Operator: Good afternoon, ladies and gentlemen. I am Akash, moderator for the conference call. Welcome to the eMudhra Ltd. Q1 FY27 earnings conference call. We have with us today Mr. Venkataraman Srinivasan, Executive Chairman; Mr. Kaushik Srinivasan, Whole-time Director; Mr. Arvind Srinivasan, Director; and Mr. Ritesh Rajparyani, Chief Financial Officer. As a reminder, all participants will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing star and then zero on your touchtone telephone. Please note that this conference is being recorded. I would now like to hand over the floor to Mr. Venkataraman Srinivasan. Thank you, and over to you, sir.

Management: Thank you. Good afternoon, everyone, and thank you for joining the Q1 investor and analyst call today. We are pleased to report a strong start to FY27. During the quarter, our total income grew by 28% year-on-year to {? INR 1,925 million ?}, while EBITDA increased by over 40% to {? INR 504 million ?}, taking our EBITDA margin to 26.2%.

Profit after tax grew 28% year-on-year to {? INR 320 million ?}, with the PAT margin remaining healthy at 16.6%. Of the 28% growth in total income, approximately 13% was contributed by the Cryptas acquisition, while the balance reflects healthy organic growth across our core businesses, led by continued strength in our enterprise solution portfolio. Enterprise solutions remained our primary growth engine, growing approximately 50% year-on-year and contributing 65% of total income, while our services business also delivered growth of around 5% year-on-year, supported by new customer additions in the United States.

International markets now contribute 66% of our revenue, and we continue to see encouraging momentum across Europe, North America, the Middle East, and Africa. Europe was particularly encouraging this quarter. Through Cryptas, we achieved our first sale of eMudhra's SertinEX certificate lifecycle management platform to a large German data center customer, while also securing the first emSigner deployment integrated with PrimeSign trust services for an Austrian city municipality. This is an important milestone, as it validates product-market fit and demonstrates our ability to successfully cross-sell the broader eMudhra platform into the Cryptas customer base. Cryptas contributed approximately {? 200 million ?} of revenue during what is typically a seasonally weak quarter in Europe.

Our trust service business saw a temporary decline during the quarter following the transition to a new global security standard for digital signature tokens, which comes into effect in September. As customers and channel partners prepared for this transition, demand for legacy tokens reduced, resulting in a temporary impact on trust service revenue during the quarter. We expect this to normalize as the industry completes the transition.

On the innovation front, our R&D investment remains tightly aligned with the evolving cybersecurity landscape. During the quarter, we introduced Cryptographic Bill of Materials, or C-BOM, analysis within SertinEX, enabling enterprises to discover where cryptography is deployed across their IT environment and helping them prepare for the transition to post-quantum cryptography. We believe that increasing regulatory and industry focus on post-quantum readiness, together with the need for organizations to inventory and modernize their cryptographic assets, creates a significant

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long-term opportunity for our certificate lifecycle management and PKI platform. We also continue to strengthen our broader product portfolio with AI-powered capabilities in emSigner and the commercial launch of PrivaTrust consent management modules.

Looking ahead, we continue to believe that cybersecurity and AI are becoming increasingly interconnected. As enterprises deploy AI at scale, trust, identity, and cryptography become foundational infrastructure. Our five-platform strategy positions us well to capitalize on these structural trends while continuing to expand internationally. Finally, from an outlook perspective, our guidance remains unchanged from what we shared in the previous quarter, that is, to achieve organic growth of 18% and work towards achieving PAT growth of 25%. We remain focused on driving profitable, product-led growth; expanding our international footprint; executing our UAE trust service launch; and maintaining disciplined EBITDA and PAT margins while continuing to invest in innovation. With that, let me hand over to our CFO, Mr. Ritesh Rajparyani, to walk you through the quarter's numbers.

Management: Thank you, Chairman. Good afternoon, everyone. I am pleased to share the highlights of our Q1 FY27 financial performance. Our total income for Q1 FY27 was {? INR 1,925 million ?}, marking 27.8% year-over-year growth. Gross profit for the quarter grew 36.4% year-over-year to {? INR 1,103 million ?}, with a margin of 57.3%. EBITDA for the quarter was {? INR 504 million ?}, registering 40.4% year-over-year growth, with a margin of 26.2%. Profit after tax for the quarter was {? INR 320 million ?}, reflecting 27.9% year-over-year growth, with a margin of 16.6%.

Coming to segment performance, the Enterprise Solutions segment generated revenue of {? 1,623 million ?}, while Trust Service revenue was {? INR 284 million ?}. That concludes my remarks. Thank you, and we may now open the floor for the question-and-answer session.

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. Ladies and gentlemen, if you have any questions, please press star and one on your telephone keypad. Ladies and gentlemen, if you have any questions, please press star and one on your telephone keypad. I think there are some questions. The first question comes from the line of Surbhi Soni from Welworth Capital. Please go ahead.

Surbhi Soni – Welworth Capital: Hi. Kaushik, I wanted to understand the PrivaTrust platform. Is this product live, and can you help us understand what kind of deployment opportunities you are seeing with this platform as of now?

Management: The product, as you know, comprises many modules. This is mainly to cater to data privacy and consent management. We are already live with consent management capabilities, which we are demonstrating through several pilots and proof of concepts, and very soon we expect a few wins as well because, as you know, India has the DPDPA Act and people have to implement it. Large organizations basically have time until the end of the year or sometime next year, and many other organizations have to implement it.

The product capabilities also involve additional capabilities to discover and classify personally identifiable information in your landscape. That includes storage, files, folders, databases, and so

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on. These are the incremental modules that will very soon be launched. The product will encompass consent management, data discovery, data classification, and also how to handle personal data in the context of sending it to third-party vendors such as your CRM vendor or otherwise.

Surbhi Soni – Welworth Capital: Understood. This is a new addition to our product stack, right? How should we think about the opportunity for this kind of platform over a period of, say, 3-4 years, and not just from an India perspective, because you cover many other regulations, including those in Europe, China, and so on? How should we think about the opportunity in India, and do you plan to take this product abroad?

Management: The immediate focus is India because there is the DPDPA Act and people have to comply. Anyone dealing with personal data, particularly those that are B2C-focused, has to do it more quickly, while large organizations obviously have a timeline. We are working towards opportunities. We may get a better sense of the direction in a quarter or two, at which point we may be able to quantify where this can head.

The TAM is obviously large because everybody in India has to implement it. Slowly, once we get some foothold here, we will take it to other markets where privacy regulations are forming or are more nascent in their adoption.

Surbhi Soni – Welworth Capital: Understood. Very clear. You also mentioned in your press release the trust services in the UAE. By when do you expect to get the QTSV license in the UAE, and can you help us understand what exactly we are building here? Is it an Aadhaar-equivalent e-sign along with UAE Pass, or is it something beyond that?

Management: This is Arvind here. To answer the first part of your question, we are essentially in the final step of the process for obtaining the license, in terms of the license application and related matters. We expect that to be completed sometime towards the end of this quarter to the beginning of next quarter, upon which completion we should be able to launch the respective service.

As for what it is, it is basically similar to an e-sign, an Aadhaar e-sign type of product in India, but with the local identity ecosystem. It is predominantly meant to be sold to the local market for banking and several other segments in which we operate.

Surbhi Soni – Welworth Capital: For my understanding, since we already have a large banking customer base there, does this product actually complement our emSigner offering in the UAE?

Management: Yes, it is meant to complement our emSigner offering in the UAE. However, the process of embedding this into banks and regulated entities is a time-consuming process; it will happen over a period of time. We are in the early stages of getting that set up and operational, including the go-to-market process.

Surbhi Soni – Welworth Capital: So it is more like a retail product but will also be integrated with emSigner? Is that understanding correct?

Management: I am sorry?

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Surbhi Soni – Welworth Capital: It is more like a retail Aadhaar-equivalent signature that will also be integrated with emSigner?

Management: No, it is not a retail product. It is enterprise-oriented in the UAE market. The technical characteristics of the product are similar to an e-sign product here, but the actual market for this product is not retail-oriented; it is an enterprise-oriented offering. Even here, Surbhi, if you see Aadhaar e-sign, although the retail customer ultimately signs, the sale is predominantly to banks, NBFCs, and similar entities. A similar thing will happen there as well.

Surbhi Soni – Welworth Capital: Understood. On the trust side, I had one question. With the CCA's mandate to move to {? FIPS 140-2 ?}, what I understand is that these token manufacturers need to recertify themselves. I wanted to understand the supply issue that we faced here. Were we able to solve that, is it largely behind us, and can we see the trust business returning to its normal course of growth from Q2 onwards?

Management: The ePass token was the major token, followed by the Proxkey token. However, I do not think Proxkey is getting recertified. The ePass token manufacturer has submitted the application for recertification, and everything is done. It is pending slightly on the CCA side. A new token called the Innet token has also come, which is already certified, but they are not able to produce it in volumes. That is where the capacity is very low. Mostly by September, the ePass token will be certified, and the token volume will increase again.

Surbhi Soni – Welworth Capital: Understood. Just one last question. I wanted to understand how much revenue Cryptas contributed in this quarter.

Management: {? 20 crore ?}.

Surbhi Soni – Welworth Capital: {? 20 crores ?}. All right. Thank you so much.

Operator: Thank you. The next question comes from the line of Pankaj Sachdeva from Avendus Capital. Please go ahead, sir.

Pankaj Sachdeva – Avendus Capital: Hi. Good afternoon. I have 2 very quick questions. One relates to the trust services, which we have already discussed. I understood that things are going to be streamlined by March—sorry, by September. This means that Q2 will also be impacted from both a top-line and bottom-line perspective. At least, that is my understanding. Is that right?

My related question is whether the matter you explained is the only reason for the decline, or is there also some competitive pressure driving our volumes down?

Management: If you see, our general volume of token sales in a quarter was almost {? 8-9 crore ?}. That was the volume. Because of the transition, and because everybody was discussing it, the partners are not stocking the tokens since they expire by September. That is why the volume was lower by almost 5-7 crores. However, the profit in the token business is not much. On average, the gross margin may be 10% or something like that. Therefore, while the top line may continue to be lower during the next quarter as well, it does not have much effect on the bottom line.

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Pankaj Sachdeva – Avendus Capital: Understood. My second question is about international enterprise solutions. We have grown fairly well in this area, but when we look at segment profitability, the margins are far lower than what we see on the domestic side. How do you see that developing over time?

Management: International consists of 2–3 elements. One element is the services business. In the product business, gross margins are 70–75%, whereas in the services business, they may be 18–20%. That is one area. As we said last year, this business itself was around {? 150 crore ?}.

The other element is the Cryptas business, which is roughly a {? 100 crore ?} business. It was not profitable at all, but it is gradually improving. This year, we expect it to become profitable.

The third element is our own product segment. In our own product segment, profitability is even better than in the Indian business. However, when all these elements are combined, the overall gross profit and segment-wise profitability become lower compared to the profitability of the Indian segment.

Over time, as Cryptas becomes profitable again and our own product segment increases relative to the services segment, profitability will improve. That is one side.

The second side is that, because this is a new attempt in several markets, several senior executives had to be appointed. Senior executives are very costly, at 200,000–300,000 dollars per person. That is another factor. This will again get offset when the volume improves. Over time, profitability is likely to improve.

Pankaj Sachdeva – Avendus Capital: Sure. But FY24 margins stood at almost 20% or slightly above 20%. What is the outlook for the full FY27 from an international business perspective?

Management: We have not separately stated the profitability for that segment, but overall we are expecting 25% growth in PAT and 18% growth in the top line.

Management: There will be some adjustment here and there.

Pankaj Sachdeva – Avendus Capital: Understood. My last question is regarding one point I noticed while going through the financials. It said that some of the subsidiaries contributed a consolidated net loss of almost 4 crores. What is this loss about, and do we expect it to continue, or will it settle down over time?

Management: A loss of how many crores?

Pankaj Sachdeva – Avendus Capital: 4 crores, sir.

Management: The 4-crore loss will predominantly be from the European subsidiary BV. Some legal expenses were incurred in BV. Cryptas is now under BV, so when Cryptas becomes profitable, BV will also become profitable.

Apart from Cryptas, independently in BV, we have appointed a senior sales person in Rome. He is pursuing several leads. If even 1 or 2 of those materialize, BV will turn profitable. We are not expecting the loss to continue in the current year.

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Pankaj Sachdeva – Avendus Capital: As far as Cryptas is concerned, are we very confident of making it profitable in FY27?

Management: Yes. A sale of our SertinEX product to a data center has already taken place, and another sale along with PrimeSign, which is one of Cryptas's subsidiaries, has also taken place. Therefore, we are very confident. A Cryptas product sale has also taken place in another geography.

Pankaj Sachdeva – Avendus Capital: Understood, sir. I think that is all I have. Thank you.

Operator: Thank you, sir. The next question comes from the line of Mr. Shrinath V from Bellwether Capital. Please go ahead.

Shrinath V – Bellwether Capital: I wanted to understand the outlook for the US products business. Can you give us a qualitative understanding of the lead pipeline and the new initiatives? We have now rebranded both our products, and we have three data center locations. Moving forward, how is the lead pipeline? What has been the broad feedback from customers?

Management: Thank you for that. On the product side, we see reasonably good growth in the US business, both in the lead pipeline and through the initiatives we are undertaking. To give some perspective, we have already discussed the University Federation, InCommon, which was something that we won last year. More and more universities are being onboarded into this, which brings greater brand visibility to us and the SertinEX brand within the North American market.

On one side, we are trying to go deeper into that segment and determine how much further we can develop that particular segment for more of our offerings and solutions. We are also looking at add-on offerings that we can position within that federation and community, as well as at other universities outside the federation.

On the other side, we have active lead initiatives and conversations in advanced stages involving some IoT-related use cases for PKI. These are sometimes industry-agnostic, but in this particular case, some of them are in healthcare and some are in other sectors. We see that we are able to add value here with our stack by bringing trust to the device level.

The third major element we are working on is general pipeline building, lead generation, and active engagement in the upper mid-market segment and some of the lower enterprise segment within the US. We see some positive conversations there around SSL trust and all these areas.

The main agenda in the US is that, with the upcoming 47-day expiry of SSLs, the post-quantum shift, and these trends playing out, there is generally increased awareness around what we are doing and a better perception of our services and offerings. The local brand, data center presence, and everything else you alluded to were some of the baseline requirements for us to have these conversations, build a healthy pipeline, generate leads, and enter into these engagements as we are doing today.

Shrinath V – Bellwether Capital: Do you expect that later this year or sometime next year we will start seeing better traction and a slightly better growth rate, especially in the US products business, as we settle in and InCommon gets implemented? I also wanted to clarify whether the university business has already started or whether it is in the pipeline for this year.

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Management: The university business has already started and has been ongoing. Generally, we have an enterprise segment growth rate of about 25%, which we are maintaining. The outlook is positive, but deal pipelines take some amount of time in North America, especially when you are addressing this segment. Obviously, there are several factors that we know about beyond those that we may not know. We factor all this in when we say that we are growing at a certain rate.

I can say that the outlook definitely looks positive, the pipeline is growing well, and we have a captive client base that we can expand upon. Therefore, it is more meaningful in terms of what further growth we can achieve. We are moving in the right direction.

Management: Shrinath, one more thing is that in the university network, we are already issuing {? 1,000–1,500 ?} SSL certificates every day. That has already started. Only the momentum has to improve further.

Management: Exactly.

Shrinath V – Bellwether Capital: Understood. I wanted to get a sense of the deal wins on SecurePass. It looks like that business is growing faster than our top line. What is working for this business, especially in India? Can you highlight some key use cases? I want to understand privileged identity and privileged access management. Where is the growth actually coming from? Could you also give some outlook for how the next 12–18 months look for these products, which appear to be growing based on all the wins we have seen?

Management: In India, there are 2–3 factors related to SecurePass. First, there is a compliance mandate from the central bank and the capital markets regulator regarding stronger authentication. All banks and capital markets entities are therefore required to improve their cybersecurity posture.

Second, the deal values are much larger than those even for SertinEX. A typical SecurePass engagement for a large bank or a large government entity is in the range of {? 4–5–6 crore ?} to start with, and probably higher.

Third, privileged identity and privileged access management are becoming compliance mandates, not only because of regulations but also because of the voluntary improvement of cybersecurity posture. Many entities have recently experienced data breaches, and typically a data breach happens only when a critical administrative privilege or credential is compromised.

These are the 3 trends driving greater SecurePass adoption locally. Because of the scale of implementation we have completed here, we are also looking at taking it to adjoining markets such as the Philippines, Indonesia, and Africa. To some extent, conversations have also recently started in the Middle East. The idea is to expand the reach of this product to markets beyond India.

The outlook is quite positive because there are many more deals in the pipeline in the Indian context itself, with several under RFP evaluation and at various stages. Once the international business picks up, the product's growth may be maintained at a fairly aggressive rate.

Shrinath V – Bellwether Capital: If we were to implement the full suite, including PIM, PAM, and the other components, could these deals over time become engagements worth more than {? 10 crore ?} per bank? I want to get a sense of how large each of these implementations can be.

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Management: That deal value is possible for a large bank. A mid-size bank may not have that kind of spending capacity, but a large bank, government or central government agency, or a critical data center installation for a state government could definitely have that kind of deal value capacity for the product.

Shrinath V – Bellwether Capital: Understood. One last question on this. Is defense also a market for this product, and have you been engaging with the government on this, or is the market largely banks and related entities?

Management: Defense is also a market. We already have a defense agency as a customer, where identity access management has been implemented across 200 internal applications. Conversations are ongoing with various other main defense agencies as well as other ancillary defense agencies.

Shrinath V – Bellwether Capital: Understood. Thanks, Shashik. Just the last question on Cryptas. We needed to in-source the CA code or backward integrate on the product so that we could save costs and move some of the service costs to India, allowing us to support them from here. Have all those moving parts been put in place? Is the reduction in losses because of those initiatives, and where do you see all of this playing out in terms of Cryptas' loss management?

Management: Cryptas was not really about cost savings simply from moving everything, because we were already developing IP here. The main point was that, earlier, as you may recall, they were using third-party products that competed with ours. The idea was to substitute those products with some of Cryptas's own IP.

That integration effort for our IP continued over the last 6-7 months. The proof of the pudding is that a large German data center operator has now taken the Cryptas stack, backed by the full eMudhra stack, including our CLM, our CA, and everything else.

Similarly, PrimeSign, which is Cryptas's subsidiary, took eSigner along with its signing service, which is a qualified signing service across the European Union, for a city municipality. These are the first 2 very important and critical wins, which hopefully lay the foundation for selling our software completely, along with Cryptas's IP, to its customers, backed by local support. All the IP development continues to happen out of India.

Management: This will save Cryptas from purchasing Keyfactor software as a back end. To that extent, there will be cost savings. Wherever our SertinEX MCA is substituted for the Keyfactor product, there will be cost savings because the transfer pricing will come to India to that extent.

Shrinath V – Bellwether Capital: Thank you, sir. Thanks, everyone. Congratulations on the good set of numbers.

Operator: Thank you, sir. The next question comes from the line of Mr. Amit Chandra from HDFC Securities. Please go ahead, sir.

Amit Chandra – HDFC Securities: Thank you, sir. Thanks for the opportunity. My first question is on the enterprise business, which is obviously the largest component and has been growing 60% year-on-year. Can you provide the year-on-year organic growth number for enterprise?

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Within enterprise, the shift is largely towards cybersecurity and selling directly. How do you see growth developing for the enterprise business? Also, can you elaborate on the sale we made to the European data center? Is this the first data center client we have? What is the opportunity in terms of selling to data centers, and what is the size of the contract, if you can provide that?

Management: On the product side, if you consider product growth and how much was organic versus inorganic, as we outlined, Cryptas's number is 20 crores. The base was about going from...

Management: I think it was 82 to {? 142 ?}. Therefore, about 25% of the contribution came from Cryptas's numbers, and 25% was the organic growth in the product segment. That answers your first question.

Regarding the opportunity from Cryptas from a data center standpoint, and the opportunity for Cryptas generally as a whole, Cryptas has a number of marquee customers, particularly in the German-speaking European market. This is the first area. It also already has existing customers in banking, insurance, and oil and gas. All of these now become prospects, and Cryptas is pursuing a fairly good pipeline of customers to sell our product into its customer base. Hopefully, we will see some of those results materialize over the next few quarters.

From a data center-specific standpoint, data centers require people to access various systems to manage them. Because these are critical assets and critical infrastructure, over time the security posture and security requirements for data centers and the people accessing them will require stronger authentication. That is where our solutions come in. It is a fairly large addressable market. I do not know exactly how to quantify it, but we are pursuing similar opportunities in many other regions, particularly in securing people's access to data centers.

Amit Chandra – HDFC Securities: Regarding the question on AI and data centers, with more and more enterprises adopting agentic solutions, the number of agents in systems will increase significantly over the next 1-2 years. How do you want to capture that? We have a solution for agentic authentication, tracing agents, and so on. What is the opportunity there, and are we generating any revenue from it as of now?

Management: I will first address the problem statement that agentic AI creates and then discuss the opportunity and where we are in terms of the product and adoption.

Broadly, if you look at AI, Gen AI is operating at 5 levels, including the infrastructure and the application. One critical layer is what is known as AI trust and governance. If agents are communicating with one another or communicating with systems, you need to identify the agent. Agents typically cannot enter a username, password, or OTP. Therefore, they need some kind of identity, such as a digital signature certificate attached to the agent, so that they can communicate securely. That is the first point.

Second, if agents start taking decisions on behalf of humans—for example, if an agent decides to grant a loan and quantify that loan—there must be some level of traceability and verifiability, as well as legal validity or recognition in the future. These are all topics on which policies are being developed. However, they also require the use of digital signature certificates.

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Trust and governance therefore become critical. As agentic AI deployments increase, digital signature certificates and identity for agents become critical components.

Regarding the opportunity, over time, I believe this is the future. Agentic AI and Gen AI adoption will likely increase in enterprises, although it is still at a fairly early stage. As adoption increases, we will obviously be a beneficiary. We hope and believe that AI is a structural tailwind for our business.

Regarding where we are in terms of adoption, we are probably at a very early stage. Very early conversations are beginning around understanding the risks of agentic AI. This will be followed by pilots to determine how to secure the agentic AI landscape, and then, over time, by broader adoption. We are still at a very early stage, so it is difficult to quantify the opportunity right now. Perhaps a year from now, once we have begun conducting some pilots, we will be in a better position to quantify it.

Amit Chandra – HDFC Securities: Do we have any specific products to address this problem, or will it be sold as part of the existing product suite that we sell to data centers and enterprises?

Management: Our existing product suite, namely SertinEX and SecurePass, is being significantly strengthened to address this opportunity. There is also interesting work being done by various startups in the US in the agentic AI security space. Some of them have come to our attention as well. If we are missing any bolt-on capability that needs to be added, that may be an area we pursue in the future, although nothing is planned immediately. We are conducting active R&D and looking at various ideas in the market regarding how identity, security, and access will need to be enforced in the context of agents.

Amit Chandra – HDFC Securities: My last question is regarding the EBITDA margins we saw for the quarter, which showed significant year-on-year improvement. Can you provide a bridge explaining what contributed to this expansion, perhaps across different products and geographies? Also, what is sustainable? Could there be further expansion as we sell more product-based solutions?

Management: As I said, the margin improved slightly this quarter because token sales were lower, and token sales have a lower margin. That is one factor. The other factor is that enterprise sales were higher, while trust services were lower as a percentage, and enterprise sales have higher margins. These 2 factors resulted in higher margins.

Coming to normalization, margins may remain around this level. They may not increase suddenly or significantly because we are adding more salespeople across geographies, and some senior people have joined very recently. Therefore, additional salaries will be incurred. As a result, overall, we may be able to maintain EBITDA at 25% and PAT at around 16-16.5%.

Amit Chandra – HDFC Securities: Thank you, sir, and all the best.

Operator: Thank you, sir. The next question comes from the line of Mr. Kanishk Gupta from SS Family House. Please go ahead, sir.

Kanishk Gupta – SS Family House: Hello, sir. A very good afternoon to you. If we establish FY26 as a strong reference point for the business, could you help us understand your FY30 vision for the company? How do you expect the revenue mix across trust services, enterprise, and transformation

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services to evolve, and where do you see the major growth drivers emerging?

Management: We do not know about FY30, but we have a 3-year vision. Our 3-year vision is to achieve 2 times profitability in 3 years. However, 2 times revenue growth may not happen. We are expecting organic growth of 18-20% per year, plus any acquisitive growth that may occur. As of now, our vision is to achieve 2 times PAT in 3 years. Three years means FY27, FY28, and FY29.

To achieve that, the enterprise solution business has to grow gradually because growth in the services business is almost negligible. The trust service business may grow by 15-20%. Therefore, growth will have to come from the enterprise solution business, which may grow by 20-25% per year.

Kanishk Gupta – SS Family House: To double the bottom line over the next 3 years, how should investors think about the relative contribution from revenue growth versus profitability improvement in achieving this goal? Additionally, what kind of margins are achievable, and what would be the most critical execution risk?

Management: From our current revenue, if you apply 1.18 for 3 years, you will know what the total revenue will be. Similarly, current profitability is 110. From there, if you apply 1.25 for 3 years, you can calculate the result. Based on that, if you divide the figure, you will get the PAT percentage, which instead of 16% could be 17.5% or whatever. That is how one has to look at it.

Kanishk Gupta – SS Family House: That is helpful. As you execute this journey, what would be the most important operating metric or KPI that investors should track each year to assess whether the company remains on course to achieve its objective of doubling the bottom line?

Management: Every year, we publish something called an order book metric, which is primarily meant for enterprise solutions. Historically, there has been a multiple on the order book that the business has achieved in the following year. This has been true since we started disclosing the metric, following the IPO in 2022. That is the metric you can look for in the annual investor presentation. If there are any further clarifications, we can have a separate one-on-one call to help you get a better understanding of that metric.

Kanishk Gupta – SS Family House: Lastly, as management pursues its long-term growth ambitions, how do you balance growth, profitability, and capital efficiency when evaluating strategic decisions? Are there any opportunities, whether in new geographies, products, or acquisitions, that you would consciously choose not to pursue because they do not meet your long-term return threshold or create sufficient shareholder value?

Management: We do not venture into high-risk areas. If an opportunity is reasonably valued and can reasonably fit into our philosophy, only then will we proceed with the acquisition. If you look at all our past acquisitions, they have been highly value-driven, and we have been able to take them forward and grow the business.

Several acquisition opportunities come to us, but some are highly priced, some may not fit, and some may not be culturally compatible with management. There are many such factors, and we do not pursue those opportunities. That is why we are extremely cautious about profitability. If you look

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at the period since listing, we have been able to maintain profitability, maintain growth, and maintain everything else.

Kanishk Gupta – SS Family House: Thank you very much, sir, for answering my questions, and all the best for the future.

Management: Thank you. Thank you.

Operator: Thank you very much, sir. The next question comes from the line of Mr. Sanjyot Kare from Vision Finance. Please go ahead, sir.

Sanjyot Kare – Vision Finance: Hello, good evening. Am I audible?

Management: Yes.

Sanjyot Kare – Vision Finance: Congratulations on a good set of numbers. Most of my questions have been answered. I joined the call late and did not hear any update on the case involving 3i Infotech. Is there any latest update?

Management: There is no update. The police to whom they complained called me for a statement on one day. They extensively took our side of the story, our statement, and all the evidence we have. After that, there has been no update.

Sanjyot Kare – Vision Finance: Will this take some time to settle, meaning the case?

Management: The case is in the hands of the police, so we do not know when they will close it or whether they will take further action. From our side, we have provided all the evidence we have, and they have also taken our statement.

Sanjyot Kare – Vision Finance: All right. Related to that, 3i Infotech recently announced that a group called {? Xakato NXT ?} acquired a 5% stake in the company. Is that related to the group connected with eMudhra, and if so, what is the plan going forward?

Management: It is not related to eMudhra. It is related to my personal investment.

Sanjyot Kare – Vision Finance: Not related to eMudhra. Understood.

Management: It is not related to eMudhra. It is my personal investment.

Sanjyot Kare – Vision Finance: All right. Thank you very much, and all the best.

Management: Thank you.

Operator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press star and one on your telephone keypad. I repeat, if you have any questions, please press star and one on your telephone keypad. We have a follow-up question from Mr. Kanishk Gupta from SS Family House. Please go ahead, sir.

Kanishk Gupta – SS Family House: Hello once again, sir. I wanted to ask one more thing. Over the last few years, we have seen a meaningful shift in the revenue mix towards enterprise solutions.

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However, this has not yet translated into a corresponding improvement in ROE and ROCE. Could you help us understand the key factors behind this? As these segments become a larger part of the business, how should investors expect a structurally higher return profile, and what would management consider a sustainable ROE and ROCE over the medium term?

Management: If you look at ROE, generally, when you generate more profit every year, reserves also increase. Once reserves increase, they add to the equity base. Therefore, over the years, the equity base has also increased. Last year, our ROE was around 14.5–15%. Ideally, that is the ROE we can maintain.

Kanishk Gupta – SS Family House: Is there any structural reason why the company should not be able to achieve ROCE levels comparable to those of other leading software and cybersecurity companies for this kind of return profile? This is largely part of...

Management: Other cybersecurity companies also, I do not think anybody is achieving more than a 25% EBITDA margin or more than a 16% PAT margin. We have compared many of them, and most are lower; nobody is higher. Several foreign companies, including American companies, have margins that are almost zero. Therefore, our profile is much better in terms of ROCE and ROE.

Management: Another point is that, as a strategy, we have not borrowed much so far. On the one hand, if you use high leverage, return on equity can be better. Return on capital employed will not be better merely because you borrow, but return on equity can improve if you borrow more. However, as a strategy, we do not want to borrow more and create a borrowing burden.

Kanishk Gupta – SS Family House: Understood, sir. Thank you very much.

Management: Thank you.

Operator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press star and one on your telephone keypad. I repeat, if you have any questions, please press star and one on your telephone keypad. The next question comes from the line of Mr. Ravi Mehta from OneUp Financial Consultants. Please go ahead, sir.

Ravi Mehta – OneUp Financial Consultants: Hi. Thanks for the opportunity. I had a basic question. I joined a little late, so I am not sure whether you called out service revenue earlier in the call.

Management: Service revenue was called out. Service revenue was 19% of the overall quarterly revenue.

Management: 20%. 20%.

Management: 20%.

Ravi Mehta – OneUp Financial Consultants: Are you calling out margins specifically for the services business?

Management: Service margins were not called out, but broadly they have the same historical margin profile as services.

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Management: Yes.

Ravi Mehta – OneUp Financial Consultants: Any color on Cryptas revenue for this quarter?

Management: Cryptas revenue was also stated. It was 20 crore for the quarter.

Ravi Mehta – OneUp Financial Consultants: I understand that it is also turning around. It was losing money last year, so how is that transition progressing?

Management: That is why we called out the first set of wins by Cryptas using our product instead of a third-party product. These included one large German data center client as well as one city municipality for {? BMC signers ?}. Hopefully, this acts as a base for future wins using our product instead of third-party products, allowing Cryptas to turn around and become profitable.

Ravi Mehta – OneUp Financial Consultants: Thanks. {? I'll jump back ?}. Thank you.

Management: Thank you.

Operator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press star and one on your telephone keypad. I repeat, if you have any questions, please press star and one on your telephone keypad.

Management: If there are no questions, then we can close.

Operator: There are no further questions. I now hand over the floor to management for closing comments.

Management: I would like to thank everyone for joining the call today. We remain focused on delivering consistent performance and innovative solutions that enable secure digital transformation for our clients across the globe. For any additional information or queries, kindly get in touch with us. Thank you once again. Thank you.

Operator: Thank you, sir. Ladies and gentlemen, this concludes your conference call for today. Thank you for your participation and for using {? Chorus Call ?} conference call services. 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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