

**XTGLOBAL INFOTECH LIMITED**

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Date: 20/11/2025

To, The Listing Department, <b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. <b>BSE Scrip Code: 531225</b>	To, The Listing Department, <b>National Stock Exchange of India Limited,</b> Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. <b>NSE Symbol: XTGLOBAL</b>
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**Subject: Transcript of Q2 & H1 FY26 Earnings Conference Call held on Tuesday, November 18, 2025.**

Dear Sir/Madam,

Please refer to our Q2 & H1 FY26 Earnings Conference Call, scheduled for Tuesday, November 18, 2025, at 10:00 AM (IST), as announced in our letter dated November 12, 2025.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Q2 & H1 FY26 Earnings Conference Call transcript.

You are requested to take the same on record.

Thanking you,

Yours faithfully,  
For XTGlobal Infotech Limited

**Pentela  
Sridhar**

Digitally signed by  
Pentela Sridhar  
Date: 2025.11.20  
13:41:45 +05'30'

**Sridhar Pentela**  
Company Secretary & Compliance Officer  
ACS 55735



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**XTGlobal Infotech Limited**  
**Q2 & H1 FY26 Earnings Conference Call Transcript**  
**Tuesday, 18<sup>th</sup> November 2025**

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**MANAGEMENT:**

- ♦ **Mr. Ramarao Mullanpudi - CEO, President & Director**

**Others:**

- ♦ **Mr. Raghuram Kusuluri - Chief Financial Officer**
  - ♦ **Mr. Sridhar Pentela - Company Secretary & Compliance Officer**
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**Moderator:** Ladies and gentlemen, good morning and welcome to the XTGlobal Infotech Limited Q2 and H1 FY'26 Earnings Conference Call hosted by Rik Capital.

We have with us today from the XT Global Infotech Ltd management Mr. Ramarao Mullapudi, CEO, President and Director, Mr. Raghuram Kusuluri, Chief Financial Officer, and Mr. Sridhar Pentela, Company Secretary and Compliance Officer.

Today's discussion may be forward-looking in nature based on management's current beliefs and expectations. It must be viewed in conjunction with the risks that our business faces that could cause our future results, performance or achievements to differ significantly from what may be expressed or implied by such forward-looking statements.

I now hand the conference over to Mr. Raghuram Kusuluri, Chief Financial Officer, for opening remarks. Thank you, and over to you, sir.

**Raghuram Kusuluri:** Thank you so much. Good morning, everyone and thank you for joining XTGlobal's Q2 and first half year of the Financial Year 2026 earnings conference call. We appreciate your time and interest in our company's performance. I trust you have had the opportunity to review our financial results, investor presentation and press release available on our website and on BSE and NSE portals.

To begin today's discussion, I will first share an overview of the prevailing economic and industry environment, followed by a detailed update on our operational progress and financial performance for the quarter and first half of FY'25-26.

Economy and sector - The global economy continues to remain steady despite persistent trade tensions and shifting policy dynamics. Growth is holding around the 3% mark, supported by a rebound in global trade activity during the first half of FY'26. At the same time, evolving tariff structures and supply chain reassessments are prompting organizations to re-evaluate how technology and IT services are sourced across regions. India stands at a strategic advantage within this changing global landscape. The economy expanded 6.5% in FY'25 and further accelerated to 7.8% in Q2 FY'26, the fastest pace in over a year. This strong macro-economic environment continues to support digital transformation efforts and sustained investments in technology and services. Within this environment, however, the Indian IT sector remains in a phase of moderated demand. Discretionary spending by clients is being deferred due to broader macro uncertainty and ongoing tariff-related noise in the U.S. market. BFSI

continues to remain stable, healthcare is exhibiting cautious sentiment, while retail and automotive verticals are facing policy-driven pressures. Deal flow remains concentrated around cost optimization, vendor consolidation, and efficiency-driven engagements.

Looking ahead, the sector's focus is steadily shifting toward margin improvement through better utilization, disciplined hiring, and stable attrition. A strong pipeline across cloud, automation, AI-led services, and rising offshoring demand in finance and accounting continues to present compelling growth opportunities. By strengthening our automation and AI capabilities, expanding high-value consulting services, and deepening our global presence, we believe we are positioned to benefit meaningfully from the industry's next phase of recovery.

Coming to operational performance, during the quarter, we strengthened our business fundamentals and further expanded our market footprint. As of November 13, 2025, we added 11 new clients, seven in finance and accounting services, and four in IT services. These additions solidify our presence across key verticals and are expected to support revenue growth in the coming quarter.

We are pleased to announce that the Board has approved an interim dividend of 5 paise per equity share of face value of ₹1, representing 5% of the face value for the FY25-26, with 21<sup>st</sup> November 2025 as the record date.

We also successfully completed our compliant exit from the Madhurawada SEZ unit in Visakhapatnam. This strategic transition provides greater operational flexibility, reduces compliance effort, and opens up opportunities to monetize unused infrastructure.

Another significant development during the quarter was the digital transformation of our sales operations. We initiated the rollout of a new CRM platform designed to enhance lead visibility, strengthen pipeline discipline, and improve client engagement. The platform is scheduled to go live in December 2025.

In addition, we expanded our global footprint by launching operations in Australia. We secured two anchor projects, which position us well in a market with robust demand for digital and IT services. This expansion enhances our international presence and supports long-term growth opportunities. Across our business lines, we continue to align with strong industry trends such as digital finance transformation, cloud adoption, intelligent automation, robotic process automation, and offshore finance

and accounting outsourcing. These themes continue to drive consistent and sustainable demand for our offerings.

Let me walk you through our financial performance during the quarter. Standalone, Q2 FY2025-26 performance showed a revenue increase to ₹17.99 crore, reflecting a 1.2% quarter-on-quarter growth. EBITDA rose to ₹288 lakhs, a strong 14.2% quarter-on-quarter improvement driven by efficiency measures. EBIT grew 22% quarter-on-quarter, reaching to ₹214 lakhs, supporting by improved productivity. PAT was ₹176 lakhs, delivering 16% quarter-on-quarter growth and 4.3% year-on-year growth despite a high base. We also saw increasing margin expansion. EBITDA margins improved by 182 basis points, and EBIT margins improved by 203 basis points. Consolidated Q2 FY2025-26 performance showed a consolidated revenue increase to ₹94.41 crores, up by 2.3% quarter-on-quarter and 93.7% year-on-year. EBITDA came in at ₹678 lakhs, growing 2.5% quarter-on-quarter. EBIT rose to ₹518 lakhs, a 5.4% quarter-on-quarter and 17.1% year-on-year increase. PAT stood at ₹344 lakhs, delivering 26.9% year-on-year growth.

For the first half of the year, our standalone business continued to remain stable. Revenue at ₹35.76 crore, EBITDA ₹540 lakhs, EBIT ₹389 lakhs and PAT at ₹329 lakhs. Margins have begun stabilizing and the business is moving towards consistent forward momentum. Our consolidated first-half performance reflects strong scale benefits and operational discipline. Revenue reached ₹186.72 crore, a 90.4% year-on-year increase. EBITDA stood at ₹1,339 lakhs, growing 11.6% year-on-year. EBIT increased to ₹1,009 lakhs, 25% up by 25% year-on-year. PAT rose to ₹718 lakhs, a strong 47.1% year-on-year growth.

The growth reflects the positive impact of our broadened capabilities with the successful integration of network objects, which continues to contribute meaningfully to our consolidated performance.

With this, I would like to conclude and open the floor for any questions. Thank you.

**Moderator:**

Thank you. Ladies and gentlemen, we will begin the question and answer session. We take the first question from the line of Rishabh Sharma from SK Capital. Please go ahead.

**Rishabh Sharma:**

Thank you for the opportunity. I can see that the company reported 2.3% sequential and 93.7% year-on-year consolidated revenue. So, can you

break down the key drivers of this revenue momentum by vertical, geography and service line?

**Raghuram Kusuluri:** Industry vertical you are talking about?

**Rishabh Sharma:** Sir, vertical means the business vertical.

**Ramarao Mullapudi:** As of this last quarter, we are not declaring results by vertical, but going forward from the next quarter, we will be declaring based on the vertical side. Segment wise declaration is going to be there. But geographic wise, most of the revenue right now is coming from the US side. We just started getting revenue from Australia, but otherwise most of the revenue is coming from North America right now.

**Rishabh Sharma:** According to the services, most of the revenue is coming from which services?

**Raghuram Kusuluri:** Yes, most of the revenue is coming from IT consulting services and products. We have an automation product and accounting outsourcing services. 10% is from accounting outsourcing services, and 25% to 30% is product revenue and the balance is IT consulting. Around 50% is IT consulting and 50% is product and accounting outsourcing services.

**Rishabh Sharma:** Okay, sir. And with this quarter, with the interim dividend payout, how can we see the dividend policy evolving if the business has changed its current operating performance?

**Ramarao Mullapudi:** Yes. Our intention is to try and give dividends twice a year is what our plan is, interim and then one more after that. That is how the current plan is. Twice a year is what the plan is at this point.

**Rishabh Sharma:** Thank you, sir. And I wish you all the best for the upcoming quarter.

**Ramarao Mullapudi:** Thank you so much.

**Moderator:** Thank you. We take the next question from the line of Diya Jain from Sapphire Capital. Please go ahead.

**Diya Jain:** Hi, sir. Hope I am audible.

**Ramarao Mullapudi:** Yes, please.

**Diya Jain:** How does the H-1B visa impact us as most of our revenue comes from North America?



**Ramarao Mullapudi:** Yes. Thanks for asking that question. So we as a company, are not dependent on H-1B. So our H-1, so overall our H-1 revenue is very minimal. We have less than I would say 25 employees who are actually H-1, and they are also being with us for quite a long term. So our impact on H-1B is actually less. And what we actually see is that it is cost-effective for our company. We see a lot of growth opportunities in offshore IT services. We as a company, are focusing on GDC as a service because of our excellent infrastructure that we already have in place. We are able to present our clients with a GDC model of a service, which is because of immigration issues that our clients are seeing, mid-market companies are not able to get the talent that is needed. So we are offering that benefit to the customers. So it is actually we feel because our company is not dependent on H-1B and then because of immigration issues, we see a lot more coming to offshore services model. A lot of clients are looking for that. So we feel it is an advantage frankly, for us right now.

**Diya Jain:** All right. And can you talk about network objects, your subsidiary and how much it contributes to your overall revenue?

**Ramarao Mullapudi:** Yes. Right now, about \$20 million in revenue and then mainly it is onsite consulting. So the contribution of network objects in terms of our India standalone finances is very minimal. It is all onsite consulting is what they have right now. But there is also the split, where most of them are coming as local consultants. So their dependency on H-1B is also not substantial at this point of time. They have a consistent revenue coming from the last two years from the clients, and their main focus is on supporting Vistex product services. They are mostly focused on reaching Vistex as a product support. That is what they do.

**Diya Jain:** Okay. And any revenue and margin guidance for your H2 and FY'27?

**Ramarao Mullapudi:** Yes. Our costs are stabilized from the actual non-billable revenue or non-billable expenses because of the team that we built in non-billable revenue expenditure is stabilized for us. So whatever we grow in terms of revenue, positive revenue with GCC as a service, our product side, our already contracts that were already put in place in the last couple of years, which is a long-term contracts, we see revenue stabilizing going. And more than that, our EBITDA margins are expected to grow based on our current plans that we see either in the GCC model or in other ways, right, offshore delivery model. Our gross profits and net profits are expected to grow up over the next year or two.

**Diya Jain:** Okay. Can you quantify the number?

**Ramarao Mullapudi:** We are basically looking at a stabilized at least 20% to 25% growth rate is what our expectation is, our plans are. That is the goal that we have right now in terms of revenue growth.

**Diya Jain:** Can we achieve it this year or maybe by FY2027?

**Ramarao Mullapudi:** We are looking at the fiscal year 2026-2027 is the growth plan that we are looking.

**Diya Jain:** And EBITDA margin, sir?

**Raghuram Kusuluri:** Yes, at least 10% to 15%. So we are planning to achieve EBITDA margin of at least 15% by increasing our operational efficiency and by utilizing our existing infrastructure and also our capabilities. So we have very good human capital, like we have long-standing employees, those who served us here with us for more than 15 year. We are going to capitalize that expertise and increasing our product revenue. So, because whatever we already spent is spent, like we have to spend a minimal amount to increase, to scale up to the next level. So that will help us to maximize our profitability EBITDA margin.

**Ramarao Mullapudi:** To add to that, we want to let you know again that we have infrastructure that can support up to growth up to 2,000 employees without putting not much additional capital in terms of infrastructure, own facilities. That is the biggest asset for us in this new GCC kind of service model that we are going for.

**Diya Jain:** From this 10% to 15%, that is like a long-term target or that we can achieve in FY'27?

**Ramarao Mullapudi:** Yes, goal it for the next fiscal year.

**Diya Jain:** Okay, sir. Understood. Thank you and all the best.

**Moderator:** Thank you. We take the next question from the line of Divya Dutta from Harmonium Capital. Please go ahead.

**Divya Dutta:** Am I audible, sir?

**Moderator:** Yes, please go ahead.

**Divya Dutta:** Sir, last quarter, we began indoors in the U.S. government sector. So how is this contributing in Q2 and what opportunity growth pipeline we have currently? This is my first question. Second one, the interim dividend, which



you announced this quarter, so how do we see the dividend policy evolving coming quarter? Thank you.

**Ramarao Mullapudi:** Thanks for the question. For the first question, right, for the government contracts, this is our entire process for the last several years. We are mainly focused on the private sector and on the product side of revenue. Only this year we started trying to get into the public sector and we won our first major RFP that we announced for the public sector, the Department of Transportation. So, in that, it is \$5 million over a period of five years is what the award was, but each and every project is different and we won our first, within that, in the last quarter, very first project that came out after vendor collection was this, and we were able to win that. And we see consistently winning around \$1 to \$1.5 million worth of revenue coming from this particular public sector customer over the next few years is what our expectation is at this point. Again, it is a competitive bidding. We have to bid each and every time, but that is what we have projected to win at this point of time.

And regarding your second question, dividend, again, our goal is at this point, I answered the previous person's question also. Our goal is to be able to give at least twice a year dividend policy is what we are trying to get to at this point of time. Depending on that particular quarter, that particular offer, we will try to see what the best we can do on the dividend. But our goal is to be able to provide dividend. Our margins and our profitability over a period of last several years we are always been consistently profitable and we believe that our profit margins will go up over the next years, and we should be able to do better on the dividends as well.

**Divya Dutta:** Thank you, sir. My last question is, as two - three quarters back, we had a press release on that we are looking for new acquisitions. So have we thought about something on that line?

**Ramarao Mullapudi:** Yes. As a company, we have been looking for acquisitions, for the right kind of acquisition, over the last several months. When we say the right fit is more important for us, both culturally, how we integrate the acquired company, what the capabilities that they are bringing in addition to what we have, whether it is horizontal fit or vertical fit or it is geographic. So we are looking at various acquisitions and as of now also, we are consistently in touch and at this point of time also, we are in discussions with a couple of companies. Again, that has to materialize. We have to look at various reasons, but we are always in look out for acquisitions is what I would say.

- Moderator:** Thank you. We take the next question from the line of Rishabh Sharma from SK Capital. Please go ahead.
- Rishabh Sharma:** Thank you once again, sir. With the recent expansion in Australia, where we have secured two projects in finance and accounting, considering the press releases I have read regarding the UK initiative, what progress has been made in the UK market?
- Ramarao Mullapudi:** Yes. When we started wanting to get into Australia, those two projects that we won, actually won based on not even having an office, but be able to promote in Australia as a foreign corporation or as an Indian company. So at the same time, we started in the UK also or Europe also, and then we are able to see some traction in the UK market right now or Europe market, but we have not closed anything at this point, but we are looking at it. But opening offices, we are actually pursuing this quarter to be able to open offices in both locations, Australia as well as in Europe or Ireland-based Europe as they go both the locations. We are working on it.
- Rishabh Sharma:** Thank you sir.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions, I would now hand the conference over to the management for their closing comments.
- Raghuram Kusuluri:** Thank you. Thank you, everyone for your questions. I hope you are all satisfied with the answers. And with this, we would like to conclude our second quarter and first half year of the financial year 2025-2026 earnings call. Thank you everyone. You can reach out to our investor relations team for any queries. Thank you so much.
- Moderator:** Thank you. On behalf of XTGlobal Infotech Limited, I conclude this conference. Thank you for joining us and you may now disconnect your lines.

(This document has been edited for readability purposes.)