in last 2, 3 years in next 2, 3 years?

**Kaushik Khona:**

I'm sure that things are moving in the same direction. In fact, the kind of capabilities which we have more -- we have developed. You can see that we have enjoyed a growth of almost 58% CAGR in the last years, which is also part of our presentation. And we are hopeful while we are already targeting to that, but we are hopeful that this growth momentum will continue.

**Ashish Soni:**

And last thing, you spoke about the objective change for the preferential issue to include joint venture. So any particular area you're lacking or it's a complementary to your thing, which you are looking for? And will it give us a global reach or some clientele? I just want to understand that perspective?

**Kaushik Khona:**

So as of now, I would not be able to give you any further guidance. But yes, the kind of acquisition which we are looking at are to acquire certain capabilities where there are some 2 options where there are industry leaders, and they are -- they may not be open for acquisition, but they are open for alignment by way of a joint venture.

And therefore, this option is also being addressed. That is the only reason. And this is -- again, we are not going to diversify from the existing businesses, which is Geospatial and Engineering Solutions. We are going to fortify by enhancing the domains and also adding more clients by

way of maybe having a good logos and all. So those purpose of acquisition and the inorganic growth continue, the same.

**Ashish Soni:** And last question. What was the situation on receivables and the recovery from your government. Because at AGM, we had a lot of issues last year. So can you elaborate how much in terms of receivables left from that earlier thing and in terms of aging and where do you think the recovery can happen?

**Amita Saxena:** Well, in case of recovery, we have a debtors of INR 153 crores outstanding as on 31<sup>st</sup> March 2026, out of which approximately INR 94 crores is less than 90 days. So you can understand out of INR 153 crores, the INR 94 crores is the 61% quantum is less than 90 days. And less than 1 year, it was approximately INR 127 crores.

So the recovery of the aging, which we have more than 1 year is hardly INR 27 crores out of the total INR 153 crores. So funds we are -- last year also, we have collected a lot of funds, including JJM. And this financial also, we are targeting, and we are hopeful that we will be able to recover our most of the funds from JJM and other projects also. So we don't foresee any problem in case of recovery.

**Ashish Soni:** But the INR27 crores, which is more than 1 year, what's the challenge we are facing? Is this a milestone or what exactly the challenge there?

**Amita Saxena:** So there are challenges, not maybe some are -- because of the milestone, other are because of the government funds and sanctions, which we are waiting, and we are hopeful to get the same in the same financial year 26- 27.**Moderator:** The next question comes from the line of Kaushal Sharma with Equinox Capital Venture.

**Kaushal Sharma:** So my question is on your working capital side, I can see that your trade payable has increased significantly during the year. So what was the key reason of?

**Moderator:** Sorry to interrupt, Kaushal, you're not quite clear. I would request you to use your phone on the handset mode in case if you're on a hands-free mode.

**Kaushal Sharma:** Now is it audible?

**Kaushik Khona:** Yes, a little bit better, Go ahead, please.

**Kaushal Sharma:** Yes. So my question is on your working capital side, like the trade payable has been increased significantly during the year. So what was the key reason? Did we renegotiate with our supplier. And our unbilled revenue also increased significantly more than our revenue growth. What was the reason over there?

**Kaushik Khona:** So if I can just address, first of all, the current liabilities. In most of the cases.

**Amita Saxena:** These are all back-to-back contracts. And once we will get the funds, even we will pay our suppliers because we have the terms with them -- similar terms with them that once we will realize our debtors, we will pay off our back-to-back contractors. That's why you might be seeing that change in case of payables.

- Kaushal Sharma:** Okay. What about the unbilled revenue?
- Amita Saxena:** Unbilled revenue, I think, yes, what you have pointed out is correct, that it has increased in this financial year. But this is just because the milestones have not been achieved as on 31<sup>st</sup> March 2026, which may come up in this financial year, in this first quarter also and in the coming next quarter also. We will be able to bill substantially out of this unbilled revenue because our milestone, we will reach to the milestone of billing in this first and second quarter of this financial year.
- Kaushal Sharma:** And sir, my next question is on your acquisition like you acquired VTS 2 years back. So what is the current status and their revenue as of now and order book for the margin? What is going on in the year?
- Kaushik Khona:** So VTS, we have invested a substantial amount by way of manpower, business development efforts. And what we had earlier projected that this year, they -- in the FY 25-26, they were to kind of enhance their revenue, which they have. But we are seeing the growth, we are expecting the growth in this financial year after all the BD effort, which we had in last year.
- So VTS, we may expect a good revenue jump. In fact, it may be more than 2x or more than 2x from what we have achieved in the FY 25-26 on VTS. So we are expecting VTS to not only contribute a turnover of more than INR 20 crores, but it could be also a profitable growth. So we are quite -- and even quarter 1 is in line with the projection. So I think that has come out quite well. We have been mentioning about this in the last 2 IR calls also that the business development are being -- efforts are happening and that can come. So these are some of the results of the continuous efforts.
- Kaushal Sharma:** So how much you get it can contribute in current financial year 26 and the profitability now?
- Kaushik Khona:** So in the finance year 25-26, the turnover was not significant. It was around INR 7 crores to INR 8 crores. And it was EBITDA positive. But after the BD expenses, it was negative because we had incurred some of the BD expenses. And this, as I said, this year, we are projecting to be more than INR 20 crores with a positive EBITDA and substantial positive EBITDA.
- Kaushal Sharma:** And sir, we have around INR 876 crores of order book. So what is the execution period that we are expecting to execute this order book? And what is the order pipeline as of now in India and as per the global level like you have the subsidiary in the U.S?
- Kaushik Khona:** So let me first clarify. There are 2 segments of business which are not mapped under the order book, which is a mobility and a product solution. These 2 segments contribute, which is they are an annual run rate kind of business where we further acquire new businesses and all. And these contribute almost INR 150 crores of our total top line.
- When we talk about the order book, the 861-- sorry, INR 876 crores order book, it is having -- there are various projects, which are having an execution pipeline of 12 to 18 months. And many of these projects would have closed within this year. We will have a spillover order book going into the next 2 to 3 quarters of the next quarter in some of the projects. So we expect order book to substantiate for this financial year as well as 1 or 2 quarters next year. And the order pipeline,

I'm sure, Abhay ji, if you are there, he can contribute. Otherwise, he was at a clients call. Are you there, Abhay ji?

**Abhay Kimmatkar:** Yes. Are you able to hear me?

**Kaushik Khona:** Yes, we can.

**Abhay Kimmatkar:** Yes. So coming to the order book and pipeline, we've been doing a lot of hard work on that side. Q4 and Q3, we did good homework and we have created some funnel. Unfortunately, Q4, we couldn't have these closures. But Q1 and Q2, we have substantial order book to be closed. We are L1 in few cases. And there are some delayed orders or extension of the existing orders. Those are all in pipeline.

And we've been able to do some growth in some of the major departments in Maharashtra, outside Maharashtra as well, primarily in the infrastructure space. We are also doing some inroads in the power segment. So these 2 will in the two quarters, we'll see there's a lot of orders coming into this particular domains.

**Kaushal Sharma:** Could you please explain quantum of the order book pipeline?

**Abhay Kimmatkar:** I can't tell you the numbers. But when I say at that last quarter, I couldn't close it. It should be - the next two quarters, we'll have our numbers whatever we have designed to fulfil in two quarters. It may match up to last year's or adding more into that. So number what we closed will be definitely more than what we have closed last year.

**Kaushal Sharma:** Okay, sir. And sir, the EBITDA margin has increased substantially, like 347 bps. So what were the key growth drivers in this EBITDA? And is this margin sustainable in future?

**Kaushik Khona:** So I think if you see our presentation, you will see that EBITDA margins have not suddenly increased. There is a constant, persistent efforts based on the last 8 quarters, you can see that EBITDA margins have been increasing. -- and it's sustainable. I would say the reasons that would be -- I would bracket it into three reasons.

One is that we have improved our delivery capacity. We are, therefore, trying to tap higher value segment rather than going into the lower value segment of data acquisition. We are more into solutions. That is one reason. Second is the skilling of the people, which we are enhancing.

In fact, if you look at the number of employees to turnover ratio, which was in the 2023-24, the employees to turnover ratio was around 24 lakh. Today, we are talking around 55 lakhs. So it is only because the people who have been able to deliver a have been getting a better skilled people or we are getting a new skills for the existing people.

And third is, we are able to tap certain new technology segments, which are enabled by AI. So in the year this year as well as in the coming year, we believe that there will be certain technology initiatives, which will contribute to a substantial improvement in the EBITDA on a consistent basis. I think these are some of the initiatives, which we believe that this could keep our EBITDA at a sustaining levels.

- Moderator:** The next question comes from the line of Ashwin Patil with AlphaStreet Intelligence.
- Ashwin Patil:** Good afternoon. My question is India accelerating.
- Moderator:** Ashwin, you are not quite audible.
- Ashwin Patil:** Hello. Now, sir?
- Moderator:** Yes, please go ahead.
- Ashwin Patil:** My question is India accelerating offshore oil and gas exploration. Do you see any meaningful opportunity in GIS mapping, digital twin and survey project from the sector over the next few years?
- Kaushik Khona:** We are certainly experts -- I would not say expert, but we have all the capabilities of the data in the mapping, the 3D plan as well as the digital twin, and it applies to other segments. Now oil and gas, we have not had any earlier any exposure, except for 1 exposure which we had from U.S. and we are trying to find out if we can tap those opportunities.
- However, these opportunities are typically taken by the oil exploring companies themselves, and it takes a little more time to get more drill into the new businesses with those sectors. But we are exploring those, including some of the opportunities which we are working for transport, telecom as well as maybe defense and all other segments, which we are expanding our domain. So oil and gas exploration has not been -- except for one contract, we have not got into the contracts, but we are certainly capable of delivering the digital twin by the 3D mapping of the area to be mapped. So we are working on those options as well.
- Abhay Kimmatkar:** Yes. So Ashwin, to add further, the other domains being Ceinsys have its presence of prominence are growing faster than oil and gas. And oil and gas in India is steadily growing and there are a lot of already benchmark solution, those are the technical side. But as what Kaushik just mentioned, we are there for the digital twin side of the operations and that we will pursue. But having said that, the others are growing and we are really jumping into those opportunity space. So by comparing this case, you will find we are growing faster in other domains compared to this particular domain.
- Moderator:** The next question comes from the line of Gunit Singh with Counter Cyclical PMS.
- Gunit Singh:** Sir, firstly, my question is regarding the order book and the bid pipeline. So if you look at the order book, it has been shrinking year-on-year. And I think in FY 26, we were -- order intake was less than INR 400 crores, around INR 350 crores, which is less than what we executed during the year.
- And all throughout FY 26, we were told that in the next quarter, in the fourth quarter, in the 3 quarter order intake inflow would be high. because the bid pipeline is strong. And then in the fourth quarter, I mean, we were assured that during Q1 before the call, I mean, we would see some order inflow.

So as an investor, I just want to understand, I mean, what is the bid pipeline? How much have we bid currently? How many projects are we L1 in? And what kind of order inflow can we realistically expect in FY 27? So if you share this information, we will have an idea as to, I mean, how the actual environment is because right now, I mean, we have no idea as to what is going on?

**Abhay Kimmatkar:**

Gunit, good Question. And you are very right. We were saying last quarter that we will be able to close a few of them, but those got really postponed. And we are still on those projects. We have 3 L1 projects at this point in time. I won't provide a number to those L1, but those would be any day we'll be able to get those orders.

We have one order, which is the LOI. We have started executing that, but we haven't declared because we haven't got a firm order. But as the timeline is very challenging, so we have started up executing that. Having said that, Q1, what we were anticipating, again, it got slipped to Q2, I agree to your statement.

But Q2, definitely, we have a strong and strong pipeline that I can assure you that what we have closed in 26, we will surpass that in Q2 itself. That's my statement. So we have a strong pipeline in the infrastructure space. When I say infrastructure, it's on the road side, it's on the metro side and other building construction side. Those are all big pipeline.

So we have usually a different life cycle of project on the BD where you will get one or the other domain picking up and getting because as government funds, government budget comes, accordingly, even the business runs. It's a natural phenomenon. So similarly water took 2 hour to 2 years because JJM was the funding it now the infrastructure side.

On the highways, on the metros and similarly the ports and this kind of projects are coming up. And we are very much lined up for them. And we have bid a few of them. Definitely, we'll bid those projects because we see that we are pretty competitive and we have intelligence that we may likely to win those.

**Gunit Singh:**

Got it So basically, in Q2, what we are trying to say is by Q2, we should have order inflow more than FY 25, which was around INR 354 crores. Is that a fair assumption?

**Abhay Kimmatkar:**

We will be able to match what FY 26 will close by Q2. And then we'll be able to surpass what we achieved in FY 26 by Q3.

**Kaushik Khona:**

And Gunit, thanks for your continuous kind of interest. And I can also substantiate that earlier, the run rate business, which was not supported with the order book was small. Now the run rate business has also increased substantially. So I think what we are trying to build is a sustainable business where we don't need to rely on orders on a one-time order.

So I think in the beginning of the meeting also, I mentioned that we have 2 divisions, which is mobility and the product solutions where more than INR150 crores worth of orders, our execution is not backed by order book because they are a run rate business. So I think that we are confident about the growth as what we have been pursuing.

- Gunit Singh:** I just want one clarification. Did you mention that the order inflow by Q2 would be more -- I mean, equal to the order inflow in FY 25. Is that what you mentioned?
- Abhay Kimmatkar:** Come again. I didn't get you. What is that?
- Gunit Singh:** So basically, you mentioned that by Q2, the order inflow that we will see will almost equal or exceed the order inflow in FY -- whole of FY 25. Is that what you mentioned?
- Abhay Kimmatkar:** Yes. For the FY 26 we just closed, we may exceed to that by Q2 or half of Q3.
- Gunit Singh:** Okay. In terms of order inflow, right?
- Abhay Kimmatkar:** Order value. Cumulative value of all orders received. So the number of orders.
- Gunit Singh:** We closed FY 26 at INR 800 crores order book. So I mean, I don't understand exactly what you're trying to say?
- Abhay Kimmatkar:** No, no, that was revenue. Yes, Kaushik Ji.
- Kaushik Khona:** Gunit, I think what we mentioned is that during the year FY 25-26, we had a new order of more than INR 350 crores. And in Q2, Q3 beginning, we should at least get those new orders of that value, although we are not able to quantify because we don't give the numbers. But as and when we will get the confirmation, the same will be kind of intimated. But I think the pipeline is substantially good. And as Abhay sir already mentioned, there are 3 large orders where we are L1.
- Gunit Singh:** Perfect. So if we talk about the bid pipeline, what kind of bid pipeline are we looking at currently? I mean -- and how does it compare if we were sitting at the same time last year? Is the bid pipeline healthier? And I mean, if you can throw some light on that?
- Abhay Kimmatkar:** Yes, Gunit, what usually happens, the bid pipeline sums up when you work for 2 quarters or more than 3 quarters. Then you get the RFPs published and then bid submitted and it's about to close. So this is long-term process usually takes 3 quarters. What has happened this year, what we have done last 2 quarters, those are getting matured.
- And we are about to get some bids published. Whatever bids we have bided or whatever RFPs got published in Q1, we just got those getting closed in this quarter or early quarter. So it's a really good pipeline, what we have. So we have done a lot of hard work because when we saw that FY 26 is not converting into like kind of closure.
- So we started working on the new projects, new areas and then whatever new funds which were given by central government and state government. So those projects we tapped. And then we were able to publish some of the projects or some of the RFPs for those projects. And so there is a good bid pipeline, and we have already created some RFPs. So unlike what Q4 and Q1 we have.
- Gunit Singh:** Got it. So my next question is regarding the unbilled receivables that we have about INR 330 crores. So these seem to be growing at a very fast rate. So I want to understand what is the

reason? Is it because -- I mean, why are we not able to bill our clients at the milestone number one, so there's a mismatch?

And are we, I mean, doing some aggressive accounting currently because the unbilled revenue seems to be growing at a very fast rate. And as on date, I mean, how much of this INR 350 crores as of March 31, how many of this has actually been billed? And how does it work? I mean if you can help us understand in detail what's going on here, that will be really helpful?

**Amita Saxena:**

I think I have already explained this unbilled revenue of 31<sup>st</sup> March 2026. Yes, the number is higher side on 31<sup>st</sup> March 26 because the milestones which are required to bill has not been attained at 31<sup>st</sup> March 2026. We will be attaining those milestones in first quarter and second quarter, and those unbilled revenue will get converted into billing and we will recover the funds in these 2 quarters.

So there is no aggressive kind of accounting what we are doing. It is the normal as per Ind AS accounting is being done. And the amount which you are looking in unbilled revenue is just because the milestones in government projects, we have a milestone wherein only we can bill once the milestone has been achieved and the certification process is done by the government.

So we are expecting that it is in process, and we are expecting that to complete in this Q1 as well as Q2. So this unbilled revenue will come down substantially in these 2 quarters. But at the same time, the new work will happen, the new execution will happen. So another new unbilled revenue will also come. So it's a continuous cycle.

**Kaushik Khona:**

Gunit, also, you should appreciate that the turnover is increasing by almost 58% -- so unbilled revenue because the cycle will continue -- the cycle of execution will continue. And obviously, when you are working with at least 10 major projects and almost like 50 small projects, every project has a different timeline or milestone for billing. So I think that's a normal practice. And when we grow, I mean, we are -- if we talk about comparing ourselves before 2 years and now, I think the numbers itself, the baseline itself has changed. So I think let's -- these unbilled revenues are obviously.

**Amita Saxena:**

They are part and parcel of business.

**Gunit Singh:**

Got it. And for this subsidiary, which is loss-making, I think if we go from stand-alone to consolidated figures, our EBITDA fall by INR 26 crores. So are we -- I mean, by when do we think that this will breakeven loss-making subsidiary? And if you can throw some guidance on how the business is going there?

**Kaushik Khona:**

So if I can just recap, we have been communicating about this business development in last 3, 4, 5 quarters about our efforts in business development because these were acquisitions and we wanted to grow. Now these investment into BD has also developed into -- and we also developed some IPs, which have been expensed out in the subsidiary at T Inc. And therefore, the console results have shown lower results than the standalone.

However, in Q1, as I think in the earlier question, I already mentioned that in Q1 this year, there is a visible improvement. We have seen new orders, which I also mentioned, one new fresh order

of INR 4 crores, another order of Georgia of INR 22 crores which is also because of the sustained efforts of business development. And as per the business plan, which is envisaged for this year, we are expecting a good turnaround and no negative profit.

**Amita Saxena:** We will be in breakeven in this financial year. We are targeting to have that breakeven in these subsidiaries, but we may also incur certain expenses towards BD in this financial year also. But yes, the numbers will substantially change in this financial year.

**Gunit Singh:** That's great. So I mean, we can expect the stand-alone consolidated margins to -- I mean, consolidated margins to move tend more towards standalone, right? And was the INR 40 crores investment in technology, was that expensed out?

**Kaushik Khona:** Yes, except for INR12 crores, which we have capitalized, the other expenditure has already been expensed out in the subsidiaries.

**Moderator:** The next question comes from the line of Shubham, an Individual Investor.

**Shubham:** Sir, congratulations on the good set of numbers. I have a couple of questions. So the first question is with respect to the tax rate in FY 26. What I could see is that the tax rate has been dropped sharply with respect to FY 25. It was around 29% and dropped to 14%, 15%. So sir, what was the reason for this? And what is the normalized tax rate that we can assume for FY 27 and FY 28?

**Amita Saxena:** No, no, that is not the tax rate has gone down. We have got a refund of INR8 crores, INR9 crores, which has received in this financial year. We have reversed the provision, excess provision which we have done in income tax in FY 24-25, which got reversed in FY 25-26. That's why there is the difference. So there is no change in the tax rate. It is -- the tax rate applies to company is 22% plus surcharge plus this. So there is no such.

**Kaushik Khona:** I think FY 27-28, it will be 25% tax rate.

**Amita Saxena:** Normal tax rate.

**Shubham:** Got it, sir. Sir, the second question is that I think as you mentioned in your opening speech as well that technology solutions segment has seen some decline in revenue as well as EBITDA in Q4. So sir, is this temporary or is it indicating that there is some moderation in demand? Like how do we see this going forward?

**Kaushik Khona:** No, no, it is completely temporary. In fact, the overall mix of technology solutions in the contract has been more than 55%, 60%. And as it happens during a particular quarter, maybe I have not achieved a milestone for recognizing the revenue. And therefore, the percentage of the technology solutions revenue is slightly lower. But if you see the overall annual percentage, I think we have grown 41% on the technology solutions also. So it's a temporary.

I mean every project has elements of technology solutions and engineering solutions. In a particular quarter, technology solutions may have -- for that contract may have been less, and therefore, you see the percentage falling. But on an overall numbers, you would have seen at the

last 5, 6 quarters, the technology solutions percentage has increased. And I also mentioned in my opening speech that our AI/ML-enabled solutions will enable the -- which is a part of the Technology Solutions turnover will further enhance the turnover in the coming quarters.

**Shubham:**

Understood, sir. Sir, other question is that like we know that our company is primarily in AI, ML, geospatial opportunities, right? These are all like very tech-focused segments. So how much revenue today that is coming is actually coming from proprietary IP platforms versus how much is coming from manpower and engineering services, if you can give that split at least in terms of percentage?

**Kaushik Khona:**

First of all, let me clarify, we don't do any manpower services. So we are all solutions provider only. There are certain projects which are created on the OEM platform as required by the customer. So what happens is that there will be certain customers who want a particular solution based on a particular software or OEM. It could be Autodesk, it could be Bentley, it could be Esri.

There are certain solutions which are -- the AI-enabled solutions are all proprietary because we have the IP already applied for that. And there are certain open source applications also which we have developed, which we are providing for the -- some of the solutions. So I think it's a mix of OEM-based solutions and the open source solution and it is all guided by the customers' requirement.

And wherever there is a possibility that customer doesn't specify any specs, then obviously, we will try to prefer our open source applications. And the open source application turnover also is steadily growing because of the enabling of the AI and ML based on some of the products which we have developed.

**Shubham:**

Understood, Sir, just the last question. Sir, we see that there are a lot of additional tailwinds that have come in, like, for example, Jal Jeevan Mission has been extended. And then obviously, then oil exploration also related to that, a lot of schemes have been introduced by the government.

And I feel that we are at somewhere at the center of this where we are able to benefit -- benefit from all of this. So just wanted to understand like the future outlook would still be like how we have been growing. Obviously, we have done a very good job for the last 2, 3 years. But will the growth be -- are we still being conservative in giving the growth numbers or can we expect that the growth can be faster in coming years? Like any commentary on that, sir, like whatever you can?

**Abhay Kimmatkar:**

You are mentioning 2 domains. Are you connecting that growth to these 2 domains only or you want the entire.

**Shubham:**

Overall, I'm asking overall?

**Abhay Kimmatkar:**

We've not been very conservative but not very wild as well. We've been very steady and we've been projecting and trying to achieve what we have said. Some last -- if you see 3, 4 years, we have been gradually growing as far as order book grows and even the revenue side. So -- and

then we plan it properly what we -- every year, we do some brainstorming and decide to do some kind of inroads into some of those departments where the funds are going to come and the huge technological intervention is going to happen.

So by virtue of those, we create our entire funnel, entire roadmap. And accordingly, we go to the department and go to -- and we hire people and create our entire business development funnel. And then we start creating the RFPs and start bringing the projects. So it's a long process.

But we've been very much on the job. What we see that the next 5 years, how are we going. Accordingly, we are hiring people. Accordingly, we are even trying to see the government funds, how they are coming and building up our entire business. I hope I addressed your question.

**Moderator:** The next question comes from the line of Ashish Soni from Family Office.

**Ashish Soni:** Sir, what is happening to our collaboration with Tech Mahindra? Are we getting any business? So if you can throw light and are we having some bigger pipeline or joint solutions with them?

**Abhay Kimmatkar:** Yes. So I will answer that. Tech Mahindra, we've been exploring what are the areas, which are the domains, which are their individual domains and where we can intervene. We have already done a few POCs. We are doing some projects with them, some POCs in U.S. with them. They won some projects, and they are going to give those projects to us.

So those are -- I cannot spell out the names of those projects. We've been doing collaborating -- now telecom, we have begun with. Slowly, we move into the other domains like energy and water, but they wanted our assistance in telecom and that we've been providing them what they want. So we have already done a small project, but we'll grow this over the years. And then they are also committed to -- committed for this partnership. And we are very, very optimistic about that. You've seen our growing.

**Ashish Soni:** Okay. And another question is, I think management alluded earlier that your international business will be a good chunk of maybe over a period of time in next 2, 3 years. So do you see -- still see that trajectory moving in that direction and dependency on maybe Indian government schemes to be reducing? So where do you see in next 2, 3 years that progressing?

**Abhay Kimmatkar:** Yes. The first part, Kaushik, rightly hand and elaborate how we grow and what are the plans for next 2, 3 years. And now Rahul has taken over and he is handling that international piece.

**Ashish Soni:** My question is trajectory-wise, do you see international business becoming a good part of your business and dependency reducing the next 2, 3 years? That's the question because you are still -- I feel like...

**Kaushik Khona:** Yes. Abhay Ji, may be in a network zone, which may not be quite clear. But to answer your question, yes, in fact, if you look at our vision statement before more than 1 year, that is our vision that we want to expand into international, reduce the government dependency, but still grow both simultaneously. So I think that's what we are doing.

- Ashish Soni:** And any other senior management hire you are looking for achieving that or everything is in place in terms of your international expansion?
- Kaushik Khona:** So we are already completely onboarded with the team. Internal expansion, international expansion team has already been there for last more than 2 quarters now. In fact, a few of them were there before 3, 4 quarters. The team is already in place. The orders are already coming. The execution has already started. So I think in the sense, the new order execution has also started. So we have taken those steps. And I think right now, the team is adequate enough.
- Amita Saxena:** It will grow as the business will grow. But right now, the team is available to meet the present requirements of business.
- Ashish Soni:** Okay. I think somebody mentioned about some IP development in U.S. I think when I think Gunit or somebody spoke about the question of expanding out expenses. So can you just highlight anything new in terms of IPs we have developed over the last 1 year or which will help in the business going forward?
- Kaushik Khona:** So we have developed 2 IPs, which are already applied for. We are expecting maybe a registration soon. In fact, we have also been using those IP -- those product solutions for not only POCs, but also commercial utilization. But I think the focus for the current year will be to build more IP products in this 1 and 2 years. We want to invest more into that. So I think there is a focus of enhancing the IP portfolio.
- Ashish Soni:** And how much will that expenses be for IP development of IP?
- Kaushik Khona:** In the recent AOP, we have identified at least 3 major IPs where the expenditure outlay is targeted to be in the range of around INR 12 crores to INR 15 crores, but that is also a part of our revenue expenditure.
- Ashish Soni:** Okay. Any risk and challenges do you see for your growth in next 1 or 2 years? And what's the plan to mitigate that?
- Kaushik Khona:** I mean, it's a normal SWOT analysis for any company. We have our action plan taken to ensure that we expand ourselves in line with the demand. And therefore, you see that we have been able to be fungible to move from, let's say, energy to water. And now we are trying to refocus on where new investments are coming into infrastructure, digital twin or transport.
- And also a little bit focus on how to enhance the satellite defense and all. So we have been, I would say, adjusting to the domain where there is demand and there is outlay. So we are taking our adequate care that the risk obviously will always be there for any business, but we are trying to have a mitigation plan for that purpose.
- Abhay Kimmatkar:** For that matter, we have adequate base of various domains. So we are not confined to one individual domain where we put all our eggs -- so every alternate or some time or other, you have other one domain performing and other domain going down. So because as per the government demand, as per the market, the things comes into picture.

And accordingly, you get your business. So that way, we also plan and we have our plans created for next 2, 3 years. How the individual domains would perform we have those ideas, taking the numbers of the market, how the market has expanded, how the government has formulated like the National Geospatial -- National Geospatial Data Policy. So it has enabled a lot of new areas of opportunities. So likewise, we create our funnel and we focus on the market.

**Moderator:** The next question comes from the line of Maitri Shah with Sapphire Capital.

**Maitri Shah:** Most of the questions have been answered. Just a few. Firstly, on the growth side. So for the last 2 years, we've grown upwards of 60%. And again, we are saying that we'll grow in line with those targets. So where do you see the -- which domains are you focusing on more? Also, currently in order book, how much contribution are you getting from JJM and any new JJM contracts we are bidding for?

**Kaushik Khona:** So answer, there are 3 questions. I would answer 2. One answer, I think Dr. Abhay will give. The current order book percentage of Jal Jeevan Mission is less than 15% or 20%. I have not exactly calculated, but these are less than 15% now. That is one. Second's is the domain-wise, we are changing our -- as we already mentioned that we keep on shifting the focus based on the focus where the government spending is more because these are all infra projects and infra projects require large expenditure. And therefore, we kind of modify ourselves to that. As regards to Jal Jeevan Mission, Abhay Ji, the new BD. Are you able to hear, Abhay Jii?

**Moderator:** Sir, Abhay sir has got disconnected. I will reconnect it.

**Kaushik Khona:** So the new pipeline is not focused on Jal Jeevan Mission, except for some of the projects where there is expansion and enhancement. So there are a few projects where we have already implemented some of the projects and maybe the ambit is getting expanded or there are projects where the limit -- the time limit is getting extended. So there are a few projects where we are expecting enhancement in those Jal Jeevan Mission projects. But most of the new initiatives are into domains like the infrastructure or transportation or energy or even some of the initiatives which we are taking for defense.

**Maitri Shah:** Okay. That is great. And also, you mentioned that on our VTS kind of has a positive EBITDA will stop the drag on the console. So where do you see this business getting our console EBITDA margin at a steady level up to?

**Kaushik Khona:** So this year itself, CFO has already explained that this year, we expect to be a breakeven. So the drag on the consolidated results are not expected at the year-end. And obviously, the margins -- because of the margins improvement. And next year onwards, we can see the positive results from the subsidiaries also.

**Maitri Shah:** And the growth on the 50% that you maintain that for the next few years because we're entering new domains where we're seeing better focus now coming forward?

**Kaushik Khona:** We don't commit any numbers on growth. We keep on pushing ourselves. So it will be difficult for me to answer numbers or the percentage growth.

- Maitri Shah:** And the 3 projects we are L1 in are currently in these new domains that we are targeting. Is that fair?
- Kaushik Khona:** Sorry, 3 projects, what did you say?
- Maitri Shah:** The 3 projects that we are L1 in, these are in the new domains we are targeting?
- Kaushik Khona:** Yes, yes. Not new domains, yes, but some transport, energy and those sectors.
- Moderator:** The next question comes from the line of Amit Kochar with Padam Investment.
- Amit Kochar:** My question was regarding Mr. Tarun Raisonni, who was a strategic investor and an adviser to the company. So is he associated with the company for advising any of the AI or in any ways? Or is he not associated right now?
- Kaushik Khona:** No, no, he is a strategic adviser. So he does give his inputs for our AI initiatives. In fact, he has also been developing a new venture in U.S. as well as -- so he is obviously on our Board for advisory. And he does give input for any expansion related to any IP project. So I think he is a good input he always keeps on giving.
- Amit Kochar:** Right. So if I'm not wrong, the Rare CP is their company or is it someone else's?
- Kaushik Khona:** Rare CP is a U.S.-based fund. And obviously, the promoter is, I think they are U.S.-based.
- Amit Kochar:** Mr. Raisonni and Mr. Mehta.
- Kaushik Khona:** Yes. So they may be joint promoters, but this is something which they have invested, I think, before 2024.
- Amit Kochar:** Right. And the warrants being converted right now in 2026 even?
- Kaushik Khona:** Yes, they are already converted, fully converted.
- Amit Kochar:** So it is fair to believe that they are associated with the company?
- Kaushik Khona:** They are, they are.
- Moderator:** The next question comes from the line of Gunit Singh with Counter Cyclical PMS.
- Gunit Singh:** So I want to understand the tax rate going forward. So what should be the steady-state tax rate? Do we have any more credits left?
- Kaushik Khona:** No, no. Tax rate is 25%. Credits have -- it was a onetime feature. And therefore, tax rate will continue to be at 25%, which is including surcharge, etc.
- Gunit Singh:** Got it. And with regards to the projects L1, the margin profile would be similar to our margin profile since you mentioned that there are some energy and transport. So what is the margin profile?

- Kaushik Khona:** Yes. The margins are typically almost similar in all the domains where we operate. That's -- so we don't have a sector-wise drag of any one domain on to other. So I think every project has a decent margin, which enables us to keep up the overall EBITDA margins.
- Gunit Singh:** Got it. And in terms of the long-term view, say, over the next 3 to 5 years, I mean, where do you see the company standing? I mean, do you have some aspirations in terms of top line, bottom line or mix of government versus international projects? So I just want to understand what is the strategic direction of the company over the coming 3 to 5 years?
- Kaushik Khona:** I think long-term vision, we have already shared once and then our idea is to grow. Obviously, I can't quantify, grow and grow in both the segments, which is the International segment as well as India segment. India segment continues to be kind of contributed more by government business.
- So grow international faster, grow India business at its own pace without taking much exposure or risk and still have a combination of changing the mix from the present of government business from, let's say, average 70% to less than 50% over the next 2 to 3 years, but while continuing to grow.
- Gunit Singh:** Got it. So I mean, obviously, you haven't given a number of the kind of growth that we should expect. But considering that the beginning order book is low. So do we still feel that the company will actually grow on a -- at least for the India business this year?
- Kaushik Khona:** I think even international business will grow. So we have already pulled up our socks. We already got some opportunities. I think Abhay Ji has already mentioned about the 3 L1s and new projects. So I don't see any problem in execution targets for this year.
- Gunit Singh:** All right. So I mean, we should expect the company to grow at a good rate this year as well. I mean that's a fair understanding, right?
- Kaushik Khona:** Yes, absolutely. That's correct.
- Moderator:** Ladies and gentlemen, we will take that as the last question for today. I would now like to hand the conference over to the management for the closing remarks.
- Kaushik Khona:** Thank you, Arihant Capital. Thank you all for participating in this earnings conference call. We hope that we have been able to answer all your questions satisfactorily. If you still have any further questions and you want to know more about our company, please reach out to our IR managers at Valorem Advisors. Thank you once again, everyone, and Arihant Capital.
- Moderator:** Thank you, sir. Ladies and gentlemen, on behalf of Arihant Capital Markets, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.