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Subject: Transcripts of Post Earnings Conference Call- Q3 & 9M FY25.

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Dear Sir/Madam

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the transcripts of Post Earnings Conference Call- Q3 & 9M FY25.

For Ksolves India Limited

Manisha Kide
Company Secretary & Compliance Officer



KSOLVES INDIA LIMITED

Q3 & 9M FY25

POST EARNINGS CONFERENCE CALL

January 21, 2025

Management Team

Mr. Ratan Srivastava - Chairman & Managing Director

Mr. Manish Gurnani - Chief Technology Officer

Mr. Umang Soni - Chief Financial Officer

Call Coordinator



Strategy & Investor Relations Consulting

Presentation

Vinay Pandit:

Ladies and gentlemen, I welcome you all to the Q3 and Nine Months FY'25 Post Earnings Conference Call of Ksolves India Limited. Today on the call from the management team we have with us, Mr. Ratan Srivastava, Chairman and Managing Director; Mr. Manish Gurnani, Chief Technology Officer; and Mr. Umang Soni, Chief Financial Officer.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements, which may involve risk and uncertainties. Also, a reminder that this call is being recorded.

I would now request the management to quickly run us through the investor presentation for the quarter that went by, giving us the business and performance highlights for the quarter and nine months ended December 2024, their growth plans and vision for the coming year, post which we will open the floor for Q&A.

Over to the management team.

Ratan Srivastava:

Thank you, Vinayji. Thank you. Good afternoon, everyone. Today, we are here to present our investor presentation for quarter three 2025. I will hand over this call to Umang, who is our CFO. He and Manish will go through PPT. And then, I will come back again for the question-and-answer round.

Over to you, Umang.

Umang Soni:

Thank you, Ratan, and good day everyone, and a very warm welcome. We appreciate you all taking the time to join us for quarter three and nine months FY '25 earnings call. So let me now take you through our quarterly updates.

So Ksolves continues to excel as a global IT solutions provider with 12 years of expertise. Our team of talented 539 professional serves 150-plus clients across 30-plus countries. We continue to maintain a strong international focus with 77% of our revenue coming from the overseas markets.

North America remains our largest overseas market, followed by Europe, Australia, and rest of the world. And domestic business contributes 23% of our total revenue.

And as a testament to our clients' trust, over 80% of our revenue comes from repeat customers. And during first nine months of FY '25, our top five clients contributed 39% of our total revenue, while top 10 clients accounted for 52%. Next.

So, we also maintained strong synergies with the leading tech partners, including Adobe Bronze Solution Partner, RedHat Business Partner, AWS Partner, Odoo Gold Partner, and Salesforce Summit Partner. This partnership has strengthened our capabilities and credibility.

Also, this quarter marks a significant achievement as we have surpassed ₹100 crores in revenue during first nine months of FY '25, matching our full year revenue of FY '24. And along with that, we have also maintained a remarkable 30% plus year-on-year revenue growth, our 15th consecutive quarter since listing, which demonstrates our robust growth trajectory and a strong foundation.

And now so our key financial updates during the quarter to align our key management with long-term goals of the company. We have granted 60,000 stock options, representing 0.5% of our current outstanding share capital as a part of our 2.5% ESOP pool. And additionally, the Board has approved 1:2 stock split, subject to shareholders' approval to enhance the liquidity of the share.

Now quickly, let me run you through our financial performance in the next slide. We have achieved impressive year-on-year growth during the quarter. Revenue, we have achieved 33% year-on-year growth. PAT, we delivered 15% year-on-year increase. EBITDA, we have registered 17% year-on-year growth.

ESOP adjusted EBITDA, because this was the first quarter, we have recognised ESOP expenses. So, if we account for that, then our EBITDA has showed a 20% year-on-year growth. And EPS, we recorded a 15% year-on-year growth.

So now our consolidated quarter three revenue stood at ₹37.70 crores, reflecting 8.3% sequential growth, and PAT increased to ₹10.32 crores during the quarter, which demonstrated a sequential growth of 12%. Our EBITDA margins were 37.3% with adjusted margins at 38.3%, which are ESOP adjusted. And EPS for the quarter stood at ₹8.70 per share, highlighting our strong business model.

Now so let's take a look at this graph. This indicates our quarterly performance. I would say the exceptional growth over the past three years that we have shown. So, we have achieved consistent quarter-on-quarter growth in both revenue and profitability during this period. And notably, since our listing, there has been no decline in quarter-on-quarter revenue growth, which again underscores our unwavering commitment to sustained growth and long-term value creation.

Yes, diverse offerings. From a technology perspective, our portfolio continues to deliver value across a range of cutting-edge technologies. AI/ML now contributes over 12% of our total revenue, while Salesforce, Big Data and Odoo, each lead the way generating more than 20% of our revenue. Additionally, Open-Source Technologies represents around 18%.

And a major thing, we celebrated two major wins this quarter, a key deal with a cybersecurity company providing solutions to Fortune 1000 company, and a significant Salesforce engagement with a prominent UAE-based conglomerate. So, these key wins help in increasing our valuable client profile and increased trust in the Ksolves as a brand.

So, our diverse offerings in technology helps us or enable us to serve multiple niche and complex technologies, which help us to cater a broad spectrum of sectors, ensuring a diverse industry mix, so the telecom sector remains our largest segment closely followed by technology and service industries.

Additionally, we serve key sectors such as Retail, Marketing & Advertising, Manufacturing, EduTech, BFSI, Real Estate and Healthcare. So, this diverse portfolio highlights our capability to deliver solution across emerging and established industries worldwide.

Also, we strive to acquire new customers and strengthen relationships with our existing ones by delivering exceptional services and introducing innovative solutions, including advancements in evolving areas like Generative AI. Also, our esteem clientele includes 11 clients with revenues exceeding \$1 billion and five clients with revenues between \$200 million to \$1 billion. So, they contribute respectively, 25% and 7% to our total revenue.

Also again, this profile and these numbers again demonstrates the strength and quality of our client base. Also, we have consistently emphasised on our commitment to delivering value to the shareholders

through strong dividend payouts and corporate actions that enhance the liquidity and shareholder value such as bonus, stock splits and other initiatives.

Now quick business snapshot. So, we have participated in prestigious events such as Global AI Summit in Dubai and a workshop in USA. This aim to position Ksolves as a global brand and enhance the visibility of our capabilities in complex and high-end technologies. Also, in the recent quarter, we were privileged to receive that Deloitte India Technology Fast Award 2024. We have also established a strategic partnership with leading player in the Broadcast and Media Technology Domain.

And our commitment to future growth is reflected in our investment made in our key senior leadership roles, which includes Director of Program and Operations, Marketing Head and Head of Business Transformation & Consulting. These positions will strengthen our leadership team and strategically position us to capitalise on emerging opportunities and drive our long-term success.

So, all in all, these key updates encapsulate the highlights of the quarter, our financial results and our commitment to operational excellence, strategic growth initiatives and sustainable value creation over the long term.

So now I will hand the call over to Mr. Manish, who will provide us further insights into our technological capabilities. Thank you, everyone, for your continued support and interest in Ksolves.

Manish Gurnani:

All right. Thank you, Umang, and again welcome, everyone. So Umang took us through the financial performance. I'll talk about growth technology and what is the future that we are looking for Ksolves.

So, our key strategic elements, these are the key pillars based on which we have our vision focused. So, #1 is Digital Transformation. Second is Powering Intelligence through AI. Now AI is being used everywhere, and we are very strongly focused on building solutions and services, products and services, leveraging AI as well as Gen AI.

Then we are also started forming Strategic Alliances. So, we have partnered with a couple of big names in terms of technology, and we are building our capabilities on their portfolios. Obviously, Financial Profitability, it forms the base for all of our projects. And then,

especially empowering our K-Team essentially means that we are giving opportunities to our employees to enhance their skills and upgrade themselves, upskill themselves on to the latest and the greatest technologies.

These are the growth drivers. Number one is Increased Utilisation. Our utilisations have always been consistent, beating industry standards. Like earlier mentioned was right, we have entered into tech partnerships with many big names. For example, today, I can say that we are working with RedHat, we are working with Oracle. We have started working with similar big names. And when I say big names, it's like we have formed partnerships, which allows them access to their portfolio of latest products.

Then Smart Investments. We have been building onshore presence. Recently, we also opened a new office in Dubai. And then lastly but not the least, the Client Relationships. So, we have a great success as well as retention rate with all of our clients. Our CSAT scores, the Customer Satisfaction Scores they've always been good.

So, this is a special slide that we wanted to focus and sort of share with you all what Ksolves has been doing in terms of AI and Gen AI. So, it's been almost now almost 18 months that we have been very strongly focused on Gen AI. Today, AI being used, so we have four products across which we have been using AI.

Number one, Dashboard Ninja with AI. It's an ERP-based product in which we have integrated now AI capabilities to generate dashboards automatically, which has made the use of this product even simpler. Just to let you know, this has been one of our major selling products on the Odoo App Store for almost five years. Dashboard Ninja is the #1 app on the Odoo App Store. And now we have added AI capabilities to that app, which has helped us get even more clients and even more sort of features into that product.

The second product, DFM. We have a separate slide also for that. But DFM is, again, a very unique solution, which is being developed by Ksolves. It's a big data product, which helps in building heavy database, data pipelines very simply, very easily using a very nice UI. Without DFM, it would have taken the customers a lot more time and a lot more complexity. With DFM, we have been able to bridge that gap.

Third element, it's a Salesforce-based product, which allows you to manage your lead, the marketing leads very efficiently and very easily. It also has capabilities now based on AI for lead scoring, for predictive analytics, for workflow automation. Customers have been showing great interest into this also.

And then Mind AI. Mind AI is a Gen AI-based platform that Ksolves have developed internally. This allows any enterprise to leverage and search through their entire knowledge base. The entire enterprise knowledge base can be assimilated into this, and it can be then used and searched by any person.

At the same time, so this is for the products and the services that we have been doing. But at the same time, we have also been using Gen AI and AI-based solutions for our own efficiencies, our own, let's say, programming efficiencies. So, we have been using sort of Gen AI to see how can we make our deliveries, our time to develop our software more efficiently and reduce the overall budget as well as the overall estimate so that we become more competitive compared to our competitors.

So, the future technology roadmap that we are seeing for the coming year at least. Our portfolio today includes services as well as product, services we are focused primarily on to AI/ML, Big Data, Salesforce, and then there is DevOps and the Digital Transformation. On the products side, we have four major lines of products, one is Salesforce products, one is Odoo products. Then the new products that we have developed this year; one is Data Flow Manager and the other Mind AI Ninja. These are also covered in details in the next slides.

At the same time, so we also realised that we need to keep upgrading and adding new technologies to our portfolio. So, these are some of the new technologies that Ksolves now can say has expertise on, and we have active developers as well as projects going on in these technologies. So, these are some of the products that I mentioned earlier. So, the left box shows the Odoo products, then we have Salesforce products. And the bottom, I'd like to focus on the bottom two, the Data Flow Manager and the Mind AI Ninja. These are the two in-house developed products by Ksolves.

Data Flow Manager is a big data product, which allows any customer who's using Apache Nifi. Now, Apache Nifi is an open-source technology, but it does not come with a lot of enterprise grade

features. So, we have built those capabilities in-house using Data Flow Manager.

The second product, the Mind AI Ninja, it's a Gen AI-based platform. This platform allows any enterprise to sort of assimilate all the knowledge base, all the documents, anything that they have on which they want to then build solutions. So, using Mind AI Ninja, once the organisation has ingested their data into Mind AI Ninja into this product, into this platform, they then have capability to use a smart assistant, smart chatbot type thing, which can be like a ChatGPT interface for them. And this also has capabilities to integrate with other platforms. So, we have provided API layer also on top of this. If there's some other applications, maybe some other internal applications that they want to integrate it with, we have capabilities for that also in this.

All right. So, they are some of the case studies. I'll not go into details, but I'll just a brief, right? So, we recently have been working with a very major telecom player. This is in the Africa, Europe region, processing almost 40 billion records every day. Now 40 billion call data records being processed through a platform. That platform is being managed today by Ksolves. It's a big data platform, very complex workflows, a lot of engineering, a lot of design thinking went over there. That platform is being today managed by Ksolves, and we have also been able to suggest them new sort of upgrades, which can make those entire processes more efficient. So, it's a long duration project that we have been working with them. And it has been one of the major products for Ksolves for Big Data.

We have been doing a couple of other projects. So, these projects, some of them are on a technology called Apache NiFi. Apache NiFi is the core technology behind which Data Flow Manager has been built. So, you can see however expertise in technology is helping us build products on top of that technology.

Then, we have a couple of case studies, which we have been doing for different sectors. So one is into renewable energy, one is into power sector. These case studies can be shared to you if anybody of you interested, right? And then obviously, like I mentioned, right, Machine Learning, AI/ML, Gen AI, these have been Ksolves strong focus since almost two years now. As I just mentioned, right, we have built that Gen AI-based platform, we have been working with another major telecom infrastructure player, again, a Fortune 500 company for whom we have built a multi-model Gen AI-based solution, which can take in

speech with which you can sort of show it video, we can show it images, and it can use that also as an input to give you a smart intelligent assistant.

All right. I think, that's it from our side. Over to you, Ratan, and if there's any question, we are happy to take that.

Umang Soni: Thank you, Manish.

Manish Gurnani: Thank you.

Question-and-Answer Session

Moderator: Thank you. All those who wish to ask a question may use the option of raise hand. In case you are unable to raise hand just drop a message on the chat window and we'll invite you to ask a question. We'll take the first question from Somil Jain. Somil you can go ahead.

Somil Jain: Thank you for the opportunity. Congratulations on the great set of numbers. I want to understand about the Mind AI platform that you've built. Does that store the clients' or the users' information in their own captive manner? Or is it in probably a server operated by us?

Ratan Srivastava: So first of all, whenever we use Open AI, right, or we want to develop something our own ChatGPT. There are two ways. Either you can use Open AI or you can use your own LLaMA server. And both options are available in this application, Mind AI Ninja. So, let's talk about the first option. Suppose you are using the Open AI, right? So, you are integrating Open AI API, but we are using the Open AI APIs, but we are not storing anything. We are passing information from here to there and there to here. That's all.

Somil Jain: Okay. So that back-end the models are run on open AI?

Ratan Srivastava: Open AI, right? Now big organisation, they do not want to send their information to Open AI. They say that they want everything in-house. So, in that case, we should have a capability to develop our own LLaMA model, LLM. And then we have those capabilities. And in that case, we deploy this LLaMA model to customer premises and all the informations will be with the customer. It is not something that we are restoring this information.

It means, in one line, we are not using our own server or we are not storing any information to our server. Everything is...

Somil Jain: In the latter case, that would look like more like a service offering. You train their data on models that later few like it?

Ratan Srivastava: Yes, yes.

Somil Jain: Okay. And what is the company's vision with regards to product? What is the current revenue split between services and products? And where do you see that going maybe in the near to medium term?

Ratan Srivastava: Good question. Thank you. However, we have not explained too much about the products. But we have achieved, I can say that good success in product. Let's go one by one. We have four products, Mind AI Ninja, and LMN, and DFM and another one is the Dashboard Ninja. Dashboard Ninja has generated by selling approximately \$1 million in last four years, \$1 million.

Somil Jain: In last four years?

Ratan Srivastava: Last four years. And it is running #1 on the Odoo App Store. If you want to see that so you can write down Odoo App Store, Dashboard Ninja on Google, you can easily see our app is there on #1. First thing. Second thing that, what is the benefit of this product? First benefit is that we are able to generate recurring revenue by selling the products. Second thing is that whenever anyone is buying this product, most of the time they are using the ERP, and they need people miss engineers to develop or maintain their ERPs. So, you can say that it is a way to step into their home to get all the work into their home.

So, by selling this product direct, we generate only \$500 to \$600. But most of the time, we get work monthly sometime \$5,000, \$10,000, \$20,000, \$30,000 monthly. We have some products where customer is giving \$25,000 continuously every month since last three years. So, this is the benefit of the Dashboard Ninja. Direct generated revenue, I told you \$1 million. Indirect is something that this quarter, I think we have generated approximately ₹10 Cr by Odoo. And this product is the Odoo application.

Somil Jain: ₹10 Cr by the Odoo product business?

Ratan Srivastava: No.

Ratan Srivastava: Odoo division. And all this business, how we get through product selling. We get leads through marketing and all, but major part is by selling the products. We are getting direct customers.

Somil Jain: Okay. At an aggregate level across the firm, if you could give a breakup between services to products? And where do you see that number going in the next probably a couple of years?

Ratan Srivastava: See, for the next three years, we have one more product, DFM, Data Flow Manager, which Manish has explained. This is a Big Data product. And as per my understanding, this is going to be a huge success of Ksolves. And we are talking to one customer. It is not finally done, but we are in the process and almost it is done. And this deal is something that, a small deal, but this product is something which is going to create another level of success.

How? Because Big Data, it is not something that any small company will use, which is case with the Dashboard Ninja, where small customers are using. But give me one second. But DFM will be used mostly by \$1 billion company or at least \$100 million company, who will have the budget to use NiFi. It is very costly. So DFM will give us another level of success. We will generate revenue by selling this, at the same time by supporting to the customers. And then again, when we will enter into their home or business, we will get more development also. It is almost ready. By next quarter, we will have something good news.

Somil Jain: Fantastic. But just again, if you could just divide that revenue.

Ratan Srivastava: Okay. The next three years, my target is that, right now, it is 98:2. I would like to make it at least 10% or more than 10%.

Somil Jain: And finally, on the margins front. I know, you have mentioned that 35% operating margins you believe are sustainable. Just wanted to have your take on that again. And if you could just break down the fall in margins from 43%, 42% last year to 37% this year, where is that 6% delta coming from? If you could just help us understand that.

Ratan Srivastava: See, some companies invest huge in hiring a senior position in early stage, but we have done in a reverse. That means, initially, we didn't have any enough seniors. For example, recently, we have hired a Director of Program and Delivery. He's IITian, and he's passed out from IIT Kanpur. Then we have had one person, he's from ENY, and

he is helping us to prepare the RFPs and all. So, these kinds of positions, now we are filling.

In the last quarter, we have hired VP Engineering for AI/ML. So, these positions are not billable, direct billable. But these positions are helping us to increase sales. So that is the reason. And second thing that we have invested huge money for events, traveling and all. In future, we will also do. We will again invest money for events, for traveling, because at this level, last quarter, I said that at this level, we need large ticket size customers, and it is not possible through LinkedIn, e-mail campaign and cold e-mail. It is only possible when we travel, when we meet to the customers.

This Friday, I'm traveling with Manish and my Delivery Head to U.S. again, to meet multiple customers. So, projects which we are looking right now, ticket size which we are looking right now, it is possible when we will meet them in-person, in June, we are going to attend Gartner, where lots of companies are coming. We are going to join this event as a speaker. We have an invitation for a speaker as well as we will have a booth there. So, this kind of investment we are doing. But in one line, if I say, for next three to five years, I'm very confident that I'm not going to below 35% margin, because I think, I have done all the recruitments for the senior positions. I don't see many more senior positions for now.

Whatever money I will spend for now, I think, it will be for the billable positions either or for the marketing and travel. This is. So OPM, our margin will not go below then 35%. I'm confident about this.

Somil Jain:

Got it. And the sort of 5%, 6% delta from last year to this year is explained by the increased sales and marketing expenses?

Ratan Srivastava:

Sales, marketing, travel, event and then senior position recruitment, which was required. Because if I'm saying that I'm going to work in the AI and all, then I should have some senior people. So right now, I have a person from the industry who has a 20-year experience, right? So, if I'm saying that right now, the current strength is 600 and in five years, it will be 1,500, for example, then I should have someone who can manage the operations, who can create the structures, hierarchies, roles and responsibilities for everyone. We should have KRA, we should have proper appraisal cycles, appraisal format, feedback system, training system, everything. So that person is handling all these things. So, the 6%, the delta is there. You can see.

Somil Jain: Got it. Just one final question, if I'm not taking up too much time. You have operating margins in the range of 35% to 40%, which is not typical of an IT services company. Usually, services company would have much lesser margins. What is, in your opinion, your differentiator that helps you enjoy such margins?

Ratan Srivastava: See, what others are doing, I don't know. But your previous question was that, why we are going down? We said at that time, we were not spending the money. We have started spending money on marketing and all. And again, in that I have given you the statement that 35% will be the point where we will stick.

I think, for this percentage utilisation of the resources is very important. If you will see the last three quarters, we have not added so many resources, but our revenue is continuously increasing. So, utilisation is, I think, the key for this OPM or maintaining the margin. We have not added so many employees, if you will see the last three quarters or four quarters.

Somil Jain: Right. Okay. Thank you so much.

Ratan Srivastava: Thank you.

Moderator: Thank you. We'll take the next question from Shaurya Punyani. Shaurya, you can go ahead.

Shaurya Punyani: So, you said that since the Big Data project, DFM projects are also coming up. So, is it safe to say that you grow like 35% or 40% year-on-year, like for two, three years at least?

Ratan Srivastava: You are talking about the growth? Or you are talking about the margin?

Shaurya Punyani: The growth.

Ratan Srivastava: Growth, we will maintain minimum 30% for next three to five years. And margin, we will maintain minimum 35% for next three to five years. That I'm confident. And above then that, maybe if this DFM will create something magic, then maybe we can go above than that. But I'm very conservative. I'm saying that 30% I would be able to maintain.

- Shaurya Punyani:** Okay. And what are the types of contracts? Like is there a subscription-based contract we have with the customers? Or what is the structure of the contract?
- Ratan Srivastava:** For DFM?
- Shaurya Punyani:** In general, like with your clients.
- Ratan Srivastava:** There are two things which we are doing, even three things. One is services, second is support, and third is product. For support, it is most of the time either T&M or fixed cost. And age of the projects is between one to three years. Now age of the projects is between one to three years. Now support, it is subscription-based. It means, once customers are applying for our support, they pay us for every year.
- And product for Dashboard Ninja, it is one time, they buy it. But for DFM, it is again yearly subscription. Every year, they will pay. And there are so many things silver, gold, platinum, enterprise. We have the road map. And you will see something good in the future.
- Shaurya Punyani:** Okay. Thank you.
- Moderator:** Thank you. We'll take the next person from chat window, Ashwin Palaniappan. You can go ahead, please.
- Ashwin Palaniappan:** Hello, everyone. First of all, I'd like to congratulate for the good set of numbers that you have posted. I was late to the meeting, so my questions will be around the last few slides, which has been posted. I'd like to start with the first question, you talked about a few case studies. How can we get it?
- Ratan Srivastava:** Manish, over to you.
- Manish Gurnani:** You are looking for what?
- Moderator:** He is basically looking at an opportunity where he can get the details of the case studies.
- Manish Gurnani:** Case studies, right? Okay. Fine.
- Umang Soni:** Actually, case studies are already in the investor presentation that is uploaded on the exchanges. So, you can refer to that. You can just click on that and you will get the case studies. It's in the annexures.

Ashwin Palaniappan: Okay. Thank you for the conformation. My next question will be like on the AI product, you talked about all the data has been exchanged via Open AI servers. And in this one, what level of license to be used? Because we all know that Open AI uses the client data for processing their model. Are we allowing the user data to be training their model or it is a private enterprise edition so that data is not being used for right now?

Ratan Srivastava: Manish, over to you.

Manish Gurnani: Okay. So, see, when we talk about Open AI, yes, Open AI also has a different way, right? So one is, like you said, right that you have to share the data, you again have given that they do not store their data, right? It's our product, right? What we have done is, you're talking about our product, right, I'm assuming, right, the MAN.

Ashwin Palaniappan: That's right.

Manish Gurnani: With that, we have used Azure services. With Azure services, what you get is an additional sort of an interface with Open AI, where your data store only within your VPC. It's not going outside of your VPC. That system is only available within Azure. So, depending on how comfortable the customer is, right, they can use our MAN, which is integrated to Azure, right? Or if they want completely on-premise, right, then we have what you call as LLaMA-based server also running, which can be hosted on premises.

Ashwin Palaniappan: Okay. I got it. Thank you. And the next question would be on the Big Data manager. So, you said that you're working with the African telecom giant. And if I would like to understand it better, are we doing an end-to-end service for them? Or was it just an existing one and Ksolves is managing that? And is it a short-term contract? Or is it for a long term that is already signed with the giant?

Manish Gurnani: So, it's a long-term contract. And what we are doing for them is so, see, the system was already up and running, right? Now the problem is that system has been sort of giving challenges as over time now consistently, right? That's when they reached out to us, and they are using NiFi also extensively, right? And if you search for NiFi, right, you will see Ksolves coming on top, anytime you search for any development company for NiFi, right? That's how they reached out to us.

And then what has happened is, once we started engaging with them, we realised that there were a lot of issues in the existing base system was being set up, right? So, we have worked with them, and we have re-architected some of those systems, right? And that has given them a great, I would say, efficiency.

Some processes, which were earlier taking four days to complete, right now they are being done within under an hour. That is the level of efficiency that we have got to there, some of the process, right? There are still many more recommendation that we are working on them. But it's a long-term project, and the beauty is that, it is one of the biggest, I would say telecom product that we have been involved into. So that's giving us a lot of insights into telecom domain.

Ashwin Palaniappan: Yes. That's great to hear.

Ratan Srivastava: And this is the best example that how we got this project. We travelled to Morocco. And then, we got this product. Means, we had to invest our money for traveling. So right now, what we are doing, we are offering customers that, we are coming, we will discuss. And customers are happy with this offer. And out of 10, five to six we are winning.

Ashwin Palaniappan: Okay. That's great. My final question to you is like I'm great to see that Ksolves is launching new products now. And going forward, do you foresee that major revenue is going to be part of your products? Or will it be still services?

Ratan Srivastava: See, maybe in long-term. I'm very optimistic about the DFM. But our major focus is on the services right now. We are getting lots of queries for the services. We have a lot enquiries from the customers. Right now, we are facing problem for the supply, means resources. So, we are focusing on the services, but at the same time, because that is our bread and butter. But in the longer term, we are expecting that we will get good revenue from the product also, especially from the DFM.

Ashwin Palaniappan: Okay. That's what from my side. Thank you for answering the questions patiently. And all the best for the future quarters.

Ratan Srivastava: Thank you.

Moderator: We'll take the next member from the chat. Mr. Ram, you can go ahead, please.

Ram: Yes. So, I would like to first start by congratulating and thanking the entire Ksolves team like for posting such, like stellar results from the inception from the IPO to now. But as an investor, I noticed that some insiders, I mean, your stake also has slightly reduced in the company, but you still retain complete control and everything. But there are other insiders, I believe, who have completely exited their Ksolves stake.

So, like, and that is a very personal issue and that is completely their prerogative. But for other investors, who look to buy Ksolves stocks, I think that turns out to be a slight worrying point. So, I was thinking about the same, could you guys look into buybacks instead of dividends or any other corporate action in that sense?

Ratan Srivastava: In future, you may see this. But if you will talk about me, since last 2.5 years, I have not done any selling. And I don't think that you will see from my side. What others are doing, I'm not responsible for that. But I'm focusing completely on my work on the company growth. I'm looking for long-term. My goals are long-term. It is not something for this quarter or last quarter. You can see that consistency; you can see in my work. Continuously, I'm giving growth. I'm not worried about that where stock is going. Definitely, I'm meeting with the investors. I'm giving answers if they are asking any questions. But market is not in my control.

In my control, what is in my control, my work. And I think me and my team is continuously doing hard work. We are delivering the result. If you see the sales, if you see the margins, everything is good. We are expanding continuously. So, I think, I'm doing my duty completely with honesty and with the full integrity. And rest of the things are not in my control.

Ram: So completely understand. And again, I don't mean to sound like intrusive, but I completely recognise how well you guys have done. So again, thank you for that as an investor. But the question was, I think the last call also, someone had asked you about doing some corporate action and you guys immediately, you have announced for a split. So again, that is something, I think, hopefully, the market will take notice. But could you guys also think about buybacks, maybe later in the future?

Ratan Srivastava: We are thinking. Wait for that. Who know that buyback, it is not something that we can do frequently. It happens once. So, wait for that

time, we will do that. And I'm not giving the commitment that when. But in next one year, you will see.

Ram: Okay. Are you guys taking any, are you actively soliciting some form of institutional investors?

Ratan Srivastava: See, I'm not very active to...

Moderator: We'll avoid that question. These are forward-looking statements.

Ratan Srivastava: Okay, sure.

Ram: Okay, sure. So yeah, one final thing. So, for you personally, if you had to choose between having your current great margins at the cost of low growth, which might not happen, but if that was the choice. If you have to have great margins right now and low growth, but the other option would be you are okay with slightly lower margins, but you are going to go for higher growth. For you, personally, what would you choose?

Ratan Srivastava: See, you have given me option zero and one kind of. But I think, better that if I say that sales and growth, 30% and 35%. And you can see that option one means, I have compromised already with the margin, but there should be some limit. It should not be that it should continuously go down. So that's why I said that 35% will be the point where, below that, I will not compromise. But 35% is good.

And even right now, we are maintaining 37%. In this quarter, we have done 37%. Last quarter, we have done 37%, 38%. 35% is the lowest, which I can afford. And below that, I will consider that I have done some mistake in calculation.

Ram: Sure. Okay. That's it. Thank you so much. All the best.

Moderator: Thank you. We'll take the next question from Manan. Manan, you can go ahead, please.

Manan Vandur: Congratulations on the great set of numbers. I had two questions. First question would be that even as Ratan was saying that, we'll be growing at 30% with 35% margins. So, I definitely think that we'll be coming up with more products. We are currently not coming up with more products. So, all I wanted to ask was, that even as for that growth, are we planning any sort of debt that we are going to take or something like that? That is my first question.

- Ratan Srivastava:** Okay. No. I'm not going to take any debt.
- Manan Vandur:** Okay. Very simple, and very straightforward. Thank you.
- Ratan Srivastava:** I don't need. Why I will take? See, there should be reason. I don't see any reason that I should take a debt. So that's why I said no, I'm not planning. Behind this question, you have some other questions in your mind, so I don't know what will be the answer. But for a straight question, answer is straight no. But if there will be some reason, then maybe. But there should be enough reason. Right now, I don't see any reason.
- Manan Vandur:** Correct. So that's what I was asking. Because you said that we'll be growing at 30% and also, I just thought that you might take for other things.
- Ratan Srivastava:** For 30% growth, I don't need any debt, first thing. Second thing, I'm not dependent on the product. Product, I have explained, because a few of you were asking that, am I expecting anything from the product? Yes. But forget about the product, if I say, 30% I'm considering sales with services. I'm not saying that with product now I'm looking some sales, and that will help me to maintain the 30%. I do not want to create this confusion. Forget about the product. What will happen, we will see in the next quarter.
- I'm focusing right now in this call, I'm giving whatever number based on the services, what I have in the pipeline, what kind of queries I'm getting from the customers? So, 30% of sales and 35% margin for the services, not the product. Product is something different, which before you someone asked, I explained that. Yes, we are developing, maybe we will have some good news. But I'm not confident at this moment. We will talk about this question, about product in the next quarter.
- Manan Vandur:** Correct. Okay. Got it. Thank you. And the second question is, could you name any listed competitor, if you have? I'm pretty new to this business, which is why I'm asking.
- Ratan Srivastava:** See, competitor means the other companies who are...
- Manan Vandur:** Similar business.
- Ratan Srivastava:** Doing the similar kind of work. Right?

Manan Vandur: Yes.

Ratan Srivastava: Okay. So similar kind of what we are doing, Infosys, Persistent, LTI. These are the companies which are doing the same kind of work. I will not say that they are competitors. They are very big fish, but most of the time, customers for them, we are working, they say that they are -- for them, Persistent is handling the big chunk of the work or Accenture is handling a big chunk of the work where we have a small chunk of the work.

Considering our small size, they cannot give us that big chunk of the work, but they are increasing month-by-month, year-by-year our quantity of the work.

Manan Vandur: Right. Understood. Thank you so much. All the best for the future.

Moderator: Thank you. We'll take the next question from the chat from Mr. Purab Upadhyay. Purab you can go ahead.

Purab Upadhyay: So first of all, congratulations. And my first question was a large part of our revenue comes from the North America belt, as you said. So, amid the possible new policies and trade uncertainties, do we see any kind of risk in our business and customers?

Ratan Srivastava: Honestly speaking, I don't see any risk. Continuously, we are getting enquiries for more resources, more work. There may be some specific reason, first thing that we are working on the niche technology. So, finding good resources on those technologies are not easy. So that's why we are getting enquiries.

Second thing is that, in U.S., most of the companies are trying to reduce the cost. So, either they are moving for automation, or Gen AI, Generative AI. And third, they are asking Indian engineers for their work, which are less costly. So, I don't see any problem. Problem will happen or it may be my opinion, maybe I'm wrong. But maybe if our people will work, we will have people in U.S. In that condition, I may have a problem. But I don't know, fortunately or unfortunately, right now, our whole team is working from the India. So cost is manageable. We are continuously getting the work, so I don't see any problem from the U.S., from the Europe or any other country.

Purab Upadhyay: I had one more question. So, in the past couple of quarters, so we've taken parts in various basically exhibitions of basically Generative AI. And we've basically spent a lot on marketing, as you said. So, all of

those costs and basically all those efforts that we've put into all of this. So are we able to acquire new clients after all of that like, because a lot of our revenue comes from repeat sales. So how important are you looking at acquiring new clients as of now?

Ratan Srivastava: We are acquiring the new clients, new business, that's why our sales is getting increased. You can see the growth. Second thing that Manish explained you that telecom customer. We met with that customer in event. So going into those events are helping us to create contacts. And directly, see face-to-face interaction is always more effective as compared to this online interaction. So, when we are meeting with them face-to-face, we are able to convert businesses, and we have generated, why I will invest money for the next investor if I'm not getting the ROI.

So, I'm getting good ROIs. And the sales team is able to convert leads. And I think that this is a good way to generate more business. We are meeting directly had authority or people from the CXO positions in those events, who are part of the decision-making team.

Purab Upadhyay: Thank you very much for your answers. And I wish you all the best for the future endeavours.

Ratan Srivastava: Thank you.

Moderator: Thank you. We'll take the next question from Karan. Karan you can go ahead, please.

Karan Kapooria: Thanks, Vinayji. I have a couple of questions. So, first thing is on the last con call, you mentioned about some acquisitions that you will be looking forward to it. So, are we still considering acquiring some other companies? Or like you want to grow the revenue from the new product innovations. Can you share some thoughts on that?

Ratan Srivastava: I was always against to the acquisition. But as we are human, so thoughts keep changing. So, in last few quarters or last quarter, I thought that I considering the current pipelines and the requirements, my TAT team, this talent acquisition team is facing problem to hire resources. In every call, I say that, I don't have a problem on the project side. I have a problem on the supply side. So, I thought that if I can acquire some good companies, small companies, definitely, so that I can adjust them or I can manage them. I can manage them. If the company will be small, maybe I would be able to manage. Because I

always said that if we acquire, then the culture and the company which we are acquiring, if size is big, then it may go in a reverse direction.

So, I'm very cautious. First thing that I'm looking for a small company. Second thing that they should have some good projects; resources should be good. But finding these kinds of companies are not easy. So still, we are searching. But till now, we could not get. But once we will get definitely, we will go for that.

Karan Kapooria: And would you also consider the valuation of these companies if you plan any kind of acquisitions, while considering these small in size and culture?

Ratan Srivastava: We are evaluating. We have merchant banker. So, we are doing this. But unfortunately, small companies are not doing well. They have lots of problems, either on the management side or on the technology side or on the resourcing side. So, the small companies are not doing well, and big companies I'm not going to acquire.

So, in another way, I can say that right now, I'm focusing on the organic growth only. Because inorganic, I tried and I'm trying, but it is not easy. I don't want to take any bad decision.

Karan Kapooria: Okay. I appreciate that. One last question I have is, so since our revenue is coming from multiple countries now, Africa. So, we have an African client, North American client also, you mentioned, right? And going forward, we will be signing more deals in some Middle East based clients also. So, to maintain the margins, I feel one risk, which is of currency, foreign currency risk, right? So that can impact our margin, not to a greater extent, but to slightly exchange. So, do we have any kind of foreign hedging policy so that we can mitigate such kind of risk and maintain our margins going forward?

Ratan Srivastava: Right now, I don't think that I need to worry about this. But yes, I was talking with Umang, who's our CFO, about this hedging and all. When we should think about this and why companies do this. So, I am aware about this. But right now, I don't think that it is a problem for us. But in future, maybe we will have to think. But considering the current situation, where we are right now, it is not required.

Karan Kapooria: Yes. Because the dollar is going down and U.S. dollar is going up, right? But what if the things can turn around, right? So, in that case, do you think it...

Ratan Srivastava: It will not happen in one day. It will give me time.

Karan Kapooria: Understood. Okay. Thanks.

Moderator: Thank you. We'll take the last question for the day from Mr. Rishi Sinha. The new U.S. administration is talking about tariffs. If they do it on software services, are these tariffs pass over? Or are all U.S. projects on fixed cost deals?

Ratan Srivastava: No. All projects are not fixed cost project. But honestly speaking, if I give you the honest answer, I could not get time to think about this. But offline, I will discuss with this, and then I can answer on this.

Moderator: Thank you. So, since that is the last question for the day. Would you like to give any closing comments before we end this call?

Ratan Srivastava: Yes. So, thank you everyone for giving your precious time and asking questions. I have a few things from my side. Five years before approximately, I have launched this IPO. And since then, every day, I'm learning, because I'm kind of a first-generation businessman. So, every day, I'm learning. And I think that day-by-day, I'm getting more mature in terms of as a businessman.

So, no one can say that every decision or everything is perfect. But as of now, I think in last five years, I'm running the company very successfully in terms of the growth, in terms of the margins and also people, what kind of people we have right now in the company. We have an excellent culture. We have so many people who are working with five years, seven years, eight years, 10 years. Almost every week, we get notification that this person has completed five years, three years, seven years, eight years. Now this is not a news for us, because kind of a news which is coming every week. So, we don't notice.

I have not built only a good company in terms of the sales growth or the margin, I have also made a company where people are there. It means, people are happy in Ksolves. People want to give more than what they can give. So that is the reason our utilisation is high. It is not an easy answer to explain them that how utilisation is high. But I think it is the people who are working by their heart with full honesty and all, so that's why I said that I have not built only a company, which is giving growth and margin, I have built a family where 600 people, and most of them are working since long time with me.

They are very happy with my decisions, whatever I take. And they want to work with me. So that is something which I wanted to convey with you that, and I'm targeting that from 600 to 1,500 in next five years. But yes, culture matters. For every company, sales and organisation is important, but also the culture. If it is toxic, then it is not a long-term, you cannot survive long-term. At some point, you will be alone.

So, we have an excellent culture where people meet, they discuss, they exchange their thoughts and then we collectively take the decision. However, Vito is with me, but they give us their suggestions without any fear. So that is my success, which I wanted to discuss with you or tell all of you. So that is all Vinayji from my side.

Means, I'm very happy that I have built something as a company where people are happy. They want to work with this company. That's all from my side.

Vinay Pandit:

Thank you so much, and thank you to all the participants for joining on the call. Thank you to the management team for your valuable time. This brings us to the end of today's conference call. Thank you.

Ratan Srivastava:

Thank you.

Umang Soni:

Thank you.