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**National Stock Exchange of India Limited  
BSE Limited**

Scrip Code: INTELLECT  
Scrip Code: 538835

Dear Sir/Madam,

**Sub: Disclosure of Transcript of the Earnings call**

Please find attached herewith the transcript of the Investor Earnings Call held on January 30, 2026 on the unaudited financial results for the quarter ended December 31, 2025.

The Transcript of the earning call is also available on the website of the Company.

Kindly take the above information on record and confirm compliance.

Yours truly,

**For Intellect Design Arena Limited**

**Prakash Bharadwaj  
Company Secretary and Compliance Officer  
ACS- 37214**

Encl: As above

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## Investor Earnings Call Transcript

### Praveen Malik

Greetings and Welcome Everyone!

Thank you for joining us today to discuss the Intellect Design Arena Limited's financial results for the 3<sup>rd</sup> quarter of the fiscal year 2025-26 ending December 31<sup>st</sup>, 2025. The Investor Presentation and the Press Release have been sent to all of you and are available on our website.

Our leadership team is present on the call to discuss the results.

Our chairman, Mr. Arun Jain, will not attend this call because he is in transit to attend a family exigency.

We have with us today

- Mr. Manish Maakan, Executive President, Group Chief Revenue Officer, and CEO of Wholesale Banking.
- Mr. Rajesh Saxena, CEO of Consumer Banking
- Mr. Banesh Prabhu, CEO of IntellectAI
- Ms. Vasudha Subramaniam, Chief Financial Officer, &
- Mr. Vikash Mishra, Chief Strategy Officer

Besides, some other senior members of the Intellect Management team are also present in the call.

Now, I hand it over to Vasudha to take you through the results. This will be followed by a commentary on the business by Manish Maakan, and further followed by Q&A session where your questions would be answered by our management team.

Once the Q&A starts, you can ask a question by clicking on the "raise your hand" button. We will unmute you so that everybody is able to listen you.

**Safe Harbour Statement** - I would like to remind you that anything we say, which refers to our outlook for the future, is a forward-looking statement. This must be read in conjunction with the risk that the company faces.

With this, I request Vasudha to give us a briefing. Over to you, Vasudha.

### Vasudha Subramaniam:

Thank you, Praveen. Good evening, everyone. And thank you for joining us on Intellect Design Arena Limited's Q3 earnings call. It's a pleasure to speak to you today as we share our performance for the third quarter of the financial year. So, before I get into the quarter, I would like to begin with the last 12 months' performance because we believe that the LTM view best reflects the true direction and health of our business. I'm pleased to share that for the first time in our history, Intellect's LTM total income has crossed ₹3,000 Crs., reaching ₹3,025 Crs. and representing a 23% year-on-year growth. This milestone is not just a scale maker but is the outcome of a deliberate, well-architected growth strategy that has been executed consistently over the last decade.

Platform revenue for the LTM stood at ₹497 Crs. compared to ₹218 Crs. in the previous years, showcasing a strong 128% year-on-year growth. License-linked revenue grew to ₹1,595 Crs. compared to ₹1,163 Crs. in LTM as of Q3 '25, delivering a robust 37% year-on-year growth.

Our annual recurring revenue stood at ₹1,118 Crs. in the LTM, compared to ₹700 Crs. a year ago; representing a strong 60% year-on-year growth. EBITDA for the last 12 months stood at ₹709 Crs. compared to ₹534 Crs. in LTM as of Q3 '25, showcasing a 33% year-on-year growth.

PBT for the last 12 months grew 34% over the previous period. Our cash position as of December '25 was ₹1,198 Crs. compared to ₹804 Crs. as of December '24, delivering a 49% year-on-year growth. The strong improvement in collections also contributed meaningfully to strengthening our balance sheet and liquidity position.

Beyond the financial metrics, the LTM period also highlights the depth of market traction and execution capability that Intellect has built. Over the last 12 months, 53 new customers have chosen Intellect's digital stack for their transformation journeys. In parallel, we have successfully enabled 82 digital transformations, wherein global financial institutions went live on our products and platforms.

This LTM performance is the foundation on which our quarterly execution rests and it gives us strong confidence as we continue to scale responsibly and sustainably. Our performance is anchored on three scale business engines, each built over successive growth cycles and now supported by an emerging fourth engine.

**#1** The first and most mature engine is Wholesale Banking, which we initiated as a scale engine in 2015. Today, Wholesale Banking contributes around ₹1,400 Crs. to our LTM revenues.

**#2** The second engine is Consumer Banking, which became our next growth focus from 2018 onwards. This now contributes close to ₹1,000 Crs. in LTM revenues.

**#3** The third engine is IntellectAI, which includes wealth and insurance in our AI-led platforms. This engine was deliberately seeded from 2021 onwards and has already scaled to ₹500 Crs. in LTM revenue.

**#4** From 2024 onwards, we have begun building a fourth growth engine Purple Fabric, our Open Business Impact AI Platform. Over the coming years, this will become a powerful multiplier for Intellect's next phase of growth.

**#5** Finally, our growth over the last 12 months has been supported by deliberate investments in leadership and institutional capabilities. 27 senior leaders have joined Intellect during the last 12 months. These additions strengthen our global consulting delivery product and go-to-market capabilities.

In a key leadership move, Manish Maakan has been elevated to Executive President and the Group Chief Revenue Officer, while continuing in his role as the CEO of Intellect Wholesale Banking. This step brings sharper alignment across product strategy, sales execution and revenue ownership at an enterprise level. We are also pleased to announce that the Board of Directors have approved the appointment of Mr D. Shivakumar as an additional director designated as an independent director based on the recommendation of the NRCC.

Mr Shivakumar is a respected business leader with extensive experience across Indian and global organisations. He is currently an Operating Partner at Advent International, a global private equity firm. He has previously served as the Group Executive President at Aditya Birla Group, the Chairperson and CEO of PepsiCo India, and the CEO of Emerging Markets at Nokia. An alumnus of IIT Madras, IIM

Calcutta and the Wharton School, he brings a wealth of strategy and governance insight to our board. His appointment for a five-year term is subject to shareholder approval via postal ballot.

Now, let me turn to the financial performance for Q3. Total income for the quarter stood at ₹753 Crs. reflecting a 21% year-on-year growth. License-linked revenue, which is the platform plus license plus AMC for the quarter stood at ₹391 Crs. growing 34% year-on-year. On profitability, EBITDA for Q3 was ₹122 Crs. translating to a margin of 16%. Profit after tax stood at ₹28 Crs., impacted by a one-time gratuity provision of ₹30.84 Crs. on account of the new labour code and the resultant deferred tax of ₹7.8 Crs. Collections for Q3 stood at ₹913 Crs. compared to ₹553 Crs. in Q3 as of full year '25; up by 65% year-on-year. eMACH.ai continues to power composable transformation across banking domains, enabling clients to modernise at speed while maintaining control and predictability.

Purple Fabric, our Open Business Impact AI platform, is increasingly embedded into live production environments. During the quarter, 14 new value discovery partners joined the Purple Fabric ecosystem, expanding our reach across AI-led risk underwriting, claims collections and payments use cases. Together, these platforms are enabling clients to move beyond digitisation into intelligent, explainable, and outcome-driven transformation.

On the market recognition front, we are proud to share that Time Magazine has recognised our Chairman and Managing Director, Arun Jain, as one of the global growth architects; a rare and prestigious distinction that recognises leaders building for long-term value, in a world obsessed with quarterly outcomes. In addition to this global media recognition, Intellect has received strong analyst validation this quarter. Datos Insights awarded our Transaction Limits Management Solution, the **Gold Medal for Innovation and Operational Efficiency** in their Commercial Banking and Payments Impact Awards.

Euromoney named Intellect the world's best Transaction Banking Software Provider 2025, including best in Cash Management and best Corporate Channels. Gartner acknowledged eMACH.ai Core Banking as a Visionary in the Magic Quadrant for Retail Core Banking Systems, Europe. IDC MarketScape identified Intellect's Corporate Loan Lifecycle Management System as a leader in its worldwide vendor assessment for 2025 and many more. Together, these recognitions reflect the depth, breadth and relevance of our platforms across Core Banking, including Risk, Complaints, and Transaction Banking in AI-led business intelligence.

To summarise, Q3 represents a quarter of structural progress for Intellect. We crossed ₹3,000 Crs. in LTM revenue anchored on three scale engines and an emerging fourth. We delivered robust cash flows and balance sheet strength, and we continue to execute large-scale transformations with consistency and discipline. As we move into the final quarter of the year, we do so with confidence backed by a strong portfolio, resilient cash flows and a repeatable growth engine design for the long term.

Thank you for your continued trust and support.

Over to you, Manish.

**Manish Maakan:**

Thanks, Vasudha for a detailed commentary. Good evening, everyone and thanks for attending this investor call. Let me try and summarise some of the things which Vasudha talked about into five strategic themes which we are focused on. I think an LTM growth of crossing ₹3,000 Crs. in this quarter is really proud moment for all of us and I'm sure we will be equally proud for all of you being part of this journey.

A 23% revenue growth, 33% EBITDA growth, 49% additional cash generation; I think we are ticking all the right critical parameters and clearly shows that the investment we have been putting in is well-orchestrated and is delivering the right results for us. Let me briefly talk about the five salient themes that explain how this growth algorithm works.

#1 I think the first one which is we believe is our technology moat, eMACH.ai

At the core of our model is eMACH.ai or AI-first composable platform, architected for scale, reuse and continuous evolution; which is consistently being demonstrated with the wins and our ability to execute quicker and faster. I think we are proud that we have built this system with AI first as an objective across the lifecycle rather than induce it or put a bolt on, on top of it while some of my peers are doing that same thing. This composability is driving faster time to value and helping us get better rates and a platform stickiness from us.

#2 The second pillar I want to focus upon is multiple engines like what Vasudha called out are working in one flywheel and everyone's been able to witness the same. Wholesale Banking, which I was fortunate to initiate and lead from 2015, has crossed ₹1,400 Crs. and has been a consistent growth engine. It's a mature cash generating engine focused on long-cycle transformation programs with the largest Tier 1 banks.

I think our second pillar, Consumer Banking which we started in 2018 is now scaling up very proudly and has crossed the ₹1,000 Crs. mark. It is becoming the powerhouse for digital and new-age core banking; which banks are looking at. This has the robustness and the depth of capabilities and is not just a framework.

I think I want to call our youngest platform, Wealth and Insurance, which is solely anchored around AI, a focus started 2021 and has now also crossed ₹500 Crs. LTM. All three of them share the same AI-first platform backbone Purple Fabric, allowing the reuse of capability, intelligence and operating leverage across the organisation.

#3 The third engine is our markets. Revenue is better tested in the world's most demanding financial hubs with 62% of our revenue coming from advanced markets and is also well distributed across the Americas, Europe, Middle East, APAC, and India; avoiding any geographic concentration in any place. Success in this high bar economies validates project maturity, regulatory robustness and delivery predictability at the same time. I think this is well set for India, APAC and Africa, along with the faster-growing economies, who are followers, to be able to adapt to all of this.

#4 Our success with tier one banks across multiple geographies has created a strong global brand. This result gives us the in against the regional volatility and it's no more a noise for us. I think the fourth dimension which is now the next growth frontier which we are embedding into our platform as well as looking at for scale is around mainframe to cloud migration and enterprise AI versus Purple Fabric. In this last quarter, we have signed one large global system integrator for our AI proposition is taking out to the market as well as 14 value discovery partners to evangelise and help us take this to more clients across the board.

On momentum we are in advance discussion with a global mainframe infrastructure leader to jointly transition monolithic banks to eMACH.ai based architectures from the mainframe architecture. These are not just adjacent bits. These are natural extensions of the same platform eMACH.ai.

#5 I think the fifth thing which is in summary is the downside protection or a risk absorption designed by Intellect. No single geography, customer or product line can materially impair our performance.

Revenue is distributed across multiple buyers, regulators and decision cycle. Execution risk is reduced through platform reuse standardisation and delivery industrialisation.

So, in closing so this is not being opportunistic. This is all about engineered growth built from first principle and powered by AI first platform. This is the essence of our growth by design and that's why Intellect is a unique asset sufficiently de-risk by a matured diversified portfolio. Yet poised for growth through AI leadership and advanced market dominance. Thank you for listening and I will pass it back to Praveen for Q&A.

**Praveen Malik:**

Thanks, Manish. Now the platform is open for the Q&A. Please click on "raise hand" in case you want to ask a question

First, we have Mr. Garvit Goyal from Serena Alpha. I think he's not there.

Next, we have Mr. Mihir Manohar from Trust Mutual Fund. Mihir, please ask your question.

**Mihir Manohar:**

Yeah, thanks for giving the opportunity and congratulations on crossing the ₹3,000 Crs. mark and ₹3,000 Crs. LTM number. So, congratulations for that. I largely wanted to understand on the Claude side. I mean, you know there is a lot of talks. The Anthropic AI Claude is getting into the US-BFSI side. Not on the core operations, but yes, middle office, back office and also on the insurance underwriting process. If you can provide some clarity over here as. How is Anthropic Cloud AI becoming a competition? So how to understand this?

**Manish Maakan:**

Banesh, you want to maybe take this?

**Banesh Prabhu:**

Yeah. So, you know, there is obviously different LLMs continuously upgrading in the market and I think we basically utilize for our Purple Fabric platform has the ability to optimize the right LLM that a customer needs for each use case. So, you know, we are not really, we don't believe that they are really our competition in that sense because we orchestrate financial services AI-First products end to end for our customers and we optimize the right LLM. So, LLMs will continue to improve as we sort of as the Purple Fabric platform is only a consumer of these LLMs.

So, I think we are not really concerned and we are not finding that they are actually coming and occupying a place where Purple Fabric is placed. The other thing I wanted to state is that a lot of them are focused right now in the assistant area, where, we actually have digital experts, which is on the agentic side of multiple agents working together to make use cases more successful for customers in the agentic side we still believe our full stack, which, you know, you're all fully aware of it, you know, both what we call the Knowledge Garden where we vectorize data for multiple data sources.

We have digital experts that work on that data, but we have the optimization hub, which is quite unique because the user continuously needs to ensure that the digital experts is using the best LLMs to achieve their objective of outcomes for the customers. And I think fundamentally the big difference between us is not just orchestrating use cases, but orchestrating multiple use cases for our customers.

And therefore, the fourth part of the Purple Fabric stack is really the governance part of Purple Fabric. And we're seeing more and more governments paying a lot of attention to ensuring that we follow an

ethical AI standard, which ensures that we can actually manage to govern different digital experts in a way in which we can get the best performance from them.

So, to answer your question, I think, you know, they will definitely be competition. There'll be definitely different people doing things, but the combination of what we bring along with our leadership in financial services products makes most of up eMACH platforms today completely AI native and AI first. So, I know hope that answers the question.

**Mihir Manohar:**

Absolutely. I mean, it is very difficult to displace CBS that's the core of the part. The second question was on the Purple Fabric. What would be the Purple Fabric revenue for nine months? Because for full year, we were looking at 200 Crs. kind of a number. Some clarity around that will be helpful.

**Manish Maakan:**

Mihir, we are on track for what we are forecasting for the 200 Crs. number. I think we're reasonably confident of coming close to that number for the year.

**Mihir Manohar:**

Sure, understood. And last question was on the SG&A side. I see SG&A Q-O-Q there is some increase. So, I mean, any hiring around the foreign geographies, any incremental differential hiring on foreign geographies?

**Manish Maakan:**

I think Vasudha shared that we have been investing for distribution for the market in a planned way of what we had planned for. That's also evident in the growth we are seeing. So, it's a planned capacity addition.

**Mihir Manohar:**

Sure. That's it from my side. Thank you very much.

**Praveen Malik:**

Thanks, Mihir. Next, we have Mr. Jitendra Aggrawal from Relax Capital.

**Jitendra Aggrawal:**

Yes. Hi. Good evening. I'm sorry. I don't have a question, but it is an observation. So, if you look at your shares that were outstanding at a corporate level, right? We were in December 2020. We had about 13 crore 26 lakh 64 thousand shares outstanding. By December 2025, that number has increased to 13 core 93 lakh 15 thousand. So, there's about a 5% dilution in a period of about five years. You look at our market caps somewhere about ₹12,500 to ₹13,000 Crs. That's a float of anywhere about ₹500 to ₹600 Crs. in the market just because of ESOPs.

And if you actually look at the promoter shareholding, right, that has also gone down in that period by almost the same percentage. We seem to be very comfortable in terms of our cash balance. Given the way the business is doing, it seems that in the foreseeable future, also the cash generation should be good. My request or suggestion would be that instead of paying it out as dividends, can you please consider buy back internally? That's it from me. Thank you.

**Praveen Malik:**

Thanks, Jatinder. Next, we have Mr. Rahul Jain from Dolat Capital.

**Rahul Jain:**

#1 Yeah, I hope my line is okay. My question was related to the fourth pillar point that Manish articulated. If you could elaborate more, what I could understand was about building the SI ecosystem. So, if you could go deeper into that thought.

#2 Secondly, on the similar line, since we have built roughly ₹1,400 Crs. of GTB business. Does that mean it would at that scale, you may see a significant SI contribution, or we are still not that point, a lot of deep in the size

**Manish Maakan:**

No, Rahul, thanks for the question. On the fourth pillar, what I'm talking about is I think we've been talking about Purple Fabric and getting partnership development. So, we have now finally executing it with one of the largest global system integrators. And we taking this out to the customer other than that, we have also signed 14 value discovery partners across the globe to take Purple Fabric out. That was the first piece of it where we were doing the work for last two quarters which you are aware. In the last quarter, we were additionally now tied up with an infrastructure leader which is focused on mainframes so that we can help transition mainframe loads to eMACH cloud loads.

Banks are looking for solutions. That's where a composability of a solution. It's not a rip or replace, it's not just pick up the load and deploy somewhere else. We've done multiple mainframes to cloud migrations. And we see this as a natural alliance whereby working together, we can take it forward.

Your third question around wholesale banking, touching ₹1400 Crs. and where we're already working with publicly, we've shared along with Accenture in some of the implementations and I'm continuing to grow along with our multiple other partners where the large transformations we can take along. We are doing big scale wholesale banking transformation. We have got core, lending, payments, the full corporate stack and we've got a couple of other SI partners already working around them. We'll hopefully announce some of these partnerships also publicly.

**Rahul Jain:**

Sure. Manish, when we say about the mainframe infrastructure player, are you referring to something like the IBM's of the world who would have that core infrastructure and they may also need some application to do the workload shift?

**Manish Maakan:**

Yeah, this partner supports quite a bit of mainframe infrastructure at this stage. I want to keep it there. Significantly large.

**Rahul Jain:**

But these are the SI guys or these are the mainframe guys?

**Manish Maakan:**

They focus on mainframe support significantly.

**Rahul Jain:**

Understood. Thanks for that colour. And just last bit from my side, that the growth in this quarter in particular was not pretty exciting. Our investment in terms of marketing and go-to-market has been pretty strong. So, is it just like one off quarter in between where we are seeing this kind of a dip or it's more of some kind of an economic factor that you're seeing in the market causing slower ramp up in particular markets. And with those thoughts, how you see you know, current year or Q4 panning up?

**Manish Maakan:**

No, so Rahul, the key thing is we've said we have designed for a 20% growth company on LTM basis right now we're demonstrating that we're not from quarter to quarter. We had said at the beginning of the year that we have to stay above ₹700 Crs. First three quarters we have stayed above ₹700 Crs. Now is about in between Q4 and Q1. How do we go above ₹800 Crs. revenue? That's what all of us as leadership team are working. So, that's a very nice momentum from that perspective cumulatively if you look at. See, I don't want a pressure of signing a deal in distress because I have a quarter ending. We're building a robust business. Sometimes quarters are not what we look at. The yearly is where we are committed to demonstrate performance and I think and we said measuring at an absolute level, I'll stay above ₹700 Crs. and in the next two quarters see how between Q4 and Q1 how we can go above ₹800 Crs. revenue. So, we're all working towards that. I'm still confident of the thing.

**Rahul Jain:**

Okay. Thanks for that colour. Thanks a lot, Manish.

**Praveen Malik:**

Thanks Rahul. Next, we have Mr. Rohit Balakrishnan from 'ithought PMS'. Rohit, please ask your question.

**Rohit Balakrishnan:**

Yeah, hi. Good evening, everybody.

So, we had I think talked about these accelerated investments in Q3 and Q4. So, if it may be, I think if my memories are right, we had talked about around ₹40 to ₹45 Crs. in Q3 and another, I think the similar number in Q4 in terms of market investments towards both Purple Fabric and eMACH.ai. So, maybe we can just call out what the number was in this quarter and what do you think would be the number in Q4? That was one.

And the second question was, so we saw license revenue come down, you know, ₹100 Crs. after almost six-seven quarters. I know this is very lumpy. So, anything you want to call out in terms of the delay that is happening and are there any deals which sort of spell through this quarter or we'll get covered up in the next quarter? Anything you want to call out. And I have one more question which maybe we can answer that and I'll ask the next question.

**Manish Maakan:**

Rohit, I'll go reverse order. I think like I said, please don't ask which quarter ₹100 Crs. more? LTM basis consistently remains focused. We are showing good results. I think it's a proud moment to be above ₹3,000 Crs. from that perspective on a run rate basis. And we driving towards we said we will stay above ₹700 Crs. mark. We have remained above ₹700 Crs. mark. I'm already saying that we targeting in the next two quarters to cross the ₹800 Crs. mark. That speaks of everything of what you wanted to ask.

#2 From your second question's perspective. Could you repeat your first question on the cost side? I think the cost is primarily around the three dimensions. Vasudha can give color to the absolute numbers. It's around Purple Fabric. It's around bit of distribution plus given what I am seeing in coming in the next two quarters we've also invested right now on our delivery execution capability side because we need to be ready and we need to have these people not being joining the day before one or two quarters before we make that investment on the delivery side so that these are the three elements of where the cost has gone up.

**Vasudha Subramaniam:**

Yeah. Just to add last quarter we said we made an incremental investment of ₹15 Crs. and similarly this quarter also we have made similar investments between ₹10 to ₹15 Crs. That's an incremental investment this quarter.

**Rohit Balakrishnan:**

Got it. Manish, I think just from the LTM point of view I think we had said that will be despite all these investments will be at 20% kind of margins adjusted for these investments. I mean after these investments. So, do we still hold on to that number for this financial year FY26?

**Manish Maakan:**

I think look at consistent ₹700 Crs. and investing towards ₹800 Crs. Those are very positive metrics the quarter don't look at quarter on quarter look at you know.

**Rohit Balakrishnan:**

No, no. I'm asking for the entire year not looking at this quarter asset but I'm saying for the entire year. I'm not looking at the quarter as such.

**Vasudha Subramaniam:**

Manish let me answer. So, like Manish said it's always better to look at LTM performance and if you look at our LTM EBITDA, it has fetched us about 23.8%. So, going by that yes, we are very highly hopeful that we'll also end up in a similar number as we close this financial year.

**Rohit Balakrishnan:**

Got it and last question was on the US expansion. So, any qualitative commentary when you shouldn't give like how are you seeing this calendar year or next financial year in terms of the growth there. We were expecting very high growth for this year as well so maybe you can comment how the US has been for this year and how do expect next year.

**Manish Maakan:**

I think I want to maybe just quantitatively share one more forward thing I think across North America I'm not far from start touching ₹1,000 Crs. revenue. It's been a good North America growth for us this year that's why we across Canada and US we are investing. Some parts of execution happens out of Toronto some happens out of New York. Purple Fabric has been helping us grow significantly. Payments has our Liquidity and CTX platform was a growth platform. Payments is where we are now making multiple breakthroughs so we investing over there. Corporate Core is something which we have been winning over there so if you see multiple levers are firing over there. So, we are happy that with PF also we now expanding our distribution across multiple hubs.

**Rajesh Saxena:**

And if I can just add in Canada we are also seeing significant growth in credit union space both in our digital engagement platform as well as now we're just also getting some success in our loan lending platforms. So, we are able to cross sell into the same segment.

**Rohit Balakrishnan:**

Got it. I have one more question but I'll join back in queue.

**Praveen Malik:**

Thanks Rohit. Next, we have Mr. Vivek Kumar from BestPals Research. Vivek, please ask your question.

**Vivek Kumar:**

Thank you, Manish Ji, just if you can throw qualitative light on are you facing tailwinds or headwinds in terms of if you... Three quarters back Arun was explaining about sales cycle being long and in next two three quarters we will convert a lot of deals so can you like qualitative outlook on like different revenue streams that you have violated in your presentations like consumer, GTB, GCB and AI and Wealth. If you can talk in terms of tailwinds and advance so that and also anyway and even given all these things you are still confident on 20% growth on an LTM basis, right?

You can talk about tailwinds and elements because what are the tailwinds... which are the products which are like really having lots of tailwinds because that would give us more qualitative picture on... if you can give us.

**Manish Maakan:**

I think the multiple products under each of this wholesale banking, consumer banking, wealth insurance which are now getting scaled so which is good news for us. It's not just firing on one or two products or one or two lines of business. Clear evidence we have shared with you ₹500 Crs, ₹1,000 Crs. and ₹1,400 Crs. So, that is helping us a balanced portfolio approach helps us to deal with any market volatility. I think that's why we continue to say we've designed for 20%. This balanced portfolio approach across markets and across product lines is helping us manage it.

Our technology mote is the big differentiator out which I'm most proud of with eMACH.ai, I am able to grow the size of the deals also with this because what people see is this is a desired architecture state where everyone would want to be from the composability and the scalability and resilience perspective.

And bank after bank the largest tier ones consistently signing is just giving us that confidence. There are always headwinds of you hear the noise of politics and different things we got to deal with that. That's what we design business for.

So, there's nothing right now material of headwinds or material tailwinds. I think a balanced growth is I'm feeling good and confident.

**Vivek Kumar:**

So, we are feeling good about 20% growth on a yearly basis I'm not talking about quarterly...

**Manish Maakan:**

That's what we are designed for that's what we are looking at the goal is how quickly with next quarter or the following quarter how do I cross ₹800 Crs. revenue and then run it for three four quarters there and then look at ₹900 Crs. This ₹100 Crs., consistent growth in three to four quarters if you can drive it, I think that's the evidence.

**Vivek Kumar:**

Because three years back we were very confident on quantum central banking so just any... Mr. Rajesh any outlook on quantum as a product central banking?

**Rajesh Saxena:**

Sure! I think as you are aware that we are the... only company which has a core banking for central banks right and this comes from our legacy of RBI because we run the central banking for Reserve Bank of India. So, as you know if you look at the TAM of this market is limited because there are only that many central banks and there are a couple of opportunities that we are chasing with central banking but it will always be a limited market by the design as compared to let's say a core banking, etc. But we continue to be the market leaders in this market and we continue to be consistently rated in T1 as T1 in this space and we are as we speak in a couple of opportunities with large central banks.

**Vivek Kumar:**

And small suggestion... like what Jitendra Aggrawal has said your equity dilution because now we are generating cash and you're already sitting on close to ₹1,200 Crs., cash I think you can suggest Mr. Arun a strategy to consider buyback because there's a lot of you almost one percent is entering free float every year right.

**Manish Makan:**

We'll record your comment.

**Vivek Kumar:**

Thank you, Manish.

**Praveen Malik:**

Thanks, Vivek. Then we have next, Mr. Pavan Kataria, Mr. Pavan Kataria from Bullseye.

**Pavan Kataria:**

So, as Mr. Manish said, we saw sharp Q3 compression in the margins, right? So, can we, so, Mr. Manish already broke it down, but how much are we heading back to 20-25% margins for the year? Given that margins for Q3 have been odd of 15%.

**Manish Maakan:**

Pavan, that's what Vasudha just now also confirmed that we're driving towards 20% plus margin for the full year. We've done it in LTM basis for the last 12. So, for the financial year also, that's what we're driving towards. That's where the balanced investment is there. We're not going aggressive. We're not shying away from right investments when we see opportunity.

**Pavan Kataria:**

Okay, sir. And, sir, another question. In the last, in the last Conference call, Arun sir said, we have, we are striving towards 25% margins, right? So, do we see that happening somewhere in FY27?

**Manish Maakan:**

I think if you go back, study some of the peer companies. It's about getting to scale at ₹3,000 Crs. the profitability is X, at ₹4,000 Crs. it moves to Y, at ₹5,000 Crs.,. So, it's about, I think we should all be looking towards consistent and more growth and right investments to balance to drive that growth. I think that's most important. It is, it's naturally going to come. The leverage keeps coming as the more license comes in.

**Pavan Kataria:**

Got it, sir. Thank you, sir. That's all from my side.

**Praveen Malik:**

Thanks Pavan, next, we have Mr. N G N Puranik, I think he has dropped. then next we have Ms. C.A. Vansh Hand. Ms. Vansh Handa from Invest Analytics.

**Vansh Handa:**

Hi, am I auditable So, I have a question. Like, I noticed the cost escalations apart from the exceptional items during Quarter 3 that appears to have impacted overall profitability. So, could you help us to understand that what are the key drivers behind that increase in cost? And also, like, this is not clarified in any of the presentation or management commentary. Can you help me with that?

**Vikash Mishra:**

Ms. Vasudha, what is cost escalation?

**Vasudha Subramaniam:**

Okay, one. If you're talking about the exceptional items, sorry, if I have got your question, right. That is related to the gratuity provision. The one-time provision that we have considered in our books on account of the new labour code. And that's about ₹31 Crs. And also, there is a resultant deferred tax that we have considered for about ₹8 Crs. So, that has pulled our PAT down by close to ₹24 Crs.

**Vansh Handa:**

I'm not just talking about these exceptional items. But if you look before profit before exceptional item also, it has impacted from ₹900 million to like ₹671 million this quarter.

**Vikas Mishra:**

So, what just to add to what was Vasudha is saying and what Manish also eluded too. See, if you look at the current quarter, there has been significant investments in terms of capacity building. Whether it is capacity building from a sales and marketing perspective or capacity building in anticipation of the deals we are planning to close in the, in the current and the next quarter. So, that is primarily the reason for us for a cost to go up.

**Vansh Handa:**

Okay, sir. Thanks

**Praveen Malik:**

Thanks, Vansh. Next, we have Prem Doshi from ACE Securities. Prem Doshi.

**Prem Doshi:**

So, I have two questions. One is that in particular for this quarter as we have already discussed that some of the cost escalations were there and for some other reasons the profit was muted, right? So, what we are looking at what is are we looking to close the quarter as you said was close the year that ₹3,000 Crs. plus that you have already guided for the financial year. So, my question is actually for the next financial year. After we cross it ₹3,000 Crs. in terms of revenue and we maintain a 20% margin, are we looking at on such a high base to continue going at 20% for the next fiscal or you expect some modulation in the guidance for the next fiscal in that case.

**Manish Maakan:**

Prem, I will stay away from guidance on next financial year. We very simply get to ₹800 Crs. Then we'll stay there a few quarters and then get to ₹900 Crs. We are building the business ₹100 Crs. at a time. And right now, we feel good about what we are doing. So, from a guidance, I'll stay away.

**Prem Doshi:**

Okay. Okay. And sir, earlier we have led up stuff that we want to position ourselves. Like the top AI company such as Palantir, right? So, how is the plan panning has the management satisfied with how the Overall positioning that we are doing in the AI space. Like are you personally satisfied with how the segment for us is moving towards?

**Manish Maakan:**

I think we had said upfront that we're going to drive towards the ₹200 Crs. revenue on this. So, from that perspective, if you look at are you satisfied? Are you headed towards that? I think we are in the right direction. We are consistently amongst the top three players along with Palantir. So, that's not a concern right now.

**Prem Doshi:**

Right. Thank you so much.

**Praveen Malik:**

Thanks, Prem. Next, we have Keshav Sureka from Niveshaay. Keshav Sureka from Niveshaay.

**Keshav Sureka:**

Hello. I think my question was already answered. Thank you. Okay. Thank you.

**Praveen Malik:**

Thank you. Next, we have Mr. Krish Jain from NAFA Asset Managers.

**Krish Jain:**

Thank you for taking my question. So, my question is regarding Purple Fabric. So, what I can see from the presentation is that your LTM revenue from operations is ₹2,919 Crs. Out of that wholesale, retail and AI business put together is around ₹2,900 Crs. Am I correct in understanding that Purple Fabric in

the last 12 months has contributed only ₹19 Crs. And since you've reiterated that you are on track to hit ₹200 Crs. this financial year to understand how is that possible in the next three months.

**Manish Maakan:**

Now, Purple Fabric is embedded across the businesses on wealth, insurance and everything. Looking at like that, when we look at segmented Purple Fabric, that's where we are saying we are good for ₹200 Crs.

**Krish Jain:**

Okay. Got it. So, next question is you mentioned Palantir and C3.ai as our main competitors for Purple Fabric. Are we still sticking to that or do you see any new competitors, you know entering this space?

**Manish Maakan:**

Banesh, do you want to help in this, please?

**Banesh Prabhu:**

Yeah. I mean, you know, I think Palantir and C3.ai are the fundamental main competitors the way we see it. There will be lots of noise with small players coming and doing cases in different areas. But when you actually look at end to end orchestration and enterprise level AI deployment, I think those two would be our primary sort of competitors when we look at orchestrating different type of used cases. And what Manish mentioned is that a lot of our existing products also have moved to AI first. So, a lot of the Purple Fabric capabilities of orchestrating AI is getting embedded into everything we do. So, I think frankly, you know, other than those two, there are various other, you know, people we run across but we haven't found somebody who orchestrates end to end use cases the way, you know, anybody other than those two.

**Krish Jain:**

Okay, squeezing in the last question regarding CentralOne, the acquisition that happened a few months back. So, they are still reporting revenues in the digital banking segment and then mentioned there's a transition period as well as the reporting losses. So, my question is how long is this transition period and what are the losses we are bearing in the business that we've taken off from CentralOne and how are we going to make it profitable.

**Vasudha Subramaniam:**

We are already making profit on CentralOne, the single digit profit that we are making. In fact, initially we said it's going to be margin neutral, but we are making some profits out of it.

**Krish Jain:**

Sir, and how long is the transition period?

**Vikash Mishra:**

What do you mean by transition period, Krish? Are you talking about transition from to our digital engagement platform?

**Krish Jain:**

No, I am taking this from CentralOne's quarterly report actually in their Q3, it's calendar year Q3 which is our Q2 of the financial year. They have reported \$4.5 million Canadian dollars as non-interest

income, so revenue. And they mentioned revenue has gone down because the business is being transitioned to Intellect.

**Vikash Mishra:**

Yeah, Rajesh, please answer that.

**Rajesh Saxena:**

So, Krish, let me just explain this to you. So, what we did was we acquired Forge business from CentralOne which is the digital business from them. That business as Vasudha confirmed is already giving us a single digit margin business. Initially, we had said it would be margin neutral, but we are actually seeing a single digit margin business. Now, CentralOne is providing us some support. For example, they are the cloud infrastructure on what this Forge business works on is still provided by Central One for which we are paying them a certain cost. That is what they are showing it. Otherwise, the business is completely transitioned into Intellect. I hope that helps to explain your query.

**Krish Jain:**

Yeah, that helps. Thank you for taking my question.

**Praveen Malik:**

Thanks, Krish. Next, we have Mr. Kushal Goenka. Mr. Kushal Goenka from Mangal Keshav Financial.

**Kushal Goenka:**

Sir, my question was on the gross profit margin. Like, I'm not trying to analyse quarter-on-quarter, or year-on-year basis, but I just want to understand that if we offer more say specialized products like Purple Fabric integrated to our other services. So, shouldn't our gross profit margin should increase because I think so. We saw around 300 basis point blip quarter on quarter and year on year also. So, just wanted your thoughts on the same.

**Vasudha Subramaniam:**

No, that that is already happening in addition to that as Manish had mentioned in the beginning. We are also capacitating so we are also building capacity in anticipation of the work to be completed in the coming quarters and that's why you are seeing some dip over there.

**Kushal Goenka:**

So, Madam, if you can just allude what exactly are the item line in the gross profit then. Then so isn't that the people... Doesn't it come under the EBITDA part?

**Vasudha Subramaniam:**

No, no, see for computing the gross margin, the cost that we consider are those which are directly attributable to the projects. Okay, so and also people sometimes work on you know proof of concept and proof of delivery and those costs are also build part of those SDE cost and that's how you compute your gross margins.

**Kushal Goenka:**

Okay, so if I may ask in another way, so like what can be a sustainable at least a gross margin basis I'm not going to the EBITDA part, but like 54% I guess this year.

**Vasudha Subramaniam:**

If you if you look at our trend maybe again in the last 12 months and then even in the previous last 12 months it was hovering around 57%.

**Kushal Goenka:**

Okay, so we can expect at least we come back to 57% from the 54%?

**Vasudha Subramaniam:**

Yes.

**Kushal Goenka:**

Okay. Okay, thanks

**Praveen Malik:**

Thanks, Kushal. Next, we have Mr. Ravi Mehta. Mr. Ravi Mehta from One up. Please ask your question.

**Ravi Mehta:**

I just wanted to check. You mentioned that you know this quarter that was an incremental investment of ₹15 Crs. If you can help us, you know split in which headline items it was being split whether it was software development, SG&A. Because I'm just trying to see how the impact is playing out on EBITDA on gross margin just to understand how the normalized course can be.

**Vasudha Subramaniam:**

I don't think so we need to get into that level of nitty-gritty. So, anyway the amount is not that much for a ₹15 Crs. value to go to that level.

**Ravi Mehta:**

So, is it in SG&A is what I want to understand so.

**Vasudha Subramaniam:**

Yeah, predominantly in SG&A that you can see and we also had some global events this quarter which also contributed to the increase in SG&A cost. The way some partner commission which got included. So, the investments mostly went into SG&A some bit of it also into product development.

**Ravi Mehta:**

No, it's reflecting in SG&A. I just thought that will confirm it.

**Praveen Malik:**

Thanks, Ravi. Then we have Mr. Dhruv Shah. Mr. Dhruv Shah from Ambika FinCap.

**Dhruv Shah:**

Hello. Manish, I have two questions. One is we won eight deal this quarter which is lowest in eight quarters. Is there something to read into it or is that a seasonality?

**Manish Maakan:**

I'm not reading too much into it.

**Dhruv Shah:**

Because it's the lowest in eight quarters that's why it came up. Because we just launched Purple Fabric and we have done a lot of investment that's why it popped up that that's the lowest in eight quarters.

**Manish Maakan:**

It is from a count it is low but I am right now not concerned like I said Dhruv. I'm looking at crossing ₹800 Crs. and it's one or two quarters away.

**Dhruv Shah:**

So, Manish, did we see that going forward? Will we be chasing larger amount destiny deals compared to low ticket size and that's why the deal wins will be lower going ahead?

**Manish Maakan:**

No, it's a very good fairly balanced mix. One thing good is happening is getting more of the large big deals also we are playing in there. See with Purple Fabric what will happen is they will start small. But suddenly they will start showing big results in Year 2, Year 3, three as the consumption grows. So, that's a consumption-based business.

**Dhruv Shah:**

Right. And my second question is on the Press Release we did last week on adding 14 value discovery partners. Are these mainly SI's or are they distributors for Purple Fabric?

**Manish Maakan:**

These are smaller techno mid-size technology companies, which we are helping to take us forward.

**Dhruv Shah:**

Okay, understood. Great. Thank you so much.

**Manish Maakan:**

There are people with 300, 400 people who really are entrenched in one or two different banks. So, leverage that relationship and capacity gives them an opportunity to grow. And it's in a connected field so.

**Dhruv Shah:**

Fair enough. Okay. Thanks.

**Praveen Malik:**

Thanks, Dhruv. Next, we have Mr. Pranay Jain from Banyan tree advisors. Pranay, please ask your question.

**Pranay Jain:**

So, one question I had on Purple Fabric. Whenever we are going to our clients whenever we are trying to close deals. What has been the key differentiating factor for us in terms of client adopting something that is fresh in the market? So that would be my first question. And then I have a couple of smaller questions.

**Manish Maakan:**

Banesh, can you help on this?

**Banesh Prabhu:**

We've been having a lot of discussions with different clients. I think our key differentiation as I said earlier is the ability for us to be able to help the customer achieve business impact. There's been a lot of, there's been a lot of work that people have done using the ChatGPTs and assistants and Copilots. But when it comes to business impact, a lot of what we can orchestrate at end-to-end journeys actually help the customer either improve their cost and productivity or improve their revenue or their customer experience.

You know, or fundamentally, a lot of our customers in certain markets in wealth and other areas also focus a lot on compliance and regulatory stuff. So, what we're seeing is the ability to understand the leadership and the thought leadership in particular lines of business and actually achieve business impact for them. Clearly, that is something that in 2025, a lot of people, you know, believe has not been achieved so much, which is where our platform positions ourselves best to do. And I think we are seeing that as something that's attracting a lot of attention. You know, we must remember that AI is still at an early stage of adoption in the agentic and the digital experts' space. And therefore, adoption will take time, but actually when we run these pilots, they can actually start seeing business impact and we have a lot of customers we've already been doing that for because we started earlier with, you know, insurance and certain product lines here.

**Pranay Jain:**

Got it. That's helpful. The second question that I have is whenever we are doing large destiny deals, are they typically front loaded in terms of revenue recognition or do they ramp up gradually over multiple years?

**Manish Maakan:**

Its multiple models, Pranay

**Pranay Jain:**

Okay, so there'll be a mix of both mix of like front loading and like an annuity tail kind of thing.

**Manish Maakan:**

Annuity based on variability.

**Pranay Jain:**

Understood. Got it. Yeah, that's it. Thank you.

**Praveen Malik:**

Thanks, Pranay. Next, we have Mr. Krishna Agarwal from Mangal Keshav.

**Krishna Agarwal:**

Hello. It is just a follow-up question regarding our competitors. Sir, as you said that, you only consider Palantir and C3 as your major competitor. But I still wanted to get some light on Indian competitors. Sir, currently in the Indian Banking Technology ecosystem, there are multiple players offering AI-led solution for banks, such as TCS banks, Orient Pro AI, NPST and AI compass.

So, sir, how does Intellect differentiate itself from these competitors in terms of depth of AI capabilities and platform maturity in the long term? And so, additionally, how close are these players to Intellect's currently at level of AI-led Banking Technology? And what is the Intellect strategy outlook to maintain and extend its competitive edge going forward with these Indian competitors? Thank you.

**Banesh Prabhu:**

There are a lot of SI players like TCS and others like you mentioned. I think, as I said earlier, a big differentiation is our full Purple Fabric stack, which where we have invested significant amount of effort over the last 7-8 years, going all the way back from the early models of machine learning to the large language models right now.

I think that learning and experience for our product lines, I think compared to a lot of people coming and offering use cases or and lot of the people are actually building the SI type of work for customers to be able to do things that can help them achieve some level of AI independence. Everybody says AI right now, but nobody really has a full end to end platform. And I've already covered the four sort of stacks that make up a platform. I think that combination and the most important thing that we are seeing is when customers want to scale multiple use cases, they need to govern them.

The ethical AI stack of governing our platform is fundamentally very different from what anybody else does because when you know when you implement these use cases that ethical AI stack gives you the ability to govern digital experts. But you've got to think of these as human and digital experts working together in an operational role in that model. The digital expert really needs to be managed on a regular basis because of the continuous changing language models, the continuous changing data that is fed into those digital experts.

So, think of it that governing digital experts is a very, very detailed part of the Purple Fabric stack which not, you know, you won't find this in most of the other people. They are still talking about doing small use cases here and there of doing SI work. So, I think that's the fundamental difference with most of the most of the Indian players in my mind.

**Krishna Agarwal:**

Thank you, sir

**Praveen Malik:**

Thanks, Krishna. Next, we have Sonal Minhas from Prescient Capital.

**Sonal Minhas:**

This is Sonal Minhas. I'm hope I'm audible. I want to continue from the question the last participant asked. Some of the players, as you mentioned, they don't have a full stack and I think having attended some of these calls of these players, they also mentioned that the real ROI of AI showing its value-add in productivity or similar metrics is basically something which is still at the proof-of-concept stage. So, we wanted to give in the fact that you say that the Purple Fabric project has linkage to close to ₹200 Crs. of top line.

Are there early signs for you guys where this is showing up in terms of how you build a particular client or in terms of you having better margins for some of the use cases where you implemented Purple Fabric or these early days for us right now? That's about it.

**Banesh Prabhu:**

And you know adoption of AI it is still at an early stage. Having said that I think the opportunity for us to be able to bring productivity would mean a different way of working because we are seeing significant impact on operational work, on compliance work that we are beginning to see in our pilots and already in production for our insurance business.

It's a very significant impact on the same work being done by the human through a BPO type process versus the way we do it using AI end to end. So I think it is very different important for us to keep in mind that this is early-stage adoption the agentic actual work which you know is something uniquely put together on Purple Fabric, which is why its multiple agents coming together very few of us of our competitors have multiple agents coming together and we refer to that as digital experts in different areas coming together I think that peace has not taken off as fast as we you know we believe it sort of will in the future. I think it will change fundamentally the way in which we operate or you know we often call it the future of work will change quite significantly and I think we are actually experiencing the early stages of that.

And some product lines where this has been AI first like the insurance and some areas in wealth and now some areas in trade and some areas in payments I think that will actually go much faster as the adoption starts taking place so you know there is obviously ROI challenges in the industry which normally happens when you start something like this new as it happened you know 25 years back with the dot com so it will happen. We will stabilize but fundamentally new business models using AI will appear and we are well positioned for that.

**Sonal Minhas:**

Got it, sir. Thanks for explaining this in detail. I also have a follow up I think a couple of my colleagues were also asking the margin profile and you are mentioning that companies have a different margin profile at ₹700 Crs. run rate ₹800 Crs. run rate maybe ₹900 Crs. This is similar to let's say what a SaaS company does talk about in the US my understanding is that please correct me if I'm wrong on that.

Are there some companies which are into banking software which have scaled up where we could refer to understand the margin profile of businesses as they scale up and as they mature are there some peers would you refer to in the US?

**Manish Maakan:**

I think go back and look at from India Flex Cube and Oracle so we have a combination of that as a business model as well as SaaS. So, we have a dual engine firing look at what was Flex Cube's margin at \$300 million, \$400 million, \$500 million, \$600 million and you'll find a good story.

**Sonal Minhas:**

Got it. Thanks!

**Praveen Malik:**

Thanks, Sonal. Manish, there is one more and then a lot of re-raised your hands. So, one we can take, I think.

**Manish Maakan:**

We can take one and the re-raised person writes back to you and we can reply to them.

**Praveen Malik:**

Please...the persons who are really is re-raising the hand please write to me we'll get back to you.

The last we have Sameer Dosani from ICICI Group. Samir, please go ahead.

**Sameer Dosani:**

I'm not sure whether it's clarified but our original plan was to ramp up investments through the year and obviously it's needed for the business. So, it's good. But just want to understand 1225 Crs. of SG&A like will we see further ramp up from year on in and then it will settle there that is the plan? Or you know there are some programs as you mentioned and we had some marketing programs and road shows etc. So, you know how to think about this as SG&A for maybe next 12 to 18 months from here on.

**Manish Maakan:**

Samir this quarter the last quarter is typically when we have more road shows and more events large events which happens every year. So that's from an annual cycle perspective. Rest is calibrated based on when we see opportunities as we are growing in like right now you US is a big focus we driving growth in North America. So, a very large market from a size as well as geography but we keeping it calibrated to ensure we don't run ahead of ourselves.

**Sameer Dosani:**

That's fine and it's needed to the business but our original plan was to ramp up like ₹100 Crs. annualized SG&A If I'm not wrong that we wanted to ramp up through the year.

So, it's that ramp up step up in terms of SG&A is already done is that I should think of and then maybe gradual investment here and there whatever you need and it should that is how I should think about it?

**Manish Maakan:**

No see if you as soon right now like we said beginning of year ₹700 Crs., ₹800 Crs. as we stabilize at ₹800 Crs. when we say ₹900 Crs. or ₹1,000 Crs. we will have to add more so it's a cycle.

**Sameer Dosani:**

So, this level of investment is okay for ₹800 Crs. revenue.

**Vikash Mishra:**

That's right.

**Sameer Dosani:**

And obviously purple Fabric required software development and expensive so that or that step up in terms of investment in software development expenses is also done right and should think of and you're on incremental increase is what I should think of?

**Manish Maakan:**

Yes!

**Sameer Dosani:**

Okay. That that's it from my side and good luck. Thanks for taking my questions.

**Praveen Malik:**

Thanks, Sameer. Thank you everybody for joining today. In case any questions you have you can just write back to us and we'll reply accordingly. Thank you.

**Note: This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.**