Operator: Good day and welcome to the Saksoft Ltd. Q2 FY27 earnings conference call hosted by Monarch Networth Capital Limited. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Vinay Menon from Monarch Networth Capital Limited. Thank you, and over to you, sir.

Vinay Menon – Monarch Networth Capital Limited: Hi, good afternoon, everyone, and thank you for the opportunity. I welcome you to Saksoft Ltd.'s Q2 FY27 earnings call. With us, we have the senior management of the company. We have Mr. Aditya Krishna, who is the Managing Director of the company; Avanthika Krishna, who is the Executive Director; and Mr. Neeraj Kumar, who is the CEO and CFO of the company. I now hand over the call to Mr. Aditya Krishna for his opening remarks. Thank you.

Aditya Krishna – Managing Director: Thanks, Vinay. Good afternoon, everyone, and thank you for joining us for Saksoft's earnings conference call to discuss our performance for the second quarter and first half of financial year 2027. I hope all of you have had the opportunity to receive our financial results and investor presentation. I will begin by sharing the key business and operational developments during the quarter, following which my colleague, our Chief Operating Officer and Chief Financial Officer, Mr. Neeraj Ganeriwal, will take you through the financial performance in greater detail.

The tech services industry continues to undergo a significant transformation, with the demand environment remaining selective amid macroeconomic uncertainties and cautious client spending. While clients continue to exercise greater discipline over discretionary technology budgets, spending on strategic priorities such as artificial intelligence, cloud modernization, data analytics, cybersecurity, and automation remains encouraging. We are also witnessing a gradual shift from AI experimentation towards enterprise-level implementation, creating opportunities for technology service providers with the right capabilities and domain expertise. At the same time, increasing AI-led productivity is reshaping traditional delivery models and making innovation, execution capabilities, and the ability to deliver measurable business outcomes increasingly important.

During the first half of financial year 2027, the industry continued to witness uneven demand across sectors and geographies. We believe this environment presents opportunities for specialized technology partners that can offer greater flexibility, deeper customer engagement, and focused digital transformation solutions. At Saksoft, we remain focused on strengthening our capabilities and deepening our relationships with existing customers. Our investments in artificial intelligence and proprietary accelerators are aimed at improving delivery efficiency, enhancing our technology offerings, and expanding wallet share across our client base. We continue to leverage these capabilities to address evolving customer requirements and position ourselves for opportunities arising from the growing adoption of AI-led solutions.

During the quarter, we further strengthened our leadership team with the appointment of Mr. Gurmeet Chahal as Chief Executive Officer. He brings extensive experience in scaling digital

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businesses and taking a technology company to a public listing. His appointment is an important step in strengthening our leadership capabilities in the US and Europe markets and supporting Saksoft's next phase of global growth in an increasingly AI-driven environment.

Although revenues in the second quarter remained broadly flat compared to the first quarter, we continue to make progress in transforming our business with an AI-first approach. We are proactively engaging with customers through free proof of concepts and leaner team structures, helping them drive greater efficiency through AI across their workflows. While this may result in some revenue cannibalization in the short term, we believe it will strengthen our position as a co-innovation partner and create greater opportunities over the medium to long term. Looking ahead, we are confident of delivering a stronger performance in the second half of this financial year compared to the first half. With that, I would now like to invite Neeraj to take you through the financial performance for the quarter.

Neeraj Ganeriwal – COO & CFO: Thank you, Aditya. Let me now take you through the financial highlights for the second quarter and first half of the financial year 2027. The revenue from operations for the quarter stood at around INR 249 crores, remaining broadly in line with the previous quarter. The EBITDA stood at around INR 44 crores, declining 4% quarter-on-quarter, with the EBITDA margins moderating by 66 basis points to 17.6%. On the other hand, the profit after tax increased by 10% sequentially to around INR 32 crores, with the profit after tax margins improving by 114 basis points to 12.92%.

For the first half of the financial year 2027, the operating income stood at INR 497 crores, registering a marginal year-on-year decline of 2%. The operating EBITDA declined by 8% year-on-year to INR 89 crores, with the EBITDA margins being at 17.93%, contracting by 107 basis points. The profit after tax stood at INR 61 crores, with the profit after tax margins at 12.35%, which is down by around 111 basis points year-on-year.

Moving to our revenue mix, for the first half of the financial year 2027, the US continued to remain the largest market contributor, with 51% of the total revenues coming from the US, followed by Europe at 28%, while APAC and other regions accounted for the remaining 21%. From a delivery perspective, the onsite and offshore revenue mix stood at 43% and 57%, respectively, reflecting a continued focus on offshore delivery. Our revenue base remains diversified across industry verticals, with banking and financial services contributing 30%, emerging verticals accounting for 45%, logistics contributing 16%, and digital commerce accounting for the remaining 9%. Turning to some customer metrics, we continued...

Management: We have 16 clients generating annual revenue of USD 1 million or over USD 1 million each. Our top five customers contributed about 40% of our revenue, the top 10 contributed 58%, and the top 20 clients contributed about 72% of our total revenue. Our employee strength stood at 2,393, comprising 2,203 technical professionals and 190 support staff. Employee utilization, excluding trainees, remains healthy at 84%. The net cash after excluding long-term and short-term debt increased by around INR 95 crores year-on-year and stood at INR 244 crores as on September 30, 2026. That concludes the financial update for the quarter. We would now be happy to take the questions.

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Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to please use handsets while asking a question. Ladies and gentlemen, we will now wait for a moment while the question queue assembles. Our first question comes from the line of Kanishk Gupta with SS Family Office. Please go ahead.

Kanishk Gupta – SS Family Office: Hi, a very good afternoon. I wanted to ask: given Saksoft's ambition of achieving USD 500 million in revenue by 2030 and considering the current TTM revenue of approximately 1,000 crore, the company would need to deliver revenue CAGR of approximately 39% to achieve this target by FY31. Can you provide a bit more clarity on the expected contribution from organic growth versus inorganic acquisitions while achieving this target?

Aditya: [pause] Yes, it seems a mammoth target and a goal at this point. However, a few quarters of really good growth can change the story, and that's what we're working on. We're working on a few non-linear options. These include M&A, which you mentioned, inorganic growth, but also a pull from partnerships, an area where we have traditionally been weak. Our new CEO is putting a lot of focus on a pull strategy in addition to the push strategy, which is predominantly partner push. We are also running multiple campaigns at the same time to improve the demand scenario that we have.

So yes, very honestly, it seems like a huge target. As of today, we are confident that we'll be able to get close to the 500 million, if not reach 500 million. We have to demonstrate much more growth than we have in the last four quarters, which have been predominantly flat. We are making the right investments. You've seen the investment in leadership. In the last 12 months, we hired a Chief Growth Officer for the US geography. In the last four months, we hired a Chief Growth Officer for the UK market. And now we've got a new CEO who joined us about three weeks ago, who has a lot of experience in scaling businesses. So we feel we have the foundation. We've had a few bad quarters and flat quarters, and we've invested for the growth that we expect to come. As of today, we are confident we'll get there.

Kanishk Gupta – SS Family Office: How confident are you that internal cash generation will be sufficient to actually fund the planned acquisitions without compromising any kind of financial flexibility and returns on invested capital?

Aditya: [pause] If you look at our history, we've always managed to fund acquisitions, and we've done quite a few of them through our own cash. We've taken a little bit of debt occasionally, but it has predominantly been through our own capital or our own cash, as well as a structured payout, which has worked well for us. We plan to continue with that approach. We're not going to dilute capital. Very clearly, we're not going to take excessive debt, and with our experience of over eight acquisitions in the last 10 years, we're very confident that we have a robust model in place to look at inorganic targets.

Kanishk Gupta – SS Family Office: Secondly, I would like to ask: the Q2 performance was largely expected to remain muted. How is the visibility for H2 now, and how confident are you about the meaningful recovery that we can expect in the second half, considering the current order pipeline

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and outlook?

Aditya: [pause] The second half will definitely be better than the first half. Now, that's not saying much because the first half has been flat. But you will see improvement in performance quarter-by-quarter. We're very confident of that. We have already completed, or almost 50% of, quarter three. So we've got a good handle on quarter three. You will see better results starting this quarter.

Kanishk Gupta – SS Family Office: And what would be the pipeline as of now?

Aditya: [pause] I don't have the exact quantum of the pipeline with me, but if you share your email, we will send it to you.

Kanishk Gupta – SS Family Office: Sure, no worries. Are we still going forward with our 1,200 crores of guidance for FY27 revenue? If so, that would actually imply approximately 40% YoY growth in H2.

Aditya: [pause] As I mentioned, we're looking at a few non-linear options. If any of them kick in or work for us, it could significantly get us to that figure. It's a tough ask today, I appreciate that, because of the last two quarters. But in this business, as in any other business, the cost always comes before the results and the revenue. So we've made the investments. Now we have to be a little patient and wait for the results.

Kanishk Gupta – SS Family Office: Got it, sir. Lastly, I would like to put in one more question: what would be the key milestones one should track over the coming quarters to assess progress towards the longer-term objective of the 500 million revenue ambition?

Aditya: [pause] I think the only figure you should look at is top-line growth. Because if top-line growth happens and EBITDA is maintained, and even if EBITDA is compromised by a few basis points, it will catch up. So I think the only metric to really look at is top line.

Kanishk Gupta – SS Family Office: Okay, sir. Thank you very much. That's it from my side, and all the very best for the future.

Aditya: Thank you.

Operator: Thank you. Our next question comes from the line of Vikas S with RBC. Please go ahead.

Vikas S – RBC: Hi, thank you. Aditya, my question is: when you say push strategy, does that also entail capital expenditure, if that's not necessarily equivalent to an M&A? That was my first question. And second, if nothing materializes in this financial year in terms of regular organic growth, what are we looking at in the second half? Is there a range?

Aditya: [pause] So the first question, Vikas, is on capital. For me, non-linear is basically divided into two buckets. One is inorganic, which is M&A, where obviously we need capital. The other is a partnership pull. We have strong partnerships with ServiceNow and Salesforce, but we have never capitalized on that pull. That's what we are focusing on, and our new CEO has a lot of experience in that area. If any of that starts kicking in—and it will kick in; it's just a question of when and how

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quickly—that does not require capital because we have those capabilities. We will start getting a lot of business through the partners that we do not get today. So that's the first part. The second question is: if nothing materializes, the second half will definitely be better than the first half.

Aditya: We're probably looking at somewhere around 1,100 crores.

Vikas S – RBC: Got it. Thank you. I'll get back in the queue.

Operator: Thank you. Our next question comes from the line of Rishabh with RBSE Investment Managers LLP. Please go ahead.

Rishabh – RBSE Investment Managers LLP: Hi, sir. Thank you for the opportunity. Firstly, the ambitious target that you've set for yourself, I believe a significant part of that growth will come from gaining more wallet share from your existing customers. I just want to know what are the two or three things that have been done in the last 1 year or so that will enable us to gain more market share? Some anecdotes or qualitative examples would be very helpful to understand.

Aditya: [pause] I think the biggest thing you must take into account is that we are transforming our business in two broad areas. One is leadership and deeper management depth. I mentioned that in terms of leaders in the US and Europe geographies and also now a new CEO. So that is one area.

The other is that we are transforming to become an AI-first digital transformation partner. Now, what do I mean by that? We are going to our customers proactively and saying that the work we're doing for you can be done more efficiently with leaner teams using AI, before somebody else does it and before the customer realizes that we are still stuck in the old ways of doing things.

As an example, we go to a customer and say, "Look, right now we have a 50-member team working with you. We're now going to use AI and make this 50-member team a 30-member team. We will deliver better value and more efficiency for you." The customer is happy. In the short term, we have some revenue cannibalization. In the medium to long term, we will definitely benefit because the customer will see us as a true partner, will see us as a co-innovator in their business, and we will get more business. Some of it we can try through better price realization, but in the short term, revenue will take a little bit of a hit.

Rishabh – RBSE Investment Managers LLP: As we are shifting or pivoting the model to a more outcome-based model, is customer stickiness, once you've reached a certain level of trust, greater than in the earlier model? How does that customer dynamic work in this outcome-based model? What is your understanding so far?

Aditya: Outcome-based is definitely stickier than people-based because, ultimately, people can be outsourced, people can be hired, and there can be attrition. An outcome-based model, where we own the outcome and the customer depends upon us for the outcome, is clearly stickier and more long-term-oriented for us. It bodes well for our future revenue.

Rishabh – RBSE Investment Managers LLP: Net-net, the margin should also improve, right? Since it's more personalized and customized work, eventually, in the long term, margins should be much higher than where they are today.

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Aditya: Margins will be higher because of, firstly, better pricing and, more importantly, a reduced workforce.

Rishabh – RBSE Investment Managers LLP: Okay. What is the biggest risk you see to achieving this target in the current geopolitical scenario and the...

Aditya: Sorry, can you just repeat the last part of your question?

Rishabh – RBSE Investment Managers LLP: I'm asking what is the biggest risk you foresee in the current geopolitical world? Given that we are in this volatile world and you are already pivoting towards a different model, what is the one biggest risk you foresee for your business?

Aditya: I don't think Saksoft has any perceived risk that the entire industry doesn't face. I think the biggest risk that all tech companies and tech services companies face today is the impact of AI, as well as the maturity of customers and the willingness of customers to adopt AI. There is no one clear answer to that question. We will have to adapt. More importantly, we'll have to transform, which we are working on proactively. So honestly, I don't see any specific risk for Saksoft vis-à-vis the industry.

Rishabh – RBSE Investment Managers LLP: Just the last question, sir. You mentioned customer acceptance. Has customer acceptance, at least among our customers, started? In terms of pivoting towards giving more orders to Saksoft, how far along are we in that journey in terms of AI adoption?

Aditya: Customers are now moving from experimentation to actually using AI for their enterprises. We are clearly at the front of the queue. Firstly, because we are in their faces and present in front of them. Secondly, because of the accelerators and platforms that we have in AI. So we are well positioned from that perspective. Now, it's too early because these things don't happen overnight, and we are not seeing immediate wallet-share results. But we are very confident. It will take time.

Rishabh – RBSE Investment Managers LLP: Okay, sir. Thank you, sir.

Operator: Thank you. Our next question comes from the line of Vani with Alpha Advisors. Please go ahead.

Vani – Alpha Advisors: Hello. Am I audible?

Aditya: Yes, Vani. You are.

Vani – Alpha Advisors: I can see some weakness in retail as a segment. Did we lose a client or something?

Aditya: We didn't lose a client, but a few projects with existing customers came to an end.

Vani – Alpha Advisors: Can EBITDA margins return to the 19-20% range over the next 2-3 years, or should investors factor in structurally lower margins?

Aditya: Over the next 2-3 years, definitely they can. It won't happen in the next two quarters because of investments in sales and leadership, and the fact that we are moving towards the outcome-based model. But over 2-3 years, definitely they can.

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Vani – Alpha Advisors: Okay, thank you. That's it from my side.

Operator: Thank you. Our next question comes from the line of Dhruvil Padatya, an individual investor. Please go ahead.

Dhruvil Padatya: Hi, good afternoon, sir. I had a couple of questions. I...

Operator: I'm sorry to interrupt you, Dhruvil, but your line is sounding muffled. I request you to please check the mode that you are connected from.

Dhruvil Padatya: Is it better now?

Operator: It's slightly better. Please go ahead.

Dhruvil Padatya: I wanted to understand how we should look at our employee cost going ahead. Since we've hired some senior people, do we see that as a dent in our margins?

Neeraj: Dhruvil, this is Neeraj here. As Aditya mentioned, we are investing in some leadership, and cost comes ahead of revenue. So initially there could be some minor impact, but with these investments and costs, the revenue will also go up, so it should stabilize. But maybe for the next 1-2 quarters, there could be a slight impact.

Dhruvil Padatya: And the current weakness that we may be experiencing, is it because of project delays, low utilization, or any loss of market share? Is there any particular reason you would want to pinpoint?

Neeraj: Sorry, can you repeat that question?

Dhruvil Padatya: I'm saying that the current weakness we may be experiencing, is it because of discretionary spending cuts, project delays, or low utilization? Is there any particular reason that we can highlight?

Aditya: [pause] I think the only thing we can say is that a few of our customers have insourced work or are in the process of insourcing work. That doesn't mean that we've been eliminated as a partner; it means some of our work has gone to a captive that they're building in India or somewhere else in the world. So that has impacted us. But those are temporary blips, which we will be able to overcome as we move to the outcome-based model and as we use AI to improve our capabilities and delivery models.

Dhruvil Padatya: Understood, sir. Thank you so much.

Operator: Thank you. Our next question comes from the line of Girish with {? Aksheema Wealth Private Limited ?}. Please go ahead.

Girish – Aksheema Wealth Private Limited: Hello, am I audible?

Operator: Yes, you are audible. Please go ahead.

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Girish – Aksheema Wealth Private Limited: Thanks for the opportunity. I had a few questions on the AI front, actually...

Girish – Aksheema Wealth Private Limited: The management has said that we have productivity efficiency gains of around 30-50% for the company [inaudible] —

Operator: I'm sorry to interrupt you there, Girish. We can hear you, but it's not coming through clearly.

Girish – Aksheema Wealth Private Limited: Just a second. The numbers that were previously stated, the productivity efficiency gains were around 30-50% in product engineering and 20-30% in managed services. I wanted to know: do these numbers still hold? Also, how does the AI deflation impact look? If you could add a number to that, it would be really helpful as well. And are we able to offset that deflation as of now?

Management: If I understood your question correctly, because the line is not that clear, you're talking about efficiency gains in product engineering as well as in managed services. The numbers you've quoted are pretty much accurate. Now, what does that mean? In the short term, it means revenue cannibalization. That's what we are experiencing, and we are proactively going to our customers and saying, "Look, we can do things better using AI." The objective is that over the medium term, not only will our spending with that customer come back to the original level, it will increase because the customer will see us as a true partner and a co-innovator. But in the short term, we get hit.

Now, that's the disadvantage of being a smaller company in this industry. The big companies, the Tier 1s and the Tier 2s, are able to manage it because they have sufficiently large, multiple contracts; some are evolving and some are not evolving. So they're able to offset that. In our case, we have 16 million-dollar customers. We have to go to them at the same time. We can't say we'll do four in this quarter and then another four next quarter, because if we do that, the chances are, or the likelihood is, that somebody else will go to them with the disruption and we will lose that customer. So we have to go to all of them, which means maintaining revenue is a challenge by itself. And we've done a really good job because despite our efforts to reduce revenues, we've been able to at least maintain our revenues quarter-on-quarter. Which means in reality we are growing, but it's not showing in our results.

Girish – Aksheema Wealth Private Limited: All right. Is there any clear number that we can put to AI deflation as of now?

Management: AI what? Sorry, it's very unclear.

Girish – Aksheema Wealth Private Limited: AI deflation—the in-contract rate cuts that AI is trying to bring about as of now?

Management: There are no rate cuts. There are revenue cuts because of the efficiency of AI. We are offsetting a part of it through higher rates, but those are not—so, for example, if there is an efficiency gain of 35%, or let's say, just for argument's sake, 40%, that means my team size will go down by 40%. I can't offset it by increasing prices by that much. So in the short term, I will lose

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revenue, and that's what's happening to us in terms of cannibalization. But we will make it up because the customer will again see us as a true partner and give us more work.

Girish – Aksheema Wealth Private Limited: All right, thank you. I have one other question. The 1,250 crore guidance for FY27 still holds, right? The management is very confident.

Management: We're working on a few non-linear options. If any of those click, we should be able to get to a number close enough.

Girish – Aksheema Wealth Private Limited: All right. Thank you so much.

Operator: Thank you. Ladies and gentlemen, to ask a question, you may please press star and one. Our next question comes from the line of Divyansh Shah with Eternal Limited. Please go ahead.

Divyansh Shah – Eternal Limited: Hi. Thank you so much for the opportunity. I have a couple of questions, so you can stop me if it's a lot. What are the service lines from which you're currently seeing the strongest client demand? I'm trying to understand the demand side. Have you seen any meaningful shift in the revenue contribution among these lines, whether it is digital engineering, data analytics, cloud, or testing?

Management: I'll ask Avantika to answer this.

Avantika: We're seeing a lot of traction in the engineering space. I think that's number one. We're also seeing a lot of traction on the operations front, such as managed operations, whether infrastructure or application support. That's where our pipeline is increasing. It also means 2-3-year or sometimes even 5-year contracts with operations. With engineering, it ends up being one-time projects, or it could be an extension or maintenance of that development project. But these are the two areas where we see the most work coming in.

Divyansh Shah – Eternal Limited: Got it. Just understanding my second question: the US is contributing approximately 51%—and you can correct me if I'm wrong—to H1 FY27 revenue. Are you expecting this contribution to remain sustainable, and what is your personal medium-term target for this particular geographic diversification?

Avantika: We want the US to grow. That's the plan. The focus is on the US geography, along with the UK and Europe, but we feel the plan to grow the US is quite strong, and we want to see it at least at 55% in the near term.

Divyansh Shah – Eternal Limited: Got it. A follow-up on this before I move to my next question: what are you making of the recent changes in whatever is happening on the political front in the US? Is it going to help us, or are we seeing instability or any downside?

Avantika: We feel it will definitely help. It will also help in terms of decision-making. I think people in the US will be a little more relaxed, and decision-making will be quicker and faster on that front. So I think it will help.

Management: Also, the speed of development in AI will slow down because Democrats will insist on putting in more guardrails and safeguards. So the rapid progress of AI will stop, which will mean

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customers will be in a better position to make decisions. One of the reasons they hesitate to make decisions is that there are too many moving parts. Things are changing too rapidly, and they're scared to make a decision that will no longer be relevant six months from today.

Divyansh Shah – Eternal Limited: Got it. That makes sense. Beyond moving from the US and Europe, what markets are you expecting to offer the most opportunities for our company? Are you planning to strengthen any sales presence in the APAC region?

Avantika: To your second point, there's no plan right now for APAC leadership, just yet. However, we do want to increase our presence in Global Capability Centers in APAC. That is something that is untapped for us today. Although we work with a few GCCs in India, it has never been a focus of ours. That has changed now. Especially with {? Gurmeet ?} coming on, he has a lot of experience with GCCs, and I think that's something we would like to focus on in APAC. These are the three geographies that we want to concentrate on: APAC, the UK and Europe, and the US. There won't be any additional geography at this point.

Divyansh Shah – Eternal Limited: Okay, got it. Just a follow-up on this, if you could, no pressure: in APAC, are there any particular regions?

Avantika: It's mainly India and Singapore.

Divyansh Shah – Eternal Limited: Got it. Thank you. One last question, and then I can end it from my side. What is the share of revenue that is outcome-based today? I think it was somewhere around 10% last year. Where do we expect this to be in the next 3-4 years, by FY28 and FY29?

Avantika: It's definitely increasing. I think one measure that we use is also how many of our customers actually interview our people. That's how we also measure it, because that way we are in control of the project or the outcome. We are seeing that increase. We're actually seeing a significant increase there. So we are definitely seeing more growth in outcome-based work. We can get back to you with the number.

Divyansh Shah – Eternal Limited: Okay, sure. Thank you so much. That's it from my side. All the best for the future.

Operator: Thank you. Our next question comes from the line of Vikas S with [cut off]

Vikas S – RBC: Hi. We were at about a 25 million pipeline. While you don't have a specific number, how has it been this quarter? Are we also assuming that there is now some pace in conversions from the pipeline to actual contracts? That was a little challenging in the last quarter.

Management: Vikas, honestly, we've had good conversions in the UK and Europe. The pipeline in the US has not been materializing at the pace at which we would have liked or expected. There are various reasons for it, and I think the biggest reason is the rigor with which we were following through on conversion. One of the reasons for having a CEO who's based in the Northeast is to have personal rigor and personal follow-up, to make sure this pipeline converts. That's why I'm confident that the second half will be better than the first half because the pipeline is very much there. It's just not converting, more so in the US than anywhere else, and that has to change. It's not that the pipeline has disappeared or anything has fallen out. It's just not converting at the speed

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that we wanted it to. I think it's not something I can blame anybody else for other than ourselves. We need to have more rigor. With Gurmeet joining and physically being present there in the New York region, it will help.

Vikas S – RBC: Got it. Are there any more key hires in the pipeline, and has there been any attrition in the last 3 months at the sales and senior leadership level?

Management: Nothing at the senior leadership level. In sales, yes, we've had to get one client partner to leave, and a new one has been appointed. You will see not so much change in Europe, but you will see a fair amount of change in client partners in the US geography because we will bring in new talent, more talent that is relevant, and we will have to let some old talent go. That's one point. There will also be investment in the sales front end in the US. If I look at today, our sales cost as a percentage of our total is roughly 3%, which is very low compared to most organizations of our size. We want to take it up. We'll do it in a phased manner as we see better quarters quarter-on-quarter. So you will see more investment. I hope that answers your question.

Vikas S – RBC: It does, thank you.

Operator: Thank you. Our next question comes from the line of Kamal Singhania with Lotus Capital. Please go ahead.

Kamal Singhania – Lotus Capital: Hello. Thank you for giving me the opportunity. I joined the call late, so sorry if I'm repeating a question. My first question is that growth has remained relatively slow over the past few quarters. What are the few key factors that could drive recovery in growth going forward? How is the overall demand environment setting up in the current quarter and the quarters going forward?

Management: I've already answered that, and I encourage you to listen to the recording.

Kamal Singhania – Lotus Capital: Okay, sir. My next question is: at this stage, where are you facing greater challenges—getting additional business from existing customers or acquiring new clients? What steps are being taken to address these challenges and accelerate growth?

Management: We are in a difficult demand scenario, and all efforts are being made through aggressive sales efforts. We are also focusing on a pull strategy and partnerships driving revenue growth, and these are helping us get back on the growth trajectory.

Kamal Singhania – Lotus Capital: Got it, sir. My last question is: how are you managing competition from large IT service providers, particularly in mid-size deals? Are you seeing any impact from vendor consolidation?

Management: There is no impact from vendor consolidation, but we see competition from the Tier 1s and the Tier 2s because they are also starting to focus on the mid-size segment. But honestly, we are much better positioned than a larger company for the simple reason that we are more flexible and more adaptable. The customer sees us as more responsive, and we can give more attention to these customers than a much bigger company. So I don't see great challenges there. The issue is whether we can get in front of enough deals. That's where the demand side comes in, and that's where our focus is.

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Kamal Singhania – Lotus Capital: Okay, sir. Thank you. That's it from me.

Operator: Thank you. Our next question comes from the line of Rishabh with RBS Investment Managers LLP. Please go ahead.

Rishabh – RBS Investment Managers LLP: Just one question. If you can share some data, at least for the top 10 clients, on what the average market share would be and what it was 3 years back—the wallet share in those clients, I mean.

Management: Rishabh, we'll have to get back to you on that. I don't remember it off the top of my head.

Rishabh – RBS Investment Managers LLP: Over the last 3-year period, it would have improved significantly, right? I'm just trying to understand that.

Management: Can you repeat that, sorry?

Rishabh – RBS Investment Managers LLP: Over the last 3-year period, wallet share in those top 10 clients would have improved significantly.

Management: Yes, for sure.

Rishabh – RBS Investment Managers LLP: Okay.

Operator: Thank you. Our next question comes from the line of Anupam Bhide with Saksoft Ltd. Please go ahead.

Anupam Bhide – Bhide Family Office: What percentage of your revenue comes from AI projects? How do you define those? I don't mean AI for coding. I mean AI implementation, building AI for enterprises, and so on.

Management: Anupam, can you clarify which firm you're from?

Anupam Bhide – Bhide Family Office: We are from a family office, the Bhide Family Office.

Management: Okay, because I think the moderator mentioned something else, so we were just trying to get clarity. Please repeat your question.

Anupam Bhide – Bhide Family Office: What percentage of your revenues comes from AI-related projects?

Management: Define AI-related projects.

Anupam Bhide – Bhide Family Office: You come up with your definition, right? You must be measuring it like all companies today because that's the only way of growing today.

Management: My answer would be 100% because there is no project we do where there is no AI.

Anupam Bhide – Bhide Family Office: Okay, but that's not a very good answer. Basically, if AI did not exist, would these projects still be there? That would be my definition.

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Management: That's why I asked for your definition. Honestly, there is no project today which is being done because of AI only. Every project is being done with AI. Whether it's product engineering, data, managed services, infrastructure, or cybersecurity, there is nothing without AI. A lot of these tech companies are saying, "I have so many AI projects." You have to ask yourself what they mean by that. Is that a project which is only AI? What is "only AI"? Can you do anything with only AI? What is the end game? The end game is either you're building an application, doing some legacy modernization, or doing an infrastructure project. So what's the end game? It's not building an LLM, right?

Anupam Bhide – Bhide Family Office: No, I'm talking about projects that were specifically started because an enterprise's old applications did not include AI, and now they understand the potential of AI and are using it. Or a product company's product did not include AI, and because of AI, they are changing the product and putting AI into the product. These would be my two definitions. As I said, I don't mean AI for faster development.

Management: Just to clarify, we've got about 50% of our work coming from product engineering and platform engineering. All the product engineering and platform engineering work that we're doing is AI. Our customers today are only thinking about AI and how they position AI to the market. So that would mean [trails off]

Management: We will have to work on their products, which are AI-ready. That is why we mean 100% is a sort of AI culture, or everything is AI. The second bucket of work that we're doing is operations. All the operations work is also AI-driven because we have to bring down ticket volume and ticket data. To do that, we need to use AI. So in that sense, AI is in everything that we do.

Girish – Aksheema Wealth Private Limited: Okay. My question...

Operator: I'm sorry to interrupt you. I request you to please rejoin the queue for any further questions. Thank you. Our next question comes from the line of Vikas S with RBC. Please go ahead.

Vikas S – RBC: Oh, sorry. I pressed it by mistake.

Operator: Ladies and gentlemen, if you wish to ask questions, you may please press star and one. We have no further questions at this time, ladies and gentlemen. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Management: Thank you all for joining us today and for your continued interest in Saksoft. We appreciate your time and thoughtful questions, and we hope we have addressed your queries satisfactorily. Should you require any further information or clarification, please feel free to reach out to us or our investor relations advisor, {? Valorem Advisors ?}. Thank you once again, and wishing you all a very happy Diwali.

Operator: Thank you. On behalf of Monarch Networth Capital Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.

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