Vinsys IT Services India Limited
(Formerly known as Vinsys IT Services India Private Limited)

Registered Office: S. No. 28/11-12 | 'Shivaji Niketan' | CTS No. 458A | Tejas Housing Society | Near Mantri Park | Behind Dhondiba Sutar Bus Stand | Kothrud | Pune - 411 038. Maharashtra, INDIA.
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Date: 9 June 2025

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (East), Mumbai-400051.

Dear Sir / Madam,

Sub.: Transcript of investor call held on 22 May 2025

Ref.: ***Vinsys IT Services India Limited (Symbol / ISIN: VINSYS / INE0OSJ01014)***

In furtherance to our letter dated 22 May 2025, enclosed is the Transcript of the Earnings call for the half year and year ended 31 March 2025.

You are requested to take the same on your record.

For Vinsys IT Services India Limited

GAYATREE NEERAJ KARANDIKAR
Digitally signed by GAYATREE NEERAJ KARANDIKAR
Date: 2025.06.09 15:12:53 +05'30'

Gayatree Karandikar
Company Secretary &
Compliance Officer
M. No. A37827

Place: Pune

“Vinsys IT Services India Limited

H2 FY25 and FY25 Earnings Conference Call”

May 22, 2025

MANAGEMENT: **MR. VIKRANT PATIL – CHAIRMAN AND MANAGING DIRECTOR – VINSYS IT SERVICES INDIA LIMITED**
MR. KUNAL PATIL – MANAGING DIRECTOR, INTERNATIONAL BUSINESS – VINSYS IT SERVICES INDIA LIMITED
MR. KARAN PATIL – PROMOTOR GROUP – VINSYS IT SERVICES INDIA LIMITED
MRS. SANEEKA DHAMANKAR – CHIEF FINANCIAL OFFICER – VINSYS IT SERVICES INDIA LIMITED
DR. MOHAMMED ASLAM – CHIEF EXECUTIVE OFFICER – GCC
MR. NILESH DEVDAS – CHIEF TECHNOLOGY OFFICER – VINSYS IT SERVICES INDIA LIMITED
MS. GAYATRI KARANDIKAR – COMPANY SECRETARY – VINSYS IT SERVICES INDIA LIMITED

MODERATOR: **MR. RUTUL SHAH AND MR. RAJ SHAH – CAPITAL BRIDGE ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to the Vinsys IT Services India Limited H2 FY25 and FY25 Earnings Conference Call organized by Capital Bridge Advisors. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during 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 Mr. Vikrant Patil, Chairman and Managing Director from Vinsys IT Services India Limited. Thank you and over to you sir.

Vikrant Patil: Thank you very much. Good afternoon everyone and thank you for joining us. I hope all of you have had a chance to go through our financial results, investor presentation and the press release, all of which are available on the stock exchange and on our website. Joining me today on this call are Mr. Kunal Patil, Managing Director, International Business. Mr. Karan Patil from the Promotor Group. Mrs. Saneeka Dhamankar, Chief Financial Officer. Dr. Mohammed Aslam, CEO of GCC. Mr. Nilesh Devdas, Chief Technology Officer, Ms. Gayatri Karandikar, our Company Secretary and Mr. Rutul Shah and Mr. Raj Shah from Capital Bridge Advisors, our investor relations consultants. Let me now walk you through the key highlights of FY25.

We are happy to share that we delivered a strong performance in FY25, with consolidated revenue and net earnings growing by 24% to INR 212 crores and 31% to INR 30 crores, respectively. As mentioned previously, our IPO proceeds were earmarked for international expansion. We are excited to report that our Middle East revenue grew by 71% in FY25, supported by timely capital deployment and focused execution.

This growth is a testament of our prudent capital allocation strategy and our commitment to delivering long-term value to shareholders. Now, starting with geographic performance, across our core markets, that is the Middle East and India, we continue to solidify our position in existing markets and expand our footprint in newer geographies, while deepening our relationships and increasing our wallet share.

Middle East: As mentioned earlier, our revenue from the region increased by 71% year-on-year in FY25 to INR 80 crores on account of opportune utilization of the IPO proceeds. Vinsys currently operates six offices in the region across UAE, Oman, Qatar, and Saudi Arabia, as regulatory tailwinds allowed us to open local offices and employ regional talent. We are pleased to share that we continue to remain number one corporate trainer in the region. While our forte has been learning solutions, we aim to expand our footprint in the region by scaling the technology services business as clients continue to invest in automating and digitizing their operations. Our strong cash reserves further bolster our eligibility to bid for large-scale government and enterprise IT projects. Kunal, Karan, and Dr. Aslam are based in the region and continue to steer our operations locally.

India: Our India revenue grew by 6% year-on-year in FY25 to INR 129 crores. Learning solutions business in India grew by 13% year-on-year to INR 30 crores. While our technology services business in India de-grew by 9% year-on-year in FY25, we are also pleased to share that we recently won INR 19 crores order from Uttar Pradesh Cooperative Bank to digitize 1,000

primary agricultural credit societies across Uttar Pradesh. We remain focused on pursuing large, margin-accretive software development tenders in this market.

Rest of the world's revenue grew by 55% year-on-year in FY25, albeit on a low-case base. Within rest of the world, the U.S. remains a key strategic focus as we continue to build our learning solutions and technology services business in this geography. Since the United States is a large market, even a trivial market share gain can have an outsized impact on our earnings.

Let me move to the line of business update. Learning solutions business grew by 41% year-on-year in FY25 to INR106 crores, aided by strong growth in the Middle East. This vertical grew by 56% year-on-year in FY25 to INR 73 crores in the Middle East. Technology Services business grew by 28% year-on-year in FY25 to INR 25 crores as we accelerate our execution in the Middle East. Manpower and staffing services business grew by 7% year-on-year in FY25 to INR 81 crores.

Next, on financial and operational metrics. Revenue from operations grew by 24% year-on-year in FY25 to INR 212 crores, driven by accelerated revenue growth in the Middle East. EBIT, that is, earnings before interest and tax, increased by 37% year-on-year to INR 36 crores in FY25 with margins at 16.9%, up 163 basis points. Our EBIT margins expanded as we continue to streamline our operations while focusing on export-oriented revenue growth. Profit after tax was up by 31% year-on-year in FY25 to INR 30 crores. Cash flow from operations stood at INR 13 crores in FY25 versus negative INR 11 crores in FY24.

We continue to add clients across segments and geographies while deepening our wallet share in existing clients. Client retention was 98%+ in FY25. Employee headcount was 425 as on 31st March 2025, up 23% on year-on-year basis.

ROE, that is return on equity, was 22.9% in FY25 versus 22.7% last year, up 24 basis points. ROCE, that is return on capital employed, was 24.5% in FY25 versus 22.1% last year, up to 239 basis points. Our focus remains on sustainable, profitable growth while continuing to invest in delivery capability and our technology backbone.

Looking ahead, we continue to remain resilient despite heightened global macroeconomic volatility, regional conflicts and uncertain impact of trade tariffs. We remain confident of delivering strong revenue and earnings growth in FY26, as we have demonstrated historically. This growth will be driven by expansion in the Middle East; larger mandate wins in software development services and sustained growth in our learning solutions business.

We will continue to deliver long-term value to all our shareholders by investing in M&A, expanding our solution offerings and bidding for larger margin accretive tenders. For a detailed overview of our results, please refer to our investor presentation.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Nikhil Shetty from Nuvama Wealth. Please go ahead.

Nikhil Shetty: Thank you for the opportunity. So, sir, I'm pretty new to your company. So, while it appears that your current focus is primarily on the training and technology services because your staffing,

again, is the low margin business. So is there any clear path for them to scale meaningfully? I am talking about the training and the technology bit. What kind of contracts do you have currently? You mentioned about one large contract, a large mandate. If you can elaborate more on that, the size and the execution, the phases of execution. And are you planning to enter into any product segment? And lastly, how do you see your overall revenue mix evolving over the next two to three years? Thank you.

Vikrant Patil: Okay. Thank you. So there are multiple questions in it, but I will address it one by one. So predominantly what you have asked is, and you are right that you did mention about manpower revenue. The margins are less, but I will come back to it. It has its own advantages for us as an organization, so that will keep on continuing because it gives us leverage to bid for the projects which are on the higher scale.

I'll come back to that. But to answer your first question, training and software services are the other two pillars where we operate in, and they are the ones who are giving us the maximum growth, not in terms of revenue, but also in terms of profitability. So training and certification business, which we do, which is if you see the growth, growth is almost around 41% year-on-year on the learning solutions.

Even if you see on the technology side, the growth is 28% year-on-year. So learning, as I said, Middle East is something which we really work very hard into it, as well as in India. Also, we are growing exponentially in terms of learning solutions. In Middle East, we are number one as far as training organization as a training company is concerned. There we have acquired more.

So the locations is something which we look at. Offerings of different courses is what we look at. That is going to give us expansion. So learning solutions is one of our forte wherein we will grow exponentially there.

Apart from that, we are also looking at geographical expansion, which we are already doing it now not only in Middle East, but in the U.S., as well as in African market. So we already have our footholds there. You will see a lot of traction happening this year. So that is one part, increasing the learning solutions. So learning solutions will grow. I may not give you the exact number as to how it will grow, but it will exponentially grow.

In India, in Middle East, which we are already established in, and then we are looking at newer geographies, which is U.S. and the African market. So learning solutions has a very good path ahead. Similarly, in the technology services, if you see, our learning solutions opens doors for the technology services. So the same clients whom we are dealing with for the learning solutions, they become eventually our technology services.

Our technology services division is quite young, and that is why it is growing now. And there we see a huge potential of exponential growth. After the IPO proceeds, we have already established ourselves. We have a team. We have already created our own products. So that will answer one of your questions as well, because you are asking whether we are getting into it. So we already have our own products, which we are enhancing, developing, and we are coming up

with new products as well. Plus, in the services division, we also bid for bigger projects, and that is where our manpower revenue comes into picture.

So to bid for bigger projects and to qualify for bigger projects, we have to have that strength in terms of not only in the revenue, but also in terms of manpower to qualify for those projects. So we are very upbeat about the technology services division growing exponentially as well now. We already have some footprint in the Middle East, and we are also looking at some projects in the U.S.

Also, if we look at mergers and acquisitions, it is something which we are already contemplating on trying to evaluate different companies. The moment we get into one of the companies which qualifies all the norms which we have decided for, that will also give us inorganically a push. So if you ask me, for the next two, three years, in fact, we have a roadmap for the next four, five years, which is going to give us exponential growth in both the divisions. I hope I have answered your question.

Nikhil Shetty: Yes, yes, sir. Thank you so much. Thank you.

Moderator: The next question is from the line of Hrishit Jhaveri from Pi Square Investments. Please go ahead.

Hrishit Jhaveri: Hi, sir. Congratulations on a great set of numbers. First of all, I also appreciate the quality of the presentation and the detailed details given. I really appreciate that. My first question is towards the recent order win in the UP segment around INR 19 crores. What would be your timeline here? And in terms of margins, would it be a high margin structure for us?

Vikrant Patil: So all the details are there on the stock exchange where we have given the details about it. It's typically 1.5 years of implementation initially, and then the remaining 3.5 years is the maintenance. So the first 1.5 years is something which we have to implement. 60% of the revenue will be accounted in the first 18 months itself, and then the remaining 40% will come in as a maintenance.

And as we have been doing this even in the last year, but on a smaller scale, so there are a few products which we have already developed and we already executed a few orders. So we are already into it. So margin-wise, it's definitely going to be a very good outcome for us in this year.

So the actual margins will be higher, but it all depends as to how quick and fast and how early we close this, because it's a big project for us because there are a thousand packs is what we call digitized. And the only challenge there is the terrain because it's spread across UP and UP being a bigger state. So we are not able to exactly calculate the profitability, but definitely it is going to be above 40%.

Moderator: Sir we have lost the connection of the current participant. We will move on to the next participant, which is from the line of Rishi Kothari from AlfAccurate Advisors. Please go ahead.

Rishi Kothari: Thank you so much for the opportunity and congratulations on a good set of numbers. I had specific questions regarding the regional grid that we have. So, I mean, of course, overall, we had a good growth number, but India being one of the laggard growth for us.

I mean, how exactly are we planning to have good growth from India as a region? And apart from that, I mean, what other plans do we have for FY26 and beyond in terms of organic and inorganic growth?

Vikrant Patil: So I think your observation is right, and I really appreciate it. The reason why there is no growth, it's not a growth, but a couple of reasons I would like to put down here. The one major reason is that our software services revenue has deferred to this year.

So, there were a lot of requirements which have been finalized. The delivery started, and the purchase orders came in a little late, and that's why it spilled over to this year. So we couldn't recognize that revenue last year. The same happened with our training division as well. There were contracts which we had won, which were supposed to be executed last year, which didn't happen, and that has been spilled over to this year, which is also good for us that this year we already have an assured business, which is going to come in, which was supposed to happen last year.

Plus, last year we saw – if you see the technology services division, which is the software development division, last year we saw – we are based out of Maharashtra, and so we work closely with the government of Maharashtra for the software services division. We had elections last year here, as well as we had a national election last year. So because of the code of conduct in place, a few of our orders were not executed immediately, and that spilled off to this year.

But we are very comfortably positioned now, because we already have the pipeline with us. In the learning solutions division, we have already hired the right set of people, which are already there in the place. We already have expanded a couple of offices. Bhopal is one of our new additions, which will happen this year. Bangalore is something which is already set and running. And there are a few people, very senior, good resources, which have been onboarded in the end of the last quarter of the last year. They will be productive this year onwards. So, training business, I see there is a lot of potential. Similarly, we never had assured orders, which was already there for software services, which is already there now.

So going forward, technology division will grow in the government sector, as well as in the private sector, plus learning solutions will also grow. On top of it, as you had asked the question, how are we looking at inorganic growth? So, we keep meeting different companies from the technology space and from the training space, and are looking at some mergers and acquisitions.

And we keep evaluating companies. We have set up our own criteria. If they qualify that, we will definitely go ahead with the mergers and acquisitions, and we will make sure that there's enough growth which is required. And we are very hungry for growth, so we will make sure that we achieve that.

Rishi Kothari: Yes, understood. Thank you so much for clarification. And also, I just wanted to acknowledge the fact that, I mean, kudos to the IR team, the PPT that was prepared, and also they were very

well, very helpful in terms of, co-introducing us to the company, or the whole company, how exactly the business is. Thank you so much, Rutul Shah and Raj Shah, for that. Thank you.

Moderator: The next question is from the line of Mukesh from WC Securities. Please go ahead.

Mukesh: Yes. Congratulations for a good set of numbers. So my first question is, like, going ahead, how should we see our EBITDA margin? Should it be around 16%, 17%, or there's some scope for improvement?

Vikrant Patil: See, if you see our manpower revenue, if you remove that manpower revenue, our EBIT margins would be about 22%, 23%. But still, as I said, manpower business is something which is very close to us and which is very, very important for us. So anyway, the revenue, if you see, EBIT margins are really good for us if we remove that, which is about 20%.

And we are also trying to see how we can increase the EBIT margins in the manpower business as well. But it has its own limitations. But going forward, looking at the technology services vertical, if you see the revenue is very less, just INR 25 crores this year. The moment the revenue in technology services grows, it will lead to higher consolidated EBIT margin.

Similarly, Middle East operations is also giving us an excellent EBIT increase. Now this year, the revenue has grown 71%, which means that is also an important factor wherein the margins in the Middle East are also good. So going forward, I would see if my manpower business does not supersede anybody else, then we will have a very good EBIT margin. But looking at EBIT margins currently, I think it will definitely improve.

Mukesh: Correct. And sir, most of our growth came from Middle East. So how is this market expected to grow and what is the scope for growth like? How big this can become for us in the terms of revenues 3 to 4 years from now?

Mohammed Aslam: If you want to get the size of the Middle East market, it will probably grow to more than $200 billion. Because we have a vision back here in the Middle East by the different authorities. I'll probably take you to the top authority where UAE announced that it is currently ranking third, globally in the AI implementation. And it has got a vision of 2031, where they want to be the number one in AI implementation.

So as in Vinsys, we are in the process of getting the AI academy under training. And that will probably be the front liner for us to gain the momentum in the entire region on the AI front end. That will probably be the main criteria for us to, apart from the other sources of revenue on scaling. So, outlook is great.

And while the market size and the growth projections are there out in the public domain, we have got the right feet on street, specifically across GCC, where we have teams available and they have got their inroads and penetration in the B2B segment.

And then we have got sustainable contracts in hand on the training side. So we are also involved into government led initiatives of Emiratisation, Saudization and Qatarisation. That is the main thing which we are actually involved in currently.

So AI Academy is the front liner, which will probably be in action as a major revenue driver in the Middle East. Perhaps our targets are very high within ourselves, growth will probably be, similar or double than what we are probably talking about.

Vikrant Patil: They have their feet on the street already there in place. We have all offices. It's very different to do business in the Middle East. I'm sure you must be aware, but having local licenses, local people, local language. So everything is set after our IPO proceeds that we have implemented everything which is required for the growth.

And they are all set and they have already shown that 71% growth, which is phenomenal in any business. We are also sitting pretty as number one training organization there and already have not only people, but also the reach. The customer's base is strong and it is not related to only one industry. Government is our customer, the oil and gas, BFSI, everybody is our customer. And they are growing. Saudi Arabia market, everybody knows how it is growing exponentially. So it's a very, very sweet spot we are in. And growth for the next 4, 5 years is exponential. Apart from that, we also have a digital learning piece which is there, which is the e-learning, which is also growing.

So there our product basket and offerings are such that it's one-stop shop for any customer. Apart from that, we were not supporting them in the software services division, which is all set. We have people already there in all locations looking after that.

Growth in Middle East, whatever growth happens, we are ready there to make sure that we ride that tide. Apart from that, from Middle East we are looking at Africa as a market. So even there, we are still just made our inroads in a couple of nations. So there is a huge potential there in the Middle East and Africa. And location-wise, we definitely have that advantage. And the first mover advantage is already there.

Kunal Patil: So just to add to all the conversations coming in from the key members, what we have been achieving in the Middle East is that we have expanded vertically and have acquired the whole GCC as far as location is concerned. As of date, only Saudi Arabia has got potential to do what we have done annually as a turnover, as the market is quite huge. Currently, it's just been a year and a half that we have entered Saudi Arabia, which is a very tough market just to set up even a company.

And with the laws and the regulations, it took us a long time. And now we've quite settled in Saudi Arabia. So what we currently have achieved in the 71% growth is just 20% has come from Saudi Arabia. In the next five years, in the growth that Saudi Arabia is looking at as a country, I think in terms of learning solutions and digitization of the whole nation, we have got a huge potential.

So potential-wise, one country is enough to even achieve the revenues that we have achieved on a consolidated basis. So that's what we look at potential in the region as of now.

Mukesh: And sir, what about the Indian market, as we haven't seen any good growth in the Indian market. So can you throw some light on it also?

Vikrant Patil: There were a couple of orders in the training division as well as in the software services vertical, which spilled over this year, which were supposed to happen and I did mention the reasons previously, which is the code of conduct and all those things. Apart from that, we also have added very good resources in the learning solution division as well. And location-wise what I'm trying to say is that we have increased our locations. So, this year, the spillover itself has given us that cushion to grow on a year-on-year basis. We already have orders in pipeline and order book is already there.

So this year, not only the previous business which has come in, but also the new team which I said we hired in the last quarter of the last year, that was precisely in March, which people have joined in now and they'll start giving results in the next month. So there's almost six to seven senior resources who have been added throughout India, being hired from the industry itself. And so we see the pipeline is already there.

We have added a couple of customers, huge big customers with the potential of giving us very high returns on that. And also this new team has its own set of customers also which will be onboarded. So, I see a huge potential this year and I am very confident about India market, as anyway the results have shown in the Middle East.

But I am seriously contemplating, we always have a competition between India and Middle East, so we would love to have that positive competition. So this year looks very good in India as well.

Mukesh: And sir we have an office in the U.S. also?

Vikrant Patil: Yes, that's right.

Mukesh: But we don't have any business right now.

Vikrant Patil: So we have business. It's very small. It is just INR 3.5 crores which we built last year, which has a very huge potential. And we only have a subsidiary which is there and most of the business is being handled from in India and delivered. Our model itself is that you can have an online training as well as in person.

So we do have contracted trainers there. But the revenue is pretty small, but the margins are pretty high and that is our next potential growth which we see. We are also looking at contemplating acquiring some of the training companies there, which are in the advanced stages. We will let you know as and when it goes ahead.

Mukesh: Okay, sir. And one broader question, like going ahead, where do you see Vinsys in 3 years, 4 years from now in terms of revenues and profitability? If you can throw some light on it?

Vikrant Patil: Well, if you ask me, I am very upbeat about it. And whatever we have promised, we have delivered. So we always set very high benchmarks. And I'm not saying this to just please you, but there is a background which is created already. For exponential growth, you need to have a team, you need to have locations and you need to have customers and we have all three. And you need to have enough fire to make sure you need to be hungry.

So all our team, we also have given our ESOPs last year. And after giving those ESOPs, the amount of change which I see in the team and that doesn't mean that they were not performing, but the exponential growth which I see, the team sees, the management sees, everybody in the team now looks after it.

Mukesh: Great, sir. Thanks a lot for answering all the questions well in detail. And I wish you all the best for the future.

Moderator: Thank you. The next question is from the line of Hrishit Jhaveri from Pi Square Investments. Please go ahead.

Hrishit Jhaveri: Hi, sir. Sorry, last time I got disconnected. My first question is towards the cash flows. So being an IT company, this year we turned CFO positive, but consistently since last 2 years to 3 years, we are not positive on the CFO side, any specific reason and how do we plan to scale up our cash flows going ahead?

Vikrant Patil: Okay. That's a great question. We have our CFO also here. She might add a few things and I will also pitch in. So she might help you answer this.

Saneeka Dhamankar: Yes, first of all, thank you for your question. Like, yes, the CFO has been positive this year. And with this election-related disruption behind us and this payment cycle normalizing, we anticipate improved cash flow generation at FY26 also. And the operations will be also stabilized further in Middle East too. And the external disruptions are also expected to reduce. So we will be maintaining that positive CFO.

Vikrant Patil: Our software services business, which is 85% of government last year and because of those two codes of conduct which came in Maharashtra and the elections of India, there was a delay in our payments and that got streamlined in the month of March. That is what we did and that is where we were concentrating on making sure that that does not repeat. And that was a software development. It's something which is the reason why there was a little bit lower on whatever you mentioned about. So going ahead, I don't think so we have any issues on that term. And even as I said our order book is not related to only the government business now. So it has also come with a lot of private business which is coming in. So I think definitely, we definitely and the target itself for the CFO is that it has to be improved and it will definitely improve.

Hrishit Jhaveri: Okay. Sir second question, being such a high growth market in Middle East has been a consistent performer for us. So just a concern on the currency or the forex part, do we have any hedging system or how do we manage the currency fluctuations, sir?

Vikrant Patil: Currently, it's a wholly owned subsidiary of our listed entity. So, they bill it from there and the billing is done from there.

Saneeka Dhamankar: There is no exchange of this thing as such. The entities over there, they are a deal with the bill the customers over there and domestic market is taken care of by Indian entity.

Vikrant Patil: And even the customers there want us to invoice them in the local currencies. And for us also to invoice there, we also have to have an office, like for example, Kunal would have added, but

Saudi Arabia is something where you have to bill them from Saudi and your office has to be in Saudi. If you bill them from India, then they don't consider it as a local company. And as Dr. Aslam was mentioning that it is Saudization, Qatarisation and Omanization. So basically, we do it from there.

Hrishit Jhaveri: So, it is natural hedging.

Vikrant Patil: Yes. It's a natural hedge which is happening.

Hrishit Jhaveri: Okay. Thank you and all the best for the future, sir.

Moderator: Thank you. The next question is from the line of Sahil Rohat from Monarch Networth Capital. Please go ahead.

Sahil Rohat: Yes. Thank you for the opportunity, sir, and good set of numbers. While you have been telling us about the whole lot of opportunity in the Middle East market, can you throw some light on the competition? I mean, if you can name a few players who are a competition to us over there. I mean, when you say we have a first more advantage in few of these geographies, so does that mean that there are no competition in few of these markets?

Vikrant Patil: Thank you for your question. I would be very happy to say that there is no competition. But yes, I don't want to be arrogant as well. See, there is competition regionally. So we might have a company who competes with us in the Middle East. There are a lot of companies from India also who compete with us in the Middle East. They do not have a set up, but they still have offerings. So, these are very small companies. But for us as a brand and the amount of training which we offer, we do not only offer in the technology space, there are so many other areas where we offer. So, if you consider the product basket which we have, that gives us sheer advantage as there would be no competition if you consider about the product basket. Because there are different products which we offer and under one roof, that is one.

Two, we have regional or country-wise competition. But if you consider as a Middle East as a whole, there won't be anybody who is there as far as the competition is concerned. Same happens in India as well. We might have regional competition. We might have companies in Pune only who deals with customers in Pune, but they are not pan India present.

Similarly, in the Middle East, competition, yes, but sheer size and sheer product basket what we have and the sheer presence. I doubt there would be anybody. We can't say that he is a competitor. But yes, if you ask me, there would be a competitor in Dubai. Even companies in Dubai, if they do not have an office in Abu Dhabi, they cannot bid for a project in Abu Dhabi. So, for us, we are there in Dubai as well as Abu Dhabi.

Kunal Patil: Yes, I will add something on that. Like Mr. Vikrant said, we have got competition on locality basis, as well as also as on product basis. Some companies focus only on some products. But with us, we are in the IT learning space, as well as much more other trainings. Apart from that, as a brand, we are pan GCC, which gives more level of comfort to the customers as they are also spread across the GCC. So, if I'm working with a bank in Dubai, in terms of training or software,

they have their locations in Saudi Arabia, they have their locations in Qatar. So, at the same time, they get support across the region and they're not quite worried.

So, we have a customer based in Saudi Arabia. It's a part of the BIS. We've been helping them in their IT services and managed services. As a customer, they have the most comfort to work with us as we are spread across the region. So, they don't have to have a different company in Dubai and they don't have to work with a different company in Saudi Arabia.

One company that they acquire or start working with us, they have support across. So, as competition as such, we do have it. In the IT training space, nobody is close to us and we're very proud when we say that. If you want to name us, we have some global giants that we compete with, Global Knowledge and New Horizons. But in terms of the market share, we do hold a good number of market share in the Middle East as far as it's concerned.

In the rest of the training that we're trying to achieve, we're going there, we're trying to reach there because we've panned out into engineering programs, we've panned out into leadership programs, we've panned out into a lot of other level of programs that we're looking at as Middle East is just not about IT, but also much more other courses.

And now that AI is the next focus, the focus has come back again on IT and Middle East is not investing in oil anymore, they are investing in coders. So, AI is the new thing. And given that we are in the sweet spot, we don't see a challenge in terms of the competition as concerned.

And like Mr. Vikrant said, setting up a company is a big challenge. Their roles and regulations are so stringent that competition, even if they open up, they shut those after a year. So, competition is not much of a concern as long as we're able to grab most amount of market share, we are good in the region.

Sahil Rohat: And like sir was mentioning, there is some unbilled revenue that we are expecting to get from the India business. Would it be able to quantify that?

Vikrant Patil: Well, that is in the software services as well as in the training business. So, that is which has already started. So, the execution has already started. So, that's why we see India training business this year should be the highest what we have been achieving since our inception. So, two reasons.

One is the spillover and the second most important thing is the people who are already hired and they are already into the market. So, it's all sales team which we have inducted in the new people who were already there previously as our target people, but they have joined us and they took us time. So, even if you see in India, there is very less competition as far as pan India is concerned. Only Aptech and NIIT are the other names, but even Aptech is in B2C whereas NIIT is predominantly in the US market. So, there was a lack of a pan India aggressive vendor which is what we want to look and we want to acquire that space and we already have that. Everything is in place for that.

So, in terms of numbers, if you ask me, I just don't want to set any numbers, but the previous ones I would not be able to actually quantify, but surely execution will happen and as I said, that

will be a huge growth for us this year. Not only the spillover, but I am more confident about the new orders when I see the pipeline, that is what is exciting.

Sahil Rohat: Got it. And lastly, on your receivable days, so is there a stark difference between the receivable days for the government projects and the others and usually how are your receivable days planned? And most of the payment is fag-end and after the completion of the project?

Vikrant Patil: All the training receivables are at the end of the training, but trainings are typically up to 5 days or 10 days maximum, and we get payment from our customers in 60 to 90 days from the training vertical. So, there is no bad debt. All our customers are Fortune 500 companies, in India as well as outside. So, training is pretty set and we have been doing it for quite some time.

Software services is a little young, but it was only for the last year we had an issue because of all those elections and the code of conduct, but I do not think there will be a challenge going forward. So, even for software services, it's milestone basis. So, there are milestones after every milestone we get paid and that is pretty much what we achieve. If we achieve the milestone properly, I think the payment comes in immediately. It was only that last year it got stuck because they were not able to make the payment because of the code of conduct.

Sahil Rohat: So, 90 days is a good assumption to work with, right? For your receivable?

Vikrant Patil: That's right.

Sahil Rohat: Okay. Thank you so much, sir, for answering my questions. Thank you.

Moderator: Thank you. I would now like to hand the conference over to Mr. Vikrant Patil for closing comments.

Vikrant Patil: Thank you. Please feel free to reach out to Capital Bridge Advisors in case you have any queries. Have a great evening. Thank you very much.

Moderator: Thank you. On behalf of Capital Bridge Advisors that concludes this conference. Thank you for joining us and you may now disconnect your lines.