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February 16, 2026

To,

BSE Limited (“BSE”)
P.J. Towers, Dalal Street,
Fort, Mumbai – 400001

Scrip Code: 544021

**National Stock Exchange of India
Limited**

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051, India

Trading symbol: PROTEAN

Dear Sir/Madam,

Subject: Transcript - Earnings Conference Call on Company’s Operational and Financial Performance for Q3&9MFY26

Pursuant to Regulation 30 read with Schedule III and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in continuation to our letter dated February 9, 2026, please find enclosed herewith Transcript of Earnings Conference Call on Company’s Operational and Financial Performance for Q3&9MFY26, held on Friday, February 12, 2026.

This is for your information and records.

Thanking you,

Yours truly,

For Protean eGov Technologies Limited

Maulesh Kantharia
Company Secretary & Compliance Officer
FCS 9637

Encl.: As above



Protean eGov Technologies Limited

Q3 & 9MFY26 Earnings Conference Call

February 12, 2026



**MANAGEMENT: MR. SURESH SETHI – MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER**

**MR. V. EASWARAN – EXECUTIVE DIRECTOR AND
CHIEF OPERATING OFFICER**

MR. RAKESH DOSI – CHIEF BUSINESS OFFICER

MR. SANDEEP MANTRI – CHIEF FINANCIAL OFFICER

**MS. PUSHPA MANI – VICE PRESIDENT - HEAD
INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day, and welcome to Protean eGov Technologies Limited Q3 & 9MFY26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Pushpa Mani, Head-Investor Relations, for her opening remarks. Thank you, and over to you, ma'am.

Pushpa Mani: Thanks, Iqra. Good afternoon, everyone. I welcome you all to the Q3 & 9MFY26 results discussion. You must have received the results, press release and investor presentation of the company, which is available on BSE and NSE as well as on the company's website.

As usual, we will start the forum with the opening remarks by our Managing Director and CFO, and then we will open the floor for the question-and-answer session. If any of your questions remain unanswered due to paucity of time, you may reach out to us afterwards.

The management on today's call would be represented by Mr. Suresh Sethi, MD and CEO; Mr. V. Easwaran, ED and COO; Mr. Rakesh Dosi, CBO; Mr. Sandeep Mantri, CFO; and Ms. Pushpa Mani, Head Investor Relations. Before we begin, I would like to mention that some of the statements in today's discussion may be forward-looking in nature, and we believe that the expectations contained in these statements are reasonable. However, these statements involve a number of risks and uncertainties that may lead to different results.

With this, I invite our MD, Mr. Suresh Sethi, to address us all. Thank you, and over to you, sir.

Suresh Sethi: Pushpa, thank you very much. Good afternoon, everyone, and many thanks for joining us today. As India's digital economy continues to expand, the importance of trusted population scale, digital infrastructure has never been greater. We remain deeply embedded in this journey in supporting governments, institutions, enterprises through resilient platforms that combine scale, security and reliability.

Against this backdrop, I'm pleased to share that Protean delivered a steady and resilient performance in Q3FY26. The revenue from operations grew 13% YoY to INR 229 crores.

This was driven by continued gain in our tax services business and increasing contribution from new businesses. The EBITDA grew by 34% YoY to INR 46 crores with margins expanding by 335 basis points to 19%. Adjusted profit after tax stood at INR 26 crores, resulting in a PAT margin of 10.9%.

Our balance sheet remains a key strength. As of 31st December 2025, we had ~INR 800 crores of cash and cash equivalents and we continue to remain debt-free. This financial position gives us the ability to invest selectively while maintaining long-term discipline.

Now turning to our core businesses. Tax services, we continued to strengthen our leadership position and the same happened during this quarter. We issued over 1.1 crore PAN cards and consolidated our market share at 59%.

The growth was supported by an overall increase in PAN issuance following the extension of the Aadhaar-Pan linkage deadline, along with the sequential gain in market share. This reflects the trust that citizens and institutions place in our systems and our ability to deliver reliably at a national scale.

The CRA business demonstrated steady performance. At a macro level, the pension segment is entering a new phase of structured growth. Multiple regulatory reforms have been introduced, primarily focusing on significantly expanding pension penetration, particularly in the non-government sector.

The regulator has guided a shift towards an AUM-linked charge structure with the objective of increasing overall assets under management. The introduction of multi-scheme framework and withdrawal flexibility are some of the important steps towards creating sustainable economic and broader coverage over the long-term.

We onboarded over 35 lakh new subscribers during this quarter and captured 94% of the incremental market share. We continue to hold a dominant 98% cumulative market share across NPS, APY and UPS.

Coming to our Identity business. We saw strong volume growth across online PAN verification, eKYC and AadhaarAuth. This was in tandem with the rising demand for digital identity solutions across sectors. While revenues were impacted by slab-based pricing and competitive pressures, our focus remains on scaling volumes, expanding market share and growing value-added offerings.

Our new businesses are now beginning to make a visible impact. In the first nine months of FY26, they contributed in double digits, 11% of operating revenue compared to 4% in FY25. We continue to expand across multiple open digital ecosystems spanning insurance, health, agriculture, education and identity. This diversification strengthens our role as a platform builder across multiple high-growth sectors.

Further, we have successfully completed the first phase of the UIDAI mandate and operationalized 34 Aadhaar Seva Kendras across 19 States and Union Territories. Revenue generation has commenced and early performance is in line with expectations, providing visibility on stable and recurring revenues.

Further, we also expanded our international footprint. We won a strategic national level mandate valued at INR 25 crores to implement the digital public infrastructure for the Ethiopian agricultural ecosystem. As a system integrator, Protean will deliver an AI-powered digital platform covering end-to-end design, development, deployment and support. With this engagement, we have now secured 4 international mandates across 3 markets.

Our turnkey projects pipeline remains strong. The unexecuted order book stands at over INR 1,600 crores, nearly twice our annual revenue. These opportunities are largely anchored in digital identity and open digital ecosystems.

During the quarter, we also made a strategic investment. We acquired a 4.95% stake in NSDL Payments Bank. As India's digital banking ecosystem scales up, payment banks are evolving into technology-led platforms, driving last-mile financial inclusion. NSDL Payments Bank clearly exemplifies this shift.

Our investment positions us to collaborate closely with the banking team in co-creating replicable and certified digital banking technologies with the ability to deploy them across the entire BFSI industry and secure cross-sell opportunities.

The bank's focus on secure and accessible services for underserved segments also aligns with our broader commitment to build inclusive financial infrastructure. To conclude, Protean is poised for sustained growth. We are backed by strong fundamentals, deep domain expertise and a growing portfolio of transformative initiatives.

As we look ahead, we remain steadfast in our commitment to advancing inclusive growth, strengthening India's digital infrastructure and creating long-term value for our stakeholders. Thank you for your continued trust and support.

With this, I will now hand over to Sandeep to take you through the financials in more detail. Thank you.

Sandeep Mantri:

Thank you, Suresh, and good afternoon, everyone. During the quarter, India's digital public infrastructure ecosystem continued to gain momentum across all sectors, be it education, health, infrastructure, identity and financial services. We continue to see the digital public infrastructure ecosystem continues to grow at a steady rate.

During the quarter, Aadhaar Authentication and eKYC volumes remained strong, reflecting sustained adoption of digital identity across government and private sector use cases. In the tax ecosystem, increasing use of data analytics and tighter PAN-Aadhaar integrations are driving higher compliances and formalization.

Overall, policy momentum around interoperable population scale digital registries continue to expand the opportunity landscape for trusted technology providers like us. Now I will take you through the financial performance for the quarter and nine months and also share some perspective on what is driving these numbers.

For the third quarter, revenue from operations stood at INR 229 crores compared to INR 202 crores in Q3FY25, which is a 13% YoY growth, mainly driven by tax services revenue and gaining momentum from the new businesses.

EBITDA for the quarter stood at INR 46 crores, marking a growth of 34% on a YoY basis, driven by higher operational efficiencies. EBITDA margin for this quarter stood at 19% reflecting a 335 basis point YoY expansion.

Adjusted profit after tax for the quarter stood at INR 26 crores with a PAT margin of 10.9%. The adjustment was for one-time statutory impact of INR 4 crores due to New Labour Code.

Looking at the 9 months financials, revenue stood at INR 690 crores compared to INR 619 crores in the corresponding period last year, which reflects a 12% YoY increase. EBITDA for the period stood at INR 135 crores with EBITDA margin of 18%, which is a growth of 103 basis points on a YoY basis. Adjusted profit after tax stood at INR 74 crores.

Overall, the numbers reflect consistency and disciplined execution across businesses. From an operating perspective, PAN volume increased during the quarter, on the back of sequential gain in the market share and overall growth in PAN issuance. Pension enrolments remained healthy, supported by strong addition across schemes. Identity-related transactions such as eKYC, Aadhaar Authentication and Online PAN Verification continued to track broader digital adoption trend with the growth in volumes across most of the ID products.

New businesses are also becoming more and more visible in the numbers with 11% contribution to revenue in 9 months as compared to just 4% in FY25. The contribution from new businesses is increasing on the back of multiple RFP projects won over last couple of years, now moving into active execution.

With respect to our Aadhaar project, it is progressing well as planned. We have completed the first phase of the rollout with 34 Aadhaar Seva Kendras now operational and beginning to contribute to revenue. The early traction, which we are seeing is encouraging and providing us improved visibility on a steady and sustainable revenue stream as far as ASK business is concerned.

From a balance sheet perspective, we remain in a strong position and continue to operate with zero debt with INR 800 crores in cash and marketable securities, which gives us flexibility to invest in technology capacity and execution while maintaining our financial discipline.

During the quarter, we continued to invest in readiness for large mandates, including technology upgrades and selective capacity build-out. These investments are aligned with supporting growth as project scale and move into larger phases of execution.

To sum up, the third quarter reflects steady execution, improving operating leverage and gradually broadening revenue mix as newer engagements mature alongside our core businesses, we believe the company is well positioned for the period ahead.

With that, we can open the floor to Q&A session. Thank you so much.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Bajrang Bafna from Sunidhi Securities.

Bajrang Bafna:

Congratulations for good operating performance for this quarter, sir. My first question pertains to, if we see the run rate now, we see for last 2 quarters, the EBITDA run rate is almost INR 30 crores per quarter and we were running at INR 16 crores, INR 17 crores sort of EBITDA for

previous 4 to 5 quarters. So, we are almost back where we were probably a year or 2 kind of EBITDA run rate.

So, now with the INR 1,600 crores order pipeline that we are having and even if our traditional businesses grow steadily, may be 8% to 10%, but the new businesses which is catching up faster, what sort of run rate we can expect in the coming quarters? So, if you can just broadly guide on that in terms of new business propositions that we are having now, it will be really helpful.

And my second question pertains to other income. Still we are holding INR 800 crores sort of cash. But in this quarter, the other income has fallen to almost INR 10 crores. Any specific reason for that, if you could clarify?

Sandeep Mantri: With respect to run rate, we are right now running at about INR 230 to INR 250 crores for the last 2 to 3 quarters. This run rate is going to continue. With the ASK revenue comes into play after a couple of quarters on a full-scale basis, we will have addition of another INR 40 to 50 crores into run rate for sure.

So, INR 220 to 250 crores is the run rate currently. I think once the ASK project is fully operational, we would have more revenue, with which the run rate can go up to INR 270 to 280 crores.

Bajrang Bafna: So, this will be visible from next quarter because I think this quarter was the rollout of the Aadhaar Seva Kendra centres. So maybe next quarter we will be having...

Sandeep Mantri: As per the mandate, Protean has to roll out 190 centres, out of which 34 are already rolled out in this quarter. By September, we should be able to roll out everything, from a Q3 or Q4 of next year, you should see the run rate going up significantly.

Bajrang Bafna: So, close to INR 550 crores sort of per quarter run rate will be there once we roll out the entire INR 190 crores...

Sandeep Mantri: It is close to about INR 270 to 280 crores per quarter.

Bajrang Bafna: No, the revenue run rate. I think it's INR 1,200 crores order spanning for 5 years, right?

Sandeep Mantri: Yes, it's 5 years, yes. So, per year, it will be INR 200 crores.

Bajrang Bafna: Correct. So, INR 50 crores per quarter, that is what I was saying. broadly, right?

Sandeep Mantri: Yes.

Bajrang Bafna: And sir, other income part?

Sandeep Mantri: So, other income, whenever you see a spike in other income, it is because of non-treasury income, which is either some kind of write-back or some interest or refunds, which we collect or some reversal of provisions. These are the other element. Otherwise, normally, other income is steady at INR 15 to 16 crores level.

- Bajrang Bafna:** Yes. So, we have seen INR 10 crores this quarter. That was a little surprising to me because even INR 800...
- Sandeep Mantri:** This quarter the other income is INR 14 crores.
- Bajrang Bafna:** Okay. INR14 crores.
- Sandeep Mantri:** Yes. So normal treasury income is always at that level.
- Moderator:** The next question is from the line of Rohan M from Equirus Securities.
- Rohan M:** Sir, we are seeing a good number of exits in the senior management of the company. So I just want to understand like what's happening there? What is driving the exits at the senior management level?
- Suresh Sethi:** Rohan, we had also spoken last time, just to update you on that. I think largely, a few people have moved because they had reached retirement age, just that it converged and happened at the same time.
- Secondly, a couple of exits were planned because as we got into a very ramped up order book on our external orders, especially on the project side, we have further restructured our teams to create a very strong delivery vertical for execution. That is where we had merged a few departments and created sort of more strength and alignment over there.
- So as a result, a couple of people had to move out as part of a planned transition. But otherwise, if you look at it individually, 3 people actually retired over the course of the year, there were a couple of others who moved out because of structured realignment, that was the case. So, it's not a bulk sort of movement in that sense, but triggered for different reasons.
- Rohan M:** Sure. Secondly, sir, on the new business initiatives, like we had seen an uptick in Q2 and again in Q3, there's a decline in revenue. So, INR 43 crores coming down to INR 21 crores. So, I just want to understand like how do we recognize the revenue?
- Because if it's a project-based revenues, do we not recognize a similar amount every quarter or certain phases that we complete after that we get revenue recognition on that project? How will this work for us to get a better clarity on how one should see the visibility on revenues from the new lines of business?
- Sandeep Mantri:** So, new businesses consist of 2 types of revenue streams. One is the RFP or project-based revenue, which is more like a turnkey project wherein the revenue accrues basis delivery of certain milestones and second is our regular projects. If it is a regular project, then you would see similar kind of revenue run rate every quarter/month.
- If it is an RFP-led project, it is based on what milestone we are delivering and what kind of cost we are incurring for that project or what kind of effort we are putting into that project based on the project plan and accordingly the revenue gets recognised. This is in line with accounting standards.

- Rohan M:** Sure. On the CERSAI project, like I think there's a contribution last quarter. So, was there any contribution this quarter as well from the CERSAI project?
- Sandeep Mantri:** This quarter was also there, but last quarter was a bit heavy because we were to deliver certain milestone. This quarter, it is more like an expense to revenue ratio.
- Rohan M:** Got it. Sir, thirdly, in terms of the NPS business, the subscriber addition seems to have fallen in Q3. So, any comments that management had on how one should look at the subscriber additions in this business going ahead?
- Sandeep Mantri:** I don't think subscriber addition has fallen. We clearly stated in our press release also that it is not a subscriber base, which is fallen. Actually, we have added about 35 lakh subscribers this quarter also, which is in line with our quarterly growth.
- Every quarter, we are adding approximately 35 to 40 lakh subscribers. So, subscribers have not fallen, but there was a price restructuring during the quarter by PFRDA just to get the ecosystem larger and bigger. They have to somehow restructure the pricing for various segment of the pension ecosystem.
- And therefore, this quarter should look like more a temporary in terms of revenue. But I think in longer run, we should garner more and more revenue from pension ecosystem because private pension ecosystem is moving to an AUM based pricing structure. So as the AUM grows, the revenue grows. This is the kind of pricing structure which is approved by PFRDA.
- Rohan M:** Sorry. So earlier, we had only linked to number of subscribers. Now there is a change in AUM-linked revenue stream is also come in?
- Sandeep Mantri:** Yes, for private and non-government sector.
- Suresh Sethi:** Pricing structure Rohan, has been changed because the whole idea was the regulator also wanted to push for further pension penetration and the pricing structure is now AUM-linked. It was earlier also, but now it incentivises higher AUMs therefore, as AUM grow, you will see an improvement in the pricing structure over there.
- So, that is what Sandeep mentioned. While at a leading business driver level, the number of subscribers and acquisitions continue to be as they were, and we are seeing stability over there. Some of the pricing impact came because of the restructuring in pricing. But with the market opening up, we see this getting mitigated and it would pick up. Actually, it will give a lot more opportunity to grow the business over there.
- Sandeep Mantri:** I think these are just temporary for 1 or 2 quarters.
- Rohan M:** Sure. So, the account opening and the transaction linked charges has not seen any change. It's only the AMC charges. That has seen a change here, and it's more to...
- Sandeep Mantri:** The whole structure is change now.
- Sandeep Mantri:** We will share the detail.

Rohan M: Sure. Sir, lastly, on the cash that we carry on the balance sheet, the thought process a couple of years ago was that we may need to invest on the cloud and other businesses, which are capital-heavy. Right now, some of those businesses are not picking up. So, any plans to pay out some extra dividends? Or what is the thought process of retaining the cash on the balance sheet?

Sandeep Mantri: We are already paying one of the healthiest dividend in the industry. I think 40% to 45% of our profit we are already paying as a dividend. What we are thinking as we explained in the last call as well, this cash will be used, one in funding the working capital for all these large RFP projects, which we are winning like CERSAI or Bima Sugam, a couple of projects which will come in future. So, one we need working capital funding for those.

Second, we are also actively look at inorganic opportunities, while there is nothing which is in advanced stage, but we actively look at opportunities to expand or grow our current scale. So, that will be the one-use case for the cash which is lying in the company and I think dividend, we are paying decently. So, I don't think we are increasing the dividend payout. There is no thought process on that.

Moderator: The next question is from the line of Divij Punjabi from Banyan Tree Advisors.

Divij Punjabi: Just a few questions. One is on the consolidated margin trajectory, can you give some understanding on how this may look going ahead? We have been seeing some margin expansion, but wanted to get a sense of where this will go in the next few quarters.

Next is on the RFP businesses, directionally, how much revenue are we expecting to come through from the RFP businesses? This quarter, it was expected that ASK, CERSAI, Bima Sugam would come in, but there was a sequential decline. So just wanted to get an understanding on that?

And third is, given the cash that we have on the balance sheet closer to INR 800 crores and given that the stock price has corrected quite a bit, are we looking at any kind of a buyback?

Sandeep Mantri: If you see consolidated EBITDA margin, we have consistently been for the last 2-3 quarters in the range of 17% to 19% previously fell down to 14% to 15%. If we see our business EBIT margin, which is without other income, this quarter, we have delivered almost like 9% business EBIT margin, which is growing quarter-on-quarter basis.

So, there is a sequential improvement also and there is a YoY improvement also as far as the margin trajectory is concerned. I think if we are growing the revenue, the margins are going to improve in longer run.

So, what we are looking at is expanding these margins through optimum utilization of resources through cost optimization, efficiency improvement, all those triggers are there in the company, and we are working on all these aspects wherein we can improve margins significantly from here.

With respect to RFP revenues, the last participant also asked the same question on RFP. RFP has 2 kind of projects. One is a regular project, which is like ASK like Aadhaar Seva Kendra

like project, wherein we will get steady revenue every quarter. Then there are turnkey projects where the revenue gets recognised only when certain milestones are achieved.

So, for those turnkey projects, there may be certain lumpiness wherein in one quarter, you may see higher revenue in another quarter, you may see lower revenue. But for Aadhaar kind of projects, you will see sustainable steady revenue on quarterly basis.

Having said that, as I said earlier also, we have a 190 center mandate for Aadhaar Seva Kendra. Once that is implemented on a full-scale basis, we'll have about INR 200 crores revenue increase on a year-on-year basis on an annual basis. What was your third question?

Divij Punjabi: Buyback?

Sandeep Mantri: No. So, as of now, there is no thought process or there is no plan of buyback, but we would definitely consider and put...

Divij Punjabi: And just one more question, if I can add?

Sandeep Mantri: Yes.

Divij Punjabi: Mr. Suresh mentioned that there is some kind of restructuring that is happening. So, can you directionally give us some quantitative understanding of what this restructuring would look like in terms of various cost items?

Suresh Sethi: So Divij, currently, as I mentioned, the team has been restructured already. We have a strong management team in place. And we don't envisage any large-scale changes going forward. This was, as I mentioned, last year was, as you've seen, we went into 3 very large-scale projects, whether it was revamping the CERSAI KYC stack or it was building the DPI for the insurance industry.

And third was the large UIDAI mandate to build Aadhaar Seva Kendra across 190 districts. So, that is where we looked at certain level of restructuring. The complete restructuring has been carried out. We have strong leaders in place, and there should not be any sort of changes or restructuring after this.

Moderator: The next question is from the line of Avikshit Vijay from Magnus Hathaway.

Avikshit Vijay: Yes. So, my first question was related to the previous participant about the existing run rate. I quite didn't catch what the management was trying to say. What figures are we talking about here? Could you clarify on that?

Sandeep Mantri: So, what we are talking is our revenue run rate which is currently between INR 220 to 250 crores per quarter. It is likely to remain at least for next 2 quarters. Then after 2 quarters, once we have completed ASK full rollout, we will add another INR 40 to 50 crores in a quarter/quarterly run rate.

Avikshit Vijay: Okay. Understood. Is this about the revenue or the EBITDA?

- Sandeep Mantri:** It is revenue. We are talking about revenue.
- Avikshit Vijay:** Okay. Sure, and one more thing. We have recently acquired NSDL Payments Bank a stake in that. And from NSDL, we got to know that this is a pretty low-margin business. So, could you explain the rationale behind this stake acquisition?
- Suresh Sethi:** Our investment in NSDL Payments Bank is naturally about creating bank-grade financial technologies. And as I mentioned earlier, it gives us the chance to work with a product and a compliance team from the bank and co-create products and technologies, which once deployed in NSDL Payments Bank as an anchor customer becomes certified banking technologies and gives us the leeway and the ability to leverage and cross-sell across the entire BFSI ecosystem.
- So, that was, in essence, the strategic partnership we set up with them. Along with that, naturally, payment banks, are largely distribution-driven organizations. NSDL Payments Bank today has a national footprint.
- We again create and support digital public infrastructure at a national level. As a DPI organisation, we also run a very strong pan-India network. We also see synergies between the two institutions in bringing their physical outreach and our digital technologies to create a very strong digitally enabled last mile network. So, these are some of the strategic wins we see coming together.
- Other than that, I would not comment on the banking products margin because that would be a very different lens over there. We are primarily talking about being there as a service provider and having a network alignment with the payments bank.
- Moderator:** The next question is from the line of Bajrang Bafna from Sunidhi Securities.
- Bajrang Bafna:** Sir, if you could just throw some light on the project pipeline. We have got a large mandate from Aadhaar recently and which we are rolling out right now, maybe national or international. If you could throw some light on what sort of project pipeline that probably we are targeting right now and when those can fructify maybe over the next 12 months' time frame?
- Suresh Sethi:** There are three unexecuted orders, these are projects which are live and running. As Sandeep had explained earlier, quite a few of the turnkey projects are multiyear projects because you have a part where you are developing and deploying it from a technology stack perspective. Then you have a managed services part, which goes from anywhere between 4 to 6 years. So, these are long-scale projects.
- Currently, when we look at it, even in the first instance of design development and deployment, both the large projects on CERSAI KYC and Bima Sugam we are at the early stage. Then we have a managed services contract under both these projects. Aadhaar Seva Kendra, as we mentioned, it was a project in which we were to set up Aadhaar Seva Kendras at a national level.
- The first phase required setting up 34 centres across 19 States and Union Territories, this will be followed by more setting up more centres in next phases. We hope to complete the entire rollout

by end of September and which is where we are talking about the uptick in the revenues coming from this project.

So, all three are contributing projects. Currently, they will be contributing from a deployment and delivery point of view, and then we'll have a managed services component coming in. So, these are the 3 large-scale turnkey projects we are working on domestically.

The other large project, which we just announced was a win which we had last month only was in Ethiopia, where we are building the agriculture DPI for the country at the national level. Again, it is all about creating farmers ID registries for land records. So, very similar to the work that is happening in our country also over here. That is again, a project which is on a turnkey basis and will have a multiple year revenue model associated with it.

Bajrang Bafna:

Okay. By project pipeline, I was trying to get that any other projects that we are either bidding or in the bidding stage or maybe in the pipeline, which probably we will bid as and when they come. So, some sort of that sort of pipeline because our current total order book is around INR 1,600 crores.

And since now we have started a new stream, which is more reliable and predictable. So, on that line, any other projects that we are looking for and probably might come in the foreseeable future. So, some guidance on that front will be really helpful, sir?

Suresh Sethi:

So, Bajrang, you're absolutely right. There is a complete vertical which is now looking at whatever bids are there where we are qualifying and our core competence and expertise matches that, so we are on a constant lookout. Areas for us are very wide because when we look at from a DPI lens, we are talking about anything which is associated with identity, health, agriculture, education, skilling.

So, these are the sort of projects we are looking at and any other national infrastructure projects around consent and data. So, there is a pipeline on which we are associated, but will be difficult to call out since these are various discussions which are in the process. And I would not like to announce it at this stage.

Bajrang Bafna:

Okay. Got it. There is a lot of buzz right now across the globe about data centers, cloud services, where there is a huge requirement which is happening not only in U.S. and maybe other parts of the world. So, what sort of preparation that probably you see in our country because we are also lagging in terms of data center build-out in our country also.

So, any thought on that where probably this is a good line, but still it's pretty nascent. What sort of developments you see maybe in next 1 to 2 years sort of time frame where we can also garner a larger pie of this opportunity?

Suresh Sethi:

Bajrang, I think cloud today is becoming as a very sort of embedded strategy for any large-scale DPI institution. If you look at the Indian regulatory space, regulators are today very open to having hybrid or cloud-hosted infrastructure in place. We ourselves have seen that experience because we today work, for example, in the pension ecosystem.

The regulator is pretty open now to seeing that from a point of view of scalability and agility if there could be cloud-hosted solutions. Similarly, we see a strong thrust from MeitY, and you've seen it all, whether it is hosting different app layers on the cloud or likewise coming with the artificial intelligence-based interventions coming over there.

So, I think India is very much a part of the journey. India today also as part of the budget announced measures clearly, which were focused at enabling hyperscalers to further build in the country. There is also a lot of sovereign thrust coming in wherever we are looking at sensitive data within the country, and that is where our entire positioning of our Protean Cloud was right from the outset.

Last but not least, for us, Protean Cloud also becomes a very embedded layer of infrastructure, which in a way, complementarily positioning and proposing as part of the large bids where we go for turnkey projects. So, cloud is definitely there to stay and I think it's important that we build more layers of security and application into the cloud, and that is where the value add comes in.

Bajrang Bafna:

Got it. Just broadly a final question and thought process. The growth has been consolidating between, let's say, 10-odd percent for us if we see last few quarters. Now since we have a broader pipeline of almost INR 1,600 crores sort of order book and already CFO, sir, has indicated Q3 onwards, we'll see that kind of buildup.

So, any broader guidance on the overall revenue growth maybe from next 2 to 3 years perspective because we are moving towards, let's say, from 10% odd sort of compounding to maybe 20%-25% sort of compounding. Also, the margins have already inching up from 8%-9% to we are already 14% in this quarter.

So, the trajectory where the broader margin trajectory also, maybe a band, not a specific number will be really helpful if we'll talk about, let's say, FY27 & FY28 year. So just an aspirational number, if you could just throw some guidance on that will be helpful?

Sandeep Mantri:

So, while we are not giving guidance as such, but as we stated during our last few calls as well. I'm again repeating for the sake of repeating. What we are saying is our existing businesses, which is Tax, CRA and foundational identity businesses continues to grow at an average rate of 8% to 10%. Our new businesses in the next 2 to 3 years will contribute about 25% to revenues. We are already at 11% to 12% in this year. So, from 11% to 12% to 25% in next 2 to 3 years, we are aspiring for that kind of growth in new businesses. So, you can calculate on the back of envelope basis these numbers.

Bajrang Bafna:

Okay. On the margins front, because we are already hitting mid-teen mark right now? So, can we be towards, let's say, 18%-20% sort of margin 2 to 3 years down the line?

Sandeep Mantri:

You are talking about EBITDA margin or EBIT margin?

Bajrang Bafna:

EBITDA margins.

- Sandeep Mantri:** So, EBITDA, we are already at 19%, if you see. So, there will be an expansion of 300 to 400 basis points, which is what we said last time also in next couple of years once we start growing our revenues at this stage.
- Bajrang Bafna:** Got it. 300 to 400 basis point over a longer-term time frame.
- Sandeep Mantri:** Over the longer term, yes.
- Moderator:** The next question is from the line of Kunal Bhatia from Dalal & Brocha Stock Broking Limited.
- Kunal Bhatia:** Sir, I had one question in case of the CRA services, if we remove the impact of the pricing, what is the kind of growth we would have achieved on a normalized basis?
- Sandeep Mantri:** About 12% to 14% growth, I would say, if we remove the impact of the pricing.
- Kunal Bhatia:** Okay. And sir, so this normalization will start happening from the next quarter or it will take a couple of quarters to get to that normal 12% to 13% kind of growth?
- Sandeep Mantri:** You're talking about the CRA only?
- Kunal Bhatia:** Yes, sir.
- Sandeep Mantri:** So, I think it will take one more quarter and the prices will get stabilize.
- Kunal Bhatia:** Okay. So, there could be one more quarter of a flattish kind of growth for the CRA services?
- Sandeep Mantri:** I don't know whether it will be flattish or it will be growth. But as I'm saying, it should start improving from here on.
- Suresh Sethi:** So Kunal, let me add a perspective to it. As you're all aware that we see it in public domain. The regulator is putting out some very aggressive reforms out there with the whole idea of pension penetration. So, whether it is introducing multiple scheme framework, which effectively is personalizing or customizing products for various category of investors.
- Likewise, a lot of withdrawal requirements have been again changed and retweaked to make it easier for consumers. So, there is a strong thrust on pension penetration, while what Sandeep said is right, but what we see as the underlying drivers that this market may expand significantly.
- So, the whole idea is if even the pricing is AUM-linked going forward, so the AUM linkage and the movement into higher AUM incentivization will play out once the incremental adoption starts. And that is where we are betting that over the next few months, quarters, the reform should see the impact and we should see a higher growth trajectory coming out over there.
- Sandeep Mantri:** In the long run, I think we are very excited about this business.
- Kunal Bhatia:** Also in regards to your previous comment in terms of the cloud services because of the tax holiday, which was announced by the FM in the current budget. Is there any kind of an opportunity available for Protean in general for this?

- Sandeep Mantri:** So, I would say we are internally discussing and strategising where we should deploy our cloud, whether it will be for our large project or whether we can independently also sell cloud. So right now, we are in a strategic phase for this business. But having said that, I think in the next 1 or 2 quarters, we should be clear about these businesses.
- Kunal Bhatia:** But that will be in sort of a JV or something with the hyperscaler or we would be able to do it on our own?
- Sandeep Mantri:** It would be all kind. I would not say only JV with hyperscaler, but it would be so...
- Suresh Sethi:** We are keeping our options open to that extent, right? Because, again, there is a strong trust on sovereignty. So, we also want to keep our own strategy very clear as a sovereign cloud because that does give us a significant leverage, especially in the areas we work in from a DPI perspective. But at the same time, partnerships in areas where it works out will be something we will pursue. So, keeping open options at this stage.
- Kunal Bhatia:** Finally, one bookkeeping question. Sir, where do we see the run rate for depreciation? What was the reason for such a high jump on a YoY basis?
- Sandeep Mantri:** So, the run rate for depreciation will increase. Right now, we are at about 4.5% on revenue. So, it will remain between 4.5% to 5.5%. The reason for high jump is basically there were certain assets which we acquired in last year. The impact of that is coming in this year. Plus we have shifted to our offices under new lease accounting method, we have to really depreciate those.
- Kunal Bhatia:** Okay. So, it is the India's impact?
- Sandeep Mantri:** Yes, India's to some extent.
- Moderator:** The next question is from the line of Guru Prasad from Share Giant.
- Guru Prasad:** First of all, I would like to congratulate on the excellent set of results in a challenging environment. And I'm a bit concerned because under Mr. Sethi, the company has really done wonderfully well in spite of a few hiccups. So, I would like to know like what are the continuity plans of the business. So, if it can help a lot, giving some kind of comfort to investors?
- Suresh Sethi:** Sure, Guru. So, this was a personal decision. We were working very closely with the Board over a period of time to ensure that there is a smooth transition. For personal and professional reasons, I'm moving ahead. The intention was to create a very robust succession planning in place and that we have done.
- And we have moved forward with that. We've got, as earlier mentioned, a complete strong leadership in place across all the verticals as we had restructured the organization sometime last year. And there is absolute continuity, and we don't see any disruption. And the Board and management has worked very closely in steering it and making sure it's absolutely seamless.
- Guru Prasad:** It gives a real comfort from hearing from your mouth. And my next question is on margin improvement initiatives. So, what are the key initiatives that the company is planning so that the margin can improve over a long period of time?

- Suresh Sethi:** I think over here, there are, by default, 2 aspects to look at. One is securing good high-quality margin businesses. So, a lot of our thrust till now, as we've always said, the core businesses are at a DPI level, whether it is in pension, taxation, identity.
- So, one area in which the company is clearly building further is to get into more products and SaaS businesses, which naturally is getting more monetization value at the application and innovation layer level. So directionally, that is one way of moving into higher margin accretive products for the company.
- The second area we clearly see is that while we still keep fueling the DPI growth in the country, we try to build the peripheral ecosystems around each of the large-scale projects that we are securing. And the other side clearly is cost control. So, the company is definitely also working very closely to ensure there is maximum efficiencies.
- There is strong adoption of AI from a productivity perspective from the way we do our businesses. And therefore, it is a dual approach to make sure that we go for higher-margin businesses and we keep our costs in control at the same time. So that is the plan to really see how we can create a superior performance out of whatever we are doing going forward.
- Guru Prasad:** With your permission, my last question is on the international order pipeline. How is it looking? And any cues on when we can expect any bid to success from this?
- Suresh Sethi:** So, the international order pipeline, Guru again, there are multiple countries we are actively engaged with. As I mentioned, we now have a footprint across 3 countries. In 1 country, we've actually got now 2 mandates and Ethiopia was a recent win. So, there are multiple discussions. We can share with you offline also in some of the areas where we are at the last stages of evaluation.
- But at this stage, not in a position to announce because until and until we get the mandate, we can't talk about that. But there is a broad-based engagement across the regions which we took as our preferred regions in Africa, in Middle East and Southeast Asia.
- Moderator:** The next question is from the line of Viraj Mithani from Jupiter Financial.
- Viraj Mithani:** Sir, can you more color on the Ethiopian order, the size of the order and what kind of revenue would be booked and how it be booked?
- Suresh Sethi:** So, the Ethiopian order, Viraj, is totaling up to INR25 crores. It is again in the form of RFP, as we mentioned, from the government because we are doing a national level implementation of the agricultural DPI for Ethiopia, where we'll be building the entire suite of registries and IT-related aspects for the agriculture sector. This will be spread over a few years, 2 to 3 years. The revenues will flow as they do with the natural RFP progression, right? There will be a period of development and deployment, followed by a maintenance phase after that.
- Viraj Mithani:** The maintenance does not include maintenance, correct? That will be separate afterwards?

Suresh Sethi: The total project value is within INR 25 crores, right? So, everything falls within that. Because these are bids we make, right? When RFPs, we bid for a project. So, the entire accumulated cost of design, development and maintenance, all is taken into the bid. So, the total size of the project is INR 25 crores.

Moderator: We will take our last question from the line of Rohan from Equirus Securities.

Rohan: Sir, we had done a few tie-ups with banks on ONDC. While I understand that ONDC is not picking up right now, I just want to understand like what's happening to those tie-ups. As we've seen in case of account aggregators, while the initial pickup was very slow.

But in the recent couple of quarters, there's been a decent pickup on account aggregator as a framework and utilization. So, what's happening on those tie-ups with banks and other entities on ONDC? And what is our thought process for the next 2-3 years on ONDC?

Suresh Sethi: So, I think, Rohan, ONDC, definitely, again, we maintain and we have a belief that it's a revolutionary intervention in the market from a digital commerce point of view, and it has definitely sort of also diversified into enabling open finance, mobility and transport, and there's also a services part to it.

So, we keep closely engaged. I think clearly, the question is about adoption. We continue to remain engaged with the ecosystem from the early learnings we have of the technology and the staff that we built for ONDC.

Yes, currently, the numbers are not something which are sort of, in a way, substantial enough to do individual reporting on them. As the ecosystem grows and as we see some level of adoption and therefore, outcomes coming from it, we'll be happy to share.

But currently, the visibility on ONDC is the same as also shared by the ONDC team in terms of the monthly numbers that they share on their website. The trajectory is not flat. They are growing, but that's where it is currently for us also.

Rohan: Right. But in terms of tie-ups with banks, are we going ahead with the implementation for them, whatever tie-ups with banks?

Suresh Sethi: Each one of them, some are in POC stage because the banks are also seeing if there's adoption, then they'll put it on a full-scale basis. So, I think it's a chicken and egg because if you see traction happening, the bank would push for it. Otherwise, the banks also do it in a very limited POC manner to just test the technology rather than to see actual volume growth over there.

Moderator: I would now like to hand the conference over to Mr. Suresh Sethi for closing comments. Over to you, sir.

Suresh Sethi: Thank you for a patient hearing and for all the questions, which also help us to understand the expectations and some of the numbers that the community would like to have from us. So, happy to also engage with you on a one-on-one and provide more information. But thank you for the



positive comments in terms of the results for this quarter and we look forward to continuing with the same momentum in the year going forward. Thank you so much.

Moderator: Thank you very much. On behalf of Protean eGov Technologies Limited, that concludes this conference. Thank you all for joining us today, and you may now disconnect your lines.