Date: August 25, 2026

To

National Stock Exchange of India Limited	**BSE Limited**
Exchange Plaza, 5th Floor,	**Department of Corporate Services/ Listing**
Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051	**Phiroze Jeejeebhoy Dalal Street, Fort, Mumbai – 400001**
SYMBOL: XTRANET	**SCRIP CODE: 544838**

Sub: Earnings Call Transcript for Xtranet Technologies Limited Q1 FY27 Earnings Conference Call held on August 24, 2026 at 16:00 P.M

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed transcript for the Xtranet Technologies Limited Q1FY27 Earnings Conference Call held on August 24, 2026 at 16:00 P.M. for discussion of Q1 FY27 Financial Results.

The same is also uploaded on Company's website. We request you to take the above on record.

Thanking You,
Yours Sincerely,

For Xtranet Technologies Limited

KAVITA MALIK
Digitally signed by KAVITA MALIK
Date: 2026.08.25 14:51:44 +05'30'

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XtraNet Technologies Limited
Q1 FY '27 Earnings Conference Call
August 24, 2026

Moderator: Ladies and gentlemen, good day and welcome to XtraNet Technologies Limited's Q1 FY2027 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 "*" and then "0" on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors.

Purvangi Jain: Thank you. Good evening everyone and a warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. We represent the Investor Relations of XtraNet Technologies.

On behalf of the company, I would like to thank you all for participating in the company's earnings call for the 1st Quarter of the Financial Year 2027.

Before we begin, a quick cautionary statement:

Some of the statements made in today's Earnings Call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from those anticipated.

Such statements are based on management's beliefs as well as assumptions made by and information currently available to the management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's earnings call is purely to educate and bring awareness about the company's fundamental business and financial period under review.

Now let me introduce you to the management participating with us in today's Earnings Call and hand it over to them for their opening remarks. We have with us Mr. Sukhbir Singh Kukreja – Managing Director and Promoter and Mr. Chetan Anand – Group Chief Financial Officer.

Without any delay, I request Mr. Sukhbir Sir to start with his opening remarks. Thank you and over to you, sir.

Sukhbir Singh Kukreja: Thank you, Purvangi. Thank you for giving our introduction. Good evening, everyone.

And thank you for joining XtraNet Technologies Limited's first earnings conference call. We are pleased to have this opportunity to engage with our shareholders and broader investment community. As this is our first post-listing earnings call, I would like to take a few minutes to provide an overview of the industry landscape, our business, and the strategic directions we are pursuing.

Today, the Indian technology landscape continues to evolve rapidly, driven by increasing digitization across enterprise and government sectors, along with rising adoption of cloud, AI, and data-intensive applications. Overall, IT spending in India is expected to continue growing at a healthy double-digit rate, with increasing investment across infrastructure, software, and IT services. Within this, the data center market, which was around USD 5.5 billion in 2025, projected to reach at USD 13 plus billion by 2034, growing at a CAGR of 10% plus. This growth is being driven by cloud adoption, AI workload, data localization, and increasing enterprise digitization, creating a significant opportunity for the data center infrastructure, managed IT services, and ongoing technology support. XtraNet is well-positioned to participate in this opportunity. XtraNet Technologies Limited is an integrated technology solution provider with over 24 years of experience delivering digital infrastructure and technology solutions to governments, PSUs, and private enterprises.

We work across technology lifecycles, combining data center infrastructure and IT operations, enterprise applications, digital services, and proprietary platforms, including Synergy for low-code AI-native digital transformation and XtraTrust for digital trust and PKI-based authentication under one platform. Our largest segment, data center infrastructure and IT operations, continues to remain a key growth engine for our business with opportunities across data center and disaster recovery infrastructure, infrastructure modernization, cloud infrastructure, and IT operations requirements. Via the enterprise application segment, XtraNet provides end-to-end ERP solutions, design, configuration, and customization, with implementation of core modules, including finance, HR, HCM, procurement, billing, business process management, and workflow-based solutions.

The digital services segment provides technology enablement solutions to support the transition from legacy systems to scalable digital platforms across applications, including banking support, cloud analytics, digital solutions, leveraged AI, IoT, and blockchain to enhance automation, security, real-time monitoring, and data-driven decision-making. Our proprietary platform also includes XtraTrust, which enables secure authentication, digital signature, and trusted digital transactions across regulated environments. XtraTrust is among the MeitY, Government of India approved Certifying Authorities (CA), authorized to issue digital signature certificates and provide e-sign services.

The platform benefits from high-regulatory entry barriers and mission-critical applications, supporting long-term adoption, and strong customer stickiness. Over the years, we have built a strong execution track record with 175 projects delivered during the financial year 2024, 2025, and 2026, and over 50 plus data center command center projects executed in the past. Our presence spans 15 plus states and 10 plus industries, with government and PSU customers accounting for approximately 47% of the FY26 revenue.

Today, our team comprises 500 plus permanent employees and 370 plus contractual employees, giving us strong workforce-based support for our expanding business opportunities. A key strength of our business is the combination of project-based execution capabilities with recurring managed services and platform-led revenue. Our offerings are supported by a long-standing relationship with leading technology partners, while our strong focus on e-governance, digital trust, and data security, smart cities and enterprise solutions, data center infrastructure, smart machines position us across mission-critical technology applications, BFSI banking solution, which provides resilience against potential disruption from AI-led technological shift. With that backdrop, let me now take you through the key operational highlights for the quarter under review.

We continue to see healthy momentum in order inflows during the quarter, securing fresh orders worth approximately Rs. 60 crores. This took our order book to around INR 373 crores as of June 30, 2026. In addition, our active bid pipeline stood at approximately Rs. 1200 crores spanning data center infrastructure, enterprise applications, digital services, and proprietary platforms.

Together, this provides a strong foundation for execution and revenue visibility over the coming quarter. Further, we are also continuing to execute large enterprises, government, and PSU engagement with an increasing focus on mission-critical and long-duration projects. An important development during the quarter was continued increase in contribution from the service sector.

Services accounted for approximately 65 to 68% of Q1 FY27 revenue, compared with around 46 Q1 FY26. This shift towards a higher service-led revenue makes it strategically important for us as we look to build greater customer stickiness and deepen our engagement through managed and value-added services. We are also focused on expanding our engagement with existing customers through cross-selling across data centers, enterprise applications, digital services, and our proprietary platforms.

This allows us to address a broader set of customer requirements while increasing our wallet share. At the same time, we continue to actively pursue opportunities in the international market, which remain an important avenue for diversifying our revenue base and increasing the contribution from international business over the medium term. Overall, we remain focused on building a stronger and more diversified XtraNet with a growing presence across services, data centers, and technology-led solutions.

As we scale our capabilities and deepen our customer relationship, our focus remains on creating sustainable long-term value for all our investors and stakeholders.

With that, I would now like to hand over to our Group CFO to take you through the financial performance for the quarter under review. Over to you, Mr. Chetan. Thank you.

Chetan Anand: Good evening, everyone and thank you for joining us. Let me take you through the key financial and operating highlights for the quarter ended June 30, 2026.

Q1 FY27 has been a strong start to the financial year for XtraNet, with improvements not only in revenue but more importantly in the quality of earnings and operating profitability. Our consolidated revenue from operations increased by 11% year-on-year to approximately 51 crores.

More significantly, operational EBITDA increased by 89% Y-o-Y to approximately INR 10 crores, with EBITDA expanding by 855 basis points to 20.59%. Profit after tax stood at approximately INR 6 crores, representing a 77% Y-o-Y increase, while PAT margin improved by 444 basis points to 11.88%. The significant expansion in profitability during the quarter was supported by a favorable business mix with a sustainably higher contribution from services, together with better operating leverage across the business. Importantly, this performance has been achieved while continuing to maintain a strong focus on financial discipline, capital efficiency and sustainable growth. Our FY26 return ratios remain healthy, with both ROE and ROC in excess of 30%.

Moving towards business mix, data center, infrastructure and IT operations continued to be our largest segment, contributing approximately 48% of our revenue during the quarter. Enterprise applications contributed 26%, proprietary platforms contributed 14% and digital services contributed 12%. This diversified revenue mix is strategically important for us.

While data center and enterprise applications provide scale and strong execution opportunities, the increasing contributions from digital services, managed services and proprietary platforms strengthen recurring engagement, customer stickiness and the overall quality of our revenue base. As of June 30, 2026, XtraNet had a strong order book of approximately INR 373 crores across 55 projects. Importantly, approximately 55% of this order book is expected to be executable during FY27, giving us a meaningful base of revenue visibility for the current financial year.

55% revenue is from non-government customers and 45% from government customers, while the mix between direct and indirect orders stands at approximately 45% and 55%. This diversification across customer sectors, execution models and geographies is important because it reduces concentration risks and provides us with a broader platform for growth. Our focus, however, is not simply on increasing the size of the order book.

We are increasingly focused on the quality of orders we pursue, including margins, payment terms, working capital requirements, execution visibility and the potential for long-term managed services and recurring engagement. Therefore, as we move forward through FY27, our priorities are very clear. Execute the existing order book efficiently and convert it into revenue and cash flows.

Maintain the improvement in profitability through an improved business mix and operating discipline. Continue expanding our higher value services, managed services and proprietary platform business. Maintain strict discipline around working capital, collections and return on capital as the company scales.

The combination of a strong order book, improving revenue quality, significantly stronger profitability and healthy return ratios give us confidence in the underlying direction of the business. Our objective is to translate the opportunities available to XtraNet into consistent revenue growth, healthy profitability, stronger cash generation and sustainable long-term value creation for our shareholders. With that, we can now open the floor for the question-and-answer session.

Thank you, everyone.

Moderator: Thank you very much. We will now begin with the question-and-answer session. Your first question comes from the line of Rohan Joshi, an individual investor. Please go ahead.

Rohan Joshi: Yes. Hi, sir. Thank you for giving me the opportunity. So, my question was based on that the current contribution of our data center is about 48% in our revenue. So, what kind of growth trajectory can we see in this vertical over the near term or two, three years?

Sukhbir Singh Kukreja: So, data center portion, we want to keep it at 50% of the overall revenue and year on year, we are expanding. We are looking forward to 35% to 40% of the annual growth in this segment from our business perspective. So, every year, we have an objective to take it to the next level and 35% to 40% is the objective to increase the revenue base from this segment.

Rohan Joshi: Okay. So, the increase in revenue base, as you said, that it will be 35% to 40% year on year. Mainly, which areas would this growth come from? Would it be like new infrastructure, disaster recovery? What would it be?

Sukhbir Singh Kukreja: Yes, this would be majorly from the data center infrastructure modernization and new disaster recovery setup creation. This also includes the network operation center and cyber security operation center, which comes under the data center and IT operation. And we already have an active pipeline of more than Rs. 600 crores where participation has been already done for creation of new setups in this area.

Rohan Joshi: Okay, so got it. And as you mentioned that you have an active pipeline of about Rs. 600 crores.

Sukhbir Singh Kukreja: So, around Rs. 1200 crores is the active pipeline out of which 50% to 60% is from data center and IT operation, which include network operation center and cyber security operation center.

Rohan Joshi: Okay. So, sir, from this whole pipeline of Rs. 1200 crores, could you give us a sense of how much of the pipeline is in advanced stages and likely timeline for the conversion of the order book?

Sukhbir Singh Kukreja: Approximately 40% to 45% out of this is at an advanced stage. And hopefully, in next one quarter, we will be able to close to 30% of this order book.

Rohan Joshi: Okay, got it. Thank you. Thank you so much.

Moderator: Thank you. Your next question comes from the line of Rohit Singh, an individual investor. Please go ahead.

Rohit Singh: Hi, thank you for the opportunity, sir. So, could you help us with the guidance for FY27 in terms of revenue growth and EBITDA margins? And what would be the main reasons or the you can say key drivers that gives us the confidence in achieving that growth?

Sukhbir Singh Kukreja: Yes, so here targeting the FY26, we closed at Rs. 365 crore and we are targeting 500 plus crores for FY27. Approximately 35 to 40% of the growth. Currently, we already have participated in the new project of around Rs. 1200 crore and in next one quarter, three to six months, we will be participating on the similar size of the project.

We already have existing order book of Rs. 375 crore as on 30th June. And out of this 55 to 60% will get executed in the current financial year. So, overall, if we calculate that we will be able to achieve the sustainable growth of 35% in the current financial year compared to the last financial year revenue achievement.

Rohit Singh: Okay, sir. Got it. Just one more question. So, how competitive is the digital trust and the PKI market? And what gives XtraTrust an advantage in winning and retaining customers when compared to the other peers like eMudhra, etc.?

Sukhbir Singh Kukreja: Yes, I will just confirm that approximately 11 private players are there who already have the license to operate as certifying authority in India. So, we have the advanced portal and the mechanism of 10,000 plus partners across country, those who are already using our platform for issuance of digital signature and e-sign. Close to 850,000 subscribers are already onboarded on our platforms on recurring model, on year-on-year or annual or biannual subscription model, those who are already using our services in this area.

We already have 24x7 support facility and the operation center where we issue in just 30 minutes we deliver the services after the application received from the end subscriber. Apart from that, we have complete B2B model also and we have already built up our own PKI solution and PKI engine where our solutions are being deployed along with the large enterprise and government and enterprise customers and based on that they always adopt our services while the complete end-to-end solution is being provided by XtraTrust. So, we are mostly competing with eMudhra in the space, rest other are most of these does not have the similar solution which we have already built in.

So, we are looking forward for the better growth in the PKI and digital signature segment also. We are also increasing our data center infrastructure while we deployed our data center in XtraTrust. Now, we are enhancing the capacity to handle more load so that more users can be onboarded and more subscribers can be onboarded onto our data center infrastructure.

We are enhancing the capacity and capability of our data center, and we are targeting XtraTrust in the next one quarter of time.

Rohit Singh: Okay, sir. Got it. Thank you so much and all the best.

Moderator: Yes, thank you. Thank you. As there are no further questions, sorry, we have our next question coming from the line of Binoy Jariwala with Upadhyaya Investment. Please go ahead. Yes, sir.

Binoy Jariwala: Yes, my question pertains to the working capital cycle. If you could just explain your working capital cycle and specifically with regard to the data center and infrastructure segment. That's my first question.

Sukhbir Singh Kukreja: I would request Mr. Chetan to respond to your query on the working capital cycle also.

Chetan Anand: Yes. Thank you, sir. Thank you for your question. See, basically, our bigger projects in data center takes care of two parts, basically. First, we do the full deployment of data center end-to-end, and then we take care of the O&M, which is for the next three, five, seven years, depending on the scale of a project. So, when we do the deployment of a project initially and we make it go live, the overall end-to-end cycle takes us around 12 to 15 months' time.

And with respect to the working capital, it's a stage-wise process on which we keep on getting our invoicing doing, and then we keep on getting our money. So, on the outer side, on the government cycle, it is roughly around 120 to 150-odd days. And when we move to the revenue part, which is on my O&M, which is on the services side, it is 45 to 60-odd days.

Binoy Jariwala: Understood That's all.

Chetan Anand: Thank you. Okay. I thought you said before, I thought there's another question also coming.

Binoy Jariwala: Okay. Thank you.

Moderator: Thank you. Your next question comes from the line of Ankit Mittal with Mittal Growth Partners LLP. Please go ahead. As there is no response from the line of current participants, we will move on to the next question. Your next question comes from the line of Maitree from Sapphire. Please go ahead.

Maitree: Yes. Hello. Good afternoon. Congratulations on the great result. Just a few questions on the service side. So, what sort of revenues do we have currently contributing from the service side?

And if you could mention what differential of margin, we are earning better on the service side than on the product side? Yes.

Chetan Anand: So, ma'am, currently, we have a mix of revenue, which is on the financial closure when we have done in FY26. It was around 60% from the services side and 40% from my product side. And talking about the margins, when I do a product deployment, it gives me an EBITDA margin of around 6 to 8 odd percent.

But when I move to services, this gives me end-to-end margins of around 20 to 22 odd percent. That is why you will see this first quarter, wherein my growth was just 11% on the top line. But my bottom line on the EBITDA and PAT improved drastically because my revenue here was almost 66% to 67% in the first quarter itself, ma'am.

But overall, every quarter will have a different mix as we will be moving in our Q2, Q3. But yes, on the overall side, we will like to do at least 60% plus in services and less than 40% in the product side so that we can deliver the kind of margins which we have done last year and do some 50-75 bps improvement as well in this financial year.

Maitree: That is great. And on the tax, what's the steady tax rate are we pensioning in for the next two years? Will it be close to the 25% range?

Chetan Anand: It will be close to 25 odd percent. That tax rate will be considered for the next two years, ma'am.

Maitree: 25%, right?

Chetan Anand: 25%, yes.

Maitree: Okay, okay. And lastly, on the target, so you mentioned this year we will have a Rs. 500 crore target and also we are targeting a 50% contribution from the data center side. Going forward, the next, I would say, medium-term outlook, maybe two, three years down the line, how do you expect the split being from all these four verticals and any sort of medium-term goal do we have? Yes, just some thoughts on that.

Chetan Anand: Overall goal is basically we want to grow around 35% to 40% CAGR in the next three years' time. And on my four verticals, the biggest vertical will always be my data center, which will be around 50-55 odd percent. Enterprise applications will be around 20-25 odd percent.

And my biggest share in the service margin, which is my proprietary platform and digital services, will be almost 30% plus. Because this is the direction which we want to keep it for next two, three years, which will help us to deliver stronger growth and consequently the stronger margin as well. Because we are not just running towards the order books and the work. We are running towards sustainable margins and to create a value also for my stakeholders.

Maitree: And so, on the proprietary side, are we targeting more enterprise clients or are we targeting more kind of retail B2C clients?

Chetan Anand: My promoter, Mr. Sukhbir Singh Kukreja, can answer you on this detail.

Sukhbir Singh Kukreja: We are having focus on both the segments. While we talk about the proprietary platform, we are focusing into the B2B business also, which includes BFSI and aviation sector is most important, where we have already started delivering the solution. However, if you see that in the B2C segment, we already have created a big portal for our XtraTrust platform and we are adding more and more subscribers to our platform also. In the B2B segment, we have added large enterprise, large banks, BFSI sector, major government, central government, PSUs, railways. All these customers, we have already added on our platform for providing the digital trust and PKI solution. And if we go towards the other proprietary platform on which we are already creating the smart machines, electronic document management, visa management, and decision support systems, multiple solutions we have already built on top of our synergy platform related to automation and workflow. We are now focusing more on automation and AI-related solutions also using our own homegrown platform called Synergy. That is purely for B2B.

Maitree: And these contracts going forward, how do you see the stickiness? Because we are adding a lot more kind of customized solutions to these platforms, so the stickiness increases. So, what sort of time horizon are these contracts signed for? Are they like for three to five years or are they kind of on an annual subscription basis going?

Sukhbir Singh Kukreja: These all solutions are from 3 year, 5 year, 7 down the line and CAPEX-OPEX model. There the annual subscription is there that also will go continuously basis on year-on-year basis or two year or three-year contracts are there. While when we deliver the end-to-end solutions we take on CAPEX-OPEX model and 50% to 60% goes in a CAPEX model and 35% to 40% goes to the three year-five year down the line as an operational model. So, we have both the models available and we are working with clients into both the segments. We have both the models available for our platform. One is the CAPEX- OPEX. Second is the annual subscription model and we are giving our solution into both the models to our customers whether it is B2B or B2C.

Maitree: Got it. And are we reaching out the clients through more RSQs? Are we getting these RSQs from the clients or is there like a tender process going on?

Sukhbir Singh Kukreja: For B2B process, most of the projects are either coming through RSQ or the direct inquiry to our sales and pre-sales team and we are already empaneled with multiple clients including the central PSUs, large corporates where we are getting direct inquiries from these clients for providing our solution.

Maitree: Yes, that is it from my side. Thank you so much.

Moderator: Yes, thank you. The next question comes from the line of Vinay Jariwala from Upadhyaya. Please go ahead.

Binoy Jariwala: Yes, hi. Thank you for the opportunity for follow-up questions. Sir, just to understand a little bit more on the order book and the pipeline, typically how much time does it take to know whether the order bided in the pipeline has you got confirmation for the same or you won the order, etc. How much time does it take typically?

Sukhbir Singh Kukreja: Normally, the order book which we speak about, those orders are already received, and we are under the execution process. Generally, the government time cycle where we go for the government and large PSUs, the standard time is approximately 60 to 90 days for converting any order from proposal to the order. However, in a large enterprise, aviation, BFSI, this process is lesser. They generally convert from the submission to conversion is 30 to 60 days.

Binoy Jariwala: Sir, and typically in the go-live period, what percentage of the overall order value gets recognized during the go-live?

Sukhbir Singh Kukreja: There are two types of the orders. One is under the CAPEX and OPEX model, where the CAPEX is approximately 50 to 60% and the execution period is from 6 months to 18 months timeline. And then this OPEX will go over a period of 4 years, 5 years, 7 years, depending on the project to project.

So, this project to project 50 to 60% goes to the CAPEX billing and balance 40% goes to the 5-year time down the line. These are come under the managed services and the support services, O&M kind of nature. However, where we quote on an annual subscription model, the entire revenue split in a period of 5 years or 7 years down the line or 10 years depending where we are charging on per month or per quarter basis.

These revenues splitted into the project duration of 5 years to 10 years and we charge on quarterly basis from our customers. These are the recurring nature of annuity model kind of project, where we deliver the project and charge on quarterly basis with our clients. So, we have both the models available, and we are working with clients into both the segments.

Currently also in our order book, approximately 50% revenue is there which is on a recurring model which will realize over a period of 4 to 5 years and we have in the submission also approximately 40% order submitted in recurring nature where the annuity business will be there for a period of longer period of 5 year or 7 year or 10-year kind of project. So, we are focusing on both the models as of now.

Binoy Jariwala: Sir, to understand this piece a little bit more, when you say that it is an annuity-based recognition, do you recognize it on a straight-line matter or is there a step up every year?

Sukhbir Singh Kukreja: We recognize the revenue on the billing model. Once we bill to the client, then only we take it as a revenue in our book. However, the order book is higher. Based on the billing only we do the accounting. I am sure Mr. Chetan Anand will also further confirm, and we are keeping this model.

Chetan Anand: There is no step up billing. It is like for example, there is an O&M which is spread for next 5 years time for a value of around Rs. 60 crores. So, Rs. 60 crores will be done quarterly like Rs. 12 crores every year with every quarter. So, it is not a step up one. It is a sustained straight-line method which is charged in the contract as per the line items.

Binoy Jariwala: Would it be a fair understanding that during the go live period, typically when you are recognizing 50% to 60% of the overall order value and it would also have mainly recognition of product revenue etc. So, therefore, the margin during go live period will be substantially lower than the original?

Chetan Anand: Definitely sir, but that is the process which we had over the past 3 years. If my history goes 3 years back, we had almost 80% of product revenue and 20% of services. But as every year we are doing the bigger projects, and my service revenues keep on adding.

So, that is where the split happens. My 40% margin which comes from my product side is lower and the higher margin which comes from my revenue model which is on the services side has the higher margin basically. So, definitely whenever there is a phase of any bigger project which is for 12-14 months where the CAPEX deployment is happening, the margin will be little bit lower.

But yes, the moment the past services keep on adding for the past project or the same project when it starts adding the revenue model on the service side, the margin is kept on. But for us, evaluating any project is end-to-end feasibility of a project wherein we have our internal benchmark how and what costing we have to take it and what better margins we have to improve in the future as well.

Binoy Jariwala: And do you work out internal IRR with regards to why we are bidding for these orders?

Chetan Anand: Yes, we normally do the IRR for all these things and we have our internal benchmark that at least this much fits me my IRR. But in these cases, there is not every time my CAPEX is getting deployed at these places. But yes, for me IRR becomes more important than I am doing the first CAPEX full on and then it is an annuity-based model wherein the recurring revenue will come for 6-7 years. Even in that case also we maintain a benchmark of at least 17% to 18% as an IRR then only we enter into the project basically.

Binoy Jariwala: Understood. And what will be the average execution period for this order book?

Chetan Anand: The current order book which we have a mix of both CAPEX and opex. So, current order book 65% to 60% will be executed within this financial year and rest will be spread into the O&A which is there with me for next 3-5 years time and the active bid which is in pipeline will keep adding my order book for the next quarter financial year as well.

Binoy Jariwala: So, is it possible to work out a blended average order execution period?

Chetan Anand: The blended order execution period as we told you again that it is a mix of both which is in the CAPEX and the opex side basically. The CAPEX cycle takes a bare minimum 9 months to at least 15 months time depending on the scale, size and the execution which we have to do. And when you have a service model which is very clear it can be monthly revenue or it can be a quarterly revenue model.

Binoy Jariwala: Sir, the hardware prices have kind of increased very sharply in the last 6-8 months. So, are you observing any kind of pause or orders being put on hold or on a slow lane from the client side?

Chetan Anand: Yes, we are observing that because this is very much known all across what is happening for last 1 year time. The cost of hardware has moved almost 3x-4x size basically. That was the strategic call of the company which was very different from the many other players as well that we had kept some good inventory with us for my past projects wherein there is no price escalation with government.

So, that is well taking care of all the costs, and I do not have to buy today and pay the price to the company basically wherein I am buying today and have to pay a heavy price basically. So, whatever is coming in the near future is coming with the newer prices also. But yes, instead of even the prices which is high, getting a product also is becoming a little bit challenge.

But till now, on our company side, we have not faced any kind of a cancellation or anything. We are very strategically working on wherein we can fulfil the requirement of the customer end-to-end and we are trying to cope up as of now. But what happens and how the future will play, we always have to keep on monitoring it very closely.

Binoy Jariwala: Are the product prices a complete pass? Sorry to interrupt.

Moderator: for any further questions, we request you to refer to the queue. Thank you so much. Our next question comes from the line of Khushboo with Sixth Sense. Please go ahead.

Khushboo: Good evening, sir. My question is how many data centers you have built till date? Hello, am I audible?

Sukhbir Singh Kukreja: Yes, you are audible, Khushboo. We have created approximately 50 setups which includes the data center also and the data center led other projects including command center and network operation center and cyber security operation center. So, more than 50 we have built in past.

Khushboo: More than 50. Okay.

Sukhbir Singh Kukreja: Yes, that's correct.

Khushboo: Thank you.

Moderator: Thank you. The next follow-up comes from Vinay Jariwala. Please go ahead.

Binoy Jariwala: Sir, just continuing from the earlier conversation. So, in terms of product prices, are these a complete pass-through for us or do we need to absorb a certain level of product price inflation before it can be passed on to the client?

Sukhbir Singh Kukreja: It's not the pass-through in all of our solutions. We buy the products for our projects only. So, deployment, the implementation, configuration, everything is being taken care by our own internal in-house team, and we keep the complete managed services part also with us. So, wherever the project comes in, if we deliver any project, we take it from the respective manufacturer and OEM. We add on our services and then provide it to the customer. We do not have any pass-through kind of business where we are only giving the products to the end customer.

Binoy Jariwala: No, what I mean to say is, let's say, during the order execution, you have obviously bid for the order assuming a certain product price. In the meantime, when you are executing that order for the first 8 to 12 months, if there is a sharp increase in the product prices, then what does that happen? Does it pass on to the client?

Sukhbir Singh Kukreja: Generally, as I have already informed you the life cycle, from the bidding to order conversion, it is approximately 60 to 90 days. And we already have a firm rate confirmation from the respective manufacturer. We take it in writing for a particular project, and the price is locked for the project.

So, after receiving the order, we immediately get to build the inventory for execution of a respective project. So, there is no price escalation. It only affects when there is a repeat order or a new order comes in.

Then, it may affect. However, in a current scenario, while we are bidding to the new customers and new projects, we are considering the all price escalation mechanism and accordingly bidding to or submitting proposals to our respective clients. And now, we have also started the price escalation mechanism on year-on-year basis depending on the dollar variation because there is a USD variation also from submission to maybe repeat order.

And the OEM policy or price escalation due to global supply chain disruption. So, we immediately now proceed those price escalation if there is a clause of repeat order in the RFP. Generally, we procure all the products and third-party goods and software at the time of issue only.

And during the execution, most of the services are being provided by our internal team on these projects.

Binoy Jariwala: That's all from my side. Thank you so much.

Sukhbir Singh Kukreja: Okay. Thank you. Thank you, Mr. Vinay. It's really nice to take your question.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference back to the management for closing comments. Over to you, sir.

Sukhbir Singh Kukreja: Thank you all for taking time and participating in our earnings call today. I hope we have been able to answer all your questions satisfactorily. If you have any further questions or would like to know more about the company, please reach out to the Investor Relations Manager. Thank you.

Moderator: Thank you. Ladies and gentlemen, on behalf of XtraNet Technologies Limited, that concludes this conference. Thank you, everyone, for joining us. And you may now disconnect your lines. Thank you.