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**03rd February, 2025**

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**Sub: Transcript of earning call held on January 28, 2025 for the Q3 & 9M FY 25.**

Dear Sir/Madam,

In accordance with Regulation 30 & 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed transcript of the earning call held on January 28, 2025 for the Q3 & 9M FY 25.

Kindly take the above information on record and confirm compliance.

Thanking you,

Yours faithfully

**For Aurionpro Solutions Limited**

Ninad Prabhakar Kelkar Digitally signed by Ninad Prabhakar Kelkar Date: 2025.02.03 16:29:10 +05'30'

**Ninad Kelkar**
**Company Secretary**

Encl: as above

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“Aurionpro Solutions Limited

Q3 & 9M FY25 Earnings Conference Call”

**January 28th, 2025**

**MANAGEMENT:** **MR. ASHISH RAI – GROUP CEO & VICE CHAIRMAN**
**MR. VIPUL PARMAR – CHIEF FINANCIAL OFFICER**
**MR. NINAD KELKAR – COMPANY SECRETARY**

**MODERATOR:** **MS. AASHVI SHAH – ADFACTORS PR – INVESTOR RELATIONS**

# Aurionpro Solutions Limited
# Q3 and 9MFY25 Earnings Conference Call
# January 28, 2025

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**Moderator:** Ladies and gentlemen, good day and welcome to the Aurionpro Solutions Limited Q3 & 9M FY25 Earnings Conference Call.

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 '*' and then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Aashvi Shah from Adfactors PR, Investor Relations. Thank you, and over to you, ma'am.

Aashvi Shah**:** Thank you, Rituja. Good evening, everyone. On behalf of the company, I would like to welcome you all to the Earnings Conference Call for Q3 and 9MFY25.

Today on this call, we have with us from the Management, Mr. Ashish Rai – Vice Chairman and Group CEO; Mr. Vipul Parmar – Chief Financial Officer; and Mr. Ninad Kelkar – Company Secretary.

We will begin the call with brief opening remarks from the Management followed by a Q&A session.

Please note that certain statements made during this call may be forward-looking in nature. Such forward-looking statements are subject to certain risks and uncertainties that could cause the actual results or projections to differ materially from those statements. Aurionpro Solutions will not be in any way responsible for any actions taken based on such statements and undertakes no obligation to publicly update these forward-looking statements. I would now like to hand over the call to Mr. Ashish Rai for his opening remarks. Thank you, and over to you, sir.

**Ashish Rai:** Thanks, Aashvi. Good afternoon, everyone, and welcome to this Earnings Call for Q3 & 9M FY25.

I am sure by now you have all received the Investor Deck, and I hope you had an opportunity to review it. I am excited to share with you the results for Q3, which once again demonstrate our strong performance and reinforce the success of our chosen strategies, the competitiveness of our offerings and the healthy demand environment. What is especially encouraging is that our growth is fairly broad-based across segments and the many business units followed by the disciplined execution of our teams and their unwavering focus on delivering great outcomes for our clients.

Let me walk you through a quick snapshot of the Financial highlights for the Quarter and 9-month period.

If I recap the performance, revenue for the quarter stood as Rs. 306 Cr, which is the 32% increase on year-on-year basis. Profit after tax, stood at Rs. 48 Cr for Q3 and PAT margins for the quarter should at 16%. EBITDA margin for the quarter stood at 21%, which is at the midpoint of our guided range of 20% to 22% EBITDA. Our margins have largely stayed within the guided range for the last several years, highlighting the strength and stability of our business model. This has also allowed us to aggressively step up our R&D investments to tap into significant opportunities across all our segments. We continue to witness strong momentum across the segments, and the growth numbers clearly reflect this.

Banking and Fintech segments delivered 41% growth, reaching Rs. 474 Cr, while Technology Innovation Group segments grew by 23% to Rs. 372 Cr. During the quarter, we secured several significant wins, including deals with 2 leading banks in Saudi Arabia for our flagship transaction banking suite. Additionally, we continue to deepen our presence in existing markets, leveraging the ongoing wave of transformation and digitization in corporate banking. Looking ahead, we continue to focus on expansion into both US and Europe. We have made significant progress on building out the channel and building out the partnerships in the US market over the last several quarters, and the next several quarters will be about building out a strong channel into UK and continental Europe. Our recent acquisition in Europe positions us very well to cross-sell our banking products in the region, further strengthening our footprint

Our expansion into Europe will be led mainly by banking and transit segments, both of whom continue to grow very strongly for us on a global basis. Within the technology innovation group, the transit segment continues to gain strong traction with significant wins both in India and international Markets. In India, we secured prestigious deals with major metro projects, including phases of Delhi Metro and Chennai Metro. These wins not only reinforce our growing presence in the Indian market, but also highlight our capability to deliver world class solutions that cater to the need of complex urban transit systems. Globally, the transit segment has seen strong demand as cities and governments invest in modernizing their transportation infrastructure. In addition to the transit segment, we also achieved major milestones in the data center space, signing several large deals. These wins underscore the increasing demand for robust, scalable data center solutions and our ability to meet the evolving needs of enterprises in this critical area. We remain committed to innovation, consistently investing 8% or more of our revenues in R&D, a trend that we expect to continue going into the next financial year. This sustained focus has enabled us to deliver some noteworthy launches.

During the quarter, the most significant being AryaXAI, our ground-breaking explainable AI platform, which has a global relevance. Looking ahead, we plan to build on this momentum with more innovative solutions in the pipeline, driving value for our clients and staying ahead in the market. We have developed robust capabilities to achieve the guided road targets through organic means, backed by our business model, backed by consistent execution. Additionally, we continue to evaluate strategic acquisitions where they may help us accelerate the delivery of our strategic blueprint in chosen areas or augment our delivery capabilities in chosen markets. A key development in this area is our expected closure of Fenixys acquisitions this quarter. This acquisition will significantly strengthen our presence in the European markets, providing us with a strong foothold and delivery capabilities in the region. Our financial strength continues to be a cornerstone of our success, and this was further validated in the quarter by another enhancement in our credit rating, as you would have seen.

As we approach the close of FY25, we remain confident in achieving our guided performance and continue our long-term focus towards building out industry-leading global products and platforms player that delivers significant value for all of our stakeholders. Finally, we extend our sincere gratitude to our employees, customers, partners, and shareholders for their continued support and contribution to this success.

With that, I will close, and I look forward to an engaging Q&A. Over to you, Aashvi.

**Moderator:** Thank you very much. The first question is from the line of Vimal Jamnadas Gohil from Alchemy Capital Management. Please go ahead.

**Vimal Jamnadas Gohil:** Thank you so much. Firstly, I just wanted to clarify the acquisitions that we reported this quarter will come through in the fourth quarter into our financials. Is my understanding correct?

**Ashish Rai:** Yes, that is correct.

**Vimal Jamnadas Gohil:** Okay. Sir, I just wanted to get a sense as to, despite acquisitions, are we keeping our guidance for the full year only on organic terms? We have not included this acquisition into our guidance as of now, right?

**Ashish Rai:** Yes, we have not included it, but honestly, we will close it sometime in Q4, and I do not really expect that to really move the needle.

**Vimal Jamnadas Gohil:** Understood and Ashish, good to see TIG firing this quarter. I just wanted to check on how have the incremental cash flows been on this name, this time around. Are we seeing prudent signs of improving cash flows from this area, from the incremental deals that we are winning and lastly, on the banking side, what is the initial progress that we have seen in the U.S.? Because I do remember last quarter we had commented that the U.S. is expected to do extremely well from FY26 onwards.

**Ashish Rai:** Yes, okay. Thanks for the question. So, look, TIG, and I have sort of stated that in the previous Earnings Call, Sanjay Bali and I, we sort of deliberately slowed down the growth in TIG to focus on the economics. Our transit segment continued to grow strongly, data center segment continued to grow strongly, and we slowed down the smart cities business to recalibrate it for better economics. We did that over the, let's say, the first couple of quarters of the year, and then we said we signed on a new sort of significant transaction, which was Panvel, which was set up in exactly the way that we wanted to take on new deals and I think so far from an overall configuration standpoint, economic standpoint, cash flow standpoint, I think we are much-much better set up, and it is exactly how we want it. So, TIG is, yes, because now all the segments of TIG are back to growth, TIG is back into strong growth, and it will accelerate into Q4. So, for the full year, TIG would go reasonably strongly. The overall cash flow side, we believe we have a handle on. So we tend to pick up on cash flows and collections as we get into the second half of the year. So, I am fairly confident by the time we get to March 31st, I think the picture will be reasonably strong, both the growth number as well as the cash flow and anything else that we look at.

**Vimal Jamnadas Gohil:** Yes, banking side, Ashish, I wanted your comments on what is happening in the U.S. We were very confident last quarter, any progress that we have made?

**Ashish Rai:** Yeah. So, look in the U.S., we have actually made significant progress on the banking side. Due to the way we really count some of the IP-led revenues where revenue is coming out of, for example, Singapore entity, some of the U.S. revenue that has resulted gets counted probably in the APAC side, and we will figure out what is the best way to configure it properly. But if you look at all the business that is now coming in from the U.S. clients, I think we are into the double digits or very close to it as overall share of the pie, right. So, we made strong progress with a very large Fintech partner in the U.S. We are doing a lot of work with them. We made strong progress on the payment business in the U.S. Our transit business is, again, accelerating in the U.S. and America in general. So, I think overall, the share of revenue from U.S. clients is now up to double digits. So, I think this year will probably grow between 70% and 80%, I think, from that geography. We will work in the next year on what is the best way to give total transparency in the business in the U.S. because of the nature of our product business, we typically tend to license from where the IP resides, and I need to see that this comes across correctly, but I think the business is very strong. The channel is built out in U.S. We are hiring more sales guys, but otherwise, the channel is fully built out. The partnerships are built out. This year, the focus will be on building out a similar structure and set up in Europe, so that by the time we get to the close of FY26, I think we are getting to both Europe and U.S. being north of 10% of the revenue share.

**Vimal Jamnadas Gohil:** Thanks for that. Just one clarification again on TIG. So, as of now, as we speak, the orders in the pipeline for smart cities, Panvel is the only one which is pending, right? There are no other major smart city projects that are pending, or rather they are going on?

**Ashish Rai:** In terms of the new large ones that we picked up, we said we will be very careful, and we said we will consciously go about building the business. So, that is the only kind of a large transformational deal that we picked up. There is obviously a lot of sort of supplemental work that goes on the existing project in that business. But among the new deals we picked up this year, that is the only one and we will still be very careful and be very, very methodical when it comes to selecting new bids if we take more in that segment.

**Vimal Jamnadas Gohil:** The commentary is encouraging on the cash flow side. Thank you so much, Ashish, and all the very best.

**Moderator:** The next question is from the line of Anmol Garg from DAM Capital. Please go ahead.

**Anmol Garg:** Firstly, just continuing with Vimal's question earlier, I just wanted to understand that how has been our OCF in this particular quarter since our unbilled revenues and receivables were relatively higher in H1. So, we have seen some bit of negative cash flow in H1. But how has it been like in this quarter?

**Ashish Rai:** Yeah. So, on the cash flow, Anmol, this quarter was pretty good. So, typically, our business, we accelerate into the second half and given the nature of the business, a lot of deliveries get closed out as you get into sort of the tail end of Q3 or into Q4. So, I believe we will end up in good shape as we finish the year and so far, Q3 has been very promising.

**Anmol Garg:** Right. Thanks, Ashish and secondly, if you can indicate, is there any target of receivable days that we have in our mind going forward in FY26 and FY27 that this is the level that we want to maintain at?

**Ashish Rai:** Yeah. So, Anmol, FY26-27, look, a lot of it depends on the configuration of the business as we go in, right? So, I think the way to look at it at the current moment is this. We would roughly stay half and half between TIG and Banking as we grow. But from one quarter to the next, we may sort of calibrate the growth, put the pedal down on one of the segments and sort of go up on the other one. With the current configuration of business, and let's say you were growing at 30% into FY26 and FY27, and I am certainly not guiding to it. We will guide a firm guide at the end of the financial year. But let's say, hypothetically, if that's what you were doing, I would say 100 odd days is where the sort of midpoint of the range lies, depending on project values and all. Now, from time to time, it may actually go up to 110, 115, and I think there may be times it drops below 100. But I think that is where roughly the midpoint lies based on the current configuration of the business.

**Anmol Garg:** Right. Understood. Just one clarification on an order book, which has been very, very strong in this quarter. So, the order book, does it contain any orders from Fenixys or this is all organic in the business?

**Ashish Rai:** No, this is purely organic at the moment. I think you are right. The order book buildup was, typically, what happens to us from one quarter to the next is we roughly are at a pace of consuming about Rs. 250 Cr to 260 Cr from the order book, and we add, let's say, between Rs. 250 and 300 Cr. So, the net addition ends up being Rs. 30-40 Cr. This quarter, it was a little bit exceptional because of some very strong wins on both sides of the business. I would not say that would happen every quarter, but right now, it is fairly strong.

**Anmol Garg:** And just one more, if I can, particularly on the banking segment. So, if we look at the business of AryaXAI, if we remove the two quarters of AryaAI incremental revenues, then the growth looks a bit tepid for this quarter on a YoY basis. Just wanted to understand that based on the current contracts, what we have, do we see banking growth organically to be faster than TIG for next year?

**Ashish Rai:** Yeah. So, I would contest your tepid, the definition of tepid. I don't think AryaAI is that material to the overall banking growth on a standalone basis. Arya has been the cause of acceleration to a lot of other banking product business. So, for example, a lot of our, we have become one of the most competitive players in the transaction banking space, thanks to being the sort of leading product with a very strong AI offering inside the transaction banking stack, right? And same story goes on the lending and all. But I would not say on a standalone basis, AryaAI is really skewing the growth numbers. I think it is really helping the growth of all the banking products as a whole, but still the revenue kind of lies within transaction banking and lending and all the subsequent products, right? I think that's how I would read the banking growth. Now, going into the subsequent years, I feel right now the demand pipeline that we see on transaction banking, the demand pipeline that we see on lending is fairly strong as it is and our win rates, at least in the Asian markets, I do not think we have a peer in terms of just the win rates that we are clocking at the moment. So, we will continue to deliver strong organic growth into the business. There was an additional element to the question. Anmol, can you go again?

**Anmol Garg:** Yes, sir. I was just asking that with respect to TIG, should we expect banking growth to be faster than TIG?

**Ashish Rai:** Yes. So, I would not know that. Look, I think, like I was saying in response to the previous question, the way to look at it is the demand environment remains exceptionally strong as the strongest we have seen in a long while for both the segments, right? So, whether it is transaction banking, I think there is a lot of deals in the market. Whether it is lending, there is a fair amount of deals in the market. The whole AI stack, we are just building out into it. Same thing on the TIG side, the demand on the transaction side is exceptional. I think the closed loop, open loop transformations across the world will go on for many, many years. Data center demand is very, very high. So, the demand side of the equation is really strongly loaded at the moment. So, the growth depends on how much do you want to grow into that demand in terms of scaling up your capacity? How much of it can you take on safely while keeping your delivery reputation intact, while keeping your cash flows in shape. So, what we will do going into the next few years is we will be very, very careful in how much we grow, and we grow in a way that we can keep a stellar reputation for delivery, which is what makes Aurionpro different from anyone else we compete with. We keep the economics intact. We keep the cash flows in shape. Of course, at a 35-40% growth, they will keep skewing from time to time, but we will keep all those in growth, and then we will calibrate how much we want to grow in each segment, right? So, I think it is very hard to comment on how much it will be. I think what we would say is on an average, we will grow very strongly, and both the segments will contribute to that growth fairly strongly, but from one quarter to the next, you will see, like, for example, TIG was growing very, very strongly 4 quarters back, 5 quarters back. We slowed it down deliberately. Banking was growing very slowly 4-5 quarters back because we were building the products out. Then we accelerated that this year. We slowed TIG down. Now TIG is accelerating. We may slow down something else, right? So, I think we will keep – the key equation here is not the demand. It is our judgment on how much we can grow safely, and second, our ability to capacitive against the demand, which takes time for you to ramp up capacity and all. So, I think that's the way I would look at it. I would say on the net, both segments will continue to deliver fairly strong growth going into the next few years.

**Moderator:** Thank you. The next question is from the line of Darshini from SI Investments. Please go ahead.

**Darshini:** I have two questions. My first question is, do you see any effect of DeepSeek AI on our business?

**Ashish Rai:** Look, the entire world is processing what comes out of the DeepSeek, right? And we probably run the most advanced AI explainability lab in the country, in Asia probably, maybe one of the most advanced ones across the world. We have been looking very closely at DeepSeek since B3 came out 3-4 weeks back. We obviously look very closely at R1. It is – I think it is a bit of a – it sort of turns the whole scaling hypothesis on its head and I know the entire world is sort of thinking through the implications of that. What it means on the net probably is that the frontier models are closer than you think they are. The bar is probably lower than what everyone had, you believe, for some time, right, which does open up the possibility of smaller labs like us coming up with a much more sort of advanced offerings. We are probably one of the strongest research teams when it comes to AI explainability at the moment. We are making a lot of investments around making our applications stack AI native. We are going to really accelerate investments into specialized language models that tackle the specific domains that we are in. We are still convinced that the value capture is going to happen on the specialized models and it's a lot easier for you to get to frontier model capability on the specialized domains. So, I think that is where we are going at the moment. Obviously, there is a lot of impact to where smaller specialized labs like us can invest and will continue to do that. I think it does not change the original value capture formula that we had, which is, one, make our application stack AI native and lead the world in terms of AI enabling the enterprise application stack. I am convinced there is a lot of value capture that will happen there. Second, productize the sort of AI stack that we go into making our applications and work with other Fintech vendors on the productized stack. Third, invest on enterprise AI. So, those levers remain, and then we process where we can get to around the specialized language models, and we started looking at that, right. So, that's one side of the impact. The second side of the impact that much talked about is the data center space. I honestly don't think that's a material impact for us because, one, for us, most of the design and build happens in India. I don't think a lot of Indian data center space requirement was coming out of AI compute. You, of course, hear of a few GPU as a service models and all that stuff, but even they were not fully servicing Indian demand. So, a lot of the data center demand is coming out of the latent demand for compute and latent demand for storage that exists in India as a nation. So, I don't think that goes away. I don't think investment there will slow down, and we are a fairly small player. I think we will continue to grow on that side of the business. So, that is basically where I am in terms of assessment of impact on both sides of the business. Unless you meant something else, I think that is the way we are thinking about it.

**Darshini:** No, this is what my question was. Thank you for the response. My second question is regarding the banking business. In one of the previous calls, you mentioned that the banking business is expected to grow by around 50% this year, and this quarter the growth is 41%. Will we be able to catch up in the next quarter so that we end the year with 50% growth?

**Ashish Rai:** I think we will probably go a little bit more. But honestly, I think we grew from one quarter to the next. We may get to 50%, but I think what I was saying is we will land up something between 40% and 50%. I think that's where we will land up. The challenge on the banking side that we are facing right now is essentially being able to deliver the project fast enough, and there is a ramp up of capacity that has happened. But it is a lot more complex in the product business to ramp up capacity to deliver than if you were a pure play services business. So, I think the challenge is delivering capacity to some extent and the reason we made, for example, an acquisition like Fenixys is also to help us ramp up the delivery capacity in Europe because from a product standpoint, from an IT standpoint, we are there, but we said, how do we really build out capacity in Europe? How do we build out capacity in the U.S.? So, we are working very hard at that. I think we have got a very, very strong model to build that capacity, but still the constraint remains how fast can you get the project delivered.

**Moderator:** Thank you. The next question is from the line of Shikhar Mundra from Vivog Commercial Limited. Please go ahead.

**Shikhar Mundra:** So, just wanted to understand our plans for Europe. For the next couple of years, where do we see, I mean, do we see our revenues from Europe and how big can we scale this acquisition of Fenixys?

**Ashish Rai:** So, Europe, the plan is the following. The 2 segments which will expand into Europe initially are banking and transit. Transit, we are increasingly competing on deals in Europe. We expect to be able to break in to a few markets that way. We are pursuing the partnership strategy that we have, and then we already started doing some work in the U.K. that way, and we hope that to expand. So, that is the transit strategy, build out the channel to compete on deals in Europe as well as build out on the partnerships and expand, and we have already started expanding that in a small way this year. That will only grow. The second part of the equation is banking. For banking, the initial target is – so banking is the following. One is transaction banking. We want to start selectively competing in our deals in Europe. We are already making some progress. We have built out a sales team there, and we have started looking at the initial deal. The second is to go in partnership with a large Fintech vendor on the lending side where we are integrating our front-end with their back-end, and we will go and sort of do a joint front-to-back play on the lending side, especially for the large banks in Europe. The third lever is Fenixys, which Fenixys is a very strong player in the capital market side. They have relationship with a number of large banks and a very, very high quality team with presence across France, across Nordics, across UK and we leveraging that team to start sort of expanding and seeing how one we can increase on the capital market side with a large global capability that we have offshore as well as expand those relationships on the banking side. The fourth lever, although very, very nascent that we are pursuing is how do we collaborate with some of the European governments and government agencies on the AI side. So, we have been sort of talking to a few regulators. We have a first rate offering on AI explainability. Europe has a very strong regulatory framework around the AI which is very different from let's say a place like US or India and that really sets the market up very nicely for us because we really have the framework in place to see that the models that you build up are fully explainable to make sure there is a compliance to regulations. So, a regime where there is a strong AI regulation works favorably for us, and we are sort of exploring that with a couple of governments and regulators in that part as to how we can enable that. So, those are the levers for us to expand banking and transit. We feel very good about both of them expanding into Europe going into next year.

**Shikhar Mundra:** Thank you that was very helpful and so are you in a position to give a guidance for next year.

**Ashish Rai:** For all the business, for Europe, for what?

**Shikhar Mundra:** For the complete business.

**Ashish Rai:** For the complete business, I will come back to you in May when we report the full year results and then we will guide.

**Moderator:** Thank you. The next question is from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

**Deepak Poddar:** Thank you very much sir. Just wanted to understand this year what sort of outlook we have for FY25 in terms of growth and margins.

**Ashish Rai:** So, we have guided to a growth higher than 30% and EBITDA between 20 -22% and PAT between 15 - 16%.

**Deepak Poddar:** Okay, fair enough. And in terms of, I mean how much percentage of business currently is coming from exports market?

**Ashish Rai:** So, the split roughly for US is 60% India, 30% Asia Ex-India and 10% America roughly.

**Deepak Poddar:** And 10% is USA?

**Ashish Rai:** Yeah, I mean slightly less than 10%.

**Deepak Poddar:** Okay, so you see any risk in this international pie? I mean the USA pie or Asia Ex- India pie.

**Ashish Rai:** I mean we only see opportunities. Honestly, it is too small to really worry about the risk. I think Asia, the demand environment is very strong. So, 90% of our business is Asia or India. I really don't see any red flags anywhere. U.S., I hear about the red flags as much as you or anyone else hears about the red flags. But for us honestly I think the risk is fairly low because one, we are small. Second, we have got large opportunities in front of us. Third, we are not that resource incentive like the IT services firms who need a lot of visas and stuff like that. We are a very product oriented, IP oriented business. So, we don't really think there is a lot of impact. I mean to the extent that there is an impact, we will navigate around it. But right now we see a significant opportunity for our transit payment stack in the US market. We of course, we have rolled out to many cities in California. There are other US cities, other US States rather which are thinking about frameworks to move closed loop to open loop. So, we are very excited about the possibility there and on the banking side we again we work in the payment space, we work in the lending space. It is largely product work where I really don't see why there should be a risk there.

**Deepak Poddar:** Okay and you mentioned that there can be some kind of impact in U.S., Right? So, what sort of impact we see? I mean, what can be the potential impact? I mean if at all that can come.

**Ashish Rai:** No, so I did not say that I think there will be an impact. What I am saying is if there is one, we will easily navigate around it. But I don't really see what that impact could be. If I was to predict how U.S. will behave for us in the next year, I would say we will grow at a reasonably strong rate next year in the U.S. Okay, fair enough. Okay, that's very clear. But I don't know what, I don't know. So, yeah, so if something comes in, we, I think we are, the business is wide enough to be able to navigate it.

**Moderator:** Thank you. The next question is from the line of Raj Mohan, an individual investor. Please go ahead.

**Raj Mohan:** We have talked about being in the top 3 in the products we cater to by 2030 for which as you have indicated, there has to be an inflection in the medium term, do you think as you look into the developments within each of the areas there is an outside chance that we hit our first inflection in the next 3 years like opportunities in the closed loop to open loop transition where we are making some serious inroads in the most developed zones, data centers then this huge AI opportunity which stands better attainable with AryaAI.

**Ashish Rai:** So, first if we just keep growing at 30 odd percent for the next 5-6 years, we grow up 4 or 5 times. So, I think that itself it would not be a growth that you will be, let's say disappointed by. On the ability to get to the top 3 in each of the players, each of the segments we are in. I think that's the core of Aurionpro's DNA. We come into work every day because the desire is to build out a product that's superior to everything else in the market. Right. It doesn't matter which segment of Aurionpro we are talking about. When we go and build something we want to build the most superior offering in the market and we will be completely uncompromising, we will be totally relentless about it. Right. So, if we don't get there today, we will get there tomorrow. If we do not got there tomorrow, we will get there the day after. We will not stop. So, I think that is the sort of core ethos of how we operate. I would be very surprised if we did not that hit that inflection point on some of our segments in the next 3 years. I think just to use it in the timeframes that you gave it. On the transaction banking stack we are increasingly optimistic. We probably have the most modern stack in the market. We are competing very, very well. I don't think there is another player in the market with the windows that we have. On the commercial lending stack, I believe we have the deepest stack in the market. And it's not just me, I mean these are charters, risk tech leaders, quadrant products, you know, whether it's corporate loan origination, whether it's collateral manager in the banking group, whether it's limit manager in the banking book now LMS, right. So, when we build we are building with the, with the intent, with the ambition of building out the top products in the world. Of course you never know when you get to the top 3. But as far as building the product is concerned, we are very confident we are building out really competitive products. I would be very surprised if for some of the products we really did not get to the top I think the core R&D ethos that we have, if you look at it, that is not easy to find in this part of the world. On the transit side, if you look at it, we are the only firm in India to design, build our own EMV certified card readers, right? I mean it is hard R&D, it takes a few years to do it, no one else does it. Why do we go and do it? On AI explainability, we are the only firm in India to publish research papers, build out an explanatory stack. I do not think anyone even is doing anything close to that level of deep R&D to build out an inference level stack that we built out. This is not easy to do, it is not cheap to do. We sacrifice a lot of hours, we sacrifice a lot of dollars to go and build these products out. We feel confident if we carry on how we carrying on with the same determination, with the same effort, with the same common sense economics, we will get to where we plan to get to. I have no doubt about it.

**Raj Mohan:** That's a superb answer as usual, Ashish. Second on AryaAI you had indicated to a couple of quarters of integration and then being in a better position to assess potential for such integrated product solutions offerings. You have indicated to explainable AI in high stakes industries. How have the customer dispositions changed on your integrated offerings in the enterprise AI space through probably the lens of stuff like explainable AI, would like some color in terms of new client wins or quicker expansion of product rollouts in existing clients. Are we able to be at the forefront of such a dynamic and frenetically paced industry?

**Ashish Rai:** Yeah, good question. So, look, I would sort of split it into two different parts. I will segregate the enterprise AI or other AI enablement of the application from the explainable AI offering. On the AI enablement of the stack, I think we have made tremendous progress over the next couple of quarters and I think the best example of that is the transaction banking stack. We probably have won in the last 4-5 quarters, I would say 60% +of the deals we competed in and I think or 60% of deals that we competed in that got decided over the last 5 quarters. I think our win rates are exceptional. I think the two wins that I talked about in Saudi Arabia, the win in South Asia, the two large public sector banks in India, including State bank of India that you talked about and a lot of these wins are powered by the AI stack that we have integrated in with the enterprise offering and that is the reason why it is so high. So, I think that is already beginning to show significant impact. We will actually have a very large bank in India go live with it over the next couple of months with one of these sort of AI powered offerings, and I think that should give it a further fillip. So, I think, that those things are going very, very well. On the explainable AI side I think it is still a fairly less mature field. I think there is a lot more sort of let's say maturity regulatory push that needs to come in the space. We have plans around how we plan to expand in that space. We have plans around how we plan to bring that into our own enterprise AI stack as well as focus it on regulated industries where it makes sense. But I think the space, I would say it is still watch this space and see how that evolves over the next couple of quarters. I feel good about our chances, but time will tell. Overall, how do we feel about competing in a space that is changing so radically? I think all of us saw what a small lab in China achieved. I think the goalposts in space have changed. I think there is a lot more. The frontier is a lot closer than people said it is. Our capabilities are a lot deeper than people think it is. I think we will achieve very, very strong results in the space. We still believe when it comes to reasoning, especially going down domain specific, highly focused reasoning models is probably the faster way to reach the frontier than trying to go Deepseek style generalized reasoning models. But I reserve the right to change my opinion on that in the next 3 months. But you know, I think that is where we are going. I think we feel good about where we are and I think we have got one of the most advanced AI labs at least in this part of the world and I feel good about our chances.

**Raj Mohan:** Great. One final question. Deals where you sort of tie up with majors like Finastra, FIS as joint propositions. Do you see these products could over time be increasingly in proportion done by Aurionpro and be candidates for huge growth as to trigger that inflection in transaction banking or corporate lending or would the biggies continue to maintain their share of the contract and you could use these references for other contracts wherein you do the whole contract or a large part of the contract yourself.

**Ashish Rai:** We are strong believers in the kind of open eco-source system approach to how solutions get delivered to the clients and the sum of the parts to the client is a lot bigger than individual components, whether it is coming from us, from our partners. We are very close to most of the top Fintech players in the industry today. Whether that's Finastra, Murex or there is someone else. We are increasingly finding more and more win-win propositions with each of these partners. I think these relationships will only get people. It is not a zero sum game. It is not that we win, they lose; they win, we lose. I think collectively we just deliver a lot more value. As we do it of course these are large organizations and we do start doing a lot more around their products as well especially in terms of filling up gaps and all that we have done with multiple of those part. So, I think it is generally a growing pie. We are a fairly small player in a giant industry so the headroom for growth for us is enormous. As long as we stay focused on finding these joint win-win propositions and deliver our end of the bargain, I think we will keep growing these on, I mean how much and what it is. I do not think this is the time to sort of worry about it.

**Raj Mohan:** Thank you very much. You seem to have set a unique standard to catapult the company post pivoting Ashish. My best wishes for you to achieve your unique objectives which will make India proud.

**Moderator:** Thank you. The next question is from the line of Vivek Gautam from GS Investments. Please go ahead.

**Vivek Gautam:** So, if you can just highlight what have been the changes you have been able to bring about in the last 2-3 years. You have joined the company from abroad and how has been able to attract the talent especially from the international level and international organizations like Finastra and so what is the future looking like? Second question was about the receivable concerns because our business with government is also increasing. Thank you.

**Ashish Rai:** I mean the first question is really broad, right. So, we might as well end the call on this if I get into details on this. But I think what I would say is since we pivoted the firm 4 years back and there is a lot of commentary that I have given including Investor Day Deck and all that stuff that are out on YouTube and everywhere else one could run through it. The goal is to build out a global product, global platforms, players centered around building new IT, centered around being products that can compete across the globe. We believe that, the time to sort of, also the maturity curve of Indian IT, I think the time to sort of go towards product had come, the margins of services are shrinking. So, we went down and selected a few select segments and we said, okay, these segments we see demand runways which are long out. We will invest, we will build out IP and that is what we have been at. I think the journey for us has been a bit unique in how we approached it. It has encouraged, it has attracted a lot of talent from top global firms to come and join us and I think that way we have been a bit lucky that we were a bit unique in terms of our models and we were a bit lucky that we were more ambitious than probably some of the others and that helped us to draw in talent from global fintech firms, from the Finastra, from Murex**.** Some of it is also because we were very deliberate in the talent that we wanted to hire. I think we will continue to just pursue, do more of what we plan to do. Our Vision 2030 is fairly clear, it is fairly detailed. Externally, it is a set of qualitative objectives that we published. Internally, it is a set of hardcore quantitative objectives that we are chasing. So, far we are actually delivering ahead of those objectives and the entire management team in Aurionpro, a lot of senior leaders in Aurionpro are tied to the Vision 2030 objective and fully committed to it and every day we continue to attract more and more very, very talented people from the industry to come and join us in our mission. I think the time for the Indian industry to pivot from services away into products has come and to the extent that Aurionpro can help catalyze that change, we are delighted to be able to do that and we will continue to sort of single mindedly pursue the objectives that we set for us and I think that is the right outcome for Aurionpro, for all the staff of Aurionpro and for the shareholders overall in terms of the return on capital, etc. that we can drive over the period. So, I think the price, the size of the price is enormous. So, that, is what it is. In terms of what we are trying to do, coming to the more mundane topics of receivables. Look, I don't think it is, I know it sort of comes up every, every year. We always have a first half of the year where we will get a little bit negative cash. We will always have a second half of the year, we will set up collections and it will end up in the 100 odd range. I do not think we will be as efficient as let us say a pure IT services player who was placing man hours in terms of how efficiently you can collect. So, our DSOs will always be a little bit higher just to the sheer nature of product deliveries. But that also allows our margins to be higher than average services vendors. That also allows our sort of growth rates to be higher. So, I think the way I would position it is it is very hard to drive a mature company economic with a 35-40% growth rate. Because when you are actually building out product setup at a furious pace, when you are starting so many new projects, when you are really expanding, sending so many bills out, you will always have a very large receivable. I mean you are growing 35% and Q4 is the largest quarter. I mean it would be big, but on the net our model is so enormously profitable and we are capturing such a large value and bulk of the value that Aurionpro creates actually does not show up on any P&L statement. The value of Aurionpro is not in the P&L that you see last year. The value of Aurionpro is the absolute cutting edge IP that will pay us for the next 10 years. Whether it's the absolute cutting edge open loop stack where we have the most integrated end to end offering in the transit payment space, whether it is transaction banking stack where we've got the most modern transaction banking software in the world today, whether it is the corporate loan origination software which is the number one payer player in Asia, the value is not in the past P&L, the value is in the future. And we will continue to build these products. We expense every single cent of our R&D which is probably at Rs. 110-115 Cr right now. That is a huge amount of investment in the future. So, I would say we will even today with the current P&L, we are probably in the top 5% of the industry in terms of growth. Actually I don't know any other tech player who has grown 30% last 4 years in a row. I think we are top 5% industry on margins. I don't know many players who do north of 20% EBITDA and despite that, the value is actually not in those numbers. The value is in the future. The value of the IP that we are building out is the terminal value of the IP that we are building out. So, I think that is the way I would look at it. Within that I would say receivables and all will go up and down. But that is for us to manage roughly by and large we will keep the DSOs at about 100 odd days, give or take 10%. And I think that is the way to look at it.

**Vivek Gautam:** Sir, a few words about the impact of this Chinese Deepseek on our sector and AI and on us in India and our data center capabilities. What could be the positive, negative impact of this new developments? All around the world the concern is that chip companies are falling around the world due to this new Chinese startup development of the new chips.

**Ashish Rai:** The way I would look at it is this, I would say the impact of what Deepseek means in terms of a less resource intensive AI build out going out into the future at a global level. If that is true, that is probably a significant impact when it comes to data center capacity. But I would say the jury is out on that one and you have not completely debunked what you call the scaling hypothesis. What you sort of proven is you can get very close to a frontier model using algorithmic techniques instead of blind scaling. It doesn't mean the scaling up stops. What does it mean for us? I think it is a completely different reality. So, for us the data center. So, that comment was on the global level. For us the data center business is very India centric. India demand in the data center space I don't believe is largely driven by AI compute at the moment. I think it's driven by the general demand for compute, the general demand for storage. There is a slight AI element to it but I don't think it really materially changes the reality of the data center space and we don't really build data, we don't really own our own data centers. We are a design and build player. We see enough demand in the pipeline right now to keep on going into that space. I would not believe there is a huge impact when it comes to the Indian demand when it comes to data centers. There would be an impact on totally the GPU as a service players and all that stuff. But that again like I said, wait a couple of quarters to see the real impact. Overall, I mean that is what I see it. I think this is a space where new facts will emerge every few months and you have to maneuver it. But India growth in data center capacity I believe is a long secular story. I don't think that really gets impacted much by AI compute.

**Moderator:** Thank you. The next question is from the line of Lakshya Agarwal from Growth Sphere Ventures LLP. Please go ahead.

**Lakshya Agarwal:** So, I have a broad question that in our TIG segment we have the data center build service. So, I want to understand that how much of a percentage of revenue it is as of now understanding that it would be a small share, but still and what exactly are we providing here? Is it the design service or also we pick up the build contract, the EPC contract and secondly, how does the margin profile look for these different segments?

**Ashish Rai:** Okay, so look, data center is roughly a third of TIG. TIG is roughly 45% of the overall enterprise. So, I think that is, that is a rough number. What do we do in the data center space? We are largely design and build. When it comes to design, we have got one of the most capable data center design teams in the country. We work on some very complex projects with a large number of players and on the build, design and build side we work with a couple of prominent strategic partners, Webworks, Iron Mountain being the main one, very closely in terms of not only designing the data centers but also program managing the build of those data centers. So, I think that is what we do from the economic standpoint. The business operates at 5 or 6 points below the enterprise margin at the moment and it is growing roughly between 30 and 40% overall. So, those are the sort of rough numbers.

**Lakshya Agarwal:** Okay, thank you sir. So, a follow up question on this. So, majorly we focus only on Indian clients or also we look into abroad clients and secondly in terms of the design service which we provide. So, if there is a contract for a 1 megawatt data center build, so how much of a percentage would it constitute for the design and consultancy part, which is our share.

**Ashish Rai:** Yeah. So, look, we have slowly started expanding globally into a few markets, mostly emerging markets and I think that is still a very, very small, it is a non-material slice of the revenue at the moment. But we started slowly expanding into it. So, as we go to the next year, you may see some more announcements in that space. The way the pie develops it. So, we obviously don't do any work on the EPC side and all that stuff. So, we design is sort of roughly single digits when it of the overall pie and when we do a design and build then you are probably capturing close to 40 to 50% of the pie. So, it depends on the scale of the project. Design by itself is extremely high margin work, but it tends to be a very small share of the pie.

**Lakshya Agarwal:** Okay, thank you sir, that was helpful and a last question that currently the DC capacity which we have right now in India is approximately 1.2 gigawatts and in the next 2-3 years we are planning to scale it up to 3 to 4 gigawatts. But with the recent development of Reliance mentioning that it would be entering, it would be making its own 3 gigawatt setup. So, are we seeing any services which we would be able to provide over here and could benefit out of it or how are we focusing ourselves over here?

**Ashish Rai:** Look, I think the way we look at D.C. side is it's not really a demand issue for us, it is more a about how much we want to do and what capacity we have. So, I would say there is a lot of action in the DC space. There is a lot of investment proposals from small business groups, large business groups, players as well. There is a lot of business plans in place. We really cannot go for every one of them or most of them. So, we sort of work with a couple of strategic partners where we work very closely with them right from inception and do the whole chain of work and we tend to focus on very selective, very complex projects which are high margin, where we can add a lot of value. Beyond that, obviously there is a lot more happening in the space. But do I really want a finger in every pie, probably not.

**Moderator:** Thank you. Ladies and gentlemen, this was the last question for today. I would now like to hand the conference over to Mr. Ashish Rai for closing comments.

**Ashish Rai:** Thanks Aashvi. Thank you everyone for joining the call. Hopefully this has given you some flavor of how the Quarter has panned out and our plans for the future. Overall, we continue to focus single mindedly on our ambition of building out the global enterprise tech player, the global products and platform player that we set out to build out. The demand environment remains very good. We are scaling up delivery capacity to build into the demand. The order book is in a very, very strong position. So, I feel very good about how we will finish this year and how we will go on and grow into the subsequent years. I will come back to you next quarter with more on this. Till then, thank you for joining the call. Thanks and I will see you again.

**Moderator:** Thank you. On behalf of Aurionpro Solutions Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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