Operator: Good evening, ladies and gentlemen. I am Akash, moderator for this conference call. Welcome to the Brightcom Group Ltd. Investors Conference Call. The duration of the call will be 60 minutes. We have with us today Mr. Ravindra Kondamuri, CFO, Brightcom Group; Mr. Raghunath Alamsetti, Executive Director, Brightcom Group; and Mr. Suresh Reddy, Chairman and Managing Director, Brightcom Group.

At this moment, all participants are in listen-only mode. Later, we will conduct a question-and-answer session. At that time, if you have a question, please press star and one on your telephone keypad. Please note that this conference is being recorded.

Before we proceed with the conference, Brightcom Group Ltd. would like to mention that certain statements in this call reflecting Brightcom's future growth prospects are forward-looking statements involving a number of risks and uncertainties that could cause results to differ materially from those in such forward-looking statements. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

Now I hand over the floor to Mr. Raghunath Alamsetti. Thank you, and over to you, sir. Mr. Raghu, please go ahead with your question.

Raghunath Alamsetti – Executive Director: Good evening. Good evening, everyone, and thank you for joining us for Brightcom Group's Q1 FY26-27 shareholders conference call.

Let me begin by saying that we are pleased with the start we have made to the new financial year. Q1 FY26-27 has delivered 1,752 crores of consolidated revenue, representing growth of about 20.4% year-on-year. EBITDA was 470 crores, with an EBITDA margin of 26.8%, compared with 26.1% in the corresponding quarter last year. Profit after tax was about 262 crores, up 24% year-on-year. Importantly, the improvement has not been restricted to the year-on-year comparison. Sequentially, revenue increased from 1,596.64 crores in Q4 to 1,752.18 crores in Q1, an increase of approximately 9.8%. Profit after tax increased from 207.83 crores to 261.58 crores, an increase of approximately 25.9%.

We are therefore seeing both growth and operating leverage. The Q1 numbers give us a good foundation for the year ahead. However, I want to put those numbers in a slightly broader context.

Brightcom has now been evolving for more than 28 years. The business was started in the digital space in the late 1990s and has gone through several technology cycles, from digital content and communication to digital advertising, programmatic platforms, data, audience technology, and now the convergence of artificial intelligence, automation, and intelligent systems.

The history is important because it tells us something about the company. Brightcom has always had to adapt. Today, we are deliberately entering another phase of that evolution: the four-division structure.

The four divisions are not simply an organizational exercise. They are intended to create clearer accountability, focused investment, greater scalability, and broader opportunities. Our four areas are Ad-tech, our established core; Services, our technology compatibility; Defense, an emerging

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strategic business; and Next-gen, our future technology opportunities.

At present, Ad-tech remains overwhelmingly the financial engine of the company. In Q1, approximately 94% of the revenue came from Ad-tech and 6% from Services. Defense and Next-gen are still at the capability-building stage. That distinction is important. We are not presenting future businesses as though they are already contributing materially to today's earnings. We are building them, and we intend to build them carefully.

Our Ad-tech business continues to be the core of Brightcom. The market itself is changing rapidly. Programmatic advertising is becoming more sophisticated. Connected TV, retail media, audio, and digital out-of-home are creating new forms of digital inventory. Data and audience intelligence are becoming increasingly important, and technology is increasingly determining how advertising is bought, sold, measured, and optimized.

Our objective is therefore not simply to grow revenue. It is to improve the quality of the revenue. That means better technology, stronger monetization, better margins, and ultimately, better cash conversion. Those are the areas we are focusing on during this financial year.

Services provide another important capability. We see it not simply as a standalone revenue business, but as an engineering and technology capability that can support the broader group. The strategy is straightforward: build, win, and scale. Build the capabilities, win customers, and then scale what works. That approach should also create an opportunity for cross-division synergies.

Defense is no longer a long-term opportunity. The focus is on areas such as unmanned aerial vehicle intelligence, autonomous systems, threat analysis, defense technology, and Nest-OS. Next-gen is focused on artificial intelligence, advanced computing, intelligent platforms, and emerging technology applications. We are approaching both with discipline.

The objective is not to chase every technology trend. It is to identify whether we have a genuine technology advantage, develop the capabilities, establish commercial applications, and then scale.

Finally, I want to emphasize that the priorities of FY2026-27 are quite clear. We want to build on the momentum of Q1, strengthen Ad-tech, build Defense through partnerships and commercial opportunities, and move Next-gen technology towards commercially relevant applications. We want to grow Services and improve cash generation by reducing working capital intensity.

The message for Q1 is therefore quite simple. The business is growing, margins are improving, and we have a clear plan for the next phase. With that, I will hand over to our CFO to take you through the financial performance in greater detail. Thank you, everyone.

Ravindra Kondamuri – CFO: Hello? Can I go ahead?

Operator: Yes, please go ahead.

Ravindra Kondamuri – CFO: Hi, good afternoon, everyone. I will take you through the financial performance of Q1 for the year 2026-27 and then touch upon some of the financial priorities for the year.

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Let me start with the headline numbers. For Q1 FY26-27, consolidated revenue from operations was 1,752 crores, compared with 1,455 crores in Q1 of the previous financial year. That represents 20.4% year-on-year growth. Gross profit was 377 crores, compared with 300 crores, an increase of 25.6%. EBITDA was 470 crores, compared with 380 crores, representing 23.7% growth. Profit after tax was 262 crores, compared with 211 crores, an increase of 24%. Our EBITDA margin improved from 26.1% to 26.8%, an improvement of 70 basis points.

The important point from our perspective is that profitability is growing alongside revenue.

Next, coming to sequential performance, if we compare Q1 with the immediately preceding quarter, the trend is also encouraging. Revenue increased from 1,596.64 crores in Q4 of FY2026 to 1,752.18 crores in Q1 of FY2027. That is a sequential increase of approximately 9.8%. PAT increased from 207.83 crores to 261.58 crores. That is approximately 25.9% sequential growth. This gives us confidence that the growth momentum has continued into the new financial year.

Coming to the quality of earnings, I want to emphasize something that is becoming increasingly important for us. We are not looking at growth simply as a revenue number. We are looking at growth with increasing quality of earnings. That means looking at revenue quality, gross profitability, operating margins, working capital, receivables, operating cash flow, and ultimately, free cash flow.

A profitable P&L is important, but a strong P&L needs to translate into cash. That is one of our major priorities for this financial year.

Next, coming to the conversion, we are therefore putting greater emphasis on customer-level receivable monitoring, structured collections, and faster resolution of outstanding items. The objective is straightforward: lower debtor days, higher operating cash flow, and sustainable free cash flow. This is an area where we believe there is meaningful opportunity to improve the quality of our financial performance. We want earnings to increasingly translate into cash.

Then, coming to financial discipline, the four-division structure also helps us think about financial performance with greater accountability. Ad-tech remains the established earnings engine. Services provides additional technology and revenue capability. Defense and Next-gen represent longer-term opportunities where investment needs to be disciplined and linked to commercial milestones.

This means we will increasingly look at each business through three questions. Number one, what are we investing? Number two, what capability are we building? Number three, what commercial outcome can that capability produce? That discipline is particularly important as we expand into new areas.

Next comes the balance between growth and discipline. We also want to make sure that growth does not come at the expense of margins. The Q1 numbers are encouraging in this respect. Revenue grew 20.4%, EBITDA grew 23.7%, PAT grew 24%, and EBITDA margin improved by 70 basis points. That is the kind of operating leverage we would like to continue building.

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Looking forward, our financial priorities for the year 2026-27 are therefore clear. First, continue the revenue growth trajectory. Second, improve revenue quality. Third, protect and improve margins. Fourth, strengthen working capital discipline. Fifth, convert a greater proportion of accounting earnings into operating and free cash flow.

The company's Q1 performance gives us a strong starting point, but one quarter is not the destination. Thank you.

Management: Our next objective is to make this performance repeatable and increasingly predictable. With that, I will hand over to our CMD, Suresh Reddy. Thank you very much.

Suresh Reddy - CMD: Thank you, Ravi. Good afternoon, everyone, and welcome to our shareholders call today.

I want to spend my time today not just talking about the numbers of this quarter. I think both Raghu and Ravi have discussed them in quite some detail. I will talk more about the other things that are on the minds of shareholders. The numbers are important, of course, but they tell us where we are. Shareholders also want to understand where Brightcom is going, why we have chosen a certain path and direction, and how we are going to build the next phase of the company.

I would like to talk more about that today. This will be a little longer, and I may take slightly more time than usual because I want to touch upon a few things that we have definitely discussed in the past. That said, I want to reiterate some of those thoughts today.

A good quarter is good, but the more important story is the direction. Let me begin with this quarter itself. It has been a strong start to a new financial year, and we have achieved both quarter-on-quarter growth and year-on-year growth. Year-on-year revenue growth has been 20.4% compared with the same quarter last year. EBITDA grew by {? 26 point ?}—no, sorry, the margin has grown from 26.1% to 26.8% compared with the corresponding quarter last year. Sequentially, revenue also increased by 9.8% from the immediately preceding quarter. PAT also increased by around 25% from the immediately preceding quarter.

We are seeing both growth and operating leverage, which gives us a good foundation for the year. This call is not about celebrating one quarter. Brightcom is not building for just one quarter. We are building the next chapter of the company, and that brings me to something more important.

I want to talk about a few things that may sometimes be uncomfortable to discuss, but I want to give it a try. Let us talk about what investors are thinking. There are obviously a lot of discussions around Brightcom. There are questions about our regulatory journey, compliance, and governance. There are shareholders who are understandably looking for proof that the company is moving in the right direction. We completely understand that, and I think shareholders have every right to look for that.

However, there is a distinction I want to make. We cannot control the market's perception of us from one day to the next. What we can control is what goes under that perception. We can control the business we build today, the quality and growth of our revenue, as Ravi rightly pointed out, the margins we generate, the way we convert earnings to cash, the way we strengthen our governance,

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which has been a work in progress, our disclosure, and our execution.

We can build new capabilities, develop new businesses, and all of these are equally important. It is important to execute consistently and maintain discipline as a listed company.

I do not think our job is to spend our time arguing with the market. Our job is to give the market more and more proof and evidence to believe in us. That is the key thing we need to strive for and work on quarter after quarter.

Now, coming to the question of how the credibility of a company is built, I want to touch briefly on some philosophy about how we think this should work. I would like to say something very directly here. Every company that has been operating for 28 years will have things that, looking back, it would have done differently, and we are no different.

However, I believe there is an important distinction between acknowledging something and dwelling on it. Our responsibility goes beyond that. It is to learn and, more importantly, to turn that learning into systems, because no individual is greater than a system. A mistake is truly useful when you build a system that makes it less likely to happen again and again.

That is the approach we intend to take at Brightcom, and the approach we continue to take at Brightcom. We are working towards stronger processes, creating clearer accountability, improving controls, and bringing greater discipline to execution. We are putting more emphasis on documentation, structured reporting, and related matters.

I do not want compliance to depend on individuals remembering to do the right things. We want systems to make the right thing happen by themselves, so that it becomes normal. Our ambition is to make compliance at Brightcom almost monotonous and not overly exciting, where people are not getting excited about the mistakes we are making while complying. Compliance needs to be timely, complete, routine, and predictable.

We acknowledge that there is still work to be done on that front, and we are focusing on doing it. The important thing is that we recognize where the systems and processes need to be strengthened, and we are putting those systems in place. It is not something we expect to achieve through one initiative or one quarter. It is about building institutional discipline into the organization. This is what we believe a mature company should look like.

Another question shareholders are asking, even if they do not always put it into words, is how a company rebuilds its reputation and credibility. The answer is not through one presentation, one announcement, or one talk. It certainly is not through asking people to forget about the past.

Companies rebuild credibility by building proof and evidence through consistent operating performance. We are gradually getting there and doing well, and this quarter is an example of that. They rebuild credibility through reliable communication, stronger governance, financial discipline, and repeated and repeatable execution.

You say something, then you do it, and then you do it again. Over time, consistency creates predictability. We are not asking the market to forget anything. We want to give the market enough evidence to evaluate us, and that process has already begun.

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It is not about trying to repair the old company. We cannot build the future by repairing the past. We have to build the next version of the company. That is what we truly believe, and that is what Raghu's discussion about the four-division structure is all about. We believe it brings greater clarity to the people working on the ground, as well as greater accountability and traceability.

We have our established Ad-tech business, which remains the economic foundation of the company. Alongside it, we are developing Services as a technology capability. Defense is our emerging strategic business, and Next-gen is a longer-term technology opportunity. That is how we are looking at it.

I do not want to go through these businesses again and again because Raghu has already covered them. What I want to explain is why we believe this broader structure makes sense for the future of Brightcom.

Let us look at the market. The market has changed again. We have seen the market change quite a few times in the past. Think about what has happened to advertising over the last 25 years. It moved from traditional media to digital. That was the birth of Brightcom, or Vibrant at that point. Then it moved from desktop to mobile, followed by programmatic and increasingly data-driven advertising.

Today, we are entering another transition in which AI is increasingly becoming the most important intelligent layer across the entire Ad-tech ecosystem. It is influencing how consumers discover things, how audiences are understood, how content is created, how advertising inventory is valued, how campaigns are optimized, and how buying decisions are made. Ultimately, it is changing how consumers choose what they see, consider, and buy.

This is not another technology upgrade. It is a change in how this economy, this digital economy, is working.

Brightcom has spent more than 28 years operating at the intersection of technology, data, audiences, and digital media. Our question is not how we remain the company we are. The more important question is how we remain relevant to this changing market and new technology cycle. That is the more important and interesting question in my view.

Coming to the four divisions and the philosophy behind the four different horizons, Ad-tech is the core, as we have said again and again, and it will remain the principal financial engine of the company until the other divisions gain scale. Our objective there is not simply to grow revenue, but to improve the quality of revenue, as our CFO explained very well, through better technology, stronger monetization, better margins, and better cash conversion.

Services gives us another technology and engineering capability. We see opportunities to build that capability around real customer requirements. Services gives us insight into what the market is working on, what customers are dealing with, and how we can help improve their position while also improving ourselves in the process. It also helps create synergies across the group. It is therefore a very important aspect of what we do.

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Now, coming to Defense, it represents an emerging strategic opportunity. I do not want to dwell on it too much, but we are building capabilities, building partnerships, and trying to sign up as exclusive vendors in some places. A lot is happening there, and we hope to start bringing these efforts out and converting them into commercially relevant applications and commercially relevant revenues through that division.

Next-gen gives us longer-term optionality. It is about understanding which direction technology is taking. We do not want to be caught off guard if an entire technology wave changes. We expect one to change very soon in the next few years, perhaps within the next 5 years. It is therefore important to stay on top of it.

AI, advanced computing such as quantum computing, and intelligent platforms are all areas we are looking at. A lot is happening there, and we would like to stay on top of that as well. This keeps us nimble. As we see commercially viable opportunities there, we will immediately spin them off into a new division and start looking at how to generate revenue from them where we have the necessary strength and can build further.

As we discussed earlier, 94% of our revenue in Q1 came from Ad-tech, 6% came from Services, and the other divisions are still working on capability building. We are not presenting future possibilities as though they are today's earnings. We are building them.

We will allow each business to earn the right to receive greater investment by demonstrating capability, customer interest, and commercial traction. This is how we intend to approach growth in the company.

I do not want to talk at length, but the bottom line is that Ad-tech, the core, is the key. It is not yesterday's business. I want to emphasize that it remains the economic foundation. There is sometimes a tendency to think that digital advertising is a mature business. I do not agree.

Look at what is happening across the industry. New things are happening every day. Connected TV, retail media, audio, digital out-of-home, programmatic infrastructure, and audience intelligence are all creating new opportunities every day. There is a lot to be discovered and a lot to be taken advantage of in terms of opportunity.

At the same time, technologies such as server-side architecture, openRTB, Prebid, and Amazon TAM are also changing the ecosystem and how it operates. They are not separate islands. They are increasingly becoming part of connected digital media. We need to be good at these pieces if we choose to own them. That is the philosophy.

Better revenue quality, better technology, better monetization, better margins, and better cash conversion—this is the mantra. The important point for shareholders to understand is that our Ad-tech opportunity is not simply about doing more of the same. It is about evolving and growing, and using our existing capabilities to participate in where digital media is going next.

I would now like to come to another very interesting part about Brightcom. This is where we think Brightcom has an interesting advantage. We are not a startup that began with an idea and is looking for business models. We are an established operating business. We have customers, technology,

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strong relationships globally, engineering capabilities, and the ability to have doors opened for us in various places.

We are now using these foundations to build new divisions. The perspective should not be that, because we have entered Brightcom Defense, it will be like another Defense startup. It is different because it is an expansion of an existing business with all the relationships already in place. We can build today and tomorrow at the same time.

Management: ...and that is the opportunity that we have.

Now, finally, I would also like to talk about cash. It may not be as technologically exciting, but it is a very important part of our existence today and of our growth. We want to reemphasize that it is important to watch cash and remain disciplined about it.

The company can report profits, but ultimately those profits need to become cash. That is why we are putting greater emphasis on receivables management, working capital, operating cash flow, and dividends linked from the subsidiaries back to the parent. These are all things that are happening as we speak.

The equation is very simple: lower debtor days should lead to higher operating cash flow and ultimately stronger free cash flow, which is the ultimate goal of the entire cash flow structure that we have built.

This is one of the priorities of financial year {? 26-27 ?}. I want shareholders to watch this metric. We will report more on quality of earnings next quarter, and you should be able to see some of that on paper. It is not the finance department's objective or the CFO's objective. It is the company-wide discipline that we want to bring across all the subsidiaries as well.

Sustainable value creation ultimately requires all these different things: revenue, profit, and cash.

That said, I also want to put out a small, different angle here—a different message for the new generation of investors. I am learning a lot about the new generation of investors, and the company is learning a lot about the new generation of investors. This is an interesting change that is taking place, and we find it very interesting.

Investors today are very different, particularly younger, more technology-savvy, and information-savvy investors. Information moves instantly. People compare companies globally, analyze financial statements using technology and AI, and challenge management. They look at numbers, technology, and execution. They do not want management teams to simply tell them, “Trust us.” Frankly, that is actually very healthy.

I do not want shareholders to blindly believe or trust us, but there is no harm in challenging us. That is perfectly acceptable, and we are open to it. I would encourage shareholders to feel free to do what they do best and send us information about where we are falling short. We will absolutely work on the things we can improve.

That is one part. There is another aspect I wanted to talk about today, which is the philosophy and spirit of Brightcom.

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This brings me to something very personal. As you are all aware, I am also the original founder-promoter of the company. After more than 28 years, I think every company develops something beyond its balance sheet. It develops a character and a spirit. I do believe Brightcom has one.

If I had to describe it briefly, it would be adaptation to change. We have never survived by standing still. We have moved through multiple technology cycles, multiple market cycles, and multiple changes in the ecosystem in which we operate. We have built new capabilities, learned, and adapted along the way.

Our adaptation is not simply about changing direction whenever something becomes difficult. It is about having the curiosity to learn. That is also one of the core characteristics that is important to our spirit. It is the discipline to improve and the resilience to keep building. That is what I mean by the spirit of Brightcom. It is curiosity, resilience, and adaptability. Above all, it is the willingness to build and the willingness to listen and learn.

Today, there is another element of that spirit that I think is equally important: the willingness to learn from our mistakes and to put systems in place so that we do not repeat our past mistakes. To me, that shows that the company is beginning to mature, and I think that is important.

We do not claim that we have completed the journey. We acknowledge that there is still work to be done. Please be with us. We know the direction, we are doing the work, and that is the Brightcom we want to build.

This brings us to the next question: what should Brightcom look like? What should Brightcom look like 3 to 5 years from now?

We do not want a larger version of today's company, with only greater revenues and so on. That will happen naturally. We want it to be a better company—a technology company with established core deep-engineering capabilities, strong operating cash flows, and disciplined governance. We also want it to be a company with multiple avenues for growth and the ability to participate in new technology markets as they emerge.

Ad-tech has given us the foundation and will continue to provide the core foundation, but we have to see which other divisions will take the forefront as we move into the future. We will allow the business to take whatever direction it needs to take. If any division starts to grow faster, we will allow that to happen and allow that team to emerge.

Our culture and our spirit give us the clarity and ability to adapt to the change that is coming in the future. We take pride in the fact that we will be able to work through these changes in technology and the market.

All said and done, we have to earn our future. We do not get it because we have four boxes on a presentation. We get it because these businesses become stronger, more capable, and more commercially relevant. That is the journey.

Finally, I would like to close with this. Brightcom has been around for more than 28 years. We have seen technology cycles come and go, we have seen markets change, and we have reinvented

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ourselves. We will do it again.

I do not want the next chapter of Brightcom to be about explaining what Brightcom was. I want us to demonstrate what Brightcom can become and how it can grow.

The bottom line is that the Q1 numbers give us momentum, the four-division structure gives us focus, our technology capabilities give us opportunity, our governance and processes provide discipline, and our willingness to learn gives us resilience.

We know there is work to be done, and we promise you that we will do it and continue to do it. Please point out if we are falling short somewhere. We know that value is not created by one speech, one talk, or one announcement. It is built quarter after quarter.

We are not asking the market for any favors. We want to build a company that deserves to be valued on the strength of its business, its earnings, its cash generation, and its future potential. The next chapter of Brightcom should not be about recovering the past. It should be about earning the future.

We will learn from our experience, adapt to change, build the future, and move forward. Thank you very much.

With this, I think we will open up for questions.

Operator: Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press star and one on your telephone keypad and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing star and one again.

The first question comes from the line of Mr. Prashant Pathak, an individual investor. Please go ahead. Mr. Prashant Pathak, please go ahead with your question, sir.

Prashant Pathak: Yes, sir. Good afternoon. You had asked for 1 year to complete the pending matters after relisting. It has now been more than 1 year. The company has not improved even the basic matters, including compliance, and there are still the same delays. How can we trust you, and what steps have you taken to regain trust? Hello?

Management: Yes, Mr. Pathak. Please continue.

Prashant Pathak: Yes, sir. How can we trust you? Regarding everything you have just said, my own share value has fallen 60% after relisting. I know that revenue is increasing quarter-on-quarter, but if share value is declining, there must be some problem. How will the problem be resolved? How long should we wait?

Management: Correct, correct. All right. I take your point. We did say, "Give us 1 year and we will fix these things," and it has taken more than 1 year. Value recognition is still in process and has not happened yet, and I agree with this.

However, as I discussed, I think value will come as we fix and clean up things. You mentioned a few things that we have to do, and we are doing them. Thank you for acknowledging that revenue

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generation is also an important part of the business. I appreciate that.

Beyond that, how will the market give us value? How will we get value? There are still a few things that are pending, which do not depend on us but depend on other institutions around the world. Those have taken some time. I am not blaming anyone. That could also be one of the reasons.

A few other things will happen in the coming months and quarters. All I can tell you is that there is no lack of effort, sir. We are doing the best we can. I can honestly tell you that you can trust us. We will do everything necessary to bring value to the company that we love and have built with a great deal of care and love in the past.

That is the best answer I can give you at this time.

Prashant Pathak: Sir, lastly, you have not paid a dividend for 4 years. The company's revenue is increasing, and the company's value is increasing, but the shareholder's share value has all declined. I am currently admitted to hospital. My value is down 80%. This is only because of you people. You are not even changing the auditors. Why are you unable to appoint a Nifty 100 auditor?

Management: Sir, please ask your entire question at once, and we will answer it at once. We have answered your point. The rest is happening. We will do it. What more can I say? We are working on all these things.

The Nifty 100 auditor and all that will happen once these few matters that are sub judice are resolved, so we cannot say much about them. Once these are done, please be patient. Things will turn around.

Prashant Pathak: How many times? How many times? We have been hearing all this for the past 4 years.

Management: Not 4 years, sir. I am talking about the period after relisting. You know what happened in between. I do not want to talk about that.

Prashant Pathak: No, but how much more time will it take? How many times?

Management: No, no, I am not talking about that. These are things that are happening, and a lot of things have already happened since we started. Revenues are on the right track, and compliance is taking place.

Yes, sometimes compliance has slipped by a year here and there, perhaps once or twice, and there are things we could do faster. We are working on it. That is what most of my speech today was about. We will work on it and continue to do so.

Operator: Thank you, sir. We will take up the next caller. The next question comes from the line of Ambli Rajan. Please go ahead, sir.

Ambli Rajan: Yes, good afternoon, sir. How are you?

Management: Good, sir. How are you?

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Ambli Rajan: We are not doing that well, as you know. What is happening is that I know market investments are subject to risk, and we all know that. However, this is not a market risk that we understand. It is about the legal risk that the company is going through, and we do not have any clarity on any of these matters.

Many investors have died. I pay homage to all of them, and we pray for their families. Many of them—the investor who spoke earlier is facing a medical situation and does not have money for it. The education of many students and children has been affected. We have been going through hell for the past 3 or 4 years after investing in this company.

I have 6 questions for you. The first is about the {? PW shares ?} and the utilization of funds. Where are they being used? The second is about the overseas subsidiaries. On the internet, apart from 2 or 3 companies, there is no mention of any of the subsidiary companies worldwide. We describe ourselves as a technologically advanced company, but even the address is not provided. Even a roadside stationery shop has a proper address.

The third matter is overseas cash and reserves. Where are the cash reserves held? How can they be brought to the parent company, and how long will it take?

The fourth matter is the {? DOM ?} matter. This suddenly surfaced even though it had been pending for years, and now it is being postponed every time without any line of sight.

Ambli Rajan: The fifth matter is the SEBI and SAT proceedings. Today's proceedings are ending without any outcome and are being postponed every time. How long do investors have to wait?

The sixth matter is the restoration of investor confidence. We are not compliant yet. We describe ourselves as a technologically advanced company, but we cannot have a system for maintaining compliance. This is where the confusion arises. Is this a proper technology company when the basics are not being met? This is the dilemma for investors.

These are the questions I wanted to ask. I need a proper answer to all 6 questions. You can proceed.

Management: You will get there. Thank you. Let me go through the questions one by one and explain everything. We have written down your questions. Based on your questions, let me see how best we can respond to some of them. For some, we may not be able to give you complete answers, but we will try our best.

Coming to the PW shares and utilization of funds, the funds were raised through preferential warrants and the share issue. They were intended for the purposes stated at that time, including strengthening the company's financial position and supporting its business and strategic initiatives.

The company has been going through a detailed reconciliation as we work with SEBI and clarify all those matters. Once everything is completed, we will present the matter in full and provide full disclosure to the market.

We are going through that process. In fact, we instituted a subcommittee to put these matters together, and we have submitted the same to the SEBI officials. Given the regulatory and legal proceedings surrounding this matter, we believe it is important that the final position be presented

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only after the reconciliation is complete.

Ambli Rajan: Sir, if I may ask you, what led SEBI to become involved in all this?

Management: Let me finish my answer. Please wait. I waited for all your questions. Let me finish my answers, and then you can ask questions. Otherwise, this will not go anywhere. All right?

The present status of these shares and warrants, including any cancellations and other matters, will be disclosed based on the legally and accountably relevant position. The corresponding accounting treatment will be aligned with the applicable accounting standards, which is one of the points that the previous caller had asked about.

Our commitment to provide clear reconciliation to the shareholders remains. You will receive that sooner rather than later. That will happen very soon. I am not trying to dodge the question. This is the fact.

The next point is the overseas subsidiaries. I see some of these companies as structures in various countries for the core company to operate in, to transfer money, and to have a legal structure.

It is not that, in each of the countries where we are present, we do not have teams working there. We have offices where people are working. These are not companies that we created overnight. All these companies were acquired, and the offices came from those acquisitions.

All these companies went through full due diligence through EY when they were acquired, and they are all existing companies. I feel the acquisition is unwarranted. We do not want to provide all the detailed addresses because we do not want shareholders to go to all these places and disturb the operations.

You can talk to us. We are here. We are an Indian company, and we will answer all your questions to the best of our ability. These companies are already there. There is nothing that we have hidden. It is in our balance sheet and in our annual report. That is number two.

Talking about reserves and surplus, it is important to distinguish between accounting reserves and immediately transferable cash. It does not mean that this cash is sitting or hidden somewhere and that we are not using it. It is not that.

An accounting professional can clearly understand that reserves and surplus reflect investments that have been made and reserves that are held in products being built and in various places. It is not free-floating cash.

If that were the case, then many of our issues would not exist. Please understand that this is a recovering company that was almost non-operational and almost shut down for 3 years. We are now returning everything to normalcy.

You have to give us some credit for trying our best to clean this up and set everything right. It is important to understand that cash reserves do not mean that cash is sitting in one bank account and that we do not have access to it. That is not the case.

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The cash may be in receivables and in many other places, and there are different ways in which it is accounted for. We will try to issue a note on this because I think there is a lot of confusion on this point.

Now, coming to the DOM matter, it is 100% sub judice. This surfaced to our surprise as well. It was a dead matter, and we had already addressed it in a different jurisdiction. We are tackling it legally in the right way, and you will know once the matter progresses to that stage.

I do not think there is any reason to worry about it. It is absolutely under control, and we will inform you once we reach a final conclusion. There is nothing to be concerned or panicked about.

What happened is that DOM filed the outcome from the Singapore court proceedings, the arbitration court proceedings, outside India, and we have given Lycos for that. This whole matter of coming to India and trying to ask for the entire amount again is very surprising and unexpected.

We are working on it. We have already informed the courts about it, and we will work through it. There is nothing to be concerned or panicked about. It is a done deal, and these are things that happen in the course of business for companies. We will address it.

Please do not blow it out of proportion. We will handle it. There are some things that we cannot discuss publicly because doing so would give an undue advantage to the other party.

That is number 5 of your questions.

Number 6 was about SEBI and SAT. I think you know the answer to this; you simply wanted to bring it up. That is fine. These matters are not in our control. We are working with SAT, SEBI, and all the other proceedings.

The objective is to get a proper hearing and justice for the company. That is the objective. We cannot do it in a hurry and make mistakes. Legally, lawyers work in the manner they do. The matter gets postponed. What can we do?

We are not asking for postponements. Sometimes we are not ready, or the legal team says that we are going to proceed. In terms of SEBI, we have submitted everything. No further questions have come to us for the last several months, and we have already completely clarified and explained this to our shareholders.

I do not understand why there is a perception that we are trying to create uncertainty. This is part of the journey that we are going through along with you. We also want this to be completed. Do you think we want to delay it? No. We want to get it completed, but it needs to be completed properly so that justice is served.

That is the point. We want our position to be put across like any other litigating or disputing party in the world. We do not want to be rushed into matters because we have to give something to the shareholders. It is about making sure that the right outcome comes from these proceedings. We are trying to work on that.

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Now, coming to investor confidence, that is a good question. I discussed some of the things we are trying to do. I know shareholders are not satisfied with assurances alone.

Our intention is to focus on very specific areas. We are looking at subsidiary disclosure details with greater clarity. Once some of these matters come to a conclusion, including the PW issue and other legacy matters, we will immediately inform you. We may inform you sooner rather than later.

We are also looking at stronger compliance and governance systems. This year, we have met all compliances, despite what some shareholders have been complaining about. We have met them. Sometimes it has been a week late, and sometimes a week early, but all compliances have been met.

There have been issues, and you have to expect that from a company recovering from a blow. That is what we are doing right now. You will see better improvements as we move forward. As I emphasized again, we are trying to build stronger systems so that compliance happens before the deadline rather than after it.

You will see some of that going forward. We are also focused on having larger teams for our disclosures and measurable governance standards for the company. We believe that, ultimately, these are things you will start seeing very soon.

This is all I can tell you right now. I cannot change anything overnight for anyone, but I can tell you that these are the things the company is doing and has been doing. A few things have already taken effect, and you are seeing the results. You will see results from the other things as we move forward.

Ambli Rajan: Yes, can I ask for clarification on 1 or 2 questions, if you permit me?

Management: Yes, please go ahead.

Ambli Rajan: Regarding the PW shares, what led SEBI to become involved in these PW shares? If everything was perfect, we would not have reached this situation, right?

Management: Correct. What do you want me to tell you?

Ambli Rajan: What led SEBI to intervene in the PW shares issue?

Management: You will have to ask SEBI about that. You will have to ask SEBI what led them to reach those conclusions. We are addressing all of them. We have established a committee to address them one by one.

The issue has disrupted operations, leadership, and the company. We did not want that to happen, but it happened. Now we have to deal with it and work through it. That is what we are doing.

Operator: Thank you, sir. We will take up the next caller. The next question is from Mr. Srinivas Senthilnathan. Please go ahead.

Srinivas Senthilnathan: Hello? Am I audible now?

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Management: Yes, please go ahead.

Srinivas Senthilnathan: Good afternoon, sir. Recently, I saw news that we are entering the defense sector. What update can you give us? When will we start seeing revenue from it?

As you know, the whole world is currently at war. Can we monetize this, or will it take more time before we can add it to our revenues? I want to know whether you have a forecast or numbers regarding this.

Management: I did not want to repeat some of this, but I will discuss it. No problem, sir. I will repeat it. I discussed some of this in my previous earnings call last quarter.

Srinivas Senthilnathan: Yes. Is there any update on that?

Management: I will talk about it. As we said last time, we have formed a partnership with a US-based, Detroit-based manufacturing company. We are bidding together in many places, and many of these proposals are at a very advanced stage.

As soon as any of them converts, I think we will inform the market immediately. We have also found that these orders take time to convert because there are various stages involved.

Simultaneously, we are looking at establishing vendor relationships ourselves with some of the large army agencies around the world. That is also happening in parallel.

In terms of technology, we have the core base in place, and it has to be customized according to the needs of the end customer. That is also in place.

More importantly, relationship building is very much underway. It is critical because this business requires relationships at various levels in these organizations, as some of them—and all of them—are government organizations. There is a different way of approaching this business. We have learned that, and we are working through it.

These are all processes that are underway. If you need timelines, I am unable to give you timelines, but I can tell you that work is happening and you will see results much sooner than expected. You may sometimes be surprised when something suddenly converts, and we will immediately inform the market.

That is the update I can give you at this point, sir.

Srinivas Senthilnathan: I have one more question. Since our offices are in the US, are we pitching for the US market as well, or only in India for defense?

Management: All over the world, sir, all over the world. This is where our US partner is helping us. All over the world.

Srinivas Senthilnathan: So perhaps we can expect it in the next 3-4 quarters or sooner than that?

Management: Hopefully sooner than that.

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Srinivas Senthilnathan: All right. Thank you, sir.

Management: Thank you.

Operator: Thank you very much, sir. In the interest of time, that will be the last question for the day. Now I hand over the floor to the management for the closing comments.

Management: Thank you very much for being on the call and for patiently listening to what we had to say and how we responded to some of the questions today.

I am very grateful to all of you for being with us during this time of need for the company. We are truly enthused and encouraged by your support. Have a great weekend. Thank you all.

Operator: Thank you, sir. Ladies and gentlemen, that concludes the conference for today. Thank you for your participation and for using the Chorus Call conference call service. You may disconnect your lines now. Thank you, and have a pleasant evening.

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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