

Date: August 6, 2025

To,
The Department of Corporate Services,
BSE Limited,
25th Floor, P.J. Towers,
Dalal Street, Mumbai- 400001

Scrip Code: 538734

Subject: Submission of Transcript of Q1 FY2025-26 Earnings Call held on August 1, 2025

Dear Sir/Madam,

Further to our letter dated July 25, 2025, we are forwarding herewith a copy of the Transcript of Q1 FY2025-26 Earnings Call hosted by Arihant Capital Markets Limited, on Friday, August 1, 2025 at 11:30 AM (IST) to discuss the Unaudited Financial Results of the Company for the quarter ended on June 30, 2025 with the Management of the Company.

This is for your information and records.

Thanking you,

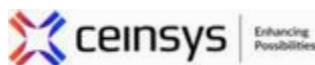
Yours faithfully
For Ceinsys Tech Limited

Pooja Karande
Company Secretary &
Compliance Officer
M. No. A54401

Enclosure: As above



“Ceinsys Tech Limited
Q1 FY26 Earnings Conference Call”
August 01, 2025



**MANAGEMENT: MR. KAUSHIK KHONA – MANAGING DIRECTOR-INDIA
OPERATIONS – CEINSYS TECH LIMITED
MR. PRASHANT KAMAT– VICE-CHAIRMAN AND CHIEF
EXECUTIVE OFFICER – CEINSYS TECH LIMITED
MR. SUREJ K. P. – CHIEF EXECUTIVE OFFICER
(DESIGNATE), NON- EXECUTIVE AND NON-
INDEPENDENT DIRECTOR -- CEINSYS TECH LIMITED
DR ABHAY KIMMATKAR -- MANAGING DIRECTOR --
CEINSYS TECH LIMITED**

MODERATOR: MS. JYOTI SINGH – ARIHANT CAPITAL

Moderator: Ladies and gentlemen, good day, and welcome to Ceinsys Tech Limited Q1 FY '26 Earnings Conference Call, hosted by Arihant Capital Markets Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

With this, I now hand the conference over to Ms. Jyoti Singh for opening comments. Thank you, and over to you, ma'am.

Jyoti Singh: Thank you so much. So, hello, and good morning to everyone. On behalf of Arihant Capital Markets Limited, I thank you all for joining into the Q1 FY '26 Earnings Conference Call of Ceinsys Tech Limited. Today, from the management, we have Mr. Prashant Kamat, he is the Vice Chairman and Chief Executive Officer; Mr. Surej KP, CEO Designated, Non-Executive and Non-Independent Director; Mr. Kaushik Khona, he is the Managing Director, India Operations; and Dr. Abhay Kimmatkar, he is the Managing Director.

So, without any further delay, I will hand over call to Mr. Kaushik Khona, Managing Director, India Operations, for his opening remarks. Over to you, sir.

Kaushik Khona: Thank you, and good morning, everyone. It's a pleasure to welcome you to this earnings conference call for the first quarter of the financial year 2026. Let me at the outset thank our host for today's con call that is Arihant Capital and Ms. Jyoti Singh in particular.

In the interest of some of the people who may be new to the company, let me first start by giving you a brief overview of the company and then follow with the performance highlights for the quarter under review.

Ceinsys Tech has been recently rebranded to CS Tech Ai, while the corporate name remains as Ceinsys Tech Limited. We are a leading technology solution provider in the IT-enabled sector. We are acclaimed for our expertise in geospatial engineering, as well as other engineering services and solutions.

We offer a broad range of geospatial intelligence services, including data creation, data analytics, decision support system, enterprise web solutions and the like. In the year 2022, the company strategically expanded into mobility sector by acquiring Allygrow Technologies, a specialized engineering service provider with a strong international presence.

This acquisition allowed the company to enhance its capabilities into manufacturing technology and mobility engineering solutions, covering the entire product development process and industrial automation for diverse sectors such as the 2-and 3-wheelers, passenger cars, commercial vehicles and off-highway equipment.

In the year 2024, we acquired a geospatial business of VTS in USA, which was majorly operating into telecom domain. Since then, we are identifying some more targets for inorganic growth to expand our horizons into the domains where the company is already operating, that is

geospatial and engineering services and technology solutions, for which the company has already mobilized almost US dollars to USD28 million. We serve prestigious global clientele that include large corporates, OEMs, asset management companies, and government bodies, highlighting its robust reputation in both the geospatial and manufacturing sectors. With offices in India, the United States, United Kingdom, and Germany, the company combines local expertise with a broad international reach.

Additionally, the company is venturing into software product development and emerging technologies through a new vertical focused on artificial intelligence and machine learning and embedded electronics. This vertical emphasizes development of AI and ML-enabled applications and solutions to enhance our delivery for the existing domains at the outset, reflecting the company's commitment to innovation and maintaining a competitive edge in a dynamic technological landscape.

Now let me come to the highlights of the financial and operational performance for the first quarter ended 30th June, 2025. For the quarter under review, our operational revenues grew by 112% year-on-year to INR157 crores, EBITDA grew by 130% year-on-year to INR30 crores and EBITDA margins were at 19.35%, which were also higher by around 140 basis points as compared to the year -- the first quarter last year. The net profit was reported at INR32 crores, a growth of 166% year-on-year and the PAT margin stood at 20.18 %.

The growth in both revenue and EBITDA margins was driven by successful execution of projects which have contributed to stronger margins. Additionally, our ongoing initiatives to improve operational efficiency have enabled us to manage higher volumes more effectively, further boosting our operational performance.

The results reflect the amalgamation of 100% subsidiary, AllyGrow Technologies Private Limited, effective April 1, 2024, as approved by the honorable NCLT, while the -- that tech company was previously consolidated, and which helps the merger, therefore, streamline the reporting. The company reported strong growth in geospatial engineering services and technology solutions business, driven by a focus on water, IoT and enterprise solutions.

As of quarter end, it holds an operational cash surplus of INR127 crores. As on June 25, the total order book stands at INR1,209 crores. A key highlight of quarter 1 is the company's highest ever quarterly performance, marked by a record revenue and EBITDA.

Execution of technology solutions projects saw a 2.74 fold increase in quarter 1 of this year, rising from INR31 crores of the quarter 1 of FY '25 to INR84 crores in this quarter, underscoring robust demand and improved delivery capabilities. The contribution of technology solutions to total turnover rose from 51% in Q4 '25 to 54% in Q1 of this year, highlighting the company's strategic emphasis on high-value digital initiatives.

An investment of INR10 crores this quarter has been towards business development for U.S. market expansion, which is also expensed out through the profit and loss account in this quarter 1 of '25-'26. The employee cost as a percentage of revenue declined to 23% in this quarter from 35% on the corresponding quarter of last year, highlighting improved operational efficiency.

We added major contracts secured during this quarter, which include an MMRDA contract worth INR115 crores for being -- for selection of system integrator to monitor its infrastructure projects. We also added project management consulting project for around INR11.5 crores and an Autodesk software development contract of INR5.5 crores from MMRDA.

These contracts reflect the breadth of our capabilities and continued success in securing significant projects across various domains. We are focused on driving growth and continuing to deliver our commitments. We remain optimistic about the future and look forward to give more updates as well.

With this, now I open the floor for question-and-answer session. Thank you.

Moderator: The first question comes from the line of Garvit Goyal from Nvest Analytics Advisory LLP.

Garvit Goyal: Congrats for decent execution in this quarter. My first question is, in previous call, we did speak about some big orders worth more than INR200 crores, INR250 crores, to be received in 1 month or so.

Since then, we did not receive this much order that we mentioned in the earlier call, while we speak about quarterly pipeline of INR300 crores to INR400 crores with 70%, 80% success rate. So I want to understand from you, what is stopping us to get these orders? I agree that we can't look on quarter basis, but now it's almost two quarters where we did not get some major orders that we guided for.

So I just want to understand what is the actual picture on ground level? So that's my first question.

Prashant Kamat: This is Prashant. Let me try to address this and request Kaushik to add some more flavors. The major orders we were anticipating were from Jal Jeevan Mission, which was government scheme. But probably you know government decided to take a stock of the situation and they wanted to do the audit, the entire program of Jal Jeevan Mission. And that's where they put everything on hold.

And some of the results are also affected because of that. I guess that audit is coming to the -- towards the fag end, almost finishing and that pipeline should open now. So the guidance got delayed, it didn't vanish. That's the broader picture. Kaushik, do you want to add something more?

Kaushik Khona: No, that's correct. I think that's fair. I mean it's -- and the guidance given was valid and continues to remain valid. I think that's what Prashant ji said. Next question, please.

Garvit Goyal: So can we expect orders in Q2?

Prashant Kamat: Yes, we do expect the orders. Putting a timeline will depend on how fast government moves in terms of this -- removing that lock on the Jal Jeevan Mission. As soon as that happens -- we are already in -- I would say, in terms of qualification and the winning probability, we still remain

at 80%, which we had told you long back. But unless government clears that for moving forward, it will be very imprudent on our side to put a definitive timeline.

Garvit Goyal: Got it. And secondly, on the Vidarbha River linking project, while we were looking to execute INR150 crores worth of contract this quarter, it seems like it did not materialize. So what is the current update on that, sir? And how much did we execute in Q1? And by when do we see the completion of this project?

Prashant Kamat: This project we started already execution. The number is nowhere close to INR150 crores. Again, it's not because of us. We are fully ready -- cranking to go. But because government wanted to systemize some of their side of the stock, the project took off slowly.

Also, I think we did close to about INR30 crores, INR35 crores of order execution. So there is a large part of this order will get executed in coming months. But what we anticipated on river linking, we were able to do it from other projects. So our results still remain good.

Garvit Goyal: Got it. And lastly, on the inorganic opportunities part. Last con call you mentioned about 2 opportunities where due diligence was expected to be completed by the month of May or June. So what is the update on that, sir? And anything material happened on that side?

Prashant Kamat: Both of the things are moving pretty well. But you would probably appreciate that it is a M&A. So, timeline typically doesn't stay as optimistic as we would love to. Therefore, it will go back and forth. But both are positive, both are moving in good direction and both are at the stage of due diligence.

Garvit Goyal: Understood. And how this quarter is going on, sir? Can we expect Q-on-Q growth like last we guided for, like where we will be growing Q-on-Q basis?

Prashant Kamat: As we have always said, no forward-looking statements. We can tell you that we don't see any momentum reduction. We will continue to maintain our momentum.

Moderator: The next question comes from the line of Shubhankar Gupta from Equitree Capital.

Shubhankar Gupta: First of all, congratulations on the great set of numbers, really good results. There are 2 questions from my end. First question is on the segmental revenue split. And how I categorize geospatial is, first, let's say, between water, auto using Allygrow, what is the segmental revenue split for this quarter and for last financial year? That's one question.

Second question is split between orders from domestic, international, and then within domestic, government versus private split?

Prashant Kamat: Kaushik, do you have any...

Kaushik Khona: Yes. So, I think the segmental split is already published where the geospatial and engineering services have contributed to almost INR72 crores. The technology solutions have contributed almost INR84 crores. And when we talk about the split between government and the

organization, the domestic is more or less -- I would say, 85% of the domestic turnover is from government, 15% remains from the private corporates.

On the export and -- sorry, the international revenue and the domestic revenue, this quarter we had an international revenue of around INR7.5 crores out of the total turnover of INR156 crores.

Shubhankar Gupta: Okay, sir. Got it. Sir, actually, from the -- and second question is clear. In the first question, I was more keen on...

Moderator: The line for the participant has been dropped. The next question comes from the line of Raj Saraf from Finvestor.

Raj Saraf: Sir, first of all, congratulations for the stellar set of numbers. Sir, just wanted to have a reason that if I see the revenue which is in geospatial and engineering services, so it has increased, but the margins have decreased. So what could be the reason sir?

Kaushik Khona: So, Prashant ji, should I take this?

Prashant Kamat: Yes, yes. Please.

Kaushik Khona: So, as I think you must be aware, last time also, we had explained that our focus will be to enhance our margins. And geospatial and engineering services continue to provide the margins as we have been doing in the past. However, our focus of our higher margins business is on the technology solutions. And if you see the overall numbers, the geospatial have been, in this quarter at around 15%, 16%, while the margins for the technology solutions have been in the range of around 30%. And that's where we would like to build up more deliveries in the future.

The split between geospatial and technology solutions is by, I would say, default in the sense the way we execute the projects. The project has elements of geospatial and engineering services, and they have also elements of technology solutions. So the numbers will vary based on the execution of each project, and therefore, segment revenue is guided by that.

Raj Saraf: Okay. So we are mainly focusing on technology solutions, not on geospatial margins?

Kaushik Khona: We are focusing on both, but obviously, greater focus remains on development of technology solutions, and that can also be seen from the fact that quarter 1 of last year our turnover on the technology solutions was INR31 crores, and this quarter it is INR84 crores. So it's more than double.

Raj Saraf: Okay sir. And the second question is on the order book only, sir. So, we had executed like INR156 crore orders in this quarter, but whereas the order booking is now slowing down. So -- and you are mentioning that Jal Jeevan Mission is also on hold from the government and there could be a slowdown on that side also. So how could we assess order booking going forward, because without increased orders, we can't see companies going to deliver more growth?

Kaushik Khona: So, Prashant ji, should I take this?

- Prashant Kamat:** Yes. Let me just take it. Look, our quarterly revenue is INR157 crores. So, annualized revenue plus growth on quarter-on-quarter basis, you can pick up a number somewhere about -- I don't care what that number exactly would look like, somewhere between INR600 crores, INR700 crores. And if you really look at that number and plot our order book, we are always sitting on 2 years of order book as of now, end of this quarter.
- Counted for growth, you can say 18 months. So -- and we are almost 100% certain that within these 18 months, we would have our order book much larger than what we are having today. What I said was there was a temporary hiccup because of this JJM putting everything under audit. It's coming to an end. So, we would see orders taking off from here.
- We don't see any headwinds in that sense for the business, if that was your question.
- Kaushik Khona:** Also, Mr. Saraf, if I can add. First is, in the beginning of the quarter, our order book was INR1,197 crores. And as we speak, it is INR1,209 crores. So, there is no reduction of the order book.
- But you are right that order book growth has been a little slow. While one of the contributors, Prashant sir has already mentioned, we are also -- we have also kind of bid for other projects other than JJ Mission also, which are awaiting the final kind of approval. So, we would probably see that happening within this quarter, with quarter 2, quarter 3. So, it's not something that order book is not happening. It's only a time gap by which the new orders are awaited.
- Raj Saraf:** Sir, thank you very much. Sir, if you can allow me to put single question more?
- Kaushik Khona:** Yes, please go ahead. One more question?
- Prashant Kamat:** Yes, I don't think -- Yes, I don't think the conference people have restricted it yet, so you have a choice. Go ahead.
- Raj Saraf:** Okay. Sir, how is our subsidiary doing sir, the Allygrow, which we have incorporated, and how we look at that growth and how it will contribute to our consolidated margin going forward?
- Prashant Kamat:** Subsidiary is already merged with the parent. There is -- you won't be able to see it that way. But there is the other way if you really look at the numbers. In terms of international revenue, which is probably coming from this subsidiary, has grown almost, like, 20% quarter-on-quarter. It's been good, to answer your question.
- Raj Saraf:** Okay. And on the margins sir, margin profile, if I say from the effective, how it is sir from the....
- Prashant Kamat:** It's also doing good.
- Moderator:** The next question comes from the line of Meet from Niveshaay.
- Meet:** Sir, I would like to understand the role Surej Sir is playing in this financial year. What kind of initiatives or verticals he is currently involved? And he is directly engaging in any part of acquisition process or leading any new strategic focus area post-acquisition?

Prashant Kamat: Okay. Surej is the CEO Designate for the CS Tech as a whole. He will be taking over from me on January 1, 2026. And until then, yes, he is playing active role in all day-to-day operations as well as strategic initiatives of the company. If your question is, is he involved on a day-to-day decision-making review, operations?

Answer is yes. Is he involved in M&A and is he actively participating? Answer is yes. In fact, some of these acquisitions are being driven by Surej personally.

Meet: Okay, okay, sir. Sir, what portion of this quarter revenue is unbilled, either in percentage or actual term?

Prashant Kamat: Sorry, what was -- what did you ask?

Meet: What portion of this quarter revenue is unbilled?

Prashant Kamat: Unbilled?

Meet: Yes.

Prashant Kamat: Surej? Sorry, not Surej. Kaushik?

Kaushik Khona: This quarter's unbilled percentage will be in the range of around 50%, 51% -- 50% -- around 50%.

Meet: Okay. Also, sir, could you update on the cash flow situation? Has the inflow materialized as projected in Q1? Or have there been any delays on side of cash flows?

Kaushik Khona: So, I think -- if I can take, Prashant ji.

Prashant Kamat: Yes.

Kaushik Khona: So, I think, we have already explained that there is a cash flow surplus of INR127 crores. Secondly, there is -- as -- we already mentioned that there is a unbilled revenue, which obviously will be billed once the milestone to bill is available. And therefore, that also will materialize. So, cash flow situation does not seem to be any issue over here. On the overall perspective, the net surplus is what we already mentioned.

And even though we have the government context, I think the realization of the revenues are as per the plan.

Meet: Okay could you provide any qualitative remarks on what are the plans for the international expansion like? And how do you intend to execute them? Just some brief qualitative remarks will be helpful.

Prashant Kamat: I think our international outlook has not changed at all. Our strategy has not changed at all. We will continue to increase international revenue as a percentage of total revenue. And one of the

reasons why Surej is coming in, that is his primary mandate to achieve that objective. That will be through both inorganic as well as organic growth.

Meet: Okay. And sir, any remarks on the latest progress in the river linking project?

Prashant Kamat: As I said, the execution has started, not at the pace we would have loved, we had targeted, but that's primarily because of the delays from government to set their house in order, not from our end. But it looks like everything is being set correctly. So we should continue to see higher and higher revenues every quarter during the current year.

Moderator: The next question comes from the line of Akshay from AK Investment.

Akshay: My first question is, currently, we have an order book of INR1,200 crores. And I think you have previously mentioned that execution timeline for the same is around 18 months. And about the new order flow, so in FY '26, remaining FY '26, how much can we expect the new order flow in all our categories?

Prashant Kamat: Kaushikji, please.

Kaushik Khona: So based on the opportunities which we have identified and we have bid and based on the opportunities which we expect to happen, will -- based on the programs which we are following in quarter 2, quarter 3 and quarter 4, we expect that at least we should be able to grab a fresh order book. I mean, this is again subject to the external factors, but our target is to at least get around INR800 crores to INR900 crores additional order book during this financial year.

Akshay: Okay, sir. And sir, my second question was on the -- our cash flow conversion. So, our cash from operations in the last year was very miniscule, at INR6 crores. So how much cash flow from EBITDA we can convert this financial year in FY '26?

Kaushik Khona: So, I can talk about quarter 1. Our EBITDA is all converted into cash flow. If you look at the net EBITDA, which is around INR30 crores, our cash flow accretion has been in the range of around INR27 crores. So, whatever is earned as an EBITDA is forming part of the actual accretion to the cash flow. We will be able to comment upon the next quarters as we go through.

Moderator: The next question comes from the line of Deekshant from DB Wealth.

Deekshant: Congratulations on the great set of numbers, management. So, first question is sir, do we...

Moderator: Sir, sorry to interrupt. May I request you to use the handset? Your audio is a little low.

Deekshant: Okay. Sir, one thing is clear that there is clear opportunity with Jal Jeevan Mission and the other government projects, but it also seems to be a risk for us, government being the risk. The timeliness of these orders, execution from their end is our risk. How do we plan to diversify this risk going ahead?

Kaushik Khona: Prashant ji, if I can, on the execution part?

Prashant Kamat: Yes, yes. Please.

Kaushik Khona: So, on the government, first of all, we don't see that government as a risk. So that's one thing because we have been in the business where we have been serving government and executing orders of government since last more than 17, 18 years in the geospatial era itself. And we have never seen any bad debts or any kind of risk, and that's financial risk.

Now question is, there would be some delays based on the government process, which is also factored into while we bid for a contract or while we execute. So, whatever kind of known or estimated risk which could have, have already been built in while we project for that. As regards diversifying, or I would say mitigating, we have always been focusing on those government orders where we know that there is a funding plan already approved. We don't go for those government orders where there is no visible funding. And therefore, we are sure about getting the funds released.

It could be a matter of delay of 30, 40, 50 days as compared to what we would have projected, but it is still part of our process. The -- another way to mitigate is obviously to try to reduce the percentage of the government business in the total, without reducing the actual numbers in the perspective. And that is being planned as a strategy by way of inorganic growth and focusing on international revenue, which I think Prashant ji has already mentioned in this as well as the previous investor calls.

Deekshant: Yes. Sir, firstly, thank you so much for the clarity there. By risk I don't mean that failure of payment. By risk I mean a delay of execution timeline as stipulated by the government, and that is not in our hands for sure. That's uncontrollable for us.

Do you think going ahead is there some sort of revenue mix that we are targeting that you can give us some sort of directional guidance towards? Not specific numbers, but even ballpark would help, let's say, 18 to 24 months from now?

Prashant Kamat: So, what we had said -- we didn't give a time line of 18 to 24 months. We had given probably a little longer time line. But what we had said was our current peak is like 70-30 in favor of Government of India. We would like to be somewhere in 60-40, 70-30 in favor of international business to India business. And that's the target in which we are working right now.

Deekshant: Is there any internal time line that we were working with this? Or is it much more open-ended right now?

Prashant Kamat: No, we had said we will target to achieve this within 3 years. And right now that's what we are working towards. That is why M&A piece is there

Deekshant: That's good to hear, sir. Sir, my last question is on -- directionally, we are looking at next -- the orders that we have built up and you alluded that even if we look at our order book, it's strong and accounting for growth also we have next 18 months of orders figured out. So that's not a problem. And as soon as the international business starts coming in our favor, we will have a larger order book. So where it is that we are seeing a growth accelerator for us?

So what is that one thing or those couple of business factors that we are looking in, geography related or client related, that we are accelerating on right now? What are the key areas where we are trying to get these orders from? If you can give us some sort of...

Prashant Kamat: Geography is U.S., actually it's the technology business. And once we have those orders, we will explain you a little bit more. But right now, these are the absolute correct bucketed answers.

Deekshant: Is it in the geospatial range that we are looking in U.S.? Or are we looking at our subsidiary business through U.S.?

Prashant Kamat: As of now, both, but largely in geospatial.

Deekshant: Okay sir. Sir, do you -- can you guide us that when can we get more clarity on this next quarter maybe?

Prashant Kamat: Maybe couple of quarters.

Deekshant: Okay. But in this financial year?

Prashant Kamat: Yes, 100% in this financial year.

Deekshant: Got it. Sir, congratulations again for great numbers. Wish you the best -- all the best to the team.

Moderator: The next question comes from the line of Debashish Neogi from Abaan, India -- Abaan, Dubai. As there is no response from the participant, we'll proceed with the next participant.

The next question comes from the line of Kaushal Sharma from Equinox Capital Ventures Private Limited.

Kaushal Sharma: Very congratulations for getting a higher margin in the business. So my question is on your margin side, like we improved our margin -- EBITDA margin from 17.9% to 19.3% and we have seen that employee cost has dropped drastically and project and operation cost increased so much. So what is the key reason of that? And will this margin be sustainable in future?

Prashant Kamat: Yes. So, I think your observation is right that margins are improving. And I will answer your last question first. It seems that the margin sustainability will be there because, as we had already explained at the beginning of the meeting that our focus will remain on building up more of technology solutions where we see a higher margin. That's point number one.

The employee cost has reduced not because employee cost per se has reduced. It is basically the efficiency has been improved and because we are executing more projects with the kind of set of technology, the infrastructure and the technical know-how we have of the people.

So, I think, as we grow, I think the percentage of the employee cost to the total obviously will go down. As regards the other operational costs, they are specific to the respective contracts. Now there will be certain contracts where we have outsourcing costs, where we have contractual cost, and therefore, their numbers will be a little higher.

There will be certain contracts where we only have to provide technology solutions where we depend more on our technology or our solutions, which we build in-house, where the other costs will be lower. So, it will be difficult to say what percentage of other cost will continue. It will obviously depend on the nature of project which we execute.

Moderator: The next question comes from the line of Debashish from Abaan, Dubai.

Debashish: Congratulations for the great set of number, sir. My question is on the organizational structure and the integration. So, we have been taking senior people, okay, to -- so my question is that how now the structure is? For example, Mr. Surej, what would be his role?

Then we have Rashi Mehta whom we have given ESOPs. So, what are their roles? Are there specific roles or they are helping us in business development?

And how it is integrated? What I mean how it is integrated, sir, you can give an example because we have a geospatial, we have a tech business. We have government, nongovernment, we have India operations, and we have operations outside of India. So how do you -- is there synergy between the operations? And if you can give an example specific to a project, that will be of great help, sir.

Prashant Kamat: I'm sorry, I didn't understand the second name you took. Surej, I understood. Which was the second name you took?

Debashish: Rashi Meta, which is already...

Prashant Kamat: Rashi has already resigned last quarter.

Debashish: Okay, okay, sir.

Prashant Kamat: Okay? So, I think...

Debashish: The synergy of the business...

Prashant Kamat: Let me try to address your concern. Okay? Rashi Mehta resigned is a secondary thing. Basically, if you look at CS Tech right now, and I was looking at some numbers, within 2 years, within 3 years, I think 3 years, our revenue is almost quadrupled. Our profits are almost quadrupled.

And we are in a very different league today than what we were just about a couple of years back. So, what we are trying to do here is trying to manage this growth, and therefore, we also need a strong management team. If we raise money and our intent was very clearly defined, I think, during the beginning of last year that we want to grow our international presence. And that can happen along with organic growth. Of course, we also need to look at inorganic growth.

So, when we hired Rashi, the intent was that she would help us in growing the international acquisitions and take it further to that. Unfortunately, that didn't work out. She decided to separate out. But the reason we have hired Surej is, as I said, from 1st of January '26, so which is like 5 months away from today, Surej is going to take over as the CEO of the company.

The reason we need this international management bandwidth is, otherwise, if we go at the pace at which we are growing into the acquisitions and we don't have a correct management bandwidth, we will face issues in the medium term and which we are trying to circumvent before it arises.

Debashish: My second question, sir, is in terms of the debtors and creditors number of days outstanding. While this has been answered in the past 2 con call back, but it's a stark difference between the receivable and the payable. While I understand that payable also is a milestone and we have a back-to-back arrangement, until we get payment, we don't pay the creditors. But the difference is huge, sir. So, I don't understand how can we have creditors who are not paid for more than 2 years in terms of number of days?

Prashant Kamat: I think you already answered that -- Kaushik ji, you can give the flavors of it and details of it. But I think the question you asked, you already answered that. If I have a back-to-back arrangement and there are some projects which government put on hold and there is obviously the party from which we got the work done, we will not appreciate. We don't have that obligation. But Kaushik, you can add more flavor to it?

Debashish: I understand that. My question is that in terms of debtor days, say, as of March, it is 221 days, whereas the payable is 766 days. I think it's too, too large difference.

Prashant Kamat: Kaushik?

Kaushik Khona: Yes. So, if I can analyze based on March number because June balance sheet, although I have, we don't publish as required because it's not required. Even on March numbers, the debtors which we had was -- in absolute terms was around INR120 crores. And if we talk about the March numbers, then it was around INR420 crores. So, debtors were not that much.

The debtors were less than 120 days. That's point number one. Creditors, you are looking at the creditors based on the cost of purchase or cost of material or cost of other operating costs. I would rather look at overall cost because there are certain costs which are also part of the back-to-back arrangements.

So in my creditors, total liability, current liability was INR158 crores, of which the creditors per se was hardly INR75 crores. Now the INR75 crores on a total operating cost of INR275 crores would be what, around 140, 150 days. So, I think they are in sync with what the arrangements have been made with the creditors.

And there is no overdue creditor as such because they are all aligned as per the contract. So, I think the numbers perhaps or the calculation we need to revisit. They are not as significant as you see.

Debashish: So, do we have a negative cash conversion cycle?

Kaushik Khona: No. We -- I think in the first earlier question, we've already answered that when we talk about this quarter, I mean, this quarter, the net EBITDA is around INR31 crores and INR30-odd crores.

And the cash conversion out of that has already happened of around INR27 crores. And the balance, which is unbilled revenue, which I already mentioned, that is in the range of around INR75 crores, which is expected to happen during this quarter 2, quarter 3. So, there is no negative cash as such.

Moderator: The next question comes from the line of Darshil Jhaveri from Crown Capital.

Darshil Jhaveri: Firstly, congratulations on a great set of results. Hopefully, I'm audible. So, sir, I just wanted to ask like you said around INR800 crores, INR900 crores orders we are targeting this year. So those -- what is the estimate of Jal Jeevan Mission from that, sir?

Kaushik Khona: Out of, again, INR800 crores, INR900 crores is expecting to close, while our pipeline will be higher than that because there is a time line for any pipeline to materialize. So, we are not expecting every pipeline to materialize during this financial year. Out of INR800 crores to INR900 crores, the Jal Jeevan would be in the range of around INR400 crores as of now.

Darshil Jhaveri: Okay. Okay. The only reason I was asking is that because if it's on a pause right now for some time new order inflow, so even the tendering process to start and everything would take some time, right? Would it be fair to assume that even if it starts like after Q2, then it would take around, like 5, 6 months more to materialize or it would not have like a -- it would be very back-ended? Or how would the time line work, sir, if you could like -- if a new order had to come?

Kaushik Khona: Yes, sorry. So, when I say INR800 crores, INR900 crores, there are certain opportunities which have already been tendered or already in pipeline. And the pause which happened in the last quarter, which is from April, May, June, that pause is expected to be resolved.

So it's not something that I'm counting new opportunities because new opportunities anyways take around 6 to 7 months, which we don't normally count as a part of our fructifying the opportunity. So these opportunities have already started for which either we have bid, or we have started working on those opportunities, and we expect those to fructify within this financial year.

Darshil Jhaveri: Okay. Okay. Fair enough. That helps a lot, sir. And sir, I just wanted to know current quarter, our tax rate was very minimal.

So, is there any reason for that? Or like overall for the full year, what kind of tax rate can we assume, sir?

Kaushik Khona: So, tax, it's basically only because of, there is a net of tax credit of around INR8 crores, which was an excess provision of last year, which is reversed. So if you look at current tax, we are at the same 22% and that 22% tax rate applies to us across all the quarters. There is a credit of around INR7.6 crores, which has brought down to effective tax rate going down.

Darshil Jhaveri: Okay. Okay. But overall, our tax rate is around 22%, right?

Kaushik Khona: Correct. That's correct.

- Darshil Jhaveri:** Yes. Fair enough, sir. And sir, just wanted to know like we've had amazing margins this quarter. So, as we scale up our revenue, will we get a higher operating leverage or the margins, like Q1 performance, we should assume as a new base? And how do we see that, sir?
- Kaushik Khona:** I think this has also been addressed that as we grow, and we are trying to catch up the higher value chain. And therefore, we are trying to address the technology solutions platform more than what we were earlier doing. And effectively, we expect the margins to sustain or maybe grow a bit.
- So even if we are growing at a higher pace, as we already mentioned that we grew by more than 100% as compared to the previous year's same quarter, the margins have actually increased. That is because of the order mix or the kind of the way we have executed higher technology platform solutions.
- Darshil Jhaveri:** Okay. Fair enough, sir. And just like one last question from my end. Like I think we had around -- we've done some expenses of business development in U.S. So it's a 2-parter.
- So how has that been going? And does like the Trump tariff make people a bit hesitant in ordering? Or how does that flow, sir?
- Prashant Kamat:** Okay. Trump, tariff is -- day before yesterday's issue, so we need to see what happens. In terms of investment in the U.S., as I mentioned, from last quarter to this quarter, our revenue has grown by 20%. So, we are seeing that results start to coming in.
- Moderator:** The next follow-up question comes from the line of Shubhankar Gupta from Equitree Capital.
- Shubhankar Gupta:** I have 2 questions. First is on the segmental breakup of the current INR1,200 crores order book. Just a small slip between geospatial and technology there. And second question is on the other income bit. So, I see a massive increment in the other income bit, roughly a 200% increase from -- I think, around INR15 million to INR47 million.
- So, what exactly comprises that? Can you give a breakup of that as well?
- Kaushik Khona:** Sure, if I can just take. You first asked about the breakup of the order book.
- Shubhankar Gupta:** Current order book, yes sir.
- Kaushik Khona:** Current order book. So out of INR1,200 crores -- INR1,209 crores, approximately INR765 crores is on geospatial and approximately INR445 crores is in Technology Solutions. Second question, you asked about the other income, which I think on the overall perspective, it is insignificant, but it comprises of the interest income on the surplus deposits which we have.
- And if you look at -- in the fixed deposits which we have. And if you look at the overall other income, it also is contributed by the share of profit from the JV which we have, which is the Allygram, where we hold 70% of the stake, which also has contributed to almost INR2.59 crores.

So effectively, when we look at other income, the INR7 crore is mainly made up of these 2 elements, INR4.6 crores for interest income and INR2.6 crores for share of profit, which in a normal partner, I would treat it as operating income. But in the investor presentation, we don't show it as operating income because they are from the surplus or strategic investments.

Shubhankar Gupta:

Got it, sir. That's clear. And sir, okay, just a follow-up the INR1,200 crores order book. So we are -- our strategic focus is to transition more on the Tech Solutions bit because that is higher margin, right? So, barring the current order book, our focus will be more on the Tech Solutions bit because of the margins.

And sir, what split are we foreseeing post this current order book is completed? I think you mentioned it, but I probably was not able to capture it.

Kaushik Khona:

No, we did mention the breakup into geospatial and the Technology Solutions. But every order, I mean, typically, most of the large orders would have an element of geospatial and would have an element of Technology Solutions. So, it will be difficult to right now identify how much portion of that will be fragmented in these two.

But what we are strategically aiming it is to have such order book where the portion of Technology Solutions is higher, where it is a combined solution, and target on replicating the solutions which we had already done on the Technology Solutions part. So I won't be able to give you the breakup of what would be between the geospatial and technology for the new order book.

Moderator:

The next question comes from the line of Kshitij Saraf from Tusk Investments.

Kshitij Saraf:

Congratulations on the continued good performance. My question is around the structural shift more towards Technology Solutions business unit. Just wanted to understand in terms of, A, offerings, and B, geographies, is it safe to say that the focus is more on technology solutions, more on the North American market and some color around your strategy and how you're thinking about the company's evolution over the next few years would be helpful.

Prashant Kamat:

This is Prashant. I just want to caution a little bit on this topic. Because margins are good in offering technology solutions, that's our focus. That's the correct conclusion. But we are not leaving geospatial engineering or geospatial space.

What we are actually trying to do is pick up the projects where even though it is in the geospatial arena, we will be using new technologies like artificial intelligence, like IoT, like controls, all of that stuff. And for that, whichever are the projects which give us correct margin profile are the projects we are going after.

Geographically, this is applicable for U.S., this is applicable for Europe, and this is also applicable for India. So, if your conclusion is we are going only after technology, no, that's not true, correct picture of our business. What we are trying to do is apply the new technology in the geospatial arena and try to improve the margins. That's what the correct picture will be.

Kshitij Saraf: Understood, Prashant. That's helpful. My question is more around sort of the incremental focus going forward, because at some point the order book and sort of the government spending on these projects might cap out and as we increase in size, we would be looking for new geographies and for new offerings, as you alluded to earlier.

So, on the inorganic side, in this case, could you just let us know what you're looking at any sort of acquisition assets? What are they into? Are you looking to acquire geospatial across geographies? Or are you sort of open to any other verticals, the 4 intersections you mentioned in the deck?

Prashant Kamat: As of now, we are -- a couple of the acquisitions which we are pursuing, both of them come from geospatial, but both of them also come from the technologies, newer technologies which don't exist in CS Tech today. So, vertical will be geospatial. Technologies will be new. That's what we are looking. And geography, both the acquisitions serve U.S. as well as Europe.

Moderator: The next question comes from the line of Harsh Mulchandani from Toro Wealth Managers LLP.

Harsh Mulchandani: Congrats on great set of numbers. We just mentioned that we have INR800 crores to INR900 crore bid pipeline. I just wanted to understand how much of it is towards the Jal Jeevan and what -- how much of it is towards other projects? And if you could give some flavor on the kind of projects at which we are bidding?

Kaushik Khona: Let me just step in. I already clarified that INR800 crores, INR900 crores, which we are expecting to close this financial year, includes around INR400 crores, which is Jal Jeevan opportunities.

Harsh Mulchandani: Okay. And then the rest is?

Kaushik Khona: The rest is on the technology platform, where it includes some of the replication of the technology which we already implemented in some of the projects. We are also working on 3D BIM and AEC opportunities for geospatial, where we added some more technology enablers in this quarter -- in the last 2 quarters.

Harsh Mulchandani: Okay. So just for simpler understanding, the tech platform when you mentioned, could get classified under the tech revenues for the business, the higher-margin business?

Kaushik Khona: Yes, that's correct.

Moderator: The next question comes from the line of Deekshant from DB Wealth.

Deekshant: Sir, when we talk about our technology services, as you mentioned that it is a couple of AI products and platform services that we are looking at now. But could you just paint us a word picture as to what kind of benefits it is giving to our client and how are we positioned in a unique manner that is giving us that competitive strength?

- Prashant Kamat:** In terms of client, it is always faster, better, cheaper. So are we doing that? With what we are doing, our AI engine running, we are addressing both of these aspects faster and better. It is more accurate and it's much faster. What was your second question?
- Deekshant:** So, can you just paint like a word picture as in what is the exact product that we are offering? Who is the PG for us? What kind of services are we giving them?
- Prashant Kamat:** Okay. It's a little bit of more technical, so bear with me for a couple of minutes. Typically, when we are doing the work after the scanning, either by LiDAR or by the Aerial or whatever source the camera will capture the data. In terms of processing, it needs experience and a lot of people to clean up that data pre-process, then identify specific objects and then give the maps or give the objects on the assets – assets sold out.
- What we have developed is the artificial intelligence layer to do all this manual intervention and give the results faster and more accurate as well as the quality of the end result. We have been able to convince multiple customers, not just in India but outside India, that the developed product from our side gives results much better than what is available commercially with them and the data which they throw over the wall to get processed from low-cost countries. And that's the reason we are able to see the more traction in that area.
- Deekshant:** So, the cleaning and segmentation of data is done by a technology services business. And what kind of sort of target audience are we looking at in U.S.? Is it private players? Is it government or...
- Prashant Kamat:** It's not government in U.S., it's the private players. And all the utility segments is what we are targeting. Same like India, energy as well as telecom as well as road assets.
- Deekshant:** So that means that if the infra spends in U.S. start going up in the private space, that would be a direct sort of opportunity for us if that's energy space or if that's water space, something like that? Is that the right thought process, sir?
- Prashant Kamat:** Yes, yes.
- Deekshant:** So, the transmission lines that U.S. is now also looking into and expanding their power and energy requirements, that's a clear opportunity for us in the geospatial and technology services?
- Prashant Kamat:** Absolutely, yes.
- Moderator:** The next question comes from the line of Arup Dey, an individual investor.
- Arup Dey:** Could you provide any guidance on revenue and PAT margin for FY '26?
- Prashant Kamat:** No. We have said we will never give forward-looking statement.
- Arup Dey:** Okay. Okay. And what is your size of your L1 order book?
- Kaushik Khona:** So, as of now, it is INR1,209 crores after the first quarter.

Prashant Kamat: No. Kaushik, Kaushik, he is asking L1, not the closed.

Kaushik Khona: L1? In the sense?

Prashant Kamat: This is what we have bided and we are at L1 stage. Generally, we don't give that information.

Kaushik Khona: Yes, we would not be able to provide.

Prashant Kamat: Yes, it could be misleading.

Arup Dey: So, you can provide pipeline? Can you provide that pipeline order book?

Prashant Kamat: Kaushik, please.

Kaushik Khona: So, we have already bid for some opportunities. We have identified certain opportunities which we see that we'll be able to bid in this quarter or next 2 quarters. We are also expecting based on our experience that during this financial year, we should be able to get a fresh order book of around INR800 crores to INR900 crores. Pipeline will obviously higher than that.

Moderator: The next question comes from the line of Jigar Shah, an individual investor.

Jigar Shah: So many congratulations for a good set of numbers. We are saying that now we are delivering these results consistently. I just wanted to know about the Chennai development center which was recently opened, and I found it on LinkedIn. So like is it completely utilized for our deliveries or we are just in a mode of scaling up that particular center? That is my first question.

And are we planning to open any other development center in the future in any of the Tier 2, Tier 3 cities?

Prashant Kamat: Okay. On Chennai development center, it is fully operational and occupied. It is a customer requirement. Caterpillar was our customer, and they requested us to be nearshore to increase the engagement as well as to increase the business. That is why we opened the Chennai.

We were already working in their center prior to opening this on our own. That's the story on the Chennai. Will we open any additional centers in Tier 2, Tier 3? Answer is always yes, but it will be subject to the opportunity either in terms of customer or in terms of resources availability.

Moderator: Ladies and gentlemen, we'll take this as the last question for today. I would now like to hand the conference over to Mr. Surej K P for closing comments.

Surej K P: First of all, thank you, everyone, for being on the call and for the host as well. So it's my pleasure to be on the call. I know a lot of questions were asked about my role. I'm pretty sure Prashant answered your questions on that. Just a couple of points I would like to mention in closing.

As you would have seen, just to mention the obvious, I would like to reiterate the fact that we have more than outperformed the industry and the market. I think you must have seen from the numbers, and I'm sure all of you look at the market very closely.

So very glad to have delivered such a result in this quarter. Also another important point from a number standpoint is that typically, if you look at the last few years, our Q1 has trailed behind the Q4. But this time we have clearly brought the change of the Q1 has beaten the Q4 numbers.

And this is a clear indication of our strategy is working and a stronger outlook for the future. And just from -- coming from a technology background like Prashant, I just wanted to add a couple of quick points here. I think many of you had a question related to technology. So in terms of how we are trying to leverage technology to grow, it's clearly building in enablers from a technology standpoint to go after the same markets that you have seen here. We built significant capability in the market as you will see.

And these technology tools, leveraging the best-in-class and latest cutting-edge technology like AI and other technologies, would help us be ahead of the competition in terms of speed, in terms of quality as well as the alternative solutions to what is available in the market today, which we believe will put us in a very strong position in the coming quarters. Thank you all once again.

Moderator:

Thank you very much. On behalf of Arihant Capital Markets Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.