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To

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Subject: Transcripts of Q2 & H1 FY25 Earnings Conference Call dated October 21, 2024.

Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BSE Scrip Code: 543599; NSE Symbol; KSOLVES; ISIN: INE0D6I01015

Dear Sir/Madam

Pursuant to the abovementioned Regulation, please find enclosed herewith the transcripts of the Q2 & H1 FY25 Earnings Conference Call dated October 21, 2024.

You may also find the transcripts on company's website at <https://www.ksolves.com/investors>

This is for your information and records.

For Ksolves India Limited

Manisha Kide
Company Secretary & Compliance Officer



KSOLVES INDIA LIMITED

Q2 & H1 FY25

POST EARNINGS CONFERENCE CALL

October 21, 2024

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 Q2 and H1 FY25 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 detail us about the business, performance highlights for the quarter, their growth plans and visions for the coming year post which, we will open the floor for Q&A.

Over to the management team.

Ratan Srivastava:

Thank you. Thank you, Vinay ji. Good afternoon, everyone. Thank you for joining us today for our Q2 earning calls. I'm Ratan Kumar Srivastava, I'm the CEO and Founder of the Ksolves. With me, I have today, Manish - CTO, and Umang - CFO. Today, we will be discussing the result of this quarter, key highlights of our performance, and the strategic direction moving forward.

After our prepared remarks, we will be opening the floor for your questions. Now I will hand over this call to Umang. He will present you the PPT. And after that, Manish will give you the brief explanation about the technologies and what we are doing in the technologies, what we have done, what is our plan, and then we will have a question answer. So over to Umang.

Umang Soni:

Sure. Thank you, Ratan. Good day, everyone, and a very warm welcome. We appreciate you all taking the time to join us for the Q2 FY25 earnings call. Now, let me walk you through our financial performance for the quarter ended 30th September 2024. Manish, can we go on the next slide?

Yes. So, our consolidated revenue for the quarter stood at ₹34.82 crores, reflecting quarter-on-quarter growth of 10.3% and year-on-year growth of 34%. On the profitability front, profit after tax stood at ₹9.19 crores, reflecting 11.7% year-on-year growth and 2.7% sequential increase over the previous quarter. During the quarter, we made few strategic investments in global tech events and sponsorships, that position ourselves for the future growth.

And, we have also granted stock options to our key workforce as a strategic initiative to align their personal goals with the long-term growth of the organisation. This approach will help enhance our talent retention and motivation within our team.

We also, invested in premier talent in latest technologies as well as invested in senior lateral hires to reinforce our leadership team and strategically position ourselves for the future growth. Now coming to EBITDA margins, our EBITDA margin stood at 38% for the quarter two FY25, reflecting the year-on-year growth of 18%. The earning per share for the quarter stood at ₹7.75 per share. Now these figures highlight the strength of our underlying business model. Next slide. This has been displayed over the graph. Next.

Yeah. So, in line with our commitment to returning value to the shareholders, we have declared total interim dividend of ₹16 per share this year, which includes ₹8 declared this quarter. This move underscores our confidence in the business, our business and debt free asset light model, which consistently helps us in delivering a strong return ratios, including ROI and ROC. Additionally, our zero-debt status provides us ample financial flexibility to meet our future capital needs.

One important point here, that the finance cost reported this period pertains to interest recognised on lease liabilities associated with our right to use assets. Next. So, this is the brief overview of the company as a whole as displayed over the screen. And a key highlight would be our success that continues to be the trust of which we have built with our clients. So more than 80% of our revenue comes from the repeat customers.

At half year one, our top five client contributed 38% of the total revenue, and our top 10 clients contributed 52% of the total revenue. And we have 150 plus happy clients, and we're serving in 30 plus countries. And next. So, from a geographical perspective, we continue to maintain a strong international focus with 80% of our revenues coming from the overseas markets.

North America remains our largest overseas market with 79% share, followed by Europe 9% and rest of the world 12%. And domestic business contributes 20% of our total revenue. Next slide. So, revenue by technology. So, from technology perspective, Salesforce, Big Data, and Odoo continue to be the leading technology contributors. Open

Source, followed by then AI/ML, which contributes over 11% of the total revenue. And Development & Consulting Services represent 98% of our total business revenue.

Now revenue by industry in the next slide. So, we have maintained a diverse industry mix in our revenue streams, with technology remains our largest segment. We continue to serve broad spectrum of industries, including services, telecom, marketing, retail, manufacturing, Edutech, and BFSI.

So, these are all the financial updates for the quarter. In summary, these financial results reflect our consistent focus on operational excellence, strategic growth initiatives, and long-term value creation. So, with that, I will now hand the call over to Manish to provide insights on the technological capabilities. Thank you everyone for the continued interest in Ksolves.

Manish Gurnani: All right. I hope everybody can hear me. Thank you.

Umang Soni: Yeah. Thank you.

Manish Gurnani: Okay. Great. So, these are some of the awards and accreditations that Ksolves have received. I'll quickly move over to the future. So, what makes Ksolves grow where we are today. Number one, our growth drivers, our strategies, we focus very strongly on efficiency. Whereas efficiency, it could be in terms of technology. It is also in terms of resources.

We also do a lot of investment in upskilling our resources as well as participation in events as well as, building our own infrastructures. By infrastructure, I mean, our technology infrastructure. What this also helps us in is we are able to attract good talent because we are working on those technologies which are niche, which are considered high end.

Then, some of our recent initiatives. So, we are a Salesforce Summit Partner. We have participated in couple of international as well as domestic events. There are details about them also over here. This participation helps us get recognition at international level as well as it motivates the team also when they participate and get an experience and exposure from such events.

Next, we have done, we are focusing strongly on to certification for this year. We have received almost a good number of our developers are certified today on Cassandra. They are certified on NiFi. And these

are, like, some of our core technologies in Big Data. Then we have people who are certified on AI/ML also today. Just one more important point that I want to highlight is that we have set up a completely separate division for looking into AI and ML. This is because we have seen that AI/ML, including Generative AI, has been a strong area for growth.

And most of our customers are interested, and they are asking for some products or some services related to Generative AI. Keeping all of that in mind, we have a separate division today, and we have also hired a Senior VP of Engineering, Nishant Agrawal, who's again a very senior guy to lead that division. So, like I just explained, I'll just quickly skip it.

So, some of our, again, business strategies. So, one of the things that I'll focus on to over is and then, again, it will be mentioned in a later slide also that we have been focusing on to strategic partnerships. So, we have been trying to sort of forge partnerships with big tech giants. For example, we're in talks with Oracle. We're in talks with Red Hat. We are in talks with IBM. We are in talks with Dell. So, all and not only India, outside of India also. This is helping us get a partnership, sort of collaboration with them. And this is all tied to that participation that we are doing now at international level.

Okay. So, this is our regular software development service process. It is a normal SDLC that we follow. We basically, we gather all the requirements from client. Then, based on those requirements, we do design, and then we propose a solution which once it's approved, then we do the implementation. And finally, the product goes into support and maintenance. All right. So, this is the meet, I would say. What is that we're doing for technology? So over here, like I said, AI, including Generative AI has been one of our most coveted technologies, and we are looking into it for future very strongly. Second, Big Data.

We have seen tremendous growth in Big Data, specifically to technology that we work on Big Data, which are like your ETLs, your NiFi, your Kafka, and your Cassandra. Then third, Salesforce. Like I said, we are Salesforce Summit Partner. We participated in couple of Salesforce event also this year, and Salesforce has been definitely giving us very good growth. Number four, we have added to the overhead now is, we have DevOps, we have MLOps, and we have LLMOps.

Now what these ops means, some of these are tied to AI/ML. The one is the DevOps, which is the regular normal operations work. The LLMOps and machine learning ops, they tie to your AI and Generative AI based solutions, and they require a certain level of knowledge as well as expertise onto operation side of AI/ML.

So, most of the companies which work onto AI and Generative AI, they are expert, they may be doing good modelling, but they do not have expertise on how to deploy that model. And all Generative AI based, all AI based products, they need a very thorough knowledge of Big Data because without understanding of how do you ingest that amount of terabytes of data, you cannot build a good pipeline onto AI/ML.

So that is where MLOps and LLMOps help us. We have people who are certified with these technologies. The next is data analytics. Data analytics is again, one of our, we have seen that a lot of clients are coming with this. So, this includes your Power BI, your Tableau analysis using Big Data to give insights which can help stakeholders take intuitive decisions. That's all that data analytics concerns about.

Products, we're already there. Odoo, Salesforce, I have some details about some of those products that we have done in Odoo as well as Gen AI in future slide. And then yes, digital transformation. Digital transformation essentially means that whenever any company which wants to move from old infrastructure, old technology to new technology. When I say old technology, it could be that they may be doing, let's say legacy-based technologies.

And they want to now shift to modern technologies. Could be so that they can run these analytics. They can run your more AI based system. There's a significant technology shift that is needed, and we are helping our customers achieve that shift.

All right. So, these are a quick overview of some of the new technologies that we have included in the past quarter, almost half a year. So, one is data streaming. In data streaming, we are now working with StreamSets, Redpanda, and ActiveMQ. We already had certain technologies. These are the new ones that we have added to our capabilities this year, and these are some of the talked about technologies on the edge.

Similarly, for data engineering and AI, we are working with Databricks. We have people who are certified with Databricks. We are

working with, Data Factory, which is an Azure product. Very useful for building your ETLs. We are working with Power BI. We have people who have delivered projects on Power BI converting almost 400 dashboards from a legacy system into Power BI. A tremendous success, the client was also very happy with that.

LangChain, again, and it's used for Generative AI. Then another technology that we have been focusing on is now Data Lake. So, a lot of customers are coming to us. They have this need of storing all of this huge data. And this data could be in forms of PDFs, could be in forms of documents, and Generative AI needs all of that data.

So how do you sort of arrange and make sure that this all data gets stored in a way that it can be retrieved, it can be audited, it can be analysed very well. So, there's a concept of Data Lake. Within Data Lakes, there are certain technologies which are the market leader. One of them is Snowflake. So, we have people who are now working with Snowflake and they are building that expertise onto Snowflake now.

Similarly, other technologies, Hive, Hadoop, and then, another very we bought on the edge is StarRocks. StarRocks allows you to process terabytes of data and run analytics on top of that. Yeah. All right. So then moving to some of the major, I would say deliveries and case studies that we have done in the past quarter.

So, one of the major initiatives that we have taken is we have built, we are working on a Gen AI based Private GPT product. So, what the concept is, we all know about ChatGPT and its capabilities. But the challenge with ChatGPT OpenAI is that your data has to be sent over to OpenAI. A lot of our customers, because of the compliance requirement, they want that data to be kept within their own infrastructure.

They don't want to share that data, but they want to use GPT. So how to do that? So, we have built a Private GPT for them. It's like a product. And once it gets, everything gets installed within the customer's own systems, there is no data which is going to go out of their infrastructure. All data will be kept within customer's infrastructure.

They're using and then using this Ksolves Gen AI product, they can train their Private GPTs on that data. Now imagine if you have, other customers coming from finance, it's a financial institution. And they have their own, let's say a loan space system, and they want to query

something on that for one of their clients. They needed to go and search into different document, different policies.

With this system, they can do all of that using this Ksolves product. Secondly, imagine for customer support, you have to have a agent who could take your call and then who could reply to that. With this solution, they can now type in their questions, and this Private GPT will go and search within the document that are shared and prepare an appropriate response and reply back to that customer.

So, you get a completely white label solution deployed on the customer's premises, which is completely secure. No data going out, and it's like your own Private GPT. Okay. We have built integrations for this. So, let's say some customers were having data in different, what could I say, data sources. Some are having data, let's say stored in shared drives. Some are having data stored in Teams. Some are having shared data stored in Google Drive.

So, this system, this product can integrate with different type of these data sources and train itself from there. All right. Next. So, this is another, this is again one of our major Big Data related products, related to NiFi. So, Apache NiFi is an open-source technology, which is being used by any, I would say almost all Fortune 500 companies use that technology in one or the other way.

Now what happens is with the open source of Apache NiFi, there are certain limitations. It is very difficult to deploy or you take solution from, let's say one server to another server. There's no out-of-box capability built in that. Second is there is no proper security mechanisms. So, because of all these some of these limitations, a lot of customers had to do manual stuff.

So, what we felt was that this we identify this is a major gap. And if we could fulfil that, we could build a very unique product which can help our customers manage their Apache NiFi solutions very well. Keeping that in mind, we have built what we call a Data Flow Manager. This is a NiFi automation solution.

What it allows you is it gives you all the benefits of open source of Apache NiFi. And on top of that, it allows you to do certain things which are very critical for any deployments, but which were missing. We have fulfilled that gap, and we have given certain, we have built those capabilities in-house for this product.

I'll then move on to the next. So, moving on to now Salesforce. So, for Salesforce, we have built a product which we call as RollUp Magic. This is deployed on Salesforce AppExchange also. What it allows is, when you do have to do aggregations over certain columns, Salesforce does not have a very good solution for that.

When I say aggregation, it is like parent child, and you want to aggregate from those children. Very simple use case. You have, let's say, invoice. That invoices may have, let's say, 10 items in that, and you want to sort of sum up those, individual those. This way, you may have, let's say, 10 invoices. And you have to sum up those invoices from those line items, Salesforce does not have a very good solution for this. You have to do a lot of things manually.

So, we've built a product called RollUp Magic, which allows you to do all of this with only button clicks. All you have to do is you have to take this product, and it is available to you in your Salesforce domain. You just customise it. You sort of just drag and drop the columns that you want to aggregate, and it'll start giving you those results in real time. This has been very useful for many of our customers. All right. So next, this is another Salesforce product that we did. So, Salesforce, this is for analytics.

Now Salesforce provides a lot of tools to do analytics. But many of our customers are dependent on Google Analytics because Google Analytics is of all the website which we see, most of them use Google Analytics for analysing data. Now Salesforce data was limited within Salesforce portal only. How do we sort of use and if I want to push that data to Google's system and do analysis over there, how do I do that?

So, we have built a Google Analytics Collector. Again, very simple installation, one click installation. You configure it into your own Salesforce domain. And once it is there, you may have to do some simple customisations. Once they are done, all the data that you need to push for your analysis will now sync to Google Analytics also. Very useful. Customers, all the customers who have bought it, they are loving it. All right.

So, we have some case studies also. So, this is, again, one of very major achievement that we did for, Apache NiFi. So, this customer was, it's a U.S. based customer, and they were running NiFi using single servers. Now with single server, there were a lot of challenges that they are facing. They were not able to, scale it. There was a

chance of failure. That server went down, then their whole system will go down. Then there was like I said, right, because Apache NiFi does not come out of the box with very strong security and access control, they were missing that. Then, they also wanted integration with other systems. So, for example, they were using Zabbix for monitoring. They also needed to have it sort of a VPN connection through a system called Jumpcloud.

So, these were lot of challenges that they were running into, and they came to us with this system. So, we looked into their requirements. We gave them a complete road map. How will we achieve? Whatever their requirements were? And as a result, today, that customer is running multi-node clusters instead of a single cluster. So, their single point of failure, which was a single server of Apache NiFi is no longer there.

Now they have a full cluster of Apache NiFi managing their system. Second, it is integrated with LDAP, which was running on Jumpcloud. What it's also gives them capabilities that access mechanism. So now, that security is more enhanced. So, all the users that who are accessing now NiFi are secured via their standard security mechanism, which is their LDAP, which is deployed on Jumpcloud. Then we integrated it with their Zabbix monitoring also. So now they seen real time, which of these servers are up and running, how many services requests are these processing in real time. So, what this gives to them is...

Ratan Srivastava:

Manish, we request you that to keep it short.

Manish Gurnani:

Okay. I'll probably be a little bit faster. All right. Okay. So maybe I've got six case studies, but I'll quickly then walk through them, right? Secondly, again, this is for a very large, I would say telecom player in Africa side. We are engaged with them. They were working on Hadoop and Hive for their Big Data processing and also using NiFi. Again, they have certain major challenges in NiFi in terms of latency. We are working with them and bringing all of that huge pipeline into a major NiFi cluster that we are setting up for them, right?

We are also working with them over spark. And believe me, this whole system is used to process almost billions of records in a single day, which is being fed through the system. This is again for another very, which is a company which is into Fintech domain. They process stock transactions. They process a lot of your financial data besides including stock transactions. So, they were looking for Apache NiFi

based solutions, and we are working with them to build a system, which can talk with SQL as well as Apache NiFi.

This is for Salesforce. We have worked with; this is a client who is into energy sector. They were looking for sort of shifting from the legacy systems to a modern system over Salesforce. We help them build their entire B2B platform on Salesforce. We have integrated that platform with some of their existing solutions, so that they get real time information about the product pricing and the availability in the inventory.

Another Salesforce in power sector, I'll quickly again skip this. This is a AI-based solution that we have done for a U.S. customer who's into refrigeration and energy. This solution is running live. The customer has patented this also. And this solution is giving an accuracy of almost 97%, which was a huge success for the customer.

So very quick overview about our Odoo deliveries. So, we have worked with Odoo for a very major product, which allows the customers into retail domain. And using our solution, we have helped them achieve a reduction of almost 80% packaging time that they were earlier doing. Second, it was almost you can imagine from 20 days to two days without this system they were doing. With the implementation of Odoo and the optimisation that we have done for them on Odoo, that time is now reduced from 20 days to two days. Then we are working with some of your customers for Odoo migrations, Odoo implementations. 250 GB of data transferred from one system to another Odoo system, right? And these are not easy things.

All right. Quick run through of event updates. So, we participated in Dreamforce 2024. Now Dreamforce is one of the biggest Salesforce events across the world. This was in New York, and Ksolves had a booth also over there where we demonstrate our Odoo product, our Salesforce products as well as our capabilities. Second, we participated in Odoo experience 2024, which is again equivalent to Dreamforce. But for Odoo, this is the biggest Odoo event. This was held in Belgium what can see from the pictures, right? Nice pictures.

Ksolves team has had, we had two booths at this place, significantly, tactically placed, and again a very huge success for us. Two more events for Odoo in USA as well as another in India. The India event, we participated as a keynote speaker also. So, we had a booth as well as this keynote session also over there.

All right. That's it from my side. Thank you.

Ratan Srivastava: Thank you, Manish. Thank you.

Question-and-Answer Session

Moderator: Thanks, Manish. If you could stop the sharing. We'll open the floor for Q&A. All those who wish to ask a question may use the option of raise hand. We already have some questions in the chat. I'll invite Ravi Kumar Naredi to ask his first question. Ravi, you can go ahead, please.

Ravi Kumar Naredi: Yes, our net profit margin down drastically in this quarter two. So, what are the reasons? And second, we have 531 employees on the role. So how many we plan to add in current six months or next year? These are my questions.

Ratan Srivastava: Okay. So, Raviji, thank you. Thank you for your question. So first, I will talk about the drastic change in the margin. So, if you will see that, Manish has already explained in the sheet that we have attended two to three events. So, I will talk only about one event, Salesforce, Dreamforce.

First time, we went there and we had a booth also there. And I will first discuss with you that what is the advantage of having booth there. So, advantage of booth is having there that, we got a exposure. People were coming to us to know that what we do, who we are and we were easily able to explain them, and we got some leads also.

Second thing is that what was the expense? So total expense was ₹1 Cr. ₹1 Cr we have spent to attend this event. Suppose if we don't go there to attend that event ₹1 Cr, then you could have easily seen the result in the margin. So, ₹1 Cr, we have spent for the Salesforce. And it has impacted on the margin.

In future, we will again go because for the next year, I have booked in advance so that we can get booth at better place. The booth which we had this time, it was not a very, I can say that, because we have done the booking at very last, so we could not get the right place. But now I have done the advanced booking for the next year. So, I have given you the answer that, why the margin is down. But if you will see the sales, sales are exactly double-digit after five quarters. After five quarters, it is double-digit.

In future, again, I will more focus on the sales, and I will spend my money, my means Ksolves money on branding, attending the events, attending events as a keynote speaker so that brands can know about us. What I feel that right now Manish has, Manish tried very well to explain how complex work we are doing, what kind of technologies we are doing, what kind of projects we are doing for our customer. But still, I feel that market or means people are not aware exactly what we are doing.

What I will do, I will create a separate video where we will explain technology wise that how complex work we are doing. I hope, I have given the answer of the first part.

And second part is that the employee strength that we are not focusing on hiring huge employees. We are focusing on utilisation. Increasing the huge number of employees is not a solution for increasing the sales better. Definitely, we will have to hire the people, but we need to focus on the utilisation of the resources.

So, my main focus will be on the utilisation, not hiring in a huge number. Thank you.

Ravi Kumar Naredi: Other expenses rising by ₹6 crore. ₹1 crore, it is okay. You have done for booth occupying. What about other expenses rises by ₹6 crore?

Ratan Srivastava: Umang, can you explain?

Umang Soni: Other expenses, ₹1 crore is for the Salesforce event, and another ₹25 lakhs, ₹30 lakhs relate to our Odoo event that we attended. And around ₹60 lakhs include for the travel and stay of our employees. So altogether, a ₹2 crores portion that increases in other expenses. And rest are normally in our software subscriptions and all these financial and professional expenses that increased. And we have bring out ESOP also so that few charges related to ESOPs and for exchanges and all these things in principle approval.

Ravi Kumar Naredi: Okay. Thank you very much.

Ratan Srivastava: You can tell the number, Umang. Means for ESOP, you have spent approximately ₹40 lakhs, ₹50 lakhs, right? And Raviji, Manish, who is our CTO, and Delivery Head, who is Ramesh, okay. They travel to U.S. for more than 15 days, and they have visited at least 10 to 12 cities to meet customers. To know their pain problems and also to

meet the new customers. So, it is helping us. So that's why you can see that, we are getting enquiries from the customers like Dell, Oracle kind of customers. And there are so many multi-billionaire companies. I can tell you.

So, this is something because now they are knowing us. Now they know as that who we are. So branding is now most important thing for Ksolves, if we want to go in that league.

Ravi Kumar Naredi: Okay. Thank you very much, and all the best.

Ratan Srivastava: Thank you.

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

Vijay Chauhan: Thank you for the opportunity. So, my first question is on the, basically, the margin side. So, you have in detail explain, like, why the margin was at 38% on EBITDA side. So that is understood. I just had one like long-term guidance or how you would like to run a business going ahead. So, what will be the sustainable margin? Because, we have been tracking your company for almost like more than two, three years now. And because we were running at a lower operating cost, and now we are spending behind branding, because we need to grow our sale. And we have also reached a certain scale, which requires investment in the branding and promotion activity, which you are already doing. So that is very good. But just to understand, how do you see in next two, three years like will this 38% be again go to 35%? Or what do you think which will be sustainable? So that is the first question.

Ratan Srivastava: So, see, first of all, what I feel that our margin is still high as compared to all most of the companies in the market. Our margins are still high as compared to other companies in the market. At our level, or maybe bigger companies with us or smaller companies with us or at companies who are on our level. So, we are still beating them, if we are talking about the margins. So, we have enough, I can say that area where we can compromise with the margin to have a better sales growth. Better sales growth.

See one year before, our base was not like this. Right now, we are sitting on the base 34.80 something. It means if we are looking for 8%, 7%, it means or 10%, I will have to raise 3.5 crore in a quarter. It is not possible if I will have a 5,000, 10,000 like customers who are

paying \$10,000 in a month, \$5,000 in a month. We have a limited time, limited bandwidth, limited size of the sales team.

So, what we will have to go, we will have to increase the ticket size. And increasing the ticket size, we will have to show people that who we are. So, again, if we are talking about the margin, what I feel that it will be in the range of 35% margin. But not 38%, 40% what we were doing earlier. Because money is now going or I can say that we are going to spend money for traveling, for events, for hiring good people. For example, recently, we have hired a very senior business analyst, BA person who has started his career, who's a CA, who has started his career from TCS, then E&Y, and then KPMG, and he was involved in requirement gathering of the famous Indian government project, income tax. He was the main person. We have hired that person also.

We have hired a Director of Operations also. He is going to join on 19th of November. He is passed out from the IIT Delhi, and he has around 20-year experience. So, we are hiring very qualified people. So, it means I'm looking for what Ksolves will be after five years? I'm not looking for next quarter that what will be the margin in the next quarter? So, what Ksolves will be after five years? I'm targeting for that thing.

Vijay Chauhan:

Understood. Yeah. My question was only from the long-term perspective only. So, we don't have short-term view like where the margins will be, but the 35% is the margin that you will be likely to protect. Whatever you will spend is for the growth. That we understand to hire new employees, which are more qualified to further scale up the business. That is good.

Only one thing, like you have done these activities, which is very good in our opinion as well. So, is there any way like, can you talk about like are these activities in your opinion, like how you are measuring success, whether it's a new order that you are receiving or right now, you are just trying to build up like the branding or like you are trying to get the eyeballs of the clients that we are targeting. So, any success measure or criteria or whatever way you are measuring your internal, that's what for the information purpose, I would like to know.

Ratan Srivastava:

Okay. So, first of all, it is a parallel activity. It is not something that one thing will be done, then second thing will be start, okay. So, it is a parallel activity, means branding and talking to the new customers. So, as I said that right now, I'm talking to customers like a Dell Dubai,

Oracle Dubai. As you know that, we have started our office in Dubai. One of the largest privately owned company in the U.S. worth 100 plus billion. I cannot disclose the name. Morocco based, big telecom giant.

New York listed company, which is 100-years-old insurance company. Fortune 200 telecom giant based in Finland. These companies are now giving us time. And the top management people are talking to us, and they are trying to know our capabilities, especially in Big Data and AI/ML. Because in Big Data and AI/ML is still I think that we are niche.

As Manish explained that most of the people in the market, they are working on the OpenAI and all. But right now, what we are doing, we are trying to enable companies to have in premises LLM. So that data can be private. Because of these kinds of capabilities, the companies which I have just explained you, they are entertaining us. They are giving us time. So, this is just a beginning. And I tell you, this is the good news. This is a good thing for our people for us that we are getting chance to sit with them in their conference room, physically, to interact with them for their future plan.

And one more thing, Vijayji. I just explained that we are spending money for branding and all. Apart of this, we are spending, we are planning to have a governance department. Governance means what kind of code we are delivering. But how much secure our code is? Because the customer size is now bigger. Means customers are bigger. They have enough money to shew us. So, it means we should have all the securities. We should have all the departments which can ensure us that our delivery is enough secured. We are not ignoring anything, which can hurt their business. So, the brands which are working with us, they are very big. So now we need to spend money on legal side, governance side. We should have a department for that. So, I'm thinking in that direction.

So, Vijayji, again, I'm telling you, I'm not concerned about the next quarter. I'm just planning for the next three years what Ksolves will be after three years.

Vijay Chauhan:

Got it. And is it possible to disclose the quantum of order book? Or if it's not possible, so can you like only highlight like, what is the order book ratio versus the FY24 sales? If it's possible only?

- Ratan Srivastava:** See, first of all, I have never done this, and this time, again, I will not do this. Okay. But one thing I can assure you that we are doing good. We are putting our 100%. And if you see our 15 quarters past. Never sales got declined. Sales never got declined since IPO we have launched. And we have always given good results.
- Okay. But I would like to be conservative. I don't want to give any number. I want to show you, I will show you the result, but I will not give you the exact number that what kind of order book I have. No. Sorry for that. But, yes, you have requested to know, you asked that what kind of margin I will maintain.
- I said that 35% I would like to maintain the margin. And sales, you did not ask, but I will tell you 30% plus minus 2, I would like to maintain the sales growth in future.
- Vijay Chauhan:** Okay. Got it. And the last thing, like, your colleague was mentioning, like, we had some ESOP cost, and it was some ₹45 lakhs to ₹50 lakhs. Is it correct for this quarter or is it for the annual?
- Umang Soni:** No. No. The ESOP cost that relates to some professional fees and the listing in principle approval, so that is around ₹35 lakhs something, ₹35 lakhs to ₹40 lakhs.
- Ratan Srivastava:** It is one-time because we had to hire merchant banker. We had to hire merchant banker to finalise everything. It is one time. Now we know each and everything about the ESOP.
- Vijay Chauhan:** Okay. So, in essence, this was spent in this quarter. So, it was one-time that is ₹30 lakhs. So, it could have been added to your EBITDA directly because it won't be there.
- Ratan Srivastava:** You could have added ₹30 lakhs this EBITDA, ₹1 Cr Salesforce. Okay. So, you can imagine that what could have the EBITDA number.
- Vijay Chauhan:** Yeah. Yeah. That we understand. But branding is essential to the business operation. This is more of a one-time.
- Ratan Srivastava:** We are talking about the long-term.
- Vijay Chauhan:** Yeah. So that is why I asked, like, this ₹30 lakhs, ₹35 lakhs won't be recurring. And, is there any recurring ESOP expense, that we are going to charge for next two years or three years, if you can highlight?

- Umang Soni:** Yeah. Yeah. That would be, there. I think the ESOP cost would be there, and it would be reducing our EBITDA by around 2%. So and as, we grant more in the next year, then it might increase as well.
- Vijay Chauhan:** Okay. So, our suggestion would be, if you can put the EBITDA number, it's because it will be non-cash, right, expense, ESOP?
- Umang Soni:** Correct.
- Vijay Chauhan:** Yeah. So, if you can just, like, what we have seen, like, like, lot of our companies which award the ESOP. So, it's just a request. If you think it's doable, so we can do it. Like, they, separately show the reported EBITDA versus the adjusted EBITDA.
- Umang Soni:** Adjusted EBITDA. Yeah, which is what I would request. What I would say that ESOP cost that you're talking about non-cash component will start from the quarter, this quarter only.
- Vijay Chauhan:** Quarter two.
- Umang Soni:** Yeah. From quarter three, it will start. The expense that we have done, that relates to the in principal approval in merchant banking side. So that is a cash expense. This is a non-cash expense. So adjusted EBITDA, let's start from here quarter three.
- Vijay Chauhan:** Okay. So, it's a reportable, so, it would be very easy for us to understand.
- Umang Soni:** Sure. Definitely.
- Vijay Chauhan:** Okay. That was all from my side, and thank you for very detailed explanation. So, thank you once again. Thank you.
- Moderator:** Thank you. We'll take the next question from Anil Kumar. Anil, you can go ahead, please.
- Anil Kumar:** Yeah. Good afternoon, everyone. Thank you for giving me the opportunity to ask the questions. So, first of all, I wanted to know, like, what is the, like, employee efficiency as of now? And, what do you call the expenses that we are incurring for, like, showcasing our business in various forums. What is the revenue outcome out of that that we are expecting number of times? So, say, for example, like, we have to spend something like ₹2 Cr this year. So how much would be the impact on the revenue side?

And, also, Ratan, sir, you just mentioned, like you are seeing or we are seeing this company or working towards a five-year plan. So something that, give us a glimpse of what the company could look like five year down the line or three year down the line, that will be helpful.

Ratan Srivastava: Umang, can you cover the number side?

Umang Soni: Okay. So, on number side, say, we are...

Ratan Srivastava: One thing, Anil, Anil ji, I will tell you that we have just spent. We have just attended the event, okay? And it is not something that immediate we will start getting the result. It is a long-term. We need to continue it. We need to continue this investment. So, it is not something that immediate, it will reflect in.

Anil Kumar: I understand, sir. So that's very much there. And basically, whatever probably would be the spend say, for example, in coming three years, that would certainly would turn around into the revenue form. So what is that you are envisioning? So basically, every promoter or every business have their own goals. Whatever they are investing, they are looking out for some outcome out of it.

So, what is the outcome that you are looking out of it? Probably three years down the line. So, recurring probably every quarter-on-quarter or something would be a spend. So, like, ₹2 Cr this year. This quarter, probably ₹2.5 Cr or something like that. It will be incurred over three years or five years down the line, whatever is the spend. Say, I'm just putting a ballpark number.

Like, ₹50 Cr is the total spend over, like five years. In terms of revenue that you are looking out from this?

Ratan Srivastava: See, for in terms of revenue, I have already told that 30% plus minus 2 sales growth. So, you can imagine that what will be the revenue. And to meet this, we are doing all this investment. It is not something that 30% is fixed, and a part of this, we will get more, if we are doing this investment. Because 30% means right now, I'm sitting on 34.81%. So, if I want to have a 10%, 3.48, approximately ₹3.50 crore, I need in this quarter. So, it is not possible if I will have a 10,000 customer, 350 customers.

One customer will be managed by one person. It is not logical. So, I need large ticket size, and large ticket size is not something that they will come directly without knowing us, who we are.

Anil Kumar: Absolutely.

Ratan Srivastava: We will have to go for Six Sigma certification also. We will have to go for a few more certifications so that they can identify that, we are following this kind of governance, okay? So if we are planning to pitch that kind of customers, so we will have to have these kind of certifications, people and definitely brand.

Processes, earlier, we were not doing any, we didn't have any RFP process. Right now, we have a team who are working on the RFPs, professional RFPs. Okay. First time, we have submitted, at least three to four RFPs. And we could not crack it, but at least we have done it.

We learned lot of things. Okay. And so that kind of things we are doing. And one RFP win means, if one RFP I'm winning, the cost of that RFP will be minimum USD 500,000. So, USD 0.5 million. Rather than pitching 10,000 customers, work on big things. Work on big projects, RFPs, big contracts. So that we can have a long-term commitment.

We can have a long-term project. We can have a long-term customer. So, this is only possible when they will know us, when they will know that. We have that kind of certifications, processes, team.

Anil Kumar: Okay. The other question was related to employee efficiency. Like, what is the percentage?

Ratan Srivastava: Employee efficiency, if you will see that as compared to other companies, our employee efficiencies is still higher. If you will see the employee expenses on the website, the Screener and whatever the sites are available. It is lower as compared to other companies. So, it means, your utilisation is already high.

Anil Kumar: Okay. And with the current utilisation and current employees I mean, not current utilisation, but the current employees and how much revenue growth can we achieve for like without organic growth, basically in the employee number?

Ratan Srivastava: That I have not calculated because I'm looking for a growth with adding few more employees because the existing employees are

almost occupied. So, we need more employees for more business. Every quarter, we are creating the bench. Right now, I have some bench also who are ready to start new projects. At the same time, I'm creating bench for the next quarter. But everything is calculated. I'm not doing, I'm not hiring in rush without knowing that what or when they will get the project.

Anil Kumar: Sure. Got it. Okay. That's it from my side. Thank you. Thank you all.

Moderator: Great, Anil. We'll move to the next participant, Raghav Agarwal. Raghav, you can go ahead, please.

Raghav Agarwal: Hello. Hi, good afternoon, sir. My question is to Mr. Gurnani. I just wanted to understand more about the Gen AI Private GPT that you were talking about. I wanted to understand if it's a niche product, unless, how many companies are into similar products, and what are we doing to scale it up, and how can we make ourselves more viable into this particular offering?

Manish Gurnani: All right. Okay. So, I'll take it one by one. So, what that product has? See, the biggest selling point for that product is if you want to use ChatGPT today, you go to OpenAI or you use that ChatGPT. The information that you need to send to it, it goes outside of your systems. That is the biggest risk.

Now imagine any financial institution and banks. They cannot do that. Even some retail company. They are not willing to share the data to a third-party irrespective of whatever OpenAI may be saying. That's the biggest risk. They may say that we'll not share your data, but you still are giving your data. It is going over the network to them. With this solution, what happens is it is open source based, large language model, which has been sort of trained, which will be trained on the data for the customer, and it will be deployed within the customer's own infrastructure.

So, you do not send any data outside of my network. That is what the key selling point, one of the key selling points for business. Number one. Your data does not go out. All data remains with you, within your systems, within your infrastructure. And at the same time, it gives you same capability that you get, let's say, from any ChatGPT or OpenAI. You can ask questions. It behaves like your own personal assistant.

Second, with this, what you will get is you can sort of train it and hone it only onto your data. So, let's say I'm not interested in what, or let's say, I'm into retail. I only want to look into retail. I don't want to look into other businesses. Travel, luxury, all those things. It is of no use to me. So, I'll customise and I'll train this, and I'll feed data to this model of my own company only so that it becomes very accurate compared to what an open model or OpenAI model will be giving it.

So, I'll train it, and I'll sort of make it specific to my organisation. Second benefit, right? Now within that also, we have built the product in a way that keeping future in mind. So, what will happen is, let's say, I'm an enterprise. I may have different departments. So, let's say one is sales, one is finance. Let's say one is HR. They may all like to use this model. Now their requirements will be different.

I don't want to, give the same trained model to each of these departments. I want to give them the capability, that finance can train the model on things that it needs most. Sales can train the model on things that, it needs most. So, there can be separate GPTs, separate Private GPTs for each individual department. That is the second sort of, which you will not get from outside.

Then third is, this is going more into details. But there are what we call as embeddings and vectors, which any LLM uses. We have given the capability within product to choose which type of embeddings do you want to use, which type of vectors do you want to use. That in turn enhances the efficiency with which the model predicts or it gives the responses.

So that is something which is, again, not available outside. I mean, so then I think this gives I believe this will give you more detail, and what is that we are trying to bring out. Obviously, this is something that others can also do. I'm not denying that. Others can also do this. No issues with that. And there are already others which people are doing that.

The benefit that Ksolves bring to table is because, see, AI cannot work without huge data. AI needs data to be more accurate. Now when you train your models, you have to have some solution of ingesting that data. Cleaning that data, you cannot just give raw data to AI models. It will be, like garbage for model. You have to ingest that data.

You have to store that data. Then you have to clean that data. You have what we call as pre-processing of that data before you give it to

the models. All of that requires a very different capabilities outside of AI. Now we work with Big Data, so we understand those things also. We are able to build the whole cycle for data ingestion also. Then that cycle needs to integrate with your AI system.

That also we know. And then so this is, again, outside of AI again. Once your model is, let's say, deployed, you have to deploy your model. That is, again, outside of AI. How do you deploy these models? How do you sort of what do you call, monitor these models? How do you improve these models again in future, based on those feedbacks?

So very brief? One part is Gen AI. One part is the Big Data side. Because Ksolves works on both of these? It gives us a very good edge compared to any other AI only company.

Raghav Agarwal:

But any estimate, new potential that you see in the next five years that from there because this is something which can be very big both in India and as well outside. Any potential estimation that you have in mind from this particular?

Manish Gurnani:

I'll again quote, Ratan, we are very conservative. So, I'll not give you direct number? But we are seeing lot of clients. Almost all of our clients are coming to us asking for this. Almost all our clients are coming back to us asking for this. That's all I have.

Raghav Agarwal:

Just one last quick question. That is, with respect to your revenues split between domestic and exports. You're heavily dependent on exports. Are you planning to also, what's your take on that? Because 20% in India is, it can also be increased to.

Manish Gurnani:

So, we are again, I don't think that we will shift tremendously towards India. We are seeing good margins. We are seeing good growth in international market? We like to focus on that. If I'd speak in a very plain word? Where can I get more business? Where can I get money? If International is giving me good results, good margins, I will like to focus on international. In India, we focus only on a couple of things.

Number one is, let's say it's a government project? For example, that income tax department. That was a huge success for us. Second is if it's a brand, that we want to work with. So, there are certain banks that you want to work with? So then third could be, let's say, the technology wise, it is in line with our strategy. And that is, obviously, at the rates also. When these things match, we'll definitely learn to

work for India also. We don't have I mean, obviously, we would like to work. Just that, where business grows.

- Raghav Agarwal:** Thank you, sir. Thank you for the detailed answers. Thank you.
- Moderator:** Thank you. We'll take the next question from Karan Kapooria. Karan, you can go ahead, please.
- Karan Kapooria:** Sir, thanks for the opportunity. I have only one question. So most of, so our revenue is coming from international business also? So do we have any hedging policy to mitigate the foreign currency fluctuation risks? If yes, so what are we following? What steps are we following for that?
- Umang Soni:** Yeah, Karan, actually, currently, we don't have any hedging policy. Simply the reason being the USD tailwind, because the dollar rates are increasing and rupee is depreciating. So, currently, we also had few discussions to hedge it, but that would be more of a backside to the company then. So, certainly, if you grow a business in multiple currencies, say USD, CAD, and Singapore dollar, AED, all these things, then we might look for it. But currently, mostly 80% is from North America? So that's why currently there is no hedging policy that we're looking for.
- Karan Kapooria:** So, there can be a kind of risk to our profit margins? So, suppose if there are any huge fluctuations in the currency happens.
- Umang Soni:** No. See, we are very proactive on that part that we are considering the hedging policy, but we are not considering that due to the scenario that is currently going on.
- Karan Kapooria:** Okay. Thanks.
- Umang Soni:** So as and when the requirement arises, then we would be the first one to like the first task would be to do that only.
- Karan Kapooria:** Okay. Thanks.
- Umang Soni:** Yeah.
- Moderator:** Thank you. We'll take one question from the chat from Ayush Agarwal. Ayush, you can go ahead, please.

Ayush Agarwal: Hi, thank you for the opportunity. Just, one quick question. Wanted to understand Management's view on the product strategy for the company. So, for example, management has been hinting on 30% plus growth. And how much of the 30% growth will come from products like Private GPT?

Ratan Srivastava: Ayush, we are completely into services, and product we are developing, it is not something that we are expecting any drastic change. Okay. So, we are still dependent on the services, but product we are developing in the last previous calls also I explained, products are something which shows them our capability and which is the, you can say, which opens a door to enter into their business.

Ayush Agarwal: Understood. Thank you.

Moderator: Thanks. We'll take the next question from Aman Agrawal. Aman, you can go ahead.

Aman Agrawal: Hi, hi everyone. Hello. Very good morning to all. Sir, first of all, congratulations to you. You are performing consistently, are giving very good results, actually. And another is congratulation for Dubai expansion. And another thing is what I'm seeing, your company is performing very well, giving very good results. You have very good guidance. Everything is fine. The market is not acknowledging, I think, what the company is doing right now.

But, only one thing, like, at the stage level, company right now. So, like, the Wipro and Persistent also have the same time earlier in their life. So, they used to give a better corporate action at that time regarding mostly in the case of, we can say, split, bonus, which give the confidence in the market, usually.

If it says, or any course of business day-to-day, you know very well what decision you need to take in Gen AI, how to get the growth, and that is fine. You are already giving all the things. But I think is there any plan regarding to give, do you have any? Because it gives the confidence when we go with the corporate actions, which we didn't see from last one year data side. And still, you are giving the consistently the dividend that is a very good thing. We know, we understand that thing also. This is the only thing just, because we see the Wipro's and Precision also at date time, they used to give a better call for protections at date time.

Ratan Srivastava: See, corporate action bonus and splits, we will do in future, but I do not have the exact date, right? Second thing is that market is not appreciating us. So, market knows that why they are not appreciating us. Because we are since consistently giving good result. But maybe market is focusing on immediate something.

But as I said that I'm focusing on long term. So, in long-term, as you took the name of the few companies, you can see that in the long-term they are winner. They have gone through the same stages as we are going, giving good results but no appreciation. It's okay. But I will keep continuing the good results. Someday, definitely, we will get the appreciation from the market. So, about market, I don't know.

Aman Agarwal: No. That's why I'm saying, we saw you. You give a middle of its fantastic results in the time.

Ratan Srivastava: You can see that I think this is 15th or 16th quarter result, and we never declined sales. Sales never got declined. I don't see that any company at our level, small cap. We are a small cap. Or if you to see any SME, you will not find any company which is never declined the sales. So, we are the only company. So, what market thinks market knows. I'm a core technology person doing a clean business. And employees are happy, for me employees are very happy, because I have people who are working with me since last 10 years, 12 years.

I have 80 people among 500 team. I have 80 people who are working with me before Corona. So, this is an achievement for me. My team is working with me. They like to work with me. They are growing in terms of salary, in terms of technology, in terms of skill, in terms of happiness. And when market will appreciate, market knows. I do not have idea about the market. But one thing I can assure you that company will keep giving, keep growing.

Aman Agarwal: No. Ratan, that's okay. I'm attending from last almost 10 quarters this year investor presentation, and I have fully confidence on you. Every time you presented, you come with a very good results, very good performance. I'm just giving my perception regarding the same, and it's okay fine. So that's fine. Best of luck for you.

Ratan Srivastava: This is a big achievement for Ksolves that I have more than 100 people who are working with us more than four years. And there's at least 50 people who are working more than seven years. So, employee retention you can see. The culture you can see. How connected I am, how connected people are with each other. So, culture is fantastic.

Everything is fantastic. We are working on excellent advanced technologies. So, company is going in the right direction. So, let's see what...

Aman Agarwal: Yes, we have seen that you perform very well and fantastically in case of industry averages we can see from your even peers also. So that's phenomenal. But that's the thing. Best of luck for you for the next quarters.

Ratan Srivastava: Thank you.

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

Lovneet Puri: Good afternoon. So, my question is that what is the revenue breakup? Is it coming more from existing customer or new customer acquisition? And what is the plan going forward on this front?

Ratan Srivastava: Revenue breakup, Umang can tell you, but the plan is that acquiring new customer, big customer, and larger ticket size where I can get a long-term commitment. So, this is the plan, but for the current revenue breakup, Umang can tell you.

Umang Soni: Yeah. We have already covered in that. But, again, I would say it's more than 80%. Around 82%, is the ratio that we are repeating the customers, right? Revenue generated from the repeat customers.

Lovneet Puri: My second part of the question is, do you see any threat in terms of new technology which is like AGI and all and other further version? Because I feel that this technology will be obsolete after maybe one or two years, and your existing customers can then switch to new vendors also.

Ratan Srivastava: See, I don't think that they will switch to new vendor. However, it depends on them. But as we said, always that we also love to work on evolving technologies. So whatever technologies they will switch, we will have already. So, for example, few customers were working in PHP. So now they are working on Node.js and React. So, they are completely changing their framework technologies. So, they are choosing us for the new work also.

So this is not something that what, if they are looking for new technology, we don't have that. Even we are always moving to the new technologies. As customers are moving, we are.

- Lovneet Puri:** All right. So, if you are evolving, then it's fine.
- Ratan Srivastava:** Manish has already explained in the slides that how advanced technologies we are working and how advanced technologies we have started. So, these technologies are replacement of the old technologies. It is not something that this is totally new. These technologies are replacement of the old technologies.
- Manish Gurnani:** And just to add, Gen AI was something new, let's say in the little two years back, right? Today we are also working on it, we also shifted. We also evolved. We have built a product on top of that. Similarly, the other technology milestone mentioning, right? Snowflake and all those data warehouse technologies, right? So, we are also working on them. So we are always aligned with the market.
- Ratan Srivastava:** Thank you.
- Lovneet Puri:** Why is new customer acquisition slow then?
- Ratan Srivastava:** I don't think it is slow. Numbers are less. The ticket sizes are higher.
- Lovneet Puri:** We got a perception that new client acquisition is low. There's a reason now you are spending crores of rupees in these boot camps, etc.
- Ratan Srivastava:** No, I do not agree with you honestly speaking, and I'm really sorry with this, okay. New customer acquisition is high. Brand names are improving. And, yes, without spending this money, it is not possible.
- Umang Soni:** And to add like, we have acquired around more than 25, 30 customers in this quarter, quarter two. And since the ticket size, at starting the ticket size used to be low, then significantly it increases at latter point of time for all other projects that we enter into.
- Lovneet Puri:** That's great.
- Moderator:** Can we move to the next participant? We'll take the next participant on the chat window, Mr. Abhishek. Abhishek, you can go ahead, please.
- Abhishek Sharma:** Yeah. Hi. Thank you for that. Hi, Ratan. Everyone has already asked the question. So, I just have one question that are you looking for acquisition that will enhance your technical capabilities or the

innovation pipelines? And if so, what are the areas that you are more interested in?

Ratan Srivastava: Before this call, I always said no. But in last three months, I have done so many calls. I have signed the NDA with some merchant bankers. They are connecting us with the companies who are into Salesforce or Big Data or AI even. Unfortunately, we could not find a good company. One or two are in the second level, but still, I can say that, I will take a step very carefully. But, yes, now this is the right time where I need to look for acquisition also. And we are looking for that.

We are talking to the companies. We are talking to the merchant bankers. We have signed an agreement with the merchant bankers.

Abhishek Sharma: Thank you.

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

Darshil Pandya: Thank you for this opportunity. Just one question from my end. Since I've been hearing you for last 1.5 hour mostly, I feel that we are right now on a group trajectory where the vision is big and things are maybe will start to change. So, this would be like, don't the management think that we should be putting the dividends that we give back to the company and rather focus on that part. Because dividend as a part, if I just calculate by last two dividends, what we are given majorly ₹19 or ₹20 odd crores are given to the dividend to the shareholders. So rather given that dividends, we should put that money back and focus on business. Don't you think this should be an idea from the management side?

Ratan Srivastava: I can discuss with the management. I will discuss.

Darshil Pandya: Sure. That was one of the questions from my end.

Ratan Srivastava: Thank you.

Darshil Pandya: All right. Thank you.

Moderator: I'll take the next question from the chat window. The question has been sent by Mr. Anshul Sehgal. Since you will be investing for the long-term, what is the total opportunity size, and where do you expect long-term five-year sales to be, which is revenues?

Ratan Srivastava: Sorry, can you come again, please?

Moderator: What's your five-year vision in terms of revenue? Where do you see yourself in five years?

Ratan Srivastava: First, I will try to reach my three-year target, which I have told you that 30% sales growth, plus minus 2. And then we can sit again that, what will be the next plan for the three years. Five years is not possible, because three years is the time where things will get completely changed. And we will have to set, so we will have to sit together with the team that what should be the plan for the next three years? Five years is a too long. Three years should be the time milestone.

I can give you random, that took it 30% plus minus 2. But it will not be logical. I think three year is the logical time range where I can see that what I will be what company will be.

Moderator: Sure. We'll take the last question for the day from Mr. Arman Patel. Arman, you can go ahead, please.

Arman Patel: Congratulations, Mr. Ratan for yet another great quarter. I would like to say that you and your team are doing great. Follow-up from Aman's question. I also believe that marketing, the market is not realising the value of Ksolves, and I think market is not giving the value Ksolves deserve, I think. And you said we are doing great on technology side and company side. And he also mentioned the name Persistent. And if you have seen in a recent year, Persistent had announced many meetings and stuff like that with big investors and mutual funds to grow their company's value valuations and be in a limelight. And we see today where Persistent is, right? So, do we have any plan on that to be a limelight in a market?

Ratan Srivastava: See, right now, I don't know that how me, Manish, or whoever is a technical person. We should allocate our time. We should give our time to acquiring the customers, putting time in business or whatever. Right now, what Persistent is doing because Persistent is now very big, and they have a dedicated team for the IR.

And for the IR team, this is the roles, responsibility, and the KRA that they will have to bring this many of the mutual fund in investors. But what Persistent was doing five years before? They were completely busy in the business. Mr. Anand Deshpande was, I don't see that he was doing investor calls and all. Most of the time, he was presenting

the technology in the seminars. He was talking most of the time for the technologies.

So right now, I think I should and Manish should give and to whoever the technology person, we should give time to build the technology pillar project. We should acquire the new business. And once we will be in that condition where Persistent is right now, we can develop a complete IR department with the KRA that this much for investor communication they should have organise.

Arman Patel: Okay. So we are on for that, right? We can plan about that in future.

Ratan Srivastava: We are on for that in future, but right now me, Manish, and re-pinging my technical heads, they will give total time to customers, businesses, travels, coding, technology, and that's all.

Arman Patel: Yeah. Fair enough. And I've seen in past hour, there was a big discussion about that booth, and you are spending ₹1 Cr on booth. I think you should keep doing that. That's a great thing. Ksolves should do that kind of stuff more in future. I said before, Persistent done that kind of things. I think if you can be in a limelight in market, that also can boost the image of Ksolves as a whole. Do you think that?

Ratan Srivastava: I have been, see ideally, we should not take the name of the Persistent, but as you are taking the name of the Persistent, I was employee of the Persistent in 2005. So, I know the culture and exactly I'm following that culture. They were completely busy till the Anand Deshpande. He was CEO. Company was completely busy in the technology things, right? Now things are changed. They are spending time for the IR and all, but I don't think that this is the platform where we should talk about the Persistent, Wipro and all.

We have our own strategy. We are not exactly following the Persistent. Yes, Persistent is the good company, but we have our own strategy, our own thoughts, our own plan. We will focus on the technology, acquiring new business, new customers and all. That's why I'm here. If you will see that I do not get time to do so many investor calls. Because most of the time, I'm busying in customer calls.

And today, I will be here until everyone will not ask all the question. I will be here to answer all the questions. Once you will say that your questions are done, then I will leave. But after that, I will try to give my time to business again.

Arman Patel: Fair enough. Great. You should focus on technology. Thank you very much. That's all from my side.

Moderator: Thank you. So that was the last question for the day. And like you rightly said, you answered questions.

Ratan Srivastava: Vinayji.

Vinay Pandit: Yes.

Ratan Srivastava: I mentioned that I would not be able to provide time frequently after today. So, everyone with any questions for me should ask today.

Moderator: I think you answered all the questions, sir. I've just received one question on the chat from Mr. Shubham Jain. Considering how OpenAI and its products have changed the IT landscape and doing so as we speak, how do you think the industry will evolve from its current form when the dust settles?

Ratan Srivastava: Manish, please give the answer and keep it short.

Manish Gurnani: See, so because of Gen AI, obviously, there are certain things that will change that are changing actually, right? But it is not that Humans will start becoming irrelevant. The biggest supercomputer is just brain. Nobody can beat that.

With the evolvement of AI, Gen AI, all these things, the skill sets that we need to work with, they will shift. So, for example, there's a huge demand for now prompt engineering, which is coming because of Gen AI. So how do you use Gen AI? At the back, you have these prompts.

So now focus is shifting towards writing better prompt, becoming better prompt engineers. So, we are also learning that, and we are also involved with that. It's not that with Gen AI, there is going to be a stark I think it could hamper only where you are working with products. Only product companies might have some challenges, because their product would become irrelevant. They have to upgrade their product. If they do not, then they go out, right?

Similarly, for services also. We are also upskilling ourselves. We are providing better training, better new those relevant skills to our employees, and they are doing well with that. I think that's what I had to add.

Moderator: Fair enough. So that brings us to the end of today's question-and-answers. Would you like to give any closing comments?

Ratan Srivastava: Sure. So, first of all, thank you to everyone who has attended this call and who have invested in Ksolves. One thing I can assure you that, we are a core technology company, and we are focusing on technology and to acquire more and more good customers who have a complex work on complex technologies so that we can get better rates. And this is our winning factor, because at our level, there are very few companies who are providing, who are working on these technologies. Maybe someone is working on Big Data spark, but they may not be working on the NiFi. Maybe someone is working on the AI/ML, but then may not be working on the Big Data.

So, we are one shop, and we are trying to stabilise our company as a core technology company where you can find people for all the complex technologies, and you can look, you can hire people from Ksolves on better rates as compared to big giants. So, this is my whole goal. Okay. That's all. Thank you. Thank you, everyone.

Vinay Pandit: Thank you, sir. Thank you to all the participants for joining on this call, and thank you to the management team for giving us their valuable time. This brings us to the end of today's conference call. You may all disconnect now. Thank you.