

Ref: ITL/SE/2023-24/27

**Date: August 04, 2023**

To,

The Manager,  
Corporate Relation Department  
**Bombay Stock Exchange Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400001

The Manager  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor; Plot No. C/1  
G Block, Bandra Kurla Complex, Bandra (East),  
Mumbai – 400051

Scrip Code: 532326

Symbol: INTENTECH;

**Sub:** Transcript of Earnings Conference call

**Ref:** Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the transcript of the Q1 FY 2023-24 Earnings Conference Call held on July 31, 2023.

The same is also uploaded on Company's website: <https://in10stech.com/investors/earnings-call>

This is for your information and records.

Thanking you,

Yours Faithfully,

For **Intense Technologies Limited**

**Pratyusha Podugu**  
Company Secretary & Compliance Officer





**“Intense Technologies Limited  
Q1-FY 2023-24 Earnings Conference Call”**

July 31, 2023

**MANAGEMENT: MR. C.K.SHASTRI : FOUNDER AND MANAGING DIRECTOR  
MS. ANISHA SHASTRI : WHOLE-TIME DIRECTOR  
MR. JAYANT DWARKANATH : WHOLE-TIME DIRECTOR  
MR. ANIL KUMAR VENGAYIL : COO  
MR. NITIN SARDA : CFO  
MR. LOKESH : FINANCE TEAM**



## Intense Technologies Limited

### Q1-FY24 Earnings Conference Call Transcript

#### July 31, 2023

---

**Moderator:** Ladies and gentlemen, good day and welcome to Intense Technologies Limited's Q1 FY'24 Earnings Conference Call.

As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call please signal an operator by pressing '\*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Siddharth Rangnekar from CDR India. Thank you, and over to you, sir.

**Siddharth Rangnekar:** Good afternoon and thank you for joining us on Intense Technologies Limited's First Quarter FY'24 Earnings Conference Call for Investors and Analysts.

Today we have with us Mr. C. K. Shastri – Managing Director; Mr. Jayant Dwarkanath – Director; Ms. Anisha Shastri – Director; Mr. Anil Kumar – Chief Operating Officer of the Company; Mr. Nitin Sarda – the CFO and also Mr. Lokesh from the Finance Team.

Before we commence, please note that some of the statements made on today's call could be forward-looking in nature. And a note to that effect has been included in the earnings release of the Company which is available on the stock exchange websites.

I would now like to invite Ms. Shastri for the brief introduction to the management team and take the call forward. Over to Ms. Anisha.

**Anisha Shastri:** Good afternoon, ladies and gentlemen. My name is Anisha Shastri, I am a Whole-Time Director here at Intense Technology. With me I also have Mr. Shastri, Founder and CMD of Intense, I have Mr. Jayant Dwarkanath, who is the Whole-Time Director as well. I have our CFO – Nitin Sarda, and then I also have our COO, Mr. Anil Vengayil.

For those of you who do not know Intense Technologies, I just want to give you a quick introduction of who we are. We are an enterprise software product and tech-enabled services company. We initially started focusing on Telco but over the last five years we have brought in our focus to now primarily focusing on BFSI and government businesses. So, apart from Telco we also do business with banks, insurance companies and the government.



We have been seeing a lot of traction for our products and in fact I am very proud to tell you that today we have pretty much all the large private banks and insurance companies in the country that you can think of using our product and services. And we in some way or the other touch millions and crore of lives in the country by means of our products.

I would also like to introduce you to, if you were following us on our previous calls then you would have known about our “Project Butterfly” Initiative and our growth plans for the organization. But for those who are joining us for the first time on this call, I would like to give you a quick and brief introduction to what this “Project Butterfly”, Initiative is.

The idea here is that now I think we as an organization believe that it's time for us to get out of our cocoon and it's time for us to fly and that's the line of thought behind “Project Butterfly”.

The idea behind “Project Butterfly” is to ensure that we vertically expand the kind of revenue generating lines that we had as an organization, given the fact that we have so many large banks, telcos, insurance companies etc, to our credit. We would like to leverage the kind of products and services that we have as an organization, expand on them in order to be able to provide more holistic offerings to our customers and so that we are able to farm them better. We also want to open up the kind of hunting line revenue streams that we have for our hunting organization. With that mission we have been focusing on ensuring that we are able to provide healthy growth from what we used to do to what we do today.

### **Q1 Earnings**

So, you may have already looked at our financial results. This year, Q1FY24 we have closed our top-line at about ₹23.95 crore as opposed to the ₹17.25 crore that we did year, in Q1FY23. We also closed our PBT at ₹3.18 crore this year as opposed to the ₹1.31 crore that we did last year.

We are a debt-free company. Our cashflows are healthy and our cashflows give us the ability to be able to take some risks now. This is what we started off on, embarked on a couple of quarters ago last year and the same trend continues this year.

Our idea is to ensure that as I said that we vertically expand our products and services we improve our processes so that we are able to control our cost and deliver better results to our customers more efficiently. We invest in the right kind of talent; the right kind of skill sets that are able to take us to the kind of growth levels that we hope to achieve and we continue to invest in innovation as we always have as a product and services organizations.

I would now like to hand it over to our COO – Mr. Anil Vengayil. He will speak to you about the details of how we are going to achieve this growth.

**Anil Vengayil:**

Good afternoon, I am Anil here, COO of Intense Technologies.

To add on to what Anisha just spoke about “Project Butterfly”, primarily has few key objectives:

- It is about enabling the revenue growth of this Company by enabling revenue growth engines.

- Continue to invest in innovation and foster that innovation DNA within this organization.
- We are investing in people as we foray into new domains, there is a need for us to upskill and upscale our organization so we are investing in people.
- And the fourth pillar of that is an overarching governance to govern this initiative.

So, part of the objectives that we have laid out for “Project Butterfly”, we continue to invest in opportunities that are of the future. We are looking at opportunities which are long-term in nature rather than short-term, one-off opportunities. We are focused on recurring opportunities.

**Anisha Shastri:** Anil I think we have lost you again. So, while we get back Anil, I think what Anil was trying to convey is that, the lines of business that we have been working on expanding. So, what we have done is, we are not going out of line from what we have done in the past, but what we used to do in the past is one product and peripheral services. Anil, please go ahead.

**Anil Vengayil:** So, we are focused on long-term opportunities which span multiple years. We are also focused on opportunities which are recurring in nature which gives us predictable recurring revenue over multiple years. We have forayed into the technologies of the future, which is Data Services. We are seeing a lot of traction when it comes to Data Services in existing accounts that we have. Large banks are grappling with lot of data. So, there are a lot of opportunities which we can go after.

We are investing in Cloud Services, we are building partnerships, we are upscaling our organization. Again, the financial institutions are moving towards the Cloud, they are adopting Cloud in a much significant manner than previous years. We are also having our products put on to the SaaS platform. Our products have been certified by Amazon AWS and our products will be by next quarter be delivered as the SaaS platform both on Amazon and in the global marketplace of Amazon.

So, the last thing I wanted to talk about from a growth engine perspective is that we are pursuing some good opportunities in the government sector as the government continues to transform and adopt digital ecosystems, we see an opportunity over there so there are opportunities which we are pursuing in the public sector. So, with the public sector and our focus on the SaaS, our focus on our existing clients which are all marquee clients in the industry, we definitely do see a good horizon for this Company to grow its revenue over the next few years.

So, that’s what I had to put on the table briefly. Over to you, Anisha.

**Anisha Shastri:** Governments today are really tech savvy and they expect no less than the best available technology in the markets. So, a lot of managed services opportunities that we are pursuing are based on the tenets of AI and Blockchain, and that help us deliver more full-proof, latest cutting-edge tech to government as well.

With that I think we are more or less done with what we wanted to share. Mr. Shastri should have some closing comments.

**C. K. Shastri:** No, we will take the questions from the investors.

**Anisha Shastri:** Okay, fantastic. Over to you, Siddharth.

**Moderator:** Thank you very much. We will now begin the question-and-answer session.



**Anisha Shastri:** While we wait for questions I just wanted to correct myself. I said Profit Before Tax was ₹3.18 crore this year, it is actually ₹4.08 crore, ₹3.18 crore is Profit After Tax. Thanks.

**Moderator:** Thank you. Our first question is from the line of Farhan Amalani from SJ Investments. Please go ahead.

**Farhan Amalani:** So, I have a couple of question. First is from what I see from your press release you have mentioned that the Company classifies its client additions into annuity engagements and growth engagements. Can you give a ballpark number of like what percentage of our revenue for the latest quarter was from annuity engagements?

And also, the EBITDA margin has increased from 12% to 18% currently. So, what kind of steady-state margins are you looking for the next say two to three years?

**Anisha Shastri:** To answer your first question approximately I think we are around the ballpark of about 60% annuity number, that's to answer your first question.

And the second question was on EBITDA so yes we have seen growth in our EBITDA numbers from last year's Q1 to this year's Q1. We have put in a lot of processes internally in place to monitor efficiency, improve productivity, improve budget tracking, etc. So, we are hoping that we are able to sustain and continue to improve on this.

**Farhan Amalani:** Any number as such?

**Anisha Shastri:** I would refrain from giving hard numbers, but I would like to show you that we are doing our best to ensure that we focus not just on improving our top-line but also on improving our bottom-line.

**Moderator:** Thank you. Our next question is from the line of John Kumar from Alfa Capital. Please go ahead.

**John Kumar:** My question is related to the balance sheet given by the Company for the end of the financial year, 31<sup>st</sup> March '23. So, would you be able to elaborate on the fixed assets of the Company from March, so if I recall correctly from my memory, it's ₹4.3 crore or something as fixed assets so would you be able to elaborate on what's considered in that ₹4.3 crore odd. And also, on the current investments of the Company that's around ₹15 crore?

**Nitin Sarda:** Basically, our fixed asset at this point of time comprises of our existing infrastructure that we have in mostly the IT infrastructure in terms of laptops and all.

**John Kumar:** Okay, does it include any fixed assets like property or anything buildings, lands, any kind of that or?

**Jayant Dwarkanath:** We have 6000 square feet of prime location property which is owned by us, which was purchased in 1999.

**John Kumar:** And it's all based on the market value of the assets, all those fixed assets?

**Jayant Dwarkanath:** We are not taking market value of the property; market value of the property would be much higher.

**John Kumar:** Okay so in reality the value of the fixed assets will be higher than what's actually done, which is the case with almost any company in India. The value on the books will be less than what the market value is. And would you be able to elaborate on the current assets as well? On the last financial year in 31<sup>st</sup> March, it said ₹16 crore.

**Nitin Sarda:** So, pretty much in terms of our current assets, we have a very healthy cash balance of about ₹40 crore which is sitting and that gives us required impetus to invest in our growing services, to invest in talent, and besides that we also have about ₹40 crore sitting in our receivables, 50% of which you know generally as a company we have broad-lined contracted agreements of 90 days credit period. So, our current assets remain healthy and that reflects the growing scalability of the Company.

**John Kumar:** And the accounts receivables seem to be higher than the previous year is there any specific reason for the increase in the account receivables?

**Nitin Sarda:** Yes, if you have seen, the top-line has also increased that's the primary reason as a consequence if you see most of our revenues are bundled in Q4 that is why my accounts receivable has also increased.

**Moderator:** Thank you. Our next question is from the line of Sumit Kothari, who is an investor. Please go ahead.

**Sumit Kothari:** So, in the last con-call you have spoken about it 30% kind of the top-line growth with the minimum margin of 35%. And in the current quarter our operating margins were little less than 20%. So, are saying that we will be doing a ₹120 crore kind of a top-line with the 40% - 42% kind of EBITDA for the current year, which is FY'24.

**Nitin Sarda:** Definitely our ambition is to clock 30% EBITDA and have a healthy growth of 20% - 25%, but I would not really comment, those are our ambitions, will definitely be able to outperform our historical numbers.

**Sumit Kothari:** No but in the last call we had given a guidance for the next three years we will go at a bare minimum 30% with a 35% kind of an EBITDA margin, if I recollect it. So, are we standing by that guidance which we had given?

**Nitin Sarada:** Yes, definitely that is our aspiration as well as an organization that's what we try to achieve. Realistically we have our targets and strategy aligned in that, but in terms of actuals, we believe we should be closer to our guidance.

**Sumit Kothari:** Okay, because in the current quarter the margins were a little less than 20%. And it was communicated that the guidance would show up from the Q1 numbers itself. So, I was a little curious to ask you about it.

**Nitin Sarada:** So, also to answer your questions basically it also depends on the mix of our revenue as we are foraying into other streams of revenue being transmission and also bundled services. So, we are taking up a lot of contracts wherein the receivables is almost immediate, but the margins in terms of percentage would not be as much, but in terms of growth it would contribute to 20% to 25% growth year-on-year.

At a consolidated level, you might not see that 30% or 25% that we are aspiring to, but in our quest to provide one-stop solution provider we do take up lot of ancillary solutions that would not really add up to 35%, 30%, 25% all this.

**Anisha Shastri:** But it improves our stickiness with our customers.

- Sumit Kothari:** So, the current cash on the books is close to ₹40 crore as you just spoke about. And out of the ₹54 crore of receivables which were there at the end of March, the current number stands at ₹40 crore, is that right?
- Nitin Sarda:** Yes.
- Sumit Kothari:** And the second thing is about the new Independent Directors which the Company have been recently appointing. So, my request is why can't we get someone from the industry like from the IT industry or from telecom industry which is where big contributing percentage to the total revenues. I know we got someone from the Air Force background, great but I think this company is actually thinking of revamping the Board, but it would be really great if you get someone from the industry, it could really help.
- CK Shastri:** Sure, Sumit we are having some very big names to our group to come on Board, on Advisory Board, because of their other obligations, we are talking to quite a few of them and if you have any good ones, we are open to talking to them.
- Anisha Shastri:** We also brought in Mr. Gopal, because he comes with a very strong finance background. And as we look to improve on both top and bottom-lines he provides very strategic inputs in terms of how we can achieve that.
- Sumit Kothari:** And my last question is regarding any fund raise we might plan to do, because the Company is looking to grow in many verticals and many geographies also. And we are still a little smaller company if you want to have a global footprint so are we looking at some kind of a fund raise in the immediate future?
- CK Shastri:** Sumit, if we find a good company to acquire and grow inorganically that's when we will be thinking about that. But other than that, at this point in time we don't have any such plans. If at all there is an opportunity especially we are looking at very small companies in the U.S where it's going to make sense for mutually stock and cash deal or something like that, we will have to work out. It's too early for us to comment on that. But those talks are definitely there at the back of our mind, because we need to break into U.S. and the only way we somehow feel fast track that is through acquiring a company in the U.S., a small company with niche clients.
- Sumit Kothari:** Okay, because I see that you have a lot of cash in our books and if we are able to receive the receivables that is ₹40 crore of cash plus ₹40 crore of receivables because we don't have too much of payables, it's still a significant cash that we might be having by the end of year. So, we have ₹70 crore to ₹80 crore of cash, if we receive the receivables. So, how do we plan to use the cash is what I wanted to know basically.
- Anil Vengayil:** Yes, absolutely we agree with you that's the whole from the inception of our company till now we never had this opportunity of investing and taking some risk to grow the company. We always were struggling to do that and this is the cushion which we have got to invest in growth.
- Moderator:** Thank you. Our next question is from the line of Mr. Ramakrishnan who is an investor. Please go ahead.
- Ramakrishnan:** I have a question with respect to "Project Butterfly". I understand that multiple investments were made during the last fiscal year and operating cost were a little high and all that. However, I still observe that the operating expenses are comparatively higher year-on-year compared to the last similar quarter and all that.



So, the operating expense are still slightly higher. So, will the trend continue to have higher operating expenses or how is it, I mean I just want to know on this?

**Anisha Shastri:** So, in terms of operating expenses see what we have done is as opposed to earlier where we only used to sell our products, now we have also started taking on a lot of large managed services opportunities with government and with private organizations also. So, that involves us to do everything end-to-end right from setting up their infrastructure to providing software, to operations and maintenance of that software, so sometimes when you see these spurts of operating expenses, it maybe to do with the fact that we would have started deploying or executing on a government project. That's the reason for the spurt in operating expenses.

**Nitin Sarda:** Also with respect to current quarter, if you see the jump of about ₹4 crore in operating expenses that is because like I had mentioned earlier we are providing bouquet of services and as a solution provider we also have to undertake certain hardware transactions to support our customers wherein the margins would not be as much as in case of services or software but the realization is almost immediate. And the increase, almost 80% of my current increase in operating expenses can be attributed to those transactions.

**Anisha Shastri:** And transmissions services.

**Moderator:** Thank you. Our next question is from the line of Mr. Ranjith Chandrashekar from Tarun and Vigi Limited. Please go ahead.

**R. Chandrasekar:** Thank you for the opportunity to interact with you all. From the last quarter itself we have the opportunity to interact with you people. My main question is from the previous concall, we have started investing on the international market mainly on end-to-end systems. I just want to mainly know like have you got any new clients from the international market?

**Anisha Shastri:** We are still continuing to pursue those markets, in fact, we also added a couple of additional sales hands in the Middle East and Africa regions. We are still working on it.

**CK Shastri:** We hope to add this year. From the pipeline it looks like we may add one or two new clients from the international markets. But it is definitely our aspiration as I said we have been definitely struggling to break into the United States. But with this new approach of tech-enabled services we see some traction. And what we are doing is that we are going on the partner model for the international markets to see because they already have relationship and engagement with some customers, giving us a compelling value proposition through that makes sense. We just are in the advance stage of signing up with a very big partner for the U.S.

**R. Chandrasekar:** Second question is on the recruitments, like in the previous meeting we have been investing in the senior executives on the sale side and other stuff, how we are going with the recruitments, are we still looking for recruiting new people in the next few quarters or like how recruitment is?

**CK Shastri:** Yes, absolutely our CFO Nitin is a new addition and we have been adding quite a few talents in the managed services, customer engagement folks and in the delivery and the sales and innovation.

**R. Chandrasekar:** And on the end-to-end systems which you are pitching in, you have started pitching in end-to-end systems now, are we like obviously when we are pitching as we seems

like started our revenues we would be seeing at some after a couple of quarters where in the first one or two quarters maybe we have to invest more on those stuffs. The ones which we have invested in the end-to-end systems in the past, have we started seeing any changes like the business or the clients have started showing their interest on us, what do you think, how it is going?

**Anisha Shastri:** In fact, the portion of what we did in Q1 this year also reflect some of those investments paying off. We are seeing very healthy traction with our existing customers as well and it's also opening up opportunities for our hunters to be able to sell more lines of services to other potential customers. So, we are definitely seeing the traction that we were hoping to.

**Anil Vengayil:** And here I am just to add to what Anisha was saying that ever since we kind of conceived and launched "Project Butterfly". So far we have very little reason to course correct. So, we are still following the actions of what was conceived and the results are encouraging.

**Moderator:** Thank you. Our next question is from the line of Milan Shah from Urmil Research Consultancies. Please go ahead.

**Milan Shah:** Congratulations on a great set of numbers, which is what promise you have made it in the last call. It is achieved. "Butterfly Project" which we have introduced, it is operational right now or it is going to operational after some quarters?

**Anisha Shastri:** No, it has been operational, we started introducing it around Q3 last year and now governance is healthy.

**Milan Shah:** Is there any ballpark number because we have spent it on "Butterfly Project"?

**Anisha Shastri:** So, basically, "Project Butterfly", is not just one number, it's basically a set of actions you know that we as a business need to be taking in order to healthily grow the top and bottom line. So, it's basically a combination of improving our product and service offerings, adding the right processes, adding the right talent, focusing on innovation, etc. So, it's basically our overall strategy for the organization.

**Milan Shah:** Congratulation for Nitin Sarda joining the Company. As per his previous profile our Company is in very good hands right now. And Nitin Sir has mentioned that we are going to acquire some small company in the USA, I think it is the right thing to do. So, how much time it is going to some to acquire the company, if any timeframe?

**CK Shastri:** No, we don't have any timeframe, we are open to seeing those opportunities come and it is getting the company at the right price and right match is what is there, if you have any good company, please do suggest.

**Milan Shah:** And our product is not going to bundle with any software banking company, so our marketing and efforts cost is going to be down, and we are showing the banking sector more in foreign countries.

**Nitin Sarda:** Currently we have almost all the large banks in India as our customers. And our ambition is to see that we bring in many international banks also as a global thing, we could achieve some in the Middle East. We have Mashreq Bank as our customer. We have First Gulf Bank as our customer. But it's a process and we are very keen to add more international logos to the BFSI.

**Moderator:** Thank you. Our next question is from the line of Mr. Vijay who is an investor. Please go ahead.

**Vijay:** My question is whether the management has initiated any steps or is there any plan to have a meeting with the institutional investors, considering there is no institutional investor as per the current shareholding partner.

**CK Shastri:** We are planning to have a road show soon, but we will let you know. The plans are there but the timing is yet to be there. There has been some interest and some people are talking to us.

**Vijay:** My next question is can we please know your employee strength?

**Anisha Shastri:** We are currently about 570.

**Vijay:** My last question is, what if the financial guidance for the forthcoming quarter compared to last year?

**Anisha Shastri:** Our endeavor will be to do better than the quarters that we had last year, that's what I can say.

**Moderator:** Thank you. Our next question is from the line of Ankur Gulati, who is an investor. Please go ahead.

**Ankur Gulati:** Can you just tell us the reasons for decline in revenue quarter-on-quarter, is there a seasonality impact?

**Anisha Shastri:** Beg your pardon, because there is no decline in revenue. If you are comparing our Q4 to Q1, typically as an organization our Q4 has been the heaviest of our four quarter. We are working towards balancing our quarters out, but even now as we speak typically Q4 is heavy for us.

**Ankur Gulati:** And is this because most billing happens in Q4 or new contracts come in Q4?

**Anisha Shastri:** Yes, so customer's budget tend to lapse so they tend to close orders in Q4, you know AMC revenue comes in Q4, annuity licenses come in Q4 so which is why our Q4 tends to be heavier.

**Ankur Gulati:** And taking a step back for your "Project Butterfly", can you give us, let's say what are the enablers or milestones, I mean is it geographical expansion, client expansion or what?

**Anisha Shastri:** So, the focus of Butterfly is there on client expansion, more than client expansion our focus is on revenue expansion. So, that may be from existing clients as well or it may be addition of new clients, both we are looking at. We are also looking at multiple revenue streams and so each revenue stream, we have certain internal targets that we have set for ourselves, and we keep tracking our progress on a weekly basis on how we are able to measure each of those service offerings. Those lines, like for example, data, cloud, managed services, our communications products, our transmission products, our local products etc.

**Ankur Gulati:** From this quarter or from last financial year is it possible to club them into two or three headings from our revenue/business perspective just to understand which component is giving you maximum revenue?

**Nitin Sarda:** Definitely what we are thinking as part of our annual reports we will definitely try to provide the breakup of our revenue segments.

**Ankur Gulati:** And I am pretty sure, annual report is nearing completion but if you can give us more some sort of enablers of Butterfly in your annual report that will help. The last point is if you guys say you have 70% market share in private sector banks, any progress with public sector banks or other retail NBFCs where they will use your communication tech pack?

**CK Shastri:** We are trying to penetrate into public sector banks, but you know the process is long, and once we identified RFB tenders and all of that, it is quite a long process, despite that we are chasing couple of them in that. And NBFC as a vertical we started developing. Being a mission critical thing, we do still have a problem of long selling cycle and definitely NBFCs are some of our targets.

**Ankur Gulati:** Last point, I think promoters did some warrants or preferential share sometime back, correct?

**CK Shastri:** Yes.

**Ankur Gulati:** What will be your shareholding post-conversion?

**CK Shastri:** 20.7%. Including the directors and promoters put together it is 27% - 28%.

**Ankur Gulati:** Including what sir, second part, what you said, including what?

**Anisha Shastri:** Directors and promoters and employees.

**Ankur Gulati:** And what are the use of proceeds for that fundraise?

**CK Shastri:** It was typically we wanted to increase our stakes, the biggest ground in the markets is that the promoter holding is less. So, the whole idea was to increase the thing.

**Jayant Dwarkanath:** It was more of an expression of confidence in the community to say that we are confident about our business and the promoter increasing their stake, it will be more of an expression of confidence.

**Ankur Gulati:** So, just building on that any thoughts on doing a buyback with the cash sitting with the company, because that will lead to the payment back?

**CK Shastri:** That plan is there but we would want to delay it after a year or so, like we would want to see invest in growth for now and then take the call on that.

**Moderator:** Thank you. Our last question for the question-and-answer session comes from the line of Mr. Pratik who is an investor. Please go ahead.

**Pratik:** So, a couple of questions, one in terms of government contracts can you give some color in terms of contract length that you are getting? And also on the BFSI side?

And the other question is on the "Project Butterfly", if you could put a ballpark number in terms of what amount you would be sending over the next three years? And what kind of savings are you expecting from those spending?

**CK Shastri:** Project Butterfly is more or less, we have a lot of IP assets, we have IP assets with data services, we have IP assets in communications. So, we have conceived this whole idea of doing, converting them instead of sending them as licenses, just converting them into data services so that the selling cycles are shortened and we broaden our wallet share from a single customer, that was the strategy and the increments increase in the manpower, this year it is not going to be much more than what it is today. Maybe about 10% or so there could be an increase, but it will justify the growth what we have seen from that.

Typically government contracts are five to six years which they come up with. And post that they either renew it or retender the thing. So, that's how these contracts are at the moment. Sometimes we also get these contracts through outsourced partners like system integrators and partners wherein they typically do two years renewals and things like that.

**Pratik:** And just a follow-up, do you have a step-up in the contract length or is the price fixed for all the things.

**CK Shastri:** There is normally a fixed thing. Step-up is a volume thing because what happens is typical with one contract we have transaction-based pricing where the volume goes up we get upside. Whereas other contracts are it's either how we price the thing and how that the government comes up with the pricing models.

**Pratik:** And one last question are there any payment delays that you are facing from the government?

**CK Shastri:** There are not many but we, anyway, factor in the about 90 to 150 days in our costing itself.

**Moderator:** Thank you. Ladies and gentlemen that was the last question. I now hand the conference over to the management for closing comments.

**CK Shastri:** Thank you very much for taking time to participate in this thing and your feedback and your suggestions are always valued, and it will help us implement and grow this. Thank you very much and we look forward to having these calls, irrespective of the performance to have the call going forward every quarter.

**Moderator:** Thank you. On behalf of Intense Technologies Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.

---

This is a transcription and may contain transcription errors. The transcript has been edited for clarity. The Company takes no responsibility for such errors, although an effort has been made to ensure a high level of accuracy.