

Date: 25 November 2025

To,
The National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block,
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Mumbai – 400051

Symbol: C2C | ISIN INE0U7V01015 | Series: ST

SUB.: Transcript of Earnings Call held in respect of the Company's H1 FY 2025-26 financial results.

Ref.: Regulation 30 and Regulation 46(2) (oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting the **transcript** of the Earnings / Investor Call of **C2C Advanced Systems Limited** held on **20th November 2025**.

The transcript is enclosed for your records.

For Further Information on the Company

Please visit: <https://c2c-as.com/>

In case of any further queries email: ir@c2c-as.com

Kindly take the above information on the record.

Yours faithfully,



C2C Advanced Systems Limited

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For C2C Advanced Systems Limited

Manjeet Singh
Company Secretary
M. No. A 61378

Place: New Delhi



Transcript of H1 FY 2025–26 Earnings Conference Call

Held On Thursday, 20 November 2025

At 4:00 pm IST

Participating Management

Mr. Krishna Chandra– Chief mentor and Head of Strategies

Commander LSS Narendra – Chief of Operations

Mr. Ganapathy Subramanian – Chief Financial Officer

Mr. Murtaza Ali Soomar – Whole-Time Director

Moderator:

Good afternoon, guys. I would request everybody to please take a seat. Good afternoon to everyone present here.

Welcome to the H1 Financial Year 2025-26 post earnings conference call of C2C Advanced Systems Limited. Myself, Vansh Gosar, representing Avyaya Ventures that's handling investor relations for C2C Advanced Systems. As a reminder, I would like to inform that all participant lines will be on listen mode only and there will be a Q&A session post this presentation.

Please note that the call will be recorded and most importantly, there might be some forward-looking statements made in the call. I would request all the investors to take an informed decision. Firstly, I would like to welcome the management of C2C Advanced Systems, Mr. Krishna Chandra, who is the Chief Mentor and Head of Strategy, Commander LSS Narendra, the Chief of Operations, Mr. Ganapathy Subramanian, the CFO, Murtaza Ali Soomar, the

Director and all the other team members. I would like to now call upon Mr. Krishna Chandra, who will be taking us to the presentation.

Mr. Krishna Chandra:

Good afternoon, I am Krishna. I work in delivering certain strategic direction to the company and also work on the commercial side as to how to get the maximum out of the company. My background is primarily in building intellectual property. I've worked in the U.S. and India, and I also spent some time rebuilding companies in India. So, I come from a technology background, IIT chemical engineer, but I'm right now dealing in the different space. So, C2C Advanced Systems is a young company. Three things that I talk about, we are rooted in our people, inspired by innovation and committed to excellence in whatever we do.

So, this is the company that it's a young company, still a work in progress. We have close to about 25 years of experience in the defence space in various forms. It's a public company. As you all know, it's listed in the NSE Emerge Exchange. We are a pure play technology company. People ask me whether we are a software company. Yeah, software is a subset of what we do. We are agnostic to any sensor, which means the world is full of sensors, and we don't care where the sensors come from. I would define sensors as radar, sonars, electro-optical systems, electronic warfare systems, and a whole range.

All of them are sensors to us. So, we don't make them. We integrate all of them. One of the key elements of the strategy that we have put in the company is a concept of entrepreneurship within the company. So, every group, every person that is there at the leadership is actually a P&L leader. So, they have the right to build their portion of it profitably, and as a total, we go out into the market as a complete solution provider.

So, each one can do certain areas where they excel at, but as a totality, that's what we do. The team is very dedicated. I think we have added some of the people that have come into the company, didn't just walk in. We didn't go out to hire them. It's always a very deep selection process with which we have built the company right now. Some of the key people that I want to introduce you to, Commodore Pujari, who was in the Indian Navy, also NTRO as a chief data specialist.

He advises me on a lot of technological matters pertaining to defence and the technologies thereof. Commander Narendra is with me, and he's been my partner and a fellow traveler for the last seven years. Commander Ramesh is not here. He's the chief technology officer, again, somebody who has traveled with me for

the last seven years. Ravi, again, runs the entire digital platform. Venkat runs the industry practice.

Colonel Kuldeep Singh Gill, the way I would describe him, is a former signals officer, built India's first spy ship from concept to completion, an expert in the area of multi-domain warfare. Harkamal Sidhu, again, cyber security specialist, again, came from the signals in the army. Shruti Sharma came from the U.S., worked as a data scientist in the U.S. Pawan recently joined us as the head of global sales. He's currently moving from Malaysia, again, a former veteran of Infosys, HCL, and a few other companies, global companies. Ganapathy has been brought in as the chief financial officer. And then we have a very significant development we have done, is to build an advisory board.

Lieutenant General Pannu, who used to be the deputy CDS, myself, Commander Narendra, Shailendra Arya, who was an advisor in the defence ministry, advises us. Dr. Ed Martin, former CTO of Rapiscan, again, a technologist. Rakesh Hagee lives in the U.S., and he deals with most of the foreign companies like Lockheed Martin, General Dynamics, General Atomics. Amodh Agarwal, who is a finance specialist out of Delhi, very closely working with the finance ministry, has been a chartered accountant for 40 years. We need somebody to give us financial advice. And Commander Narendra, again, was involved in the Indian INS Dhruva, which is considered to be one of the greatest achievements in the Indian Navy.

So, the team is still getting built up, the advisory board, and we take this advisory board very seriously. I just wanted to go through the business landscape. India is, of course, the fourth largest defence spender. But if you look at the first three, the first two together have \$1.6 trillion a year in their budget. And after that comes China with \$300 billion, and then comes India, around \$75 to \$80 billion. The future of warfare, I think, is going to be software-driven. And so, that is going to be the driver for the future because you have cyber problems, you have data coming from space, you have all kinds of sensors being put in various applications. So, unless they are able to be integrated through software, it's not going to, no warfare will succeed. India is also exporting and continue to export, and we expect to do about \$6 billion by year 2030.

Non-kinetic, I want to talk about the non-kinetic warfare, because that is nothing but denial of service. Somebody attacks you and makes sure that your systems can't function. And unless all your systems are fully assured that nobody can hack into it, and so many surfaces, attack surfaces, this is a very real possibility. And so, that's one area that we see as a very emerging trend here. Again,

we position ourselves as a global leader in software-first defence and industrial innovation. And we will always be true to our belief that unless the innovation takes place, India can never be a global leader.

So, innovation, highly architected, locally built, foundation is in India. The foundational software is in India. And we consider ourselves as one of the few players who are really building foundational software in India. The battlefield, I don't know how many of you have followed the Ukraine war. It's partly kinetic, partly non-kinetic. And it is definitely something that is transforming the way the wars are going to be fought.

Everything is at machine speed. Unless you act on the intelligence that you get in a matter of seconds and minutes, you lose the battle. It has to be a layered system, because all of the systems, the army is vast, land army is vast. Very specialized naval forces, very specialized air force. All of them have to talk to each other, top to bottom, bottom to top. So, it has to be highly layered. And you also have to provide an intelligent, common operating picture. Otherwise, somebody will end up doing something which is not what is wanted in today's world. How do we differentiate ourselves?

That is something that's very, very close to my heart. Most of the companies that we have seen are very legacy driven, old technologies, hardware heavy, because the bidding system in India is also very hardware intensive. So, software gets no opportunity to be shown, showcased. Most of the Indian equipment manufacturers, you take HAL, you take BEL, most of them use foreign stuff in order to build their platforms for the Indian military. And there's also a very acute lack of domain knowledge. We consider ourselves to be domain, very, very focused on the domains we operate in.

We are IP driven. That's our first protocol when it comes to revenues. That means we develop software that can be applied repeatedly in a number of applications. And that's what we have done. Software first approach, yes, use a lot of hardware in what we build, but its software driven. Unless the software will work on the hardware, we don't look at that.

A lot of the stuff in the military, 30% is combat, 70% is what I call as dual use. It's essentially mechanical systems, various things that enable warfare to take place. That's dual use because part of it is in the industrial space, part of it is in the military space. So, that is dual use for us. So, we have, in order to cover the entire military spectrum with the same platform we have built, we are essentially using it on both sides. Military is our first passion, but then it can

also be applied in the industrial side because military itself uses a lot of industrial systems.

We're committed to Atmanirbhar Bharat, which I think has been the central focus of what we have done in the last seven years. What we built in the last seven years is truly remarkable. Domain expertise driven, that means we understand military, security, India, industry and infrastructure, the technology driven, full stack of technologies, not just one pieces of it or some pieces where we go to somebody else and get their help. We are able to use our own talent to build the full stack. We built, I think, the most legendary platform called MAGI of C5ISR and MAGI CIX. C5ISR stands for intelligence surveillance reconnaissance, CIX is on the industrial side.

It's a single platform, it sits at the top and essentially all your sensors are connected and this is scalable, it is expandable and distributable, but they talk the same language. We built digital transformation, cyber assurance and we also have built enabling horizontals such as advanced engineering, control automation, embedded FPGA, engineering, because these are very critical in what we build, so those are offered as a service from our organization. Our strategy is global.

We cannot survive only in India because India is a market, but if we don't succeed in India, we can't go global because we are top-down platform driven. So, that is something that we are focused on, go global. We are already successful in Malaysia, we are being successful in Indonesia, we are right now working in the Philippines, we are working in the Middle East.

Eventually, we think that we will be in the NATO ecosystem. Again, our business strategy kind of follows through on what I've said before, IP creation platform. IP creation goes into the platform, platform goes into systems, systems deliver services.

Recurring revenues through, once you deliver a platform, we see a lot of opportunity. The way I look at it is like this, you know, we all have a phone and it has an Android and an iOS system, we are the iOS system. Everybody who has to hook on to this has to pay me for it or we have to engineer it and that is the model that we are following and we have built a partnership ecosystem, global technology guys that we work with because there are certain things, especially on the hardware side, it is very difficult to source it in India, these are, they have not come up to speed.

We work with MSMEs and the startup, the ones that are building something new, we work very closely with them and we also look at the key research labs, academia, all of them we are tied up with. We have also built one of the finest in-house development centres

which I think if any of you have an opportunity you should go spend some time with Narendra in Bangalore. It is a full force command and control to various IP that we have developed.

It is a demonstration centre but more a development centre. That is there in Bangalore and I think everybody should, whenever they get an opportunity, they should go see it. Is it of scale? No, it will be as we go through the journey, it will become one of the best. So, similarly we are building in a number of areas, we are building technology development.

Commander LSS Narendra:

So, basically what is being said is we are into various platforms in the sense whether it is the army, the navy or the air force, we develop various platforms and we do system integration with the systems of army, navy and air force. And what he is essentially trying to say is whether it is MAGI, he has talked about a MAGI platform.

What he is trying to say is basically it is the underlying IP that we have. We build combat management systems on top of it, we build integrated platform management systems, we build integrated command posts, we build counter drone systems, we build drone command and control systems, we build ship stability and damage control software. All these things which I have talked about have been tried and tested in field.

Mr. Krishna Chandra:

I just wanted to show the evolution that we have had. You know when we as the founders, we invested somewhere in 2008, we got into things like radar control systems, missile ground control systems and so on, which are all small subsystems. Then in 2018, we launched our combat management system, which on day one of launch, we got within a few days, we got an award from Malaysia. We competed against Lockheed Martin, Saab, Thales, the global players. We won that. We implemented it. It went live in one year. Think about it, the same combat management system in the Indian navy takes three and a half years to implement. We completed it in one year with harbor trials.

Commander LSS Narendra:

So, basically this combat management system, which we supplied to the Malaysian navy, had various subsystems in the ship, whether it is a surface-to-air missile, surface-to-surface missile, long-range surveillance radar, torpedoes, rockets, guns, you name it, EW systems, electro-optical fragments, everything was there. We at that point of time were the first Indian company to be exporting such a system. That is the pride that we take in these systems.

So, these are very large systems. Just to give you an example, this system, that system that went out of India was shipped in a 40-foot container. That was the number of subunits that it had. It had 38

subunits to form the system. I am just saying this so that you all get a perspective of how large the system is. Yes.

Mr. Krishna Chandra:

So, once the last 2023, we kind of decided to go public. We said, look, we better have a better strategy as we go forward between 2023 and 2025. The list is almost three times of what we had. We have now proprietary solutions, 1, 2, 3, close to 15 proprietary solutions, 10 more in the works. These are licensable proprietary solutions. Most of it were built during the COVID period. Even though we did not have revenue during that period, we spent money on people to build some of it. It was a very, very difficult period for all of us, but yet we went and did all of it. All of it is now paying rich dividends.

So, over a period of two years, we have really evolved as a full-stack domain-driven innovation technology company in the area of defence, security, industrial, and digital transformation, which, by the way, also applies to defence. Some of the building blocks that I talked about, Magi-C5 ISR is our kill chain architecture. It is the one that eventually...

I just want to give an example of this. Recently, there was Operation Sindoor. I think everybody has heard parts of it. In a fog of war, nothing real comes out of it. What really happened is something that we should be cognizant of. The Pakistanis, we bombed the terrorist camps and something happened thereafter. The Pakistanis had Baidu Space Network, Chinese planes, Chinese missiles, Chinese radar, Chinese AWACS. All of them are integrated in what they call their own command and control system. And something happened, which was not seen by our forces.

It was a combined effort of that that created some degree of losses for the country. What that is, there are various versions to it. I'm not going to get into it, but that's a realization that took place that day. Of course, it was followed up by a whole bunch of BrahMos missiles being fired in order for them to stop it. But the realization that came out of that was that India does not have a C5 ISR system, the way the Chinese have given it to the Pakistanis. That is where we see the greatest opportunity that's emerging. When I say kill chain, that was the kill chain that they used.

Commander LSS Narendra:

Sindoor, on the lines of Sindoor, if I just wanted to inform you all, there were certain components and subcomponents of ours, which I will not name the systems, but they were in operation in the real field environment during that time and they functioned effectively well. So, we can take credit for that.

Mr. Krishna Chandra:

What we deliver is really an outcome to the clients. The clients don't see something that is tangible that's happening to them. What

we do is of no use. So, the way I'll describe it is Magi. I don't know, people ask me, why did I call it Magi? C4, C5 ISR. Magi are the three wise men from the East. That is the definition in the books. It's also magic, and it's also AGI. That's what it is. This is the future. It's a single plane of glass, something like this. Essentially, it is used by the commanders at various levels, securing the borders, securing our assets. There are nearly 16 critical infrastructures. If anything were to go wrong with one of them, there will be chaos in the country. And that is what somebody wants to see, not getting some information after two hours or three hours.

They want to see it then and there. That is possible with sensors. And it also gets us ready for the next combat. We never know where the combat is going to come from and how it's going to come. It could be terrorists. It could be trouble across the border.

We have northern borders and we have western borders. And now we have an eastern border as well, where there is trouble for man-made. So, this is a platform that goes into everything. At the end of the day, what we delivered to the commanders, either of industry or of defence or in security, ability for them to know what is happening across, by a click of a button, they should be able to see what's going on all in a screen. That is our end point. We just said the fiction of what we do.

We work across air, water, various things across all of it. Eventually we're talking about command and control and situational awareness. Everything should, awareness must be there in a very short period. If somebody fires a missile from some place, we need to know it in three minutes for us to react. I just want to quickly run through this MAGI platform. As I said, it's an open software platform. Everybody's sensors can be integrated into it. What comes out of it is a whole range of data. We are talking billions and billions of terabytes of data that comes out of it. Ability for us to make sense out of it, an ability for us to maybe do machine learning, eventually autonomous intelligence on certain areas. That's what we work on. Why do we think that we will succeed? There's only one company that we are aware of that is on the same page as us, and they also started at the same time. We came to know about it only much later. It is a company called Anduril, which has a Lattice platform.

Our platform is very similar. There's one big difference. Lattice platform works primarily on autonomous systems.

Ours is on air, water, land, autonomous space. It doesn't matter where the data comes from. Secondly, India has had sensors coming from all parts of the world, whereas in the case of Lattice, they're dealing with the American stuff.

So, I think we have an advantage in being able to integrate sensors from any source, I think I've given you an example of operations in the region. This doesn't work if it is not implemented. I personally think, and all of us in our organization think, that we will be left behind, and so this is very critical.

But there is, it's not just the platform itself, there is a whole range of sub-stack below it that also has to be addressed, because new technologies are coming in, they also have to be integrated, they also have to be tested, they have to be tested in the battlefield environment. As I said, we have deployed it, we have deployed it in Malaysia, we have deployed it with a NATO vendor, we have deployed it in Indonesia, we continue to grow globally and we have deployed it in India in a very good measure. The applications in our opinion is so large, it doesn't matter whether it is combat, industrial ports, airports, you know, imagine if somebody were to, there are 18 buildings in Delhi airport, if somebody were to hack into one of them on the cooling system or a district cooling, there'll be a chaos.

If somebody were to change certain things, parameters on the airport operation, airport will come to a stop, that's a national disaster. It recently happened in Delhi. So, it's just a kind of depiction of our C5I system, I'm sorry, it's taking, it's a complete secure network, networks are not there, it won't function, so networks have to be protected. So, it's multiple layers that we put in order to make this happen. Again, gobbledygook of technology, I'm sorry, but I just wanted to tell you there are about 18 separate technologies that have been put in place in order to build this. So, it's not some simple software programming that we have done.

There's a whole bunch of platforms that we have done. Again, I don't want to keep talking about it, we have built management systems which look something like this, all the artifacts, all the equipment, people come into a screen. This is something that we've been working on right now, and one of the outcomes of this is a project that, it's an integrated command post, it's one step below this, every five kilometres from the border, all the sensors come together.

This would be various kinds of drones, surveillance to kamikaze to various things, and electro-optical systems, the entire ground sensors, satellite sensors, all of it come into a single 40-foot container. We just did the POC, I think Commander Narendra will show you some of the demonstration that took place. We passed the POC with flying colors. This is not a small contract; this will probably run into thousands of crores, because each of these command posts has a five-kilometre range. Think about it as a six-crore investment across the 7,500-kilometre border. The next step

after that would be the tactical battle group, the next step after that will be brigade command, and the next step after that would be the central command.

Again, our combat management system which works on the ships, just so that you know, the GUI on the INS Vikram was built by us. The entire user interface on the combat management system was built by us, although Tata Advanced Systems delivered the complete system at that point in time. They're still having some troubles with it, but leave that aside for the time being.

Again, everything that we have said is dual use. We can't be in military unless we also address these problems, because when we go to DG Information Systems, he's not just talking about combat, he's talking about everything else. If we are not able to do that, we will miss out on a lot of contracts, and this is directly applicable in the industrial side.

So, dual use is a very important area in what we do, and you will see some of our revenue profiles, we have made quite a bit of a dent in that particular market space. Again, just a pictorial of some other things that we do, IIoT integration, big data analytics, smart manufacturing, integration of physical systems, cloud computing, because that becomes very important in a lot of the data that comes out of a private cloud versus central cloud. So, all of that comes into play. We have, as I said, we have a full range of industry platforms that we have built with IIoT devices, which is proprietary. Eventually, it's the data that's going to control everything. All this data also has to go into the same platform.

Defence system, fewer sensors, high precision, mission-critical timing, that's the most important thing. You can't have a jet engine having a problem more than for a few seconds. The information needs to be prepared, and some corrective actions have to be taken. So, these are very mission-critical things that comes out of our platform. The way that I explained to you earlier that we are operating as P&L centres. We currently have 10 P&L centres in the company. It might appear to be small right now, and each of them is growing at a pace that we cannot even keep up at this point. If I give you a simple example on the engineering side, earlier in 2025, we were at 1 crore per year. Currently, we have an order book of nearly 25 crores.

So, the ticket sizes have gone up. Order values have gone up. The number of clients have grown. Some of the product offering, I've given it to you here, but I think we can talk about some of it later. I don't want to bore you with all of it. It's across the board.

Various systems like radar systems, sonar system, electro-optical systems are also built by us, software developed by us. We are

developing development centers in defence, cyber, assurance, IIoT, robotics, research. It'll take three to five years by the time all of them are done.

Don't assume that everything is in place. On the defence side, yes, it is in place. Some of the others still at a nascent stage, IIoT at a fairly advanced stage. So, it'll take some time, and it does require a fair amount of capital to do it. For example, on the defence side, we spent close to 6.5 crores of rupees to build a Bangalore center. I think this is critical for all of you to know how the organization functions.

As I told you, each one is a business unit. There's a bunch of innovation centres, which is nothing but a cost centre where we build all the IP. Then, there are some domain-focused technologies where we have leadership positions, and we are building each one of them independently as well. I work as a head of strategy, and there is an office of the CEO, which essentially all my team members participate in making critical decisions. We have a board, and the board is normally headed by General Pannu, who is a deputy CDS, who is again a XIV Corps commander, who has operated in the Chinese borders as well as on the Pakistani borders, who has a deep understanding of the integrated defence that's required. These are some of the depths in technology that we have built, embedded.

We actually have some products that we have built, proprietary products using the FPGA technology. Some of these things, as I told you, these are building blocks that support what we do. Some of the service offerings that when you go into the market on the services side, this is what we are doing. This is typically product architecture for third parties. I'll give you an example. I think Narendra can talk about the OSI where we are doing product architecture and design. Can you go ahead and give an example.

Commander LSS Narendra:

So, we are working for a Canadian company, and the product that is being developed is being used by most of the NATO countries, and it is warship electronic chart display information system and integrated basis. This is being used by most of the NATO countries as a product, and it also gives us the confidence that as we move along in the defence, there is a make-in-India confidence, and we are able to show a very high make-in-India confidence because of this venture of ours. Because when you get into the defence bidding system, then make-in-India confidence up to 50 and above is what is acceptable, and that is what we are trying to do by using this sort of a strategy.

Mr. Krishna Chandra:

Just to elaborate on it, we work with third parties, global players, to build some of their systems, some of their products, because that gives us experience to experience some of the latest things that are

going on globally, and that also adds to our ability to create something locally. So, that is really the real aim of this, but it also puts bread on the table. People ask me, how is our business model working?

If you were to look at 25, 26, we will get approximately 16 to 17, I'm sorry, 30% of our revenues purely on IP. It will come down over the next few years; it will probably be 50%. Defence as a practice, together with some industrial practice that delivers to defence along with digital transformation that delivers to defence, you're looking at somewhere in the region of 75%. So, the defence portfolio alone will be around 75%, the rest of it would be what I would call dual use outside of defence. And that trend will continue to be that, because we see that as the market. I explained to you earlier, a lot of this work will get into once India signs something known as a reciprocal defence procurement agreement, where India can sell into NATO, we believe that that is going to be a huge opportunity in defence, may not necessarily be in combat area.

I've talked about some of the innovation and development centres earlier, it's probably a repeat slide. Some of the proprietary solutions that we have done, I think the list is close to 12 or 13 right now, which where we own the proprietary IP, and this number will keep going up at least by five every year. We can talk about every one of them in a separate forum, but I said 200 plus projects is closer to 250. Currently, I think there's a fair amount of order book that's sitting there right now. Active bids, much more than what I'm talking about here, which when I go to the next set of slides, you will see it. Also partners globally and in India.

We work with startups, we work with global technology players, we work with a lot of the research institutions. More importantly, we are now recognized as the sole technology vendor to a very major Indian defence prime. You're not allowed to talk about their name, but we have, over the course of the last one year since we entered into an agreement, we have nearly about, I would say opportunities in excess of 400 crores, Mr. Narendra.

Commander LSS Narendra: Approximately, I wouldn't like to go into numbers.

Mr. Krishna Chandra: So, we do have a substantial increase and that number keeps increasing over every day. That's something that we are very proud of. And some of what we did for them has already turned into orders. Again, some of the key clients that we have, as I said in 2008, we probably had three clients, 2018 to 23, we probably had six or seven. Today, I can tell you we are closer to probably at least 30 clients globally right now. I just wanted to give you a flavour of what right live proposals that we have. It's a fairly significant number. And these are things that are growing at over a hundred percent in some instances. We have an option of walking out of it

or continuing to keep at it. What I would add here is you look at something like Vectors, it's ours. We are a single sole vendor. You look at Vessel Traffic Management System, sole vendor. Some of what we are doing on the integrated command post, sole vendor. So, there are a number of things here which are sole vendor positions. Long-term contracts, three years to five years. And that list keeps growing every day. Again, in digital transit, it's not a big number right now, but at least we have most of these are real, live, single tender, single opportunity kind of deals. It's a small number. It's 98 crores that we have right now in proposals, but we are very confident that we'll close at least quite a bit of it. Same thing with industry. Opportunity here is very big, especially globally, especially in the security area. We see this as a very major driver for us as we go forward. And again, this is all in the last one year, one and a half years. That's the kind of volume of business that we have been able to attract. And each of those cases, when we went and do the sales calls, it is top-down, nothing bottom-up, not a tender, none of it. There's a huge service market. As I told you, there is going to be something that's out there, but again, it's early days. We are not currently present in Europe. We are not currently present in the United States, although we are talking to them, but we are not currently present.

I just want to put a flavour on the current summary of proposals and bids and process. The total amount is about 1,144 crores. There are large potential defence projects where we are either somebody who has put together the specs is closer to 2,700 crores. We don't even know what we will do if we were to get those contracts. Strengths and opportunities, we are a domain-focused company, technology-focused, IP-driven. We can think globally using Atmanirbhar Bharat as our focus in India.

I don't think there is anybody in this that we have seen so far in this industry that has a team that as good as ours. Extraordinary team, extraordinarily hardworking, constantly trying to see what they can do better. Entrepreneurship is something that has to be built. Presumably, I'm here to see whether I can help them to build that capability in the organization. By the way, that's not an easy journey. Challenges are very many, but I've just pointed out something.

The first challenge we have is the India mindset. Platforms and systems are bought as a hardware purchase with little value towards intellectual value that you add by way of technology and software. When you go to any bidding, we see this all the time. People have not understood that it's a software that drives the hardware. It's not the hardware that drives the software. Open bidding process is a curse that we have. Anybody and everybody thinks that they can enter the marketplace and spoil the price.

Quality is compromised. We've seen at least a number of deals in the recent past where somebody takes a nosedive, doesn't even cover the cost of the hardware that went into it.

In fact, sold 25% below the hardware cost. These are going to be failed projects. The main market, which is NATO and the US, are closed for India as of right now, till a reciprocal defence procurement agreement is signed. That can only be signed once a trade deal is signed. This whole cycle has been delayed. Payment cycles are very long in India.

I'll give you a simple example. If they were to buy something from Thales or from Lockheed Martin that can be made in India, but they buy it from them, they open a letter of credit. Sovereign letter of credit, that means they get their payments immediately, whereas we have to wait sometimes for sometimes between nine months to 15 months to get our payments. After giving up 5%, performance bond and 10% to be retained, to be paid after one year. That's what we are dealing with in the marketplace. So, we have no choice but to go global. Investments are going to be required for innovation. This is not something, you know, we do spend 6% of our turnover, last I checked, on innovation related activities. That number has to keep going up. Global markets are, everybody talks about global markets, but they're the most expensive to operate in. If you want to hire a sales guy who might succeed, may not succeed, you're going to end up with half a million dollars down the tube. And that's a challenge that we are dealing with.

A lot of people with no domain knowledge, no military experience enter the space in the current environment that we have. We go to IDEX and look at people who are bidding on some other projects, they have no knowledge of what's going on. And they win it. So, this is a challenge that we face in India. And again, finally, I would say, if you really want to create a global scale system integration capability, there is investments will be required for certain facilities, testing facilities, so on and so forth. Without that, it's not going to succeed.

So, there is an investment required for this. This is not manufacturing, this is purely integrating, testing, even before it's delivered to the army or the navy or the air force. As I said, we are part of an ecosystem globally, we currently have relationship nearly 14 people, and the number keeps growing every day. Because I spend a lot of time in seeking out technologies globally. We have nearly 15 more in the pipeline that we will work with on specific areas that we can succeed in. That's kind of my presentation. Is there anything that you would like to add, Commander?

Commander LSS Narendra: Only thing that I would like to add is, in the last few months, there have been a lot of emergency procurements that have been happening. And during these emergency procurements, there have been various trials that have been carried out, whether it is in Jodhpur, Jaisalmer, all these places. And we have succeeded in all the trials that we have gone there and all those in the emergency procurement have also got converted into, so that actually is a positive aspect, where wherever we went for trials, we have succeeded. Thereafter, we have been able to beat the competition and get out of it. So that is the positive outcome that has happened during the emergency procurement cycle.

Mr. Krishna Chandra: But numbers are still growing, it still hasn't even...

Commander LSS Narendra: Numbers are still growing. So, I would, as of now, what is there on the table, that's what I was speaking about. And it is continuing because the cycle has got extended from, it was till November, but it has got extended till January. So, there is more to come.

Mr. Krishna Chandra: We want to try some question and answers. I think there are a number of questions that that has been flagged.

Moderator: Thank you, sir, for the presentation. We'll get back with the Q&A session shortly. So, I would request the management to please come on. For the participants who have joined us via Zoom, please type out your questions in the question-and-answer box. Good evening, guys. We can start with the questions now. Anybody who has a question can please raise their hand. Yes, sir. Please start with your name and organization and then you can move forward with the question.

Kunal Monga: Hello. Good evening, gentlemen. Thank you for the wonderful presentation highlighting the various aspects. My name is Kunal. I'm an investor. I wanted to, firstly and importantly, check the most important question in the minds of investors, which is the status of the BDO report that was published a few months back by the NSE, and how you have taken it forward in terms of resolution. You also highlighted proposals that you've received at various levels. What is the pipeline or the order book that you have for the current year that you are looking to close, if you are comfortable sharing that?

Mr. Murtaza Ali Soomar: So, to your question about the BDO and the resolution with NSE, we've submitted all the questions that they've asked. We've given a detailed reply. We've appeared before their committee and submitted all our answers. They're satisfied with all our replies. I think a resolution is expected in the near future. What they're involving are both the merchant bankers also because there were some clerical errors by one of the merchant bankers who was in charge of the whole process, which was namely Mark and the other merchant banker was Beeline, which was obviously an

underwriter. But SEBI and NSE both want them to reply and appear before their committee before they come up with the final observations. So, on the order book, the order book looks very healthy. As Commander Narendra pointed out on the emergency procurements, it's been extended to January. The order book on the industrial side and defence both combined is healthy. I'm not supposed to, on the industrial side, there is a security component and it's an international one that we've won. It's about 7 million in dollar terms. And the defence one on the Indian side is also about 100 crores. That's what we have in hand. I can't name the client because we've signed an NDA with the client and the client is not comfortable. He wants to reserve the right to make an announcement. We're not, we can't make the announcement on his behalf. And we're expecting some orders in the near future very quickly from the Navy and from DRDO in the near future. But those aren't there in hand. We're almost there.

Moderator:

We now have Mr. Deep Shah from the Zoom for the question. Deep, you can please unmute and ask the question.

Deep Shah:

Hi, this is Deep. I'm a partner at MS Alpha Capital. Congratulations on the fabulous first half, by the way. I want to ask: what are the top five products today in terms of revenue, and who is your competition? You mentioned CMS, anti-drone, and other command and control. So, who is your competition in India at this point?

Commander LSS Narendra:

So, I will list a few products and talk about the competition landscape, competitive landscape of these products. When we say combat management system, as I had spoken earlier, as far as the export of a complete combat management system is concerned, we are or rather I should not be using are, we were the first Indian company to be exporting that and I would like to be boisterous about it, but yes, till date nobody in India has developed a complete combat management system. So, if you honestly ask me whether there is a competitor, I will say no in this category of products, but yes, there are people or there are companies which have half the product that we have.

I am not saying the complete product, they have half the product. Counter drone systems, we have competition, we have multiple companies like Bharat Electronics is one of our competitors in counter drone systems. I would not like to name all, but yes, he is one of our competitors.

Then we have ship stability and damage control. Actually, India was importing the software from Germany, but since about the last three years, 85 platforms of Indian Navy have been fitted with ours.

So, they have dispensed with importing from abroad and in that area, there is no competition.

Yes, as I said, counter drone systems, we have competitors. IPMS, integrated platform management system, yes, we have competitors. We have L3Harris, we have L&T, these are our competitors as far as this product involves.

And we have another product called WECDIS and I would like to highlight to everybody that for this particular product, we have been nominated by the Indian Navy. The only other competitor we have is Transas and I would not like to go into the capabilities of us and Transas because it does not speak well on my part to bring down somebody else's product. Have I answered your question?

Mr. Krishna Chandra:

We have also been, I think somebody mentioned earlier, we have a \$7 million contract with Malaysia that is entirely on a security platform. It is multiple feeds from the cameras, cyber security associated with it and also the ability to, this is a very specific security requirement that they had in trying to, for a specific set of crimes and specific set of problems that they were facing. It is a bespoke solution, but we had already built the software over the last six, seven years, specifically for naval application or naval yard application where we needed to see who is coming in, who is going out and that was sold in a fairly large number of applications.

We did not provide any cameras, we did not do anything because Malaysia was using cameras from China and other places, but they also needed a protection around the camera, which we helped to put together and we have delivered that software. There are approximately four more projects like that right now in Malaysia that we are negotiating on. One is with the Malaysian airport system, multiple projects.

This again has to do with security related issues, especially on trafficking of animals and so on and so forth. That is going to be a very interesting project because it involves very, very sophisticated sensor system together with CAT scan, x-ray and so on and so forth. We are in a very advanced stages as far as that is concerned.

The number of projects in the security side is more on global scale than in India at this point.

Moderator:

Thank you, sir. We can take a question from the audience here.

Darshit shah:

Hi, my name is Darshit and I represent Nirvana Capital. My question is on the receivables side. There were about 100 crores in March, and it has shot up to 166 crores by September. And, optically, if you look, almost all of last year's sale as well as the

current six months' sale look tied up in receivables.

So, what is the status on this? I understand it is a prolonged receivables cycle for a lot of different companies, but ours looks more stretched than a lot of other companies in between. When are we going to realise all these 166 crores tied up in receivables?

Mr. Krishna Chandra:

Murtaza will talk about why there was a delay and what will happen. I think it's the first statement I'll make is there's no bad debt. Okay, let's start with the fundamentals.

Look, we sold something for the very first time to a NATO requirement on decision support. That contract started out as a license, multiple application development. We got paid for the application development.

Then they moved away certain contracts that they had in Taiwan to us, which is on the entire platform, which included... And unfortunately, I think this is the first time we have done it. We're a small company.

For us to have got it itself was a huge achievement because once this gets going, there are a number of opportunities that our own clients were willing to give. By being a small company, we also accepted certain risks. Being the first time, we accepted certain risks.

And that risk created a certain set of issues, which is essentially making sure that the product was working before they paid. Everything was kind of based on certain milestones. And one of the milestones was the delivery of some of the hardware.

I think Murtaza will take it over from there and tell you what exactly.

Mr. Murtaza Ali Soomar:

So, I was with the client in California last week. I've spent all of last week discussing. I'll give you a background why the payments have been stuck. There was a tariff issue. We exported their consignment of hardware. We exported 240 feet containers in March, which went and has reached them. The testing is approved. Everything is done. Unfortunately, after Operation Sindoor, the tariffs by America were first 25%.

We reached an agreement with them that they'd absorb 20% of that. 5% was our part of it. But soon after that, it became 50%. So, that problem happened. There's one leg of it that we didn't supply. They had stopped our payment. They were saying it's qualified in all the tests. There were three rounds of testing. They're qualified in all three.

Just about when we were ready to go ahead with it, unfortunately, this 50% thing happened. The good news for us over here is they tried to get an alternate solution from Turkey. So, Turkey has told them for them to develop this whole system.

The last leg also, which we haven't delivered, will take them two years. And the quotation that they've received from Turkey is 40% higher than what we've given. So, they've come back to the table with us. And the assurance that they've given us is by December in rupee terms, we're going to realize 42 crores from that. And by before March, another 30 crores. So, about 72 crores from the past and this about 66 crores that we billed out of the Malaysian company. As we speak, that product has gone live. It's in testing. Hopefully, by 31st January, most of that will be received.

So, a receivable position will look very good. I know it's not looking great right now on the books, but by 31st March, you'll be pleasantly surprised. It'll look very, very good.

And going forward, obviously, once these things are qualified and you're going to get repeat orders, gestation periods aren't going to be so long.

Darshit shah:

Yeah. And so, my second question is, you mentioned about a few of the projects that we have done POC.

Mr. Murtaza Ali Soomar:

Yeah.

Darshit shah:

And we have qualified for them and they ran into hundreds or probably thousands of crores. If you can briefly highlight what project that was, what kind of work we have done in that and what state we are in.

Mr. Krishna Chandra:

I will tell you that because since I'm the one who kind of initiated that project. Sure. It's a project that every five kilometers of the border, they want to create a border post.

It's a command post. The command post for each of the five kilometers, they would want to have anything from various kinds of drones, including attack drones, as well as certain firing equipment. Eventually, all the sensors coming from satellite to various communication, all of them to be integrated, electro-optical sensors, radars, all have to be integrated into a single command post.

And this would be implemented across the entire Pakistan border. And this project was originally, they thought it was just an integration of some whole bunch of computers, but it came out that at the end of the day, once we made the made a proposal to them, they realized that it's far more complex. And it not only covers the border, but then it comes up to the platoon level.

Then it comes up to up to the brigade level and then goes up all the way to command and control. So, you're looking at nearly 1500 to 2000 of these to be installed. Okay.

So, it went through a full range of testing at the army centre with all the sensors, including a bunch of sensors provided by an Indian drone vendor who had encrypted the entire data. We had to decrypt it. We had to actually hack into it in order to get that data out. I don't even understand how they did it, but that's how it is. So, we have successfully demonstrated. We have got the appreciation. It is now going into a procurement stage.

Darshit shah:

Sir, can you explain a little bit more?

Commander LSS Narendra:

I'll just explain a little bit.

Darshit shah:

So, in layman terms, so that people can probably understand it better.

Commander LSS Narendra:

I generally don't talk technical. And what I'm trying to say is an integrated command post is like a war room in a small area. Okay.

This basically has components like our drone command and control, then counter drone, then mapping systems, then direction of artillery fire, electro optical trackers. In the sense, why it is used is if you are sitting in the border and you want to do a surveillance in the border area, then you should have optical information from the optical camera that is on the command post, as well as a drone which is flying. And you are telling the drone to do surveillance and reconnaissance.

And then if there is an artillery gun near you, the drone actually directs the artillery gun to fire in a particular direction where it has spotted the enemy. Along with that, it is doing object detection and recognition. In the sense, if it looks at a tank, it will be able to say this tank is of this type and it's a Pakistani tank.

So, it is recognizing a target, it is directing an artillery fire towards the target through the eyes of a drone which is in the air. Okay. So, it is giving you an area surveillance. So, at frequent intervals, if you have these area surveillance systems, which can be about 5 kilometers, 10 kilometers, then you are covering the border. Have I answered the question? Got it.

Darshit shah

So, sir, on that follow up, who were the other companies who participated at all in this POC? And my question is, because whenever we hear kind of integration, the only company that comes to mind is BEL. They are like predominant system integrators in India. So, I just want to know whether there were other companies who participated in this POC? Nobody was there.

Mr. Krishna Chandra

The artillery procurement group, which is headed by a general, came to a conclusion that there was nobody that could. They went to two or three people just to see whether there was a competent team. They couldn't find anybody. And just as since you mentioned BEL, the army has not had the best of experience. So, they are very careful about who they want to get in at this point.

Commander LSS Narendra:

Don't you want us to challenge BEL?

Darshit shah:

I want to outperform BEL, but yeah.

Commander LSS Narendra:

It's a good sign, isn't it?

Darshit shah:

Yeah. And sir, lastly on this, if at all the kind of orders you are envisaging, how are we going to fund this? Because given the working traffic cycle we are in, anything on the funding part, if at all we get these projects, how are we going to do it?

Mr. Murtaza Ali Soomar:

Since we are a debt-free company, we look at short-term debt fund almost. And we look at other options as well, but the first option is short-term debt.

Moderator:

Thank you.

Analyst:

Just one follow-up on that. So, when we say that 5 kilometers that needs to be installed, we have a lot of problems. If I look at the proposals, like only one line item has 6 crores worth of it.

So, there's been time or the addressable market that we are looking for this. How many years this project will go on?

Mr. Krishna Chandra:

Given the current situation at the borders, you are looking at very, very quick implementation. This is close to being an emergency procurement. And whatever we have designed for one of them can be replicated as many times as they want and very quickly. You're not looking at some very long gestation on any of these things.

Analyst 2:

I have a quick question. Here on the live proposals, it was only mentioned 6 crores as one POC. The question, I think, POC is completed. That is what I understand. But still in the live proposal only 6 crores worth was shown. So, what is the TAM that we are looking at?

Mr. Krishna Chandra:

I think we're just being very conservative the way we do things. I don't know if you... About 6 months ago or 9 months ago, you have seen one line item that said, we did a project for a very major Indian defence prime for 88 lakhs rupees on anti-drone system.

We just went back and looked at some previous presentations. You would see that. That has now become a significant order. So, typically, these things will run for anywhere from 12 to 18 months because once it... The hardware portion of it is readily available

because the army has already invested in the hardware. They're already buying the drones.

They're already buying various electro-optical system, trackers, this, that, and the other. It's not a question of they don't have it. So, there's not a capital procurement of 10,000 crores in which there's a piece of it.

Analyst 3:

So, what is the border kilometer number that we are looking at? Is it like 5,000, 6,000 kilometers?

Mr. Krishna Chandra:

7,500.

Analyst 3:

7,500. And one system is like 6 crores. We can easily calculate that and second question is on the funding of the working capital. So, what would be the peak debt that you are looking at? Because when we are looking to receive those orders and by when we will reach a peak debt for the short-term side, maybe? Because working capital is pretty long. It's more than 365 days. So, our peak debt, maybe we can say what will be at March '26 and March '27 that we are forecasting. Thank you.

Mr. Krishna Chandra:

The reason I'm pitching that answer is because Ganapathy has joined us only a few months ago and he's still putting all the systems and the processes in place. Look, we didn't expect so much of proposal activity traction. We did not expect that we are going to be dealing on some very large projects. Six months ago, if you had asked me, I would have said, I would have been very conservative. But even in my conservative mind, we see a very large opportunity, number one. Number two, our assessment based on the profitability of our IP-driven systems, which are very high level. Whatever we sell as license goes down to the bottom line. Okay. So, those are cash. That's when we collect it. So, there is... Profitability of the company is very high. There's no question in our mind, because that's something that we have. But we are also matching it with ability to do servicing capability from various capabilities that we have built. And that to us is a very short cycle payment cycles, typically.

If you go global, it is even shorter. Okay. So, we have to bridge our cash flows in building some of these things that gives us the immediate cash flows versus a government contract, which gives us a very long cycle of payments. So, with all of that in place, we estimate that in somewhere in 2027, we can be consistently... I'm saying when I say consistent month after month after month, we should have free cash flows. That is our aim in all of what we are doing.

Peak requirement is entirely dependent on what happens with various contracts. What comes in, it could be so big in one shot that we have to, at that point in time, take a look at and see whether we

enter into somebody who helps us to buy the material, so on and so forth. But as I see it, the way we have conceived it, we are looking at... I only look at free cash flows. I don't look at anything else. And somewhere in 2027, we see a consistent free cash flow on a month-on-month basis. And that would be our strategic drive to get there. So, if I have to leave some contracts in order that I can't... since I can't take it, we'll have no choice.

Analyst 4:

What are the limits today in the way to the month-on-month basis that has already been sanctioned?

Mr. Murtaza Ali Soomar:

Zero

Moderator:

Now we have Mr. Viraj Shah from the Zoom call who has a question.

Viraj Shah:

Hello. Good evening. Hi, this is Viraj from TSG Capital. We are pre-IPO and anchor investors in the company. Thanks for the wonderful presentation. You mentioned you will receive 120 to 160 odd crores in the next six months. So, can you give me a color on what revenue on 31st March 2026 will look like and the receivable figure against that?

Mr. Ganapathy Subramanian:

We expect the turnover to be in the range of around 250 crores plus. And the receivable will be in the range of around 270 days, which should be around, say, 150-160 crores.

Moderator:

We can have a question from the audience.

Jatin Jadhav:

Good evening. I'm Jatin Jadhav from Sahasrar Capital. This question is regarding the defence side. One of the primary products is the combat management system. In the current scenario, in the Navy, the combat management systems deployed are they Indian, indigenous, or from BEL? Where do we stand in this? And when can we expect the entire legacy system to be transformed with our combat management systems and, going ahead, include our combat management systems in the total package, so to speak?

Commander LSS Narendra:

Okay. This will need a certain amount of explanation regarding how the ecosystem of the Indian Navy works as far as the combat management system is concerned. The combat management system is divided into two parts: one is the tactical software and one is the systems software. The third part is the hardware.

As of now, if you remember, I mentioned that we are the only Indian company making the complete combat management system. At present, the tactical software of the Indian Navy is being provided by an organization called WESEE, Weapons and Electronic Systems Engineering Establishment. WESEE makes the tactical software, and the systems software is being made by BEL, L&T, and TATA. These are the three nominated vendors. But

neither WESEE nor BEL nor TATA nor L&T have the complete software. We approached the Indian Navy to nominate us as a vendor, but at the time our turnover was low, so for them to nominate us as a vendor required much more muscle power on our side. That is one of the reasons we have still not been nominated as a vendor. But yes, we have approached them again.

The reason I am giving this explanation is that the system is divided, and none of them have the full system. With every company making the combat management system, WESEE has to be involved.

Have I answered your question? Thank you.

Jatin Jadhav:

So, the follow-up question would be: sir, will it be possible for us to integrate our system by replacing the older one in legacy ships and, going ahead, with our own as well? Can we foresee the entire package in the coming future?

Commander LSS Narendra:

What you are asking me is, basically, will you be able to integrate with legacy systems?

Jatin Jadhav:

No sir, for the existing system, will the Navy give us permission to replace it with our system? And second, going ahead, will our system be placed on all ships?

Commander LSS Narendra:

Navy-wise, it is not going to be an easy battle. The Navy is going to play it tough with us. It is very easy, and it is much more convenient for them to go to a public-sector unit. But when we have a battle in our hand, we are very capable of integrating. The other thing is that every electronic equipment has a life. It is called fair wear-and-tear life. Generally, it is up to 10 years. So, every time the fair wear-and-tear life is over, the Navy goes in for replacement of the systems. At that point in time, we should have been making a dent. Got it?

Jatin Jadhav:

Got it. Thank you so much

Moderator:

We can have a question from the audience.

Dushyant Tejpal:

Hi, my name is Dushyant Tejpal and I am an independent investor. I just wanted to ask: the company had phenomenal profit margins in the first half; does the company expect to have a similar profit margin in the second half as well?

Mr. Murtaza Ali Soomar:

See, it will depend on the product mix. I am still not sure what kind of turnover we are going to end up with. It depends on the emergency procurement and whatever proprietary things are already developed. If there is more of that in the order book, our margins may be even higher. But in any case, I see it as similar to

the first half. From what I can see, what we have in hand today should be similar.

Aniket Gupta:

Hi, I am Aniket Gupta, an individual investor. Sir, I just wanted to ask: from what I understand, for the last two years we have delivered a system to the Malaysian navy right? A lot of our revenues have been mostly from the global clients, right? What is it that is not allowing us to penetrating the domestic market, any domestic orders that we have currently in our books?

Mr. Murtaza Ali Soomar:

See, since we are mostly a system-based company with very large products, our size was limiting us. Slowly, we have reached a size where we are now getting a lot of orders and inquiries, and we are able to qualify. Going forward, you will be seeing a lot of orders that we will be receiving from DRDO, the Navy, and things like that.

Aniket Gupta:

So, as of today, do we have any domestic order from the Defence Ministry?

Mr. Murtaza Ali Soomar:

Yes, it's a small quantum, but going forward, it's going to be bigger. It's about 15 crores.

Aniket Gupta:

Okay, regarding the proposals, you had shared one slide. Can you share what percentage you are expecting to be converted into orders?

Mr. Murtaza Ali Soomar:

It's a very difficult question to answer, but typically speaking, it should be, sir, is it safe to say, about 30%.

Mr. Krishna Chandra:

I think there are some products on which we are the sole vendors. Things like he talked about I think he was being coy about WECDIS. I would say that there is a monopoly position in some way.

Commander LSS Narendra:

Can I take this?

Mr. Krishna Chandra:

Yeah, go ahead.

Commander LSS Narendra:

Okay. Actually, during the course of what I have said, I have told you that in certain products you are seeing the numbers, or he is projecting some numbers. For certain products, we have already qualified as a vendor. It means the Navy will have to come to us for those products. We have bid for them and we have already won them. Bid in the sense that I was a single vendor, so those orders will always come to us for the next ten years. Any ship being constructed, or any system being removed from a ship and a replacement system being put in, will come to us. That is one part of the product.

Then there are certain orders I was talking about under emergency procurement, where we have done trials and they are materialising.

Again, they are Indian orders. It is a sizeable amount. I cannot name it or state the size, but it is a sizeable amount. And again, I have talked about ship stability, damage control, and everything. As ships are constructed, every time, those orders are coming to us because we are the sole Indian vendor for that particular product. So, quite a few products are there like that.

Aniket Gupta:

Got it. Thank you, sir. That answers my question.

Moderator:

You can have the next question.

Harsh Mehta:

Hello, Harsh Mehta this side from Navkar Wealth. There is a related-party transaction with Real Time Tech Solution where you have provided an advance, and there is a trade receivable on your books of around 18 crores. So, what is your justification for this?

Mr. Murtaza Ali Soomar:

Vaibhav, do you want to answer?

Vaibhav Bajaj:

Basically, we have procured software from them. They were developing software, and we have procured that software from them, so that is what the purchase relates to. Further, they are working on some other system for which we have already given some advances.

Moderator:

So we have a question from Mr. Pankaj Malik. We have an MOU partnership with Adani defence, want to know progress orders through this partnership.

Mr. Murtaza Ali Soomar:

We are not allowed to speak in the public domain about it. We have strict instructions from Adani; they reserve the right to make any announcement. We have been banned from making any public announcements, sharing any orders pertaining to Adani.

Moderator:

We can have a question from here.

Shweta:

Hi, I am Shweta. My question is related to WECDIS. You mentioned in your presentation that you are the sole vendor for ten years. I want to understand what gives us that edge, such that no one was able to compete. And secondly, I want to know how much we can expand with products where we are the sole vendors.

Commander LSS Narendra:

Ma'am, firstly, I will correct myself if I have given the impression that I am the sole vendor, meaning the only one. There are two vendors, and the second vendor, I will not take names, does not meet the capability requirements. Not the quality, the capability and that is driven more by procurement policies. Now, as far as WECDIS is concerned, if you have heard of something called ECDIS, it is the electronic chart display and information system. A WECDIS is the warship electronic chart display and information system. The sole differentiator between ECDIS and WECDIS is the additional military layers. These additional military layers are used by the command headquarters for planning operations at sea.

This is the sole difference. And this differentiator makes us one of the vendors who is more capable and compliant with the product that the Navy is seeking. I am still abstaining from using the word that I am the only vendor.

But technically, I am meeting all the criteria that the Navy requires. I do not want to confuse the situation by saying, as they say in Hindi, “Jaha mai khada hota hoon line wahi se shuru hoti hai.” No, not that. But yes, we are the more qualified vendor.

Shweta: But people can come in line.

Commander LSS Narendra: They can but no has come yet.

Shweta: But what is the reason that we are having that edge? That is what I am trying to understand.

Commander LSS Narendra: Okay, I will tell you. There are compliances as far as NATO STANAG requirements are concerned. Most people have tried it but have not qualified. It has taken me two and a half years of trials, where the system was fitted on a ship and it underwent trials in the Gulf of Aden in an actual scenario. And then I got qualified.

Shweta: My second question is regarding the Canadian partnership that you had mentioned for the NATO countries they can supply. Once the trade deal and tariffs are done and we can also supply, how will that work out? Will they be able to supply only to the Canadian region or elsewhere also?

Commander LSS Narendra: But what I actually mentioned is that it is for NATO countries. That is what I was trying to explain. When we go into the Make in India policy and there is an indigenous content level that has to be brought in, we have to strategise to work in a way that will increase the indigenous content. And an increase in indigenous content will make you a more preferred vendor. So the strategy was to shift the development of software, a certain portion of it, to India so that we become compliant with the Indian requirements. Most people will not follow that route, or will try to follow that route, but we have taken the first step forward. And that is also one of the reasons for the Navy's confidence, that this software is being developed in India, and as and when they require certain changes, it can be done locally in India. Have I answered your question?

Shweta: Yeah, kind of. Thank you.

Moderator: So we have a question from Mr. Shubham Dalmia. He is asking whether you have sorted out all the accounting discrepancies that were flagged right before the IPO. If yes, why have you not announced it yet?

Mr. Murtaza Ali Soomar: We have. I already answered in the first question that we have submitted everything to the NSE, and they have admitted our

submissions. We had two rounds where we went in front of the committee there. They are satisfied with our answer. I told you the resolution is now subject to them finishing with both the merchant bankers. They will put out a notification once everything is complete. And it will be a holistic answer that they will give, an explanation based on that. Our part of it is over.

Moderator:

Got it. We have another question from the Zoom call itself. Could you throw some light on the source of the technology that we have? Since we are a small company and have developed proprietary software and systems that not even BEL and Tata Advanced have, it would help to understand the reason behind that and the background of our technology team.

Commander LSS Narendra:

I don't understand the question.

Moderator:

I think they are asking more about the technology moat that we have as a company, that even BEL and Tata Advanced have not been able to crack.

Commander LSS Narendra:

So I think in the initial presentation that was brought out, it is the domain expertise that we have. We have a combined experience of more than 60 years. Again, I have to use my English right, a combined experience of 60 years, which helps us develop these systems and stay ahead of the curve.

Moderator:

Got it. We can have a question from here.

Harpit Govind:

Hi, I'm Harpit Govind. I just wanted to understand what we are doing in cybersecurity, and how many employees we have?

Mr. Krishna Chandra:

We have always had capabilities in cybersecurity at a level where we needed to protect our own software. But over the last few months, we have brought in Colonel Harkamal Sidhu, who leads a team out of Delhi right now, and hopefully we will build it in Chennai and Bangalore. He comes from the National Security Agency of India. A lot of the work we are doing is about architecting. Most cybersecurity people in India are on the hacking side of the business, the offensive side. They want to find zero-day vulnerabilities and so on. But that is not our strategy. Our strategy is to architect a solution top down and bottom up to ensure that it cannot be hacked at all until quantum computing comes in. That is the strategy we are taking. The second strategy we are taking is that we also act as an outsourced CISO because we know the regulations and what is required for other people. We find that most companies in India are seriously vulnerable. When people go to them and say, put some gateways or this and that, all we are saying is that it needs to be addressed as a totality, as an architectural solution, not as a piecemeal solution.

That is what we have been working on. The first port of call for us is our own internal products that we have developed. We are working on that as the first step, and the next step is to go global with it.

We are following the same strategy on the data analytics side as well.

Harpit Govind:

How many employees do we have right now?

Mr. Krishna Chandra:

It is a changing target, somewhere in the region of 250 right now, and it will probably cross about 350 by the end of this year.

Harpit Govind:

And how many in cyber security?

Mr. Krishna Chandra:

We have about five people right now.

Moderator:

Thank you so much. That would be the end for the Q&A session here. Any more questions that we have, we can take it online. You can mail it at ir@c2c-as.com.
