Aurionpro
LEAD THE NEXT

10th February, 2026

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Mumbai-400001	Bandra (East), Mumbai -400051
Script Code: 532668	**Script Code: AURIONPRO**

Sub: Transcript of earning call held on 05th February, 2026 for the Q3 FY 26.

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 05th February, 2026 for the Q3 FY 2025-26.

Kindly take the above information on record and confirm compliance.

Thanking you,

Yours faithfully

For Aurionpro Solutions Limited

Ninad Kelkar
Company Secretary

Encl: as above

Aurionpro

"Aurionpro Solutions Limited

Q3 & 9M FY26 Earnings Conference Call

February 05th, 2026

MANAGEMENT: MR. ASHISH RAI – GROUP CEO & VICE CHAIRMAN

MR. VIPUL PARMAR – CHIEF FINANCIAL OFFICER

MR. NINAD KELKAR – COMPANY SECRETARY

MODERATOR: MS. HANISHI SHAH – ADFACTORS PR – INVESTOR RELATIONS

Aurionpro Solutions Limited
Q3 & 9M FY26 Earnings Conference Call
February 05, 2026

Moderator:	Good Afternoon, Everyone. On behalf of the company, I would like to welcome you all to Aurionpro Solutions Limited Earnings Conference Call for Q3 & 9M FY26.
	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 a "Brief Opening Remarks from the Management," followed by a Question-and-Answer Session."
	Participants who wish to ask questions through audio and video can do so by pressing the "Raise Hand Icon" at the bottom of your screen and wait for your turn to speak. When prompted, you can accept the prompt on your screen, unmute your audio and video, and ask questions or give comments.
	Participants who wish to ask questions via chat can click on the "Q&A icon" at the bottom of your screen and post your questions.
	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 like to now hand over the call to "Mr. Ashish Rai for his Opening Remarks." Thank you and over to you, sir.
Ashish Rai:	Thanks. Good afternoon, everyone. Thank you for joining us on this call for Q3 FY26.
	As we move towards closing out FY26, we remain solidly on track to deliver another year of industry-leading growth while maintaining very healthy margins.
	We delivered a strong performance in the first nine months of FY26, with revenue from operations growing 26% to Rs.1,066 crore compared to Rs.846 crore in the same period last year.

Both our key business segments contributed strongly to this momentum. Banking and Fintech grew 26%, Technology Innovation Group expanded by 26% as well to Rs.471 crore.

EBITDA for the nine-month period rose 23% year-on-year to Rs.216 crore, reflecting continued operating leverage with EBITDA margins holding at a healthy 20% plus.

Profit after tax stood at Rs.150 crore, which is up 9% year-on-year, and the PAT margin is at 14%.

In Q3, revenue came in at Rs.371 crore, which is a 21% year-on-year increase, EBITDA for the quarter grew 18% to Rs.75 crore, and margins remain steady at 20% plus. PAT for the quarter stood at Rs.44 crore, PAT margins at 12%, that is, of course, reflecting a one-off cost item coming from implementation of the new labor code.

Most importantly, we came off what is the largest sales quarter in our history and secured several strategic and high-impact wins across both our core segments, as you would have noticed from our various win announcements.

In Banking and Fintech, Aurionpro won a landmark lending transformation mandate from a leading Singapore-headquartered bank with selected Integro to modernize its lending operations across its international subsidiaries. That is a very large win for us.

We also strengthened our leadership in transaction banking with the marquee public sector bank in India, choosing iCashpro as its preferred transaction-banking platform. That pretty much sets up iCashpro as the market standard pretty much for most of the new deals coming to the market. And also, we secured a mandate from CSB Bank to implement next-generation cash management solution.

On the innovation front, Lexsi Labs launched Orion-MSP, an advanced tabular foundation model, along with TabTune, an open-source library designed to enable scalable enterprise AI for structured data. We introduced AurionAi, our domain-led enterprise AI platform tailored for banking and financial services sector, supporting secure production-ready AI adoption for regulated institutions. This is a very significant step towards our goal of becoming a full stack partner for banks, seeking to realize the full promise of AI across their business.

In TIG, we continue to build strong momentum in Smart Mobility. Aurionpro expanded its Smart Transit portfolio with a significant platform screen door order from Titagarh Rail Systems for Mumbai Metro Line 5. This marks our entry into the highly complex and safety-critical PSD solutions. We also secured a major order from Delhi Metro for the (AFC) Automated Fare Collection Systems for Bhopal and Indore Metro Projects, further reinforcing our leadership in Smart Mobility. Additionally, we won a Strategic Data Center Project with IDBI Bank, marking our entry into IDBI,

strengthening our position as the go-to solution provider, as a single-window data center solutions provider.

During the quarter, as I mentioned, a very strong sales quarter. We added 23 new logos across our business segments, one of the fastest rates of customer additions in our journey so far. This strong traction reflects the growing relevance of our platforms and solutions, and we remain confident of adding many more prestigious names in the coming quarters. Pipeline continues to remain really, really strong.

On innovation, we will continue to invest steadily in our future. With R&D spending, we expect that to remain in the range of 9% to 10% of revenues. We are very conscious of the rapid shifts underway across the technology landscape. The transition towards AI-driven reasoning represents probably one of the most fundamental, most significant technology inflection points we have seen, and capturing its full potential requires us to continuously evolve and recalibrate our strategy with the same clarity, with the same conviction that has guided us so far.

This transformation will involve a very concentrated investment cycle over the coming year. You have seen the investments we have made around AI. We will continue to do that, and we will execute this with the strong financial and operating discipline that we have done so far. We are fundamentally reimagining our R&D model, reimagining the software supply chain by embedding AI-led intelligence across every layer of the software development lifecycle. Because of the architectural leverage that we have built into our tools, into our platforms, we intend to largely decouple the headcount growth from revenue growth. This will allow us to drive significant operating leverage and execute without materially expanding our workforce in most businesses over the next year. This can cause some near-term capacity challenges as you would expect, but that is necessary to be able to reallocate the capital and talent towards our long-term objectives.

We remain firmly aligned with our Vision 2030 to be a leading global player in our chosen segments. At the same time, we recognize that the technology landscape is evolving very, very quickly in some cases, especially with the rapid rise of AI and the convergence of intelligent technologies across industries. To stay ahead, we will continue to refine and sharpen our strategy with the same focus, the same discipline that has brought us this far.

With that, I will hand this back and let us bring on the questions. Thank you.

Moderator: Ladies and gentlemen, we will now begin the question-and-answer session. The first question comes from the line of Vinay Menon.

Vinay Menon: Congratulations on a good set of numbers. Two questions from my side for now. One is, if you can just give any idea on how our nine-month cash flows were? So, we had, I think, negative Rs.86 crore

in H1. Have we seen good collections in Q3 and any indicative number where we would stand in nine months and for full year?

Ashish Rai: Yes. Hi, Vinay. Okay. So, cash flows, look, we will publish at the end of the year. Middle of the year, yes, we were a negative Rs.80 odd crore which is more or less the same as what we were in the middle of any year. I think the executions are going on fairly strongly. We have had, especially on the banking side, a number of go-lives. I think some of those we will announce in Q4 as we go through. So, yes, there is still a lot of execution to be done. As you know, I mean, a lot of execution depends on getting the projects live and done in Q4. I think we continue to chip away at it. I would not throw a number back at this point, but I think cash collections are fairly solid right now. I would say DSOs, what I have said in the past, something between 100 and 110, it is more or less what it has, it is at this time of the year, and I think it will probably be around that number.

Vinay Menon: Okay. And these two line items, which have been a bit of a thing which we wanted to get clarity on, which is from an accounting perspective, in terms of our intangible software and intangibles under development? So, we saw between 2021 and 2023 that this number was fairly stable and coming down, but the last two years have seen a bit of a jump, like in H1, like we almost had, say, about Rs.100 crore in both of these line items combined. So, if you can just mention why this has happened and what kind of probable subsidy or something which we can receive from this, and how will this number going ahead?

Ashish Rai: So, look, I think there are basically two areas where intangibles have gone up, or rather have gone in altogether. So, like I have said in the past, we have done no capitalization around any of the core product lines, whether it is transaction-banking, whether it is lending, any of the software build outs that we do. So, it is essentially two areas -- one is, and again, this I have said in the past, is the payments business. AuroPay, we have done a significant amount of product build out. We have done that anticipating a number of regulatory licenses, which we continue to get. I mean, as you say, in India, now we also got the offline as well as the online licenses, and we continue to make progress in other geographies as well. So, I think that is one area. The second area is, and this, again, I have mentioned in the past, probably we will talk more about it, is the significant investments around AI. We launched AurionAi a couple of months back. We came out with a pretty detailed description of what is it that we are building. We are convinced this is a very, very significant opportunity for us, which will need us to act at scale, act with urgency, and act with the conviction that we have had to go out and build. The size of the opportunity for us is many times what we thought it was, if we act in time and we build. So, we have been doing it. What should we expect in terms of the various grants? Because obviously, a lot of this research that we have done, we have been discussing grants and subsidies with the various governments, and we have applied for a number of those in India, UK, France, etc., So, I do not think I would be able to throw a number back at you on what it could be, because that is still in motion, and it takes time. Some of it is more direct in terms of just salary subsidies and all that we get, but a bunch of it, I think, will take time to fructify,

right? So, it is hard for me to tell you what number. What I can tell you is this is something that really, I think, we have got a window of time to act on this opportunity. We are determined to be one of the leading players when it comes to becoming a full-stack AI shop that can partner with banks and financial institutions worldwide, and we will kind of make significant investments in this over the next three, four quarters. So, we did that event. I am sure there is a video of which you can have a look at it. IR can provide more details on it. So, we are very transparent with what we are building out, and I think we will continue to push ahead on that agenda. I mean, I can spend more time on it, but I am sure there will be a later question on this. So, we will discuss that.

Vinay Menon: So, there would not be any further capitalization at least on the balance sheet, is that a fair understanding?

Ashish Rai: Yes, I think so. I do not know what your point is. We will never capitalize again in our lives, or is it on these items the build is done.

Vinay Menon: Yes, on these items, particularly from Arya and from the AuroPay?

Ashish Rai: Yes, I would think on the payment side, more or less done, and we did get very positive momentum on the licenses already. So, I think payment side, we are largely good. AI is a bit of a moving goalpost. I think we feel good about what we build on the enterprise AI stack. But there is a significant amount of research work going on right now, especially within Lexsi Labs. I do not know how many of you noticed that. We published this family of models called Orion-MSP. We are the No. 1 or No. 2 foundation model for tabular data in the world on most of the global benchmarks we will come up with. The problem with this game is you will need to come up with much more research, much more build out there. And again, like I said, we feel confident about being able to get some cross-subsidization around it from the governments, but that takes time. I think that will continue to happen, and we will continue to build out the AurionAi stack as well. So, I think it would be hard for me to say that we are done with it. It is a really moving goalpost, and I think we need to keep moving fast on it.

Vinay Menon: Okay, I will get back in the queue for more questions. Thank you.

Ashish Rai: Thank you.

Moderator: The next question comes from the line of Dharmesh Kanth.

Dharmesh Kanth: Yes, hi. Good morning, Ashish. First of all, congratulations for a robust set of numbers in a challenging environment. Sequentially, QoQ numbers were pretty good, seeing that there was EBITDA and EBITDA margin improvement out there. But Ashish, you have guided for 30% kind of revenue CAGR and nine months has been at 26%. And your opening remarks emphasize greatly on

the changing landscape because of AI development and a lot of re-imagining, re-strategy going it out there. So, in light of everything, how do you see the next couple of years on the revenue front, how the growth is likely to pan out, and will this re-strategizing in expenses will take a toll on your margins? So, I mean, 20% plus kind of EBITDA margin right now. How consistent in that?

Ashish Rai: Okay, good. Great question. Thank you. So, look, the thing about growth rates is from one quarter to the other, the number will go up and down depending on execution, right? But we have been more or less the fastest growing Indian tech shop for the last four or five years. I feel good about us being one of the fastest growing Indian tech shops for the next four or five years, right? That is what our goal would be, right? Do I know everything in the future? Probably not. But I think that is what our ambition is and we continue to maintain that track record. Of course, you mentioned challenging environment. I think the environment will keep on changing. We need to adapt to it. No one was expecting the scale of change that came through over the last six months. But I think on the net, I do not know of any firm which navigated it better than we did. And I feel very good about us being able to do it. Why are we able to continue to navigate it? I think, one, we have a very strong, fairly diversified set of levers to drive that growth. And even if part of it gets challenged somewhat, I think we are able to double down on other places, right? I think Transit had a sensational quarter or the sensational last couple of quarters. You would have seen it. We built out one of the most integrated end-to-end offering stack, very strong on the hardware side. And now, with thanks to MMRDA and all, becoming very strong on the software side as well. And that is like really significant marquee wins. Banking continues to win strongly, right? So, I feel that we have put together very methodically the set of competencies, the set of skills, the set of assets, the quality of team to go out and compete. I do not think there are many peers to us in that. And I feel good about the strengths we have collected together to continue to navigate this. So, I would bet on us continuing to grow strongly into the future. We have been very clear about what our 2030 ambitions are, and I think we are very solidly on track to do that, right? Sorry, there was a second part to your question. I am missing that.

Dharmesh Kanth: Yes. The 30% growth guidance on an annual basis.

Ashish Rai: Yes. Okay. So, it is important to say 30% growth guidance is very hard for me to guide for five, six years. I think we feel good about being able to grow at that sort of a clip over the next few years. I think we feel good about being able to grow at that clip. But would that 30% become 34% one year and 26% the other year? Yes, that is possible. I think that would happen. There is no business that goes at exactly the same pace all the time. So, we will continue to do that. But we feel good about it, right? The important thing to understand is this. I think over the last five years, we are proud that CAGR is at 32%, 33%. It does not mean we have always grown at exactly 32% or 33%, whatever that number is. So, it will keep going up and down. The overall size of the opportunity that we are going after, I think that has materially changed. What we thought was the target market for many of our segments, the target market is many times that size. When we started framing Vision 2030, four

years back, we thought the TAM was a lot smaller. Banking software is a clear example of that. If you look at the IT spend in the banking world... and there are different numbers around. So, you can refer. I would advise you refer to a proper report for the number, but it is anywhere between $350 billion and $400 billion, which is the IT spend for banks worldwide. The operation spend for banks worldwide is probably $3.5 trillion to $4 trillion, right? The more we go into the world of Software 2.0 that we explained through the "AurionAi Day," the more we go towards agentic execution of processes, the more you are getting into the operations side. So, what was essentially a $400 billion market is probably a $2.5, $3 trillion market that you go after, right? So, the size of the opportunity in many cases has become manifold. Same thing on the data center side. We always got into data center space four years back. We always knew that India was under-capacitized on data center capacity. But we had no idea of the scale of demand that will come from, for example, AI compute. So, again, the size of the market that we are going after has increased manifold from what we thought. Same thing with Transit, the sheer spend that is happening in India as well as outside, right? So, I think, I feel we are putting together the assets, we are putting the strengths to go after the market, which is much larger than what we thought four years back. So, hence, I suppose, the runway can be longer or the growth rate can be higher at some point in time, right? Can we get there? How do we get there? I think time will tell. But we feel very good about where we are.

Dharmesh Kanth: Yes, the second question is, like, if I heard you right, you said on operating cash flow front, we are positive now and likely to end the year with a positive operating cash flow.

Ashish Rai: Yes, I would think so, unless something really dramatic happens on the execution front. So, I think, we are obviously executing a lot more projects in parallel this year than we were doing last year, but I feel good about ending with a positive cash flow, yes.

Dharmesh Kanth: And what is the present order book? Deal pipeline, if you can just segregate data center you just spoke about, how much of the pipeline is from data center and others? I mean, a bird's eye view on that.

Ashish Rai: So, look, data center, what can I say about it? So, one, the pipeline is large. Second, the scale of deals that we are talking about now is significantly larger than the scale of deals we were talking about same time last year. This is not a data center only story. Even on the Transit side, if you look at it, we signed Rs.250 crore with MMRDA, then we signed Rs.150 crore with Delhi Metro, then we signed another Rs.100 crore with Titagarh. So, if you see just this year, just the size of transactions is much larger than what they were last year. Without getting too much into specifics, I think we are talking in the data center space, just much larger transactions. And you would see that playing out over the next few months. We feel very good about being able to scale that business really materially in the near term at least.

Dharmesh Kanth: What is the present order book you are sitting on? And data center, if some rough number, I mean, this is a pipeline you are talking about, we are not talking about orders, I mean, nothing can be hold on to, but a rough number estimate, if you can give the large scale of order and pipeline, which you are suggesting to?

Ashish Rai: You mean data center pipeline?

Dharmesh Kanth: Yes. First, the present order book, which includes everything.

Ashish Rai: Present order book, so, we will publish a number. I think it is something of the range of Rs.1,650 crore probably or maybe slightly more than that. The reason we do not publish a pipeline number is, at least in my head, it is a very misleading sort of picture. Because, no matter which way you look at it, you talk of several thousands of crore, and how relevant is that information to an Aurionpro shareholder, I am not very clear. So, that is why I hesitate to give a pipeline number because we can very easily get lost in thousands of crore here and there and it is not useful. Okay. This is what I can say. We were doing this comparison, right? So, at this point in the year compared to the same point last year, the pipeline is something between 65% and 66% bigger. That much I can say.

Dharmesh Kanth: I mean, just some color on the data center opportunity, which you are looking at, because that is the talk of the nation right now?

Ashish Rai: Okay, two things. One, talk of the nation will change from quarter-to-quarter, right? So, I think we bet on five spaces and we are very strongly focused on those spaces. I think what has really happened is because of our core skills around AI, we happen to be a lot more relevant to some strategic partners in terms of building out the large hyper scale AI compute that India really needs, right. So, I think what I think will fundamentally happen is, so far, most of the AI investments that have happened around, a lot of them globally have happened around training workloads. The more this goes into mainstream, the more compute you will need on the inferencing side that will need to be near shore, that will need to be in India, and there is a whole bunch of investments going that way. I think the incremental numbers that people are talking about is not 30% more in the several orders of magnitude higher numbers. Because, I think you were never talking of gigawatt clusters earlier. Now, suddenly the talk is very different. So, I think I hesitate to give you a number because I think it is one of those places where if you really wanted to grow very, very strongly, that is possible. We are looking at expanding the number of strategic partners that we work with and I will come back to you with more news hopefully over the next few months with some of that when that is totally concretized. And we feel that is a business, we will continue to grow at faster than our enterprise rates over the next few years, right? I think the size of the opportunity really runs to hundreds of thousands of crore. And the question really is not the size of the opportunity. The question is, what role does Aurionpro want to play? We want to be the go-to partner for highly complex, specialized design and build projects, where especially move the business towards hyper

scale compute, go after larger projects, go after more complex projects, which we have built out the competencies to deliver. So, I think that is what I would like to say. That business will grow very strongly, I can tell you that.

Dharmesh Kanth: Thank you so much. I will come back in the queue.

Ashish Rai: Thank you.

Moderator: Next question comes from the line of Kartik Iyer.

Kartik Iyer: Hi, sir, congrats on a good set of numbers. A couple of questions. What are the margins currently that we are enjoying in Transit? And once you think the sector and the space gets a bit more maturity, how do you see margins playing out in that scenario?

Ashish Rai: So, Transit margins have steadily been improving and they have steadily been improving for a couple of reasons, Kartik, right. So, I think one is now we own pretty much IP on every point on the value chain that we compete on. I think that has made a material difference to the economics that we had on that business. The second is now we have more or less a "Make in India" capability even on the hardware side, which again pumps up the economics for us, which is why today we can more or less, if you look at it, we can win projects of the scale of MMRDA, which we were hesitant to go out and compete in the past. The other thing we are doing is, for example, MMRDA getting into the CCHS, the back office, the software side as well, which also leads to a much higher operating leverage. So, I feel Transit would at least match banking software margins over the long run. I would not be surprised depending on what that stable state is, I would not be surprised if it actually becomes even more profitable than that, right. So we have got the basic build outs of pretty much every point on the chain. It does not mean we will stop doing R&D. We run a fairly substantial center in Istanbul. We just set up R&D center in London. So, we will continue to double down on R&D, but I feel that we have got now our core IP on every point we wanted and that helps us drive economics, which will be significantly better in the future than it has been in the past.

Kartik Iyer: Right. And a two-part question. Coming to the spend that we are doing on AI and in the banking enterprise software, how soon or what is the turnaround time you see from you making your investments and typically seeing a sizable or meaningful return on that? And is there any sort of roadblocks or impediments in terms of adoption that you have seen so far of the same?

Ashish Rai: Okay. So, that is an interesting question, right? And honestly, it has like a multi-part answer. Okay. This is how I will put it. What investments are you making in AI and what is the return horizon on those investments? I would say there are three significant vectors that we are going after, right? One is what does this Banking Software 2.0 look like? What does this AI native software stack looks like? This is our core business today. What does software need to be when agentic flows start using

it? So, that is number one. We have invested significantly on it in terms of really moving software products up the stack. And I think that is one, a large investment today, and that is also a near-term ROI over the next two, three years. And you can already see that in our wins, but I think most of the ROI on that Software 2.0 investment will come out over the next few years, and it will result in both a significantly share of the market, as well as a significantly higher share of the wallet within the clients. Because what you used to do, you can do a lot more than that. So, that is #1. #2 is really getting our leg on mature enterprise AI, on agentic execution of processes within the bank, right. This, we are trying to do that through our AI. That is where AurionAi is that full-stack offering that we come up with. I think this is significant investments today. The returns are more medium-term, because what will happen is a lot of very hard problems need to be solved. So, of course, there is a lot of noise in the AI space. Everyone would like you to believe they have an AI offering, including Aurionpro. But the reality of the banking world is, there is very little meaningful intelligence that can go into production unless someone solves some of the hardest problems. Why is Lexsi Labs that Aurionpro owns is the only lab to work after tabular foundation model anywhere in India or Asia? Because we know that is a hard problem to be solved. We just won a patent two weeks back on DL Backtrace, which is our explainability elbow. Why do we research in it? No one else does it, because we know that is a hard problem to be solved, right? So, I think we will go after really hard engineering problems. We run one of the most advanced research labs, building out on the most advanced AI engineering frameworks to enable these problems to be solved. I do not want to get into the technical details unless you want me to, but that is number 2. So, I think getting the agentic execution right would be a very, very large price, because like I say, your TAM is no longer the IT spend, your TAM actually becomes the operation spend, which is literally trillions of dollars and we intend to play for that game. The ROI would be long-term. I would not promise results tomorrow. That is number 2. The third thing that we are doing is how do we ourselves become an AI-native organization? So, how do we fundamentally embrace AI, especially on our core value-adding processes, which is things like software development, things like support, etc., which is where we are really going in re-engineering our own workflows and really committing to being AI tool-led. I think that is a more immediate ROI over the next few quarters, because what is happening is, and you would have noticed that over the last three quarters or so, we have not really increased our headcount. If you peel under the layer, on the software side, the headcounts have actually come down. Of course, we are adding because on the TIG side, because of MMRDA and on the data center side, because of some strategic wins that should come through. But, on the core development value-adding process, we expect the productivity to really enhance significantly and result in the cost of production actually coming down, right? So, that is, I would say, the most near-term ROI. So, it is three different vectors, each with its own ROI horizon. I think the important thing that I would like to say is these are very significant investments, and we are quite fortunate to have the strength today to be able to make these investments. I think on the cost side, the ROI is fairly obvious, and that should come through fairly quickly. The rest of it depends on how well we compete. We feel

we are one of the very few organizations who actually put together the components that are needed to succeed, and time will tell how we execute on it. Does that make sense?

Kartik Iyer: Yes, sir. Thank you so much.

Ashish Rai: Thanks, Kartik.

Moderator: The next question comes from the line of Kuber Chauhan.

Kuber Chauhan: Yes. Hi, good afternoon. Congrats on good set of numbers. So, a few questions from my end. We saw a flattish kind of growth in our banking and fintech segment. So, what was the reason behind that? And secondly, we acquired InfraRisk. I mean, if you can just give some color on the reason behind the acquisition? And thirdly, as you said that we are hoping for positive cash flows by end of the year. What could be the range we are expecting, because we saw negative cash flows in first half?

Ashish Rai: Yes. So I would kind of contest the flattish banking growth. I think if you look at the performance last three quarters, I think both banking and TIG are more or less growing at the same click, 25-26%. From one quarter to the next, it may go up or down a little bit, but I feel banking is growing strongly. I do not think we have had the scale of win momentum that we had in Q3. We have had that scale of win momentum before. I think really the sales teams are executing very, very well. I mentioned the capacity constraint because of my decision to not increase headcounts. There may be some pressure from time-to-time where you do not have the necessary capacity to really deliver revenue fully. But I think that is a very short-term problem and it is a necessary thing to do to allow the organization to reset to using the new AI tools, to reset to using the new way of delivering. And if we do not really accept that delivery sort of capacity constraint pressure, I think we will struggle to reset to the new way of building software, to the new way of supporting software. So, that is a necessary thing. I do not think there is really any flattish growth in banking like you mentioned. I can spend more time on it. So, InfraRisk, we said, we want to be a full-spectrum lending play and we would kind of build in various areas where we still have gaps. We wanted to build a little bit around commercial, around auto especially. And InfraRisk is a very high-quality team. It is a business based off Australia, a fairly global team, very strong clients, especially Judo Bank in Australia, Toyota in Australia, Toyota in Europe, etc., And we had the ability to acquire that business at a very good value, right? So, I think that is basically the story of InfraRisk. We feel very, very good about it. I think Nic and Ajay are just sensational founders, very high-quality team, extremely high-quality clients, very strong products. So, we feel very good about that acquisition. And they are really culturally super aligned to what Aurionpro likes doing. So, they have come in very well. And really, I feel very good about the performance even in the near term. So, I think that is basically InfraRisk. So, cash flow, I do not know, I think what the question is. Cash flow, basically, look, the way the business operates, yes, we had a negative cash flow number middle of this year, but then we had a

negative cash flow number middle of last year, we had a negative cash flow number middle of the year before. So, it is the way the business runs. There is a cash conversion cyclicality in the business. I feel good about being able to finish in the positive end of the year. What number can I give you? Obviously, subject to execution, typically, one would expect, we would be able to convert in the range of 60% of EBITDA to cash, but it can go up and down depending on execution, right? We are razor-focused on it. Like I said, we have not allowed capacity to grow. So, there is obviously some stress in the near- term because of that, but we are razor-focused on executing and I feel good about being able to finish in a good place end of the year.

Kuber Chauhan: Yes, that is helpful. Thank you.

Moderator: Next question comes from the line of Varun Gandhi.

Varun Gandhi: Yes. Hi, Ashish. Very hard to see exciting deal wins this quarter. So, I was under a bit of confusion regarding respect to the revenue model, if you could help me out over there? So, for the software revenue model, what my understanding is that let us say a typical contract would be Rs.100, Rs.60 of that Rs.100 would be recurring in form of AMCs, operations and maintenance, whereas the 40% would be a lumpy one-time implementation fee as well as the product license, is my understanding correct?

Ashish Rai: No. So, I do not want to spend too much time on the revenue model, but broadly, the way our model works on five-year term licenses usually, sorry, so, no is not a good answer. I would say for 20% of the cases, you are kind of right because we sell on subscriptions in some cases. So, typically, the way to look at it is this. If you sold at $10, a typical software deal, one-third of it would be a license, one-third of it would be AMC, one-third of it would be a 12-to-18 months project. The license, sometimes we sell in subscriptions, in which case you are right. That is how it goes. In most cases, still we charge it upfront. So, that becomes like almost 66%. So, PS plus license and 33% goes into recurring, right? So, it can vary across deals, but I think that is how the mix goes.

Varun Gandhi: I ask this because I just wanted to gather some sense of what would be a recurring revenue percentage for us, is there any number that you could hint at?

Ashish Rai: So, look, I think typically recurring plus near recurring would be in the range of 55% odd in the business. This includes all the various near-recurring streams as well, which is where you could have things like revenue share, so you obviously would have AMCs and subscriptions, you would have ongoing services around the products, you would have operations fees going on, right. So, all of that would be in the range of 55%. So, I think right now the big constraint is you are growing at 30%, 35% depending on the business you are talking about, and which by definition means that you got a 35% revenue coming in, which was not there in the previous year, right? So, if you were to slow down to 5%, 10%-odd, I think that recurring number could go to 60% plus, right. And the other way

to think about recurring, which people do not think about as much because of the whole software and SaaS sort of model, you are kind of forced to think of recurring as an annual event, right? But actually the other way to think about building the business model is, so most of the licenses, for example, we sell is five-year term licenses. Typically, no one is buying for five years because when banks buy software, they want to buy for 20, 25, 30-years, right? So, if you keep on selling enough five-year term licenses, every year 20% of your base is coming to you for renewal. So, even the term licenses are recurring, they are just recurring at not an annual frequency, but at a five-year frequency. So, that is the kind of other way to think about recurring in the business.

Varun Gandhi: Ashish, it has been almost five years since you have joined Aurionpro. Could you help me understand what was the typical deal size on the software side, four, five years ago when you just joined and now what is the typical deal size looks like? Just trying to understand how much of value addition or premium as a company are we offering to clients?

Ashish Rai: Yes, that is an interesting question. So, look, four or five years back, we finished FY21 at Rs.375 crore, and it was a fairly diversified business, there is a lot of services in the business. So, we were not really selling. I think when I look back five years back, you probably had two or three sales guys in the firm. We now have, I do not know, 45, 46, right. So, your sales team is 20x the size and not have the same partnership with MasterCard, with Finastra, with Visa, with, like that also becomes a channel to go out, right? We certainly were not doing. I mean, now if you look at it, just last quarter, everything, the scale of deals that we are doing, Rs.250 crore with MMRDA, Rs.150 crore with Delhi Metro, Rs.100 crore with Titagarh, several banking deals worth Rs.50 crore plus, the Singapore one, which I think we probably put the size out there in the range of again, Rs.1,900 crore, something like that. So, I think, yes, we were not even coming anywhere close to that size of transactions. So, I think business has just materially changed. I mean, even 12-months back, we would not have imagined the size of deals we did this year, right. So, I think every year, the scale of transaction grows, every year the complexity of those transactions grows, and every year we grow the muscle to do more. And it is a step-by-step thing. Over a five-year period, when you look back, I think it is a fantastic cushion. It really makes it kind of change that we have been able to drive from one quarter to the next, that kind of messaging gets mixed. I think the total R&D in the business would have been probably Rs.20 crore or Rs.15 crore or something of that order. Now, we do not bat an eyelid when we go and do an R&D of Rs.120-125 crore in a year. So, I think a lot has changed, right? But I think this is a compounding game. This is a game of slowly growing muscle from one year to the other to do larger and larger deals. I think just the sheer size of opportunity in front of us is so large that while it looks very great that compared to five years back, you are doing so much, I think we are still a tiny mosquito in a giant industry. We just have to be a fierce, we just have to be a competitive fierce mosquito, and we will continue to grow. I think every year, you will see that scale of transaction becoming… I mean, it is an order of magnitude change, it is not you start doing 20% more, and I hope we will continue to do that.

Varun Gandhi: That is a thoughtful answer. And I have heard multiple times you have spoken about how confident you feel about the team, about the products, and about the opportunity ahead. Any big acquisition that you are looking at or do you feel that, okay, we are almost there?

Ashish Rai: Oh, we are not even 2% there. So look, guys, I think that the way to look at it is, what is your goal, right? We were pretty transparent about it, right? We said, we want to be a top three global player in each of the spaces, right. You are not even close. Each of our businesses is probably a $20, $25, $30 million business. We feel good about it because we were almost zero five years back. But you are just not even close to being there. Would there be acquisitions? We have invested Rs.1,000 crore between R&D and acquisitions, right, I think roughly half-and-half, I think Rs.600 crore on acquisitions, Rs.400 crore on R&D, but the R&D number, obviously, is climbing up now. And why does that really happen, right? The way we think, this is sort of important to understand, right? We are very simple thinkers when it comes to business. We say what is the space I want to bet on? Data center, transit payments, take your pick. Is the demand runway long enough for me to really bet on it? We came from a services background, as many firms in India came from a services background. And services is a very simple game, right? I put 1,000 people, I make 1,000 people of revenue. I put 10,000 people, I make 10,000 people of revenue. 10,000 people, I can sponsor a few marathons and all, but the business economics does not change. The product business is a very different business. You need to really sink in a lot of capital upfront to go and build that product, right? So, you need to be convinced around the demand runway. We said, okay, is there something fundamentally transformative happening in that space for me to get convinced around that demand runway? We said, okay, if that is the case, then I go and bet on that space, then we go in and sink in the dollars. We build a blueprint for that business on where we want to be. Lending, classic example, lots of different spaces. We got a product in the CLO space, probably, at least a leading product in Asia. But that is only one small slice of lending. I got a lot of other gaps. We want to expand into those gaps. Then we say, what will it take for me to build a product in that space, right? And when we start building, that takes investment. There is always a choice to go and buy a product instead of building it, right? So, every time you get into a net new space, there is that choice, do I buy, do I build? Buying is always an option, right? So, all our acquisitions have been more founder-led businesses where founders continue to work with us. And we have done six of those over the last two years, right? Founders continue to run their business, continue to build the product, high quality team. So, if I like the team, if I like the founder, if the product is already built out, already has a few clients, and it is available to me for less than the cost of investment, it will take me, that becomes a very good proposition for us, right? So, we will continue to do that to the extent that the company has free cash to invest, we will continue to go into acquisitions, right? So, I think this is something we have been very, very clear about. Every net new space we get into, every market we get into, there is a buy-versus-build choice and we will continue to make that choice. I think the scale of those acquisitions obviously will get bigger and bigger because the size of deals we can do is a lot bigger, right? I think that is basically the way we look at it. The areas are clear, we are not

going into new spaces and go and buy revenue or things like that, but we will continue to buy products which we are interested in.

Varun Gandhi: Appreciate you sharing your philosophy and the vision. I hope to see the business movement continues. Thank you.

Ashish Rai: Thank you.

Moderator: The next question comes from the line of Anmol Garg.

Anmol Garg: Yes. Hi, Ashish.

Ashish Rai: Hi, Anmol.

Anmol Garg: Just a couple of questions. Firstly, a bookkeeping one. Wanted to understand what is the current cash balance which is there with us after this quarter?

Ashish Rai: So, cash balance, I would not know the exact number, but I think something of the range of, I do not know, Rs.250-300 crore should be the number.

Anmol Garg: Okay. So, just building upon that, our other income, which stands at nearly only Rs.2 odd crores in the quarter, just wanted to understand that from the cash perspective of Rs.250 crores or so, the other income looks quite low. So, from the yield perspective, just your thoughts over there?

Ashish Rai: So, I have not really looked at that deeply. I think we can probably come back on the answer on that. But I think the other income number has a lot of noise in it. So, there is always some impact from FX, there is always some impact from the deposit that we carry, right? So, I do not think it is a material number overall, but I can come back with specifics on it.

Anmol Garg: Sure. And secondly, on the business perspective, we have seen a strong growth in the TIG segment during the quarter. Now, going ahead for the next couple of quarters, do we expect growth to be kind of similar between banking and TIG or it would be largely more tilted towards TIG? And in that, if you can answer that, which all particular deals led to a stronger growth in TIG during the quarter?

Ashish Rai: So, TIG, you are right. So, we have had a lot of large deals come through over the last couple of quarters. And actually, the pipeline is also very large. So, there will be large deals that will come through overall. Which ones specifically? MMRDA is the obvious one. I think various parts of it, including the one with Titagarh and all, I think MP Metro is the obvious one. So, I think these will be material impact on revenue. I think the good thing about Transit is increasingly the economic profile of the business is fairly strong. And a lot of this revenue contribution would come in at fairly good margins. I think the data center side of the business would also grow strongly. And I think

there are more wins to come on that space as well that you will see. So, I think TIG would grow strongly. Probably, will it grow stronger than banking? That is a relative comparison. So, one needs to see what comes through on the banking side. Banking, the revenue conversion cycles are far shorter. So, a lot of these wins that you saw, for example, the public sector bank wins, the Singapore win, the CSP, etc., that we announced, the revenue conversion cycles are shorter. So, while those deals look smaller in value, that still translates into growth, right? So, I think that relative comparison I will hesitate to make, but you are right. I think the TIG wins have been fairly significant. So, for example, the software side, MMRDA is a pretty significant thing. I think as a stack expands overall, I think what you get from it would also increase quite a bit more, right, from the same side of transactions. So, now that we have got "Make in India" production capacity around the hardware, which obviously improves the economics. Now, you have got a lot more software component to the deals, which obviously improves the economics. I think we will continue to do pretty strong growth there.

Anmol Garg: Understood. And also, with that, if you can kind of also indicate that the receivables in some of these deals, given that these are not exactly directly government organizations, so, DSOs and deals, would it be materially better or in line with the company's current DSOs, which you indicated around 100 to 120 days?

Ashish Rai: So, look, I do not feel there is going to be anything abnormal about any of these deals. I think transit organizations in general have been pretty good at turning around the payments. I do not expect DSOs to be certainly more than enterprise levels or at least the current TIG levels. And Transit, again, it depends on the nature of the contract. So, initial setup, when this project was going on, there is a lot more dependency on getting sign offs and all that stuff and that takes a little bit of time. Once you go into steady state, because these are fairly long-term contracts, the money comes in like clockwork, right? So, I think overall, our experience with these projects, and we are a lot more careful now on what we sign up for. I do not feel these are going to skew the DSOs at all. If anything, the DSOs we have been tightening a few days every year, and I think we will continue to do that. And the same applies to the data center side as well. So, I do not expect, like, if you say DSOs to worsen or something, I am not expecting that at all.

Anmol Garg: Sure. And just last couple of things. One is this year, should we expect our OCF to be in the range of 60%-65%? We have earlier indicated that that could be the range as it was in the last year as well. So, that would be the range that we would be looking at?

Ashish Rai: Yes. So, a lot depends on Q4 execution, a lot depends, especially on a few large projects getting done well in Q4. But, I think that would be the focus. We do want to end with a strong positive cash flow. There is a lot more projects happening in parallel this year than last year for sure. And like I said, the headcounts, we are basically not growing. So, there is pressure on capacity. But with that

context, I think the focus is to execute and deliver, right? So, Q4 is a big quarter in terms of go-lives, in terms of project executions, and I think so far from what I have seen, we are on track.

Moderator: The next question comes from the line of Harshit Sachdeva.

Harshit Sachdeva: Hi, Ashish, thank you for the opportunity. Great set of numbers. Actually, my questions are mostly on account of the tech sell-off that we saw in the last two, three days. First, I mean, what is the impact of all these AI-led software development that comes in? I know you work in a niche sector for banking and fintech, so, how easy is it for someone to develop a software or a product and then go and pitch it to the client? So, a complimentary question on that is how good is customer stickiness for your clients, I mean, what is the switching costs? Second would be, how has the billing models changed? So, I mean, on the call, you talked about how Aurionpro has transitioned from an IT services shop to an IT product-led shop. So, how has the billing model been transformed? Those two questions would be right.

Ashish Rai: I mean, someone had to ask that question. So, thanks for that. Look, obviously, there is a lot of noise and markets love narratives. Yes, sure. I mean, there is noise around software. Look, I think, first of all, the whole logic of sort of software getting replaced is, in my head, very illogical. Businesses do not just operate that way, right? But then again, software needs to be split into two. What really is software, right? Why does any enterprise use software? You are an enterprise, you have a core value creation process, you essentially build a software to run that value creation process. So, that software essentially is that process transferred into code. You throw a bunch of UI at one side of it to bring information in, and you throw record keeping back office on the other side of it, right? The very fact that you can do something else and not have that software is fairly illogical, right? So, the second question then is, okay, so software continues to exist. Does it need to change for the AI age? Definitely, it needs to change, right? Because if an agent starts using that software instead of a human starts using that software, there will be some changes. An agent does not really care much about UI. I mean, for agent, as long as there is an API call, I am happy with it. The human starts verifying what the agent is doing instead of looking at it. So, it needs a different kind of screen, all that stuff, right? Architecturally, you need to be ready for it. But the software needs to be there. That is why my talk around Software 2.0, where the software needs to evolve a little bit, right? Now, you bring back into the kind of software. On one side, you have what became very popular over the last several years, the very front-end centric, customer engagement-centric software, I mean, so-called SaaS largely, which I suppose you say, can someone build it much faster? Probably, you can, right. On the other hand, you have the more complex software, which really runs the core business processes. For example, the kind of banking software that we make, right? I think replacing these complex software has been extremely, extremely painful in the past. And there has been no rationale to do it. I do not think any new rationale gets created do it even now unless it gets in the way of AI adoption. Hence, the Software 2.0 story, right? And then all of that, you need to keep into perspective that banking has a lot of structural inertia. Why does that structural inertia come? It is

because it is a heavily regulated industry where change is not that easy, right? So, having said that, this is what I will say. First of all, extremely sticky revenue stream. I do not see anything changing at all in the medium-term, which is, let us say, four or five years. I see a need to enhance the software to do more. Hence, the Software 2.0 story. So, I do think it increases the size of opportunity way more than what we thought it was in the Software 1.0 game, right and is it easy to build software? That is possible. But what that would result in and which was my whole cost of production story, I would expect us to be able to ship a lot more products, I would expect us to have our cost of production drop, and hence, I suppose margins increase as well, right? So, that is the other part to it. So, the whole software thing needs to be seen in perspective. And I know market loves narratives. But I would say, first of all, look at what the software does. Second, look at the customer engagement front-end centric software that probably can be displaced if you wanted to build new for whatever reason. And then, the complex enterprise software, very hard. The complex enterprise software in the banking space, very, very hard. But it is a massive opportunity for an incumbent provider to really expand its wallet share, right? So, I think that is basically what we are focused on. You had something else. So, stickiness. And then you were saying -

Harshit Sachdeva: Yes. Change in the revenue model. So, change as in a transition from an IT-led services company to an IT-led product company, as you said, on the back of AI. So, what has it brought the change in, let us say, contracts or billables or how is billing basically done in a product company?

Ashish Rai: Look, so, I spent some time in an earlier question on the revenue model, right? So, I think the answer on the software side is more or less the same. Look, I think there is still some services element to the business because you do some services, you also do some enablement of the product, which is services. I would say a lot of it moves towards various models of monetizing the IP. For us, there is one-off five-year term licenses that we do, there are subscriptions that we do. And on things like Transit and all, there is also even revenue share models, etc.. that we go in, right? So, I think depending on the business you are talking about, yes, there is a sort of a different type of revenue model that goes in. So, it is not so much centered around what really gives me the most dollar in the next quarter. It is centered around what maximizes the ROI for the investment that I made in that IP. So, in some cases, the answer is a subscription and not a one-time license. In some cases, the answer is a revenue share.

Harshit Sachdeva: Sir, from what you said as an answer to my first question, if I can ask again a very beginner question. So, what is easy, let us say, for an agentic workflow company to create the software that you make or for you to create an agentic workflow and then both of you can bundle it and sell it to the client? Which rack would be easier? For the workflow agentic company guy to create the software that you make and pitch it to the client or for you to go the other way around? If in the future, let us say, you are saying headcount comes down and it is agents that interact with the software and not humans?

Ashish Rai: Yes. Look, we are firmly in both the buckets, right? So, Arya will play the agentic game, our software businesses will play the software 2.0 game, right? I would like to say what is easier, I would bet, and not because I am talking my book, I think banking is a very complex world, right? So, if you follow all the news flow, if you follow all the talk about AI on Twitter, on whatever platform you choose to follow, there is a lot of talk around SaaS getting replaced, there is a lot of talk around Arcane AI problems getting solved. There is very little talk around banking. Why is there very little talk around banking software? Because it is just very, very complex, right? So, I would say, the field is tilted towards the incumbents coming up with the solutions if you are so inclined. We have methodically made the investments over the last couple of years. Since we bought Arya.ai a couple of years back, we made a ton of other investments, opened up labs in London, Paris, to solve the very hard problems needed to do it. I would obviously bet on myself, but I would think the playing field is fundamentally tilted towards the incumbent software provider unless you are legacy that gets in the way, right, of AI adoption.

Harshit Sachdeva: Okay, got it. Thank you so much.

Ashish Rai: Thank you.

Moderator: We have a last question from Raja Mohan Vaikuntaraman.

Raja Mohan V.: Hi, Ashish. Thank you for the opportunity and congratulations on the super momentum in order wins. You have indicated to reimagining your internal resources as the scale of the opportunity has dramatically changed. The short-term capacity constraints that you have indicated emanating from this, you see this persisting for how long?

Ashish Rai: Look, till you start seeing the productivity gains from the tooling we are investing in, right? So, I think that the important thing to understand is this, and again, linking back to the previous question we were talking about around agentic flows, if you want to become an AI-native software firm, it is not just a question of starting to use Cloud, Code, or Cursor or whatever your favorite tool is, it is a question of how do I fundamentally reimagine the workflow? Because, how do you really build software differently, how do you really ship products differently, right, from the point of planning it to the point of shipping it, how do you really test your products differently, how do you really support your products differently? It is hard for me to really, without getting into a lot of detail, describe the complexity of it, but you are changing the core value-adding process in a firm. It takes time to do that, right? What is the alternative, right? The alternative is, we keep increasing the headcounts against the increase in sales and keep using that increase in capacity to deliver that revenue, right? What problem does that cause? The problem that this causes, one, it takes the pressure away from needing to reset. The key to our success over the last four or five years is we have been open-minded about change and we have been fast to react to change. I do not want to lose that and that pressure is necessary for me as for everyone else who works with me on this. The

second is, you do not know when it turns, it turns, right? So, I am hoping you start seeing those productivity gains a lot quicker. Is it tomorrow? Is it next month? Is it next quarter? I think time will tell, but we feel good about it because we have seen a lot success in what we have done so far, right? And when you start seeing those gains, that pressure will go up, right? So, I think that is the way to think about it. It is at most a few quarters anyways, right? As we reset, do not underestimate the complexity of change, the complexity of changing from a legacy software build process to a new software build process, but we feel good about the talent we have, we feel good about the investments we made on tooling, we feel good about the POCs we have done to test this out and now we are rolling this out at scale. So, I think it is a matter of time and not like a few years, it is a matter of a few quarters before you see, because if you get it right, then what you are saying is my revenue stream is strong, continues growing, but my cost of production is dramatically lesser, at least on the software build side, right? And that is real dollars, right? So, it is an important project to get it done, right and we are not the only firm trying to do it, of course, but we feel as with everything we do, we will be more focused, we will be better, we will be faster than the peer group. That is what the goal is.

Raja Mohan V.: My second question was on data centers. You indicated to the current opportunity size growing by about 65% odd over the last year. Post the huge budget push on data centers, would we see this opportunity size grow to a totally different scale in terms of size from what it is today? Or it is probably as the execution happens, you will be able to say more about that or currently itself you are comfortable with the kind of budget push the government has given that this scale is going to grow to a totally different level?

Ashish Rai: So, I think the honest truth is I do not know. I feel it is extremely supportive. So, the logical conclusion should be that if you look at a three, five, seven-year horizon, there should be a lot more investments in the market than it is right now. But, I think the thing to understand about data centers space is even now, the demand far outstrips at least for us from what we see what we are capable of. So, I think it is a significant like demand environment that we have not seen before. Just the sheer scale of transactions we are talking about now, of course, the pipeline deals need to be closed, all that stuff. But, it is just a very different order of magnitude deals that we were talking about 12-months back. So, just from a seller standpoint, I think the demand environment is just very, very robust. And I think you are right. Over the next few years, I think those investments are probably going to be even more than what we have seen so far.

Raja Mohan V.: So, finally, as you complete one more quarter on your long-term goal of being the top-three in each segment of operations, in this dynamic environment, based on your very positive commentary, can we say that we are navigating really well and in more easily realizing this?

Ashish Rai: I mean, I do not know what else to say. I do not think there is any tech company in India which has grown over the last five years as much as we have grown. So, I would like to think we are navigating it okay.

Raja Mohan V.: Thanks a ton, Ashish. Best wishes.

Ashish Rai: Thank you.

Moderator: Thank you. Due to time constraints, that was the last question for the day. I would now like to hand over the call to Mr. Ashish Rai for his closing remarks.

Ashish Rai: Hi, thanks, everyone, for taking the time out of your day and joining the call. I hope it has been useful. There is a lot of change in the world and we will continue to execute against the strategy that we said it is, there is a lot to play for, a big quarter ahead for us, and I look forward to seeing you at the end of the year. Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, this concludes the conference for today. Thank you for your participation. You may all disconnect the lines now.