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Date: 21st July 2026

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Sub.: Outcome Transcript – Conference Call – Q1 FY'27

Dear Sir/Ma'am

As intimated earlier through our letter dated 13th July 2026 regarding the Conference Call of the Company, which was held on Thursday, 16th July 2026 at 4:00 P.M. (IST), please find enclosed herewith a copy of the transcript of the said call with the Investors/ Analysts.

The transcript of the said call shall be made available on the Company's website at https://newgensoft.com.

This is for your kind information and record.

Thanking you.

For Newgen Software Technologies Limited

Aman Mourya
Digitally signed by Aman Mourya
Date: 2026.07.21 16:07:07 +05'30'

Aman Mourya
Company Secretary & Head-Legal

Encl.: a/a

“Newgen Software Technologies Limited
Q1 FY '27 Earnings Conference Call”
July 16, 2026

MANAGEMENT: **MR. T.S. VARADARAJAN – VICE CHAIRMAN AND WHOLE-TIME DIRECTOR – NEWGEN SOFTWARE TECHNOLOGIES LIMITED**
MR. VIRENDER JEET – CHIEF EXECUTIVE OFFICER – NEWGEN SOFTWARE TECHNOLOGIES LIMITED
MR. TARUN NANDWANI – CHIEF OPERATING OFFICER – NEWGEN SOFTWARE TECHNOLOGIES LIMITED
MR. ARUN GUPTA – CHIEF FINANCIAL OFFICER – NEWGEN SOFTWARE TECHNOLOGIES LIMITED
MS. DEEPTI MEHRA CHUGH – HEAD, INVESTOR RELATIONS – NEWGEN SOFTWARE TECHNOLOGIES LIMITED

MODERATOR: **MS. SEEMA NAYAK – ICICI SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Newgen Q1 FY '27 Earnings 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 over the call to Ms. Seema Nayak from ICICI Securities. Thank you, and over to you, Ms. Seema.

Seema Nayak: Thank you. Good evening, and welcome to the Q1 FY '27 Earnings Call of Newgen Software Technologies. On behalf of ICICI Securities, it's my pleasure to introduce the senior management team of Newgen. We have with us today Mr. T. S. Varadarajan, Vice Chairman and Whole-Time Director; Mr. Virender Jeet, Chief Executive Officer; Mr. Tarun Nandwani, Chief Operating Officer; Mr. Arun Gupta, Chief Financial Officer; and Ms. Deepti Mehra Chugh, Head of Investor Relations. I now hand over the call to Ms. Deepti for further proceedings. Thank you, and over to you Deepti.

Deepti Chugh: Thank you so much, Seema. Good evening, everyone. Before we move on to the discussion, let me highlight that this call may contain certain forward-looking statements concerning Newgen's future business prospects and profitability, which are subject to a number of risks and uncertainties, and the actual results could materially vary from the forward-looking statements. Past performance may not be indicative of future performance, and the company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect or update any forward-looking statements made from time to time by or on behalf of the company.

For any further details, you may please refer to the Investor Relations section of our website. I will now hand over to Mr. Varadarajan for presentation of the results, and that will be followed by a Q&A by Tarun and team. Thank you.

T. S. Varadarajan: Thank you. Good evening, everyone. Thank you for joining us today for our Q1 FY '27 earnings call. To begin with, as Newgen continues to advance its vision of orchestrating intelligent enterprises, we have shared important leadership announcement during the quarter that will guide the company into its next phase of growth. As Jeet has decided to step down from his role, Tarun has been appointed as Chief Executive Officer at Newgen effective August 1, 2026.

Tarun has been associated with Newgen for the past 33 years and has been a key contributor to Newgen's growth journey. He will drive the next chapter of growth at Newgen. We have also created the role of Chief Growth Officer at Newgen, and Pramod has been appointed to his -- he will lead Newgen's growth agenda with a focus on driving growth strategy, product alignment, AI enablement, global market expansion and ecosystems development.

These appointments reflect Newgen's commitment to leadership continuity and our confidence to the opportunities ahead. I would like to take this opportunity to thank Jeet for his outstanding leadership and invaluable contributions in shaping Newgen into the global organization it is today. We wish him continued success in the next chapter of his journey. With that note, we now move to the financial performance for the first quarter of FY '27.

We have started FY '27 on a steady note with Q1 reflecting continued resilience in our business model, sustained customer engagement and healthy momentum to our annuity-led revenue streams. During the quarter, our revenue from operations stood at INR357 crores, representing year-on-year growth of 11%. A key highlight of the quarter was the continued strength of our annuity revenues. Total annuity revenue stood at approximately INR254 crores, witnessing a growth of 14% Y-o-Y. With this SaaS and license subscription revenue continued to grow strongly, reaching approximately INR60 crores for the quarter and growing at 40% Y-o-Y.

This reinforces the increasing predictability and durability of our revenue base as more and more customers continue to engage with Newgen through subscription-led and recurring models. From a geography perspective, we saw broad-based contribution across all markets. EMEA remained the largest contributor during the quarter at approximately INR114 crores, followed by India at approximately INR96 crores, the U.S.A at approximately INR92 crores and APAC at approximately INR56 crores.

This geographic diversification continues to support the resilience of our business and provides multiple levers for growth across markets. U.S. geography witnessed a strong growth of 27% Y-o-Y, followed by APAC geography at 12%, EMEA geography at 10%. Implementation revenues had been weaker in the quarter due to the slowest project starts across markets, especially EMEA.

We added 10 new logos during the quarter. Our key wins in the quarter include a core insurance platform policy administration system transformation project for a customer in Kuwait valued at approximately INR26.7 crores, a retail loan origination solution deployment for an automation in the Philippines valued at INR16.2 crores, an order from Annapurna Finance Private Limited in India for the implementation, maintenance of AI-enabled loan origination and collection system valued at INR15.6 crores, an engagement with a leading U.K. enterprise to implement Newgen's enterprise content management platform valued at INR14.5 crores.

Our industry mix also continues to reflect the strength of our focus on complex, regulated and process-intensive sectors. Banking and financial services remained our largest vertical, contributing approximately INR225 crores during the quarter and growing at 5%. Insurance and health care also continue to be an important growth area, contributing approximately INR79 crores and growing at 58%.

These sectors continue to prioritize automation, digital transformation, customer experience, compliance and increasing AI-led modernization. As we had mentioned earlier, enterprises today are not merely looking at digitizing individual processes. They are looking to create more connected, intelligent and adaptive operating environment. This shift aligns closely with Newgen's core strength. Our platform brings together content, process, communication, low-code, analytics and AI capabilities into a unified execution layer, enabling customers to move from fragmented automation towards intelligent orchestration.

The conversations with customers are increasingly centred around how they can operationalize AI responsibly, improve agility, reduce turnaround time, strengthen governance and deliver better outcomes at scale. We believe this creates a meaningful opportunity for Newgen as organizations increasingly look for trusted platform that combine deep domain capabilities with enterprise-grade governance and scalability.

During the quarter, we continued to invest in our platform road map with a strong focus on AI-led capabilities. We are expanding our enterprise agent orchestration capabilities and strengthening AI governance and trust framework. Our focus continues to be on disciplined execution, stronger customer engagement, annuity-led growth, product innovation and operational efficiency.

We believe the investment we have made in our platform, people and global presence position us well to capture long-term opportunities as enterprises accelerate their journey towards intelligent operations. Coming to our profits and margins. Our profitability performance remained healthy. EBITDA adjusted for other income stood at INR56 crores, translating into an EBITDA margin of around 15.7%. Profit after tax was INR63 crores, reflecting year-on-year growth of about 26% with a net margin of around 17.6%.

During the period, we have invested nearly 9% of our revenues on R&D initiatives and around 26% of revenues on various sales and marketing activities. To summarize, Q1 FY '27 reflects the resilience of our business model and the strength of our strategic direction. We are well positioned to accelerate growth and help enterprises orchestrate intelligent enterprises. Our annuity revenues continues to expand. Profitability remains healthy, and our platform remains strongly aligned with the emerging needs of enterprises seeking intelligent, governed and scalable transformation.

We enter the rest of the year with confidence while staying focused on disciplined execution and sustainable long-term growth. Thank you very much, and we are now open for Q&A.

Moderator: Thank you very much. The first question is from the line of Shubhi Gupta from Trinetra Asset Management. Please go ahead.

Shubhi Gupta: So sir, our EBITDA margins have expanded from 14% to about 15.7% in this quarter. So what are the primary cost efficiency drivers for this? And should we assume 15% to 16% range to be sustainable for the remainder of the year? And the second question is that how are we monetizing AI agents? Like are they being added to the existing modules or it will be bundled into a new Gen 1 license like a new license?

Tarun Nandwani: I'm Tarun. So answer to the first question is that the margin expansion is a function of optimization of the AI practices in our engineering that we have incorporated. And we are -- the efficiency gains are being passed on to -- for customer success for faster implementations and operational efficiencies that we are getting. So we hope that we will continue with these efficiency gains in coming quarters. To your second question.

Management: I think 15% for the full year, the EBITDA would expand. So Q1 is the lowest in terms of margin -- so we usually have 23% to 25% EBITDA margin for the entire year.

Tarun Nandwani: On the AI product side, the platforms have native AI capabilities, which you are aware of. We have also launched AI products in our vertical streams. So AI in trade, AI in insurance, AI in health care and AI in government. Now if we go slightly deeper, the trade finance, bank guarantee import modules are -- the AI product features allow them for classification and extraction of data and analysing of documents and the recommendation of the outcome.

So this is baked into the platform for auditability and governance purposes. Similarly, we have launched AI products for our insurance products in life, health and general. Our government vertical knowledge management tools has AI baked in for the knowledge management vertical product. And in our health care, we have incorporated AI products for appeals and grievances and provider life cycle management. So they are currently being sold as part of our vertical product offerings, which sit on our platform AI native capabilities.

Moderator: The next question is from the line of Aditi Patil from ICICI.

Aditi Patil: Congratulations, team, on a good execution in a tough demand environment. And congratulations, Tarun, on stepping into the role of new CEO, and I wish all the best for Jeet for his future endeavours. My first question is on what led to decline in implementation revenue? Was it because of delays in implementation or since we had lower license revenue in the past 4 quarters and hence, lower implementation revenue?

Tarun Nandwani: First, thank you for your wishes. The implementation revenue, yes, you are correct that the last financial year had decline in the license revenue. But we had a good bumper quarter for Q1 in terms of license. The implementation revenue is built up from the unexecuted order book of last year plus the current quarter order executed book. So what happened in this quarter is that there -- we saw some delays due to the environmental factors of our customers because of which specifically India and some part of some other parts -- but -- and that led to the decline in the quarter 1 implementation revenue, but we are optimistic that Q2, we will cover up with the current executed UOB, we will be able to cover up for the Q1 loss as well as the our quarter 2 projections.

Aditi Patil: Okay, got it. And can you share your outlook on India and EMEA geography?

Tarun Nandwani: See, the demand pipeline is healthy in both India and EMEA. India is seeing good demand in our pipeline due to large cases coming in the area of NBFCs, which is LOS and LMS and trade. This has led to good growth in pipeline for India, and we see this demand closing in coming quarters. EMEA has seen good demand in digital transformation, AI-led tools and the SaaS pieces. Europe has seen very good demand in our AI-led ECM, CCM policy binding cases. The modernization programs in Europe is showing healthy demand, and we are seeing a lot of modernization programs there.

Aditi Patil: Okay. So yes, our developed market revenue has been growing at a strong pace since last few quarters. So overall, should we see our developed market revenue sustaining and improving revenue growth in India and EMEA?

Tarun Nandwani: Yes. See, mature market revenues are all subscription-based cloud native. So we are seeing a positive side in the growth there, which will be a continued momentum. And India and EMEA have good pipeline growth in terms of the license cases and large program -- modernization programs. So we are expecting India and EMEA to come back to growth numbers.

Aditi Patil: Okay. And on DSO, so was it because of the delay in billings in EMEA that our DSOs were slightly higher in Q1?

Tarun Nandwani: See, DSO, if you see from -- DSO is a challenge we recognize, but there is a decline from Q4 to Q1, where we have worked upon our collections, we have worked upon the invoicing and contract terms. And the delay in DSO in EMEA, as you know, because of the macro environment, certain payments were delayed because of those issues. But we are seeing a positive trend of DSO declining in coming quarters.

Moderator: The next question comes from the line of Rahul Jain from Dolat Capital.

Rahul Jain: Congratulations for the new induction for the role. And thanks, Jeet, for making us understand this business better and driving whatever you could during your tenure. My question is for this fiscal year when we look at it FY '27, what are the -- some of the positive things that is shaping up from an industry point of view, maybe something around AI driving the tech modernization or core modernization theme. Are we seeing any delta coming from that kind of a thought process among your clientele? And also from a macro point of view, how the decision-makings are getting affected and how you plan to mitigate those challenges in the coming quarter, if you could share your thoughts on that?

Tarun Nandwani: Thanks, Rahul. See, as you know, Newgen's strategy is focused on customer success and investing in innovation. As I explained earlier, Newgen is investing heavily in horizontal and vertical product lines and our domain solutions are becoming more and more appealing and appealing to customers with respect to the AI baked into the various product lines of CASA, lending, trade finance, PaaS, underwriting, ECM, communication hub, CCM, knowledge management, which is RMS. So the AI, there will be a lot of investments going on, which are going on and the products will evolve more and more with coming times. So that is the trend that we are seeing that AI demand is coming with all RFPs that are coming today.

So to your second question, as you know that Newgen is diversified across geographies and industries. We are seeing good attraction in commercial insurance space with policy binding solutions. We are seeing ECM in retail in mature markets, RMS in -- again, in NBFC sector in mature markets. And in India and APAC markets, we are seeing good demand in our original domain-led products, which is AI-based trade, AI-based lending.

These are in good demand and pipeline is seeing good growth. Similar trend we are seeing with APAC, which is seeing good demand in government where knowledge management kind of solutions are showing good traction in various government departments in the APAC region. And the traditional solutions of LOS, digital transformations are seeing platform where loan origination and LMS is seeing good growth in APAC. So overall, in the broad-based all markets, we are seeing good demand today for AI-led these product lines, our offerings.

Rahul Jain: Sure. And if you could help me out with the total headcount situation at the end of FY '26 and now?

Tarun Nandwani: So we were approximately 4,200 at the end of...

Deepti Chugh: FY '26, and currently also at a similar number.

Tarun Nandwani: So headcount, we have not grown.

Rahul Jain: Yes. If I see this data, this has been, I think, 4,500 or 4,600 in FY '24, '25, respectively, which is 4,200 now after 1.5 years. I can understand there is some automation and some leverage from an AI point of view. But within the spectrum of skill that we have within this 5,000-odd people, is it more like our headcount on the implementation side has come off because of some automation and maybe the increased contribution from GSI pool, if that has increased, what could have caused this reduction?

Tarun Nandwani: You are right, Rahul. The AI benefits have come as tailwind, and we are getting, as I said, good benefits and operational efficiencies in our deliveries efforts and timelines.

Rahul Jain: But within the subsegment of responsibility, would you see the more optimization happening on the implementation headcount or it is broad-based across function?

Tarun Nandwani: The efficiencies will come broad-based across all the departments, whether these are products, accelerators or deliveries. And as I said, Newgen is focused on our customer success and investing in innovation. So we will -- our core focus remains innovating for customer success and creating more and more product lines.

Rahul Jain: And have you shared the pipeline or order growth and any such data? Sorry if I missed that earlier.

Deepti Chugh: No, Rahul, we usually share it at the end of the year. March is when we share the overall bookings number. But yes, the pipeline looks strong. The booking number is also healthy and growing like double digits. So we do see strong growth in both the aspects.

Rahul Jain: And if I see our product revenue have been coming off last year and the SaaS has seen acceleration during FY '26, and that has continued in Q1 as well. So is it safer to assume that incrementally, there are more deal which is coming on SaaS, which is affecting probably the recognition part of the revenue?

And if that is the case, then it makes a lot of sense for us to start disclosing the RPO data because that would represent the current momentum of the business better rather than showcasing the P&L because you would be deferring a lot of license revenue into the future booking, which may underscore the current performance. Any colour on this aspect would be helpful.

Tarun Nandwani: See, the subscription revenues are mostly coming from U.S., U.K. and Australia. And the deal pipelines, I think we take so 1 year revenue...

Management: Yes. I think as far as booking is concerned. Yes. We cover 1 year revenue, yes, I think as far as -- but overall, I think, Rahul, the point is that still it is a 12%, 13% revenue when we are talking about overall subscription revenue still. So it's still a smaller bucket compared to all other buckets. So yes, your point is well taken that possibly in future course, we will -- somewhere we will try to have that number also. But maybe we have to wait for some time more. Currently, it is a better parameter to show that booking growth at a yearly level. And whatever figures we can give on a quarterly basis, we will surely share that...

Rahul Jain: Please look into it because some of our peers have started sharing the RPO data, which gives a far better visibility on the SaaS revenue overall underlying growth momentum.

Moderator: The next question comes from the line of Vijay Menon from Monarch Capital.

Vijay Menon: A couple of questions from my side. U.S. growth looks quite good this quarter. Anything we did specifically there? Or have you won any large deals, which is there in the number? If you can give any clarity on that, that would be helpful.

Tarun Nandwani: See, the U.S. being majorly into a subscription-based model, the growth of last year, might be different quarters get accrued in the coming quarters, and this year wins will again move on quarter-by-quarter recognition because these revenues are recognized quarter-by-quarter. So we are sitting on a healthy base and with additions in -- with new customers and mining, this performance and momentum will continue.

Deepti Chugh: And in terms of materiality, I think we've disclosed 4 large deals for the quarter. So yes, we did get a few which were in the range of INR12 crores to INR16 crores, in the range of INR26 crores.

Vijay Menon: Okay. That helps. And in terms of the RFPs in India, last quarter, you had mentioned that RFPs are getting delayed and decision-making is taking time and large deals specifically in India are not happening through banks. So any progress there, any improvement you are seeing there in the demand environment?

Tarun Nandwani: Yes. As I said, the India pipeline has grown with large deals, and we are seeing activity into those RFPs and the client has moved forward with the evaluation and decision-making process. So in current quarter or coming quarters, we will see some closures.

Vijay Menon: And in terms of margin, any guidance for the year you would want to give anything...

Management: As far as margin is concerned, yes, I think as far as -- if you see first quarter also, you will see that there is a margin expansion. As Tarun has said that obviously, all kind of initiatives, whether it is the AI kind of optimization, which I think is coming in internal productivity also as well as there is an improved growth on the top line also.

So obviously, we -- on a yearly basis, obviously, we are seeing margin expansion also for the annual basis also. That is what we are targeting. But it is being a first quarter, obviously, it is not appropriate to comment beyond this as far as the overall number is concerned. But yes, I think we will surely maintain this 20% kind of number when we are talking of margin.

Vijay Menon: And what kind of R&D spend can we expect this year?

Management: Currently, it is around 8%, 9% of the overall -- so I think -- okay. Thank you.

Moderator: The next question comes from the line of Seema Nayak from ICICI Securities.

Seema Nayak: So my first question is on Y-o-Y basis, the growth is looking broad-based. So what is the reason behind downturn in the other vertical? My second question is on the other income, which is fairly elevated if you can throw some light on? Thank you.

Deepti Chugh: The other income, I think it's on account of market dynamics, we do have investments.

Tarun Nandwani: So I think other income is more on account of 2 things. One is obviously the treasury income and then also about the mark-to-market gains around the treasury as well as currency also. So I think generally, quarter 1 is slightly heavier on other income. That is a trend if you have seen last year also same quarter numbers. So obviously, I think treasury income will continue in that offset only.

Deepti Chugh: And the other question, Seema, sorry, if you can repeat that.

Seema Nayak: Regarding the other vertical, so it has been slowing down for the last two to three quarters?

Tarun Nandwani: Vertical...

Deepti Chugh: So I think the focus for us, we've clarified that we have 3 focus areas, which is banking, insurance, health care as well as government. And other just comprises of the remaining 14, 15 verticals wherein we get business from. But the core areas wherein we focus on would be these 3. So as a line of business in a focus area, I think these three verticals are where we're more focused on.

Seema Nayak: Okay. And on Indian geography margin, so if you can explain what has caused the sharp impact?

Deepti Chugh: Sorry, can you repeat the question? India geography margin.

Seema Nayak: Indian geography margin?

Deepti Chugh: So I think 2 factors. One is the India market hasn't grown. The top line hasn't grown. And secondly, the cost -- the base costs have increased by around 4%, 5%. So on account of both these impacts, we have a squeeze in the margin. But again, I would request that on both the aspects, whether that is the segments or whether that is the profitability, you look at the overview for the full year rather than quarterly because quarterly, there could be variations that we do have.

Tarun Nandwani: Then if you see the full year number, obviously, in India also, the way we expect, obviously, in coming quarters, this will improve. And accordingly, you will see improved margin in coming quarters.

Moderator: The next question comes from the line of Sonal from Prescient Capital.

Sonal: This is Sonal, sir. Thanks for having my question. Am I audible?

Tarun Nandwani: Yes.

Sonal: I wanted to understand the details of the implementation revenue since they've gone down roughly around 50-odd percent around 25-odd percent Y-o-Y. You also mentioned that the license revenues have grown. So should we assume that the implementation revenues will come and grow subsequent quarters with the lag?

Tarun Nandwani: Yes. So the -- for the current quarter, as I said, we have seen some delays in starting the projects of last 1 or 2 quarters from EMEA, which has led to decline in this overall number. But what we have seen that these projects have kicked off. And we expect that quarter 2 and quarter 3 will see the expected numbers from the implementation, and we hope we are optimistic to recover the Q1, 23%, which is amounted to some INR12 crores of revenue in quarter 2 and quarter 3.

Sonal: Got it, sir. Sir, my second question is again linked to this implementation revenue and revenue linked to support services, which is where a bulk of heavy lifting of people cost comes in. I wanted to understand the number Value to productivity gains you've seen to your clients. Just to understand how you are renegotiating your projects in the future and how the agreements are getting renegotiated? Just broadly wanted to understand this.

Tarun Nandwani: See, our pipelines are usually RFPs are fixed price contracts. So from the implementation point of view, AI efficiency gains in terms of turnaround time efficiencies to the client, gets passed on to them, the operational efficiencies come to Newgen from the implementation revenue standpoint. The support revenue is split across a large customer base of very large number of customers, and they are very few specific to handling and supporting them with their BAU activities.

So -- and that depends on what AI practices customer is adopting versus what AI practices are available to our offshore team supporting them from our premises. So we are passing on the time benefits and efficiencies to them. But there is no such demand of any effort or cost efficiencies from our customers.

Sonal: Got it, sir. And is there a guidance on revenue you want to give right now for the full year given that we've grown at a reasonable early double-digit number? Just wanted to understand if there is a guidance on the revenue.

Management: So generally, we don't give any guidance as far as revenue is concerned with our size of company. But obviously, I think, yes, we are hoping that -- which we have talked about in earlier quarter also that we should have an improved number compared to the -- as far as growth rate what we have achieved last year, and that we have shown in quarter 1 also when you see our numbers. And we are hopeful that we will maintain a double-digit growth in coming...

Moderator: The next question comes from the line of Sanjay from SKS Securities Limited.

Sanjay: Thank you for the opportunity, and my question is about the number of deals won, right, the total deal won or the logos won is comparatively lesser than the average what we do. Generally, I think more than 12 or 13 logos we add. So how do you see that going? I mean, is it like there is a delay happening in closure of the deals and how the business scenario as well as can you just tell more about how the Middle East is having any challenges? Or are we getting the closures and more discussions happening in Middle East area as well?

Tarun Nandwani: So I will just say that in terms of the number of deals quarter-on-quarter has varied, but the deal size has grown substantially high for us. The total booking of the 10 deals with respect to what we booked in the last quarter has seen substantial increase. These are multimillion dollar deals or INR15 crores, INR16 crore-plus deals which have closed.

And in terms of the pipeline, as I said, there is a healthy mix of large deals now and midsized deals, which we expect to close. So deal momentum in terms of number can be seen in coming quarters. But the focus on large deals is there with us, and we want more and more large value deals to get closed because this helps in the revenue from the quarter point of view.

Deepti Chugh: Also, I think the business comprises of both mining of existing customers as well as new logo acquisition. So from that perspective, we continue to work on growing both these aspects.

Sanjay: Sure, sir. Can you just give more idea about the Middle East is the area, I think you have a lot of business happening there. And situation is getting better there? How are things?

Tarun Nandwani: So Middle East for us comprise of 3 regions, as we say. We have seen good mining deals coming from existing accounts in UAE, Qatar, Kuwait, we have seen a few new deals from this area specifically, if you are asking this. But in the Africa region, in the Europe region, we have seen good pipeline as well as good size deals. The mining deal numbers have grown, but I think here, what we declare is the net new logos.

Sanjay: Sure, sure. And another question is about we have now healthy cash on the books. And so is there any plan for any acquisition or any buyback in coming quarters?

Management: So obviously, I think as far as acquisition is concerned, that is a process which we are currently deliberating for last couple of years, but I think it is something where it is taking time as far as getting that right kind of fit as far as acquisition is concerned. On the other side, yes, I think we are obviously currently -- as far as dividend optimization is concerned, that is something we are -- every year, we are trying to improve on the dividend number. And lastly, on the buyback side of it, obviously, we got that input, and we have given those input to Board. So obviously, we are working on that.

Moderator: The next question comes from the line of Tushar from Shanghvi Family Office.

Tushar: Hello. Hi, team. Am I audible?

Deepti Chugh: Yes, yes.

Tarun Nandwani: Yes, yes.

Tushar: First of all, congratulations to Tarun for taking a new role. I am new to the company. So maybe a clarification will help. I just wanted to understand when we sell our products, we record our license revenues in the sale of products or in the SaaS revenues. And are we seeing that the share of license revenues versus non-license revenues that is, SaaS revenues, getting increasingly bigger. So that's why it is having impact on our sale of products. I could see that we declined -- we had a decline in sale of products in FY '22. So just wanted to understand that.

Tarun Nandwani: Thank you, Tushar, for your best wishes. The license revenue majorly is from India and EMEA region. And the mature markets are mostly subscription revenue. And whenever there is any deal wins or deal closures delays in India and EMEA, it impacts the license. But the pipeline is healthy, as I said, and we are expecting closure in the India and EMEA region. And the mature markets continue to grow with healthy growth based on our subscription deals.

Tushar: Okay. Okay. And the deals that we won in this quarter, when do we expect those deals to get ramped up in the immediate or maybe?

Tarun Nandwani: See, the deals that we won in this quarter in India and EMEA, as we said, I think we won 2 deals -- 2 large deals, which will materialize license plus implementation within 1 year and the others continue as subscription, the implementation revenues also get recognized within 12 months kind of time -- 12-months to 18-months kind of time frame.

Tushar: Okay. Okay. And maybe this is more on a long-term vision that Tarun, you might have since a new change in the management comes with the many white spaces that you might see in the company, what is -- what are our maybe revenue or the profitability targets or directionally we're thinking from next year's point of view?

Tarun Nandwani: See, our strategy has remained always to remain focused with customer success, all through our success story, and we keep investing in innovation for our growth plans. So we keep investing in vertical products as well as horizontal products. And from the financial point of view, we try to maintain consistency and the business has resilience that even with lesser growth, we are able to deliver the margins that we plan to deliver. So that is the nature of the business that keep continuing in innovation and keep investing with customer success.

Tushar: Okay. Any challenges in the demand environment that you are seeing?

Tarun Nandwani: No. The pipeline growth is healthy. So for now, our product lines are seeing good demand.

Tushar: All the best.

Tarun Nandwani: Thank you, thank you.

Moderator: The next question comes from the line of Shaurya Yadav from Growthsphere Ventures. Please go ahead.

Shaurya Yadav: Am I audible?

Tarun Nandwani: Yes.

Shaurya Yadav: Sir, last time you mentioned that AI-led product pricing was still evolving and you guys were working closely with the customers to arrive at a transparent pricing framework. Could you share where you are in that journey right now? Have you finalized the pricing model? And what's the customer response on it?

Tarun Nandwani: We have evolved the pricing model for our AI-led vertical offerings in the product. And it is -- see, it will remain work in progress. But the individual use cases, as I explained, in trade, in insurance, in RMS, knowledge management product solutions, in ECM, the pricing is getting established. And as we sell more the AI-led product sales, I think we will -- the pricing and the acceptance from the customers will evolve and will settle down.

Shaurya Yadav: Understood, sir. And sir, second question from my side is how are you seeing the customer decision-making evolve, especially in the BFSI sector? Because earlier, many enterprises were in wait and watch mode because of the AI models and all. And additionally, with the economics of AI interference [inaudible 0:48:03] customers now more confident than the [inaudible 0:48:10]?

Tarun Nandwani: See, there are many -- most of the central banks in most of the countries have come up with some kind of AI regulations or regulatory compliance needs. And the experiments on the AI technology has evolved to a level that customer is now ready to implement AI within regulatory and compliance framework, which becomes a sweet spot for us that in the flow that we implement for them, our AI offerings for classification and extraction for analysing and recommendations, which comes with audit trail, which comes within the compliance framework is acceptable to that for productionizing. So we are seeing deal wins, AI-based deal wins in these product lines.

Moderator: Ladies and gentlemen, that was the last question. I would now like to hand the conference over to Ms. Deepti for closing comments.

Deepti Chugh: Thank you, everyone, for joining us on the call, and thank you, ICICI Securities, for hosting the call. For any further questions, you can connect with me or you can go to the website. Thank you.

Management: Thank you.

Moderator: On behalf of ICICI Securities, that concludes this conference. Thank you for joining us, and now you may disconnect your lines.