Date: 25-11-2024

The Manager
The National Stock Exchange of India Ltd.,
Listing Department,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051.

SUBJECT: COMPLIANCE UNDER REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 – INVESTOR CONFERENCE CALL – H1 FY 2024-25 – TRANSCRIPT

REF: SAHANA SYSTEM LIMITED (TRADING SYMBOL – SAHANA)

Respected Sir/Ma'am,

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to update that the Transcript of the Investor Conference Call – H1 FY25 held on Monday, November 18, 2024 at 03:00 PM. (IST).

You are requested to take the note of the same.

Thanking You.
Yours Faithfully,

FOR, SAHANA SYSTEM LIMITED

PRATIK RAMJIBHAI KAKADIA
MANAGING DIRECTOR
DIN: 07282179
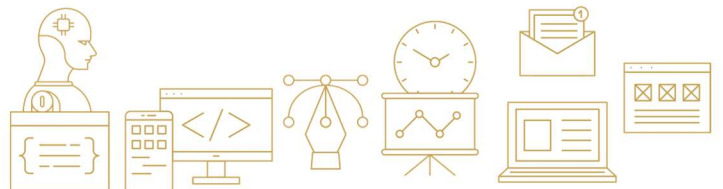
"Sahana System Limited

H1 FY25 Results Conference Call"

November 18, 2024

MANAGEMENT:	MR. PRATIK KAKADIA – MANAGING DIRECTOR – SAHANA SYSTEM LIMITED
	MR. DHAVAL JOSHI – CEO(TECHNOLOGY) – SAHANA SYSTEM LIMITED
MODERATOR:	MS. VAISHNAVI AMBOKAR – KIRIN ADVISORS

Moderator:	Ladies and gentlemen, good day and welcome to Sahana System Limited. H1 FY25 Results Conference Call hosted by Kirin Advisors. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes.
	Should you need any assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Vaishnavi Ambokar from Kirin Advisors. Thank you and over to you, ma'am.
Vaishnavi Ambokar:	Thank you. On behalf of Kirin Advisors, I welcome you all to Sahana System Limited. H1 FY25 Conference Call. For management team, we have Mr. Pratik Kakadia, Managing Director, Mr. Dhaval Joshi, CEO. And with that, I now hand over the call to Mr. Dhaval Joshi. Over to you, sir.
Dhaval Joshi:	Good afternoon, everyone. And I'd like to welcome you all to discuss the half-yearly result and our future opportunities which we are taking care of. So I, on behalf of Sahana System, welcome you all.
	Let me quickly start with the brief introduction of the company. That will give you more emphasis on what we are and where you have been associated so far. So as a Sahana System Limited, we call ourselves in terms of our DNA as a deep tech service company. So being a deep tech service company, we are good at AI, ML, IoT, BI, blockchain sort of service business. And we have ventured into multiple functional lines or multiple industries, starting from defence tech, fintech, health tech, edutech and master system integration as our core. So if we look at our majority of the expert area, we are more inclined towards the defence tech side of the ecosystems.
	When I'm talking about our expertise into defence tech, we are more towards the electronic warfare, information warfare and digital product engineering for the deep tech services of defence. If you had observed our last year's couple of achievable, the milestone which we are proud of last year's Army Day Parade, which got, evaluated by AI system and that happened for the first time. We were the delivery partner for Indian Army for the same, which got appreciated by General Manoj Pandey, who used to be the Army Chief at that period of time.
	Apart from that, we have our own make in India anti drone systems, our own radar systems, and many more systems, which are I mean, in terms of, deliberation, those are confidential aspects, but mission critical things for the Indian defence to safeguard our country. So we are the service provider as well as the product enabler for the defence in terms of EW, IW and defence tech services. Our second expertise is lying around the fintech ecosystem.
	So when I'm referring to fintech ecosystem, we are good at the end user computation of a large scale bank, I mean, couple of reputed banks in US are our customers since long and we are managing their entire country's end user computation. Apart from that, we carry the capability

to implement the entire NPCI stack, which includes the UPI implementation, which includes the multiple switches implementation. In current ecosystem, ONDC is picking up, we have created our homegrown ONDC switch, which will be enabling the financial institutions to be on ONDC on a quick plug and play manner.

Plus, we are also in talk with a couple of countries today, where we are planning to implement our interoperable UPI within that country, so the Indian technology can be leveraged on those countries. So that's our overall expertise, which comes across in the fintech ecosystem. I mean, when we are talking about these two domains, these two domains in itself, where we are having the pipeline of large scale projects in upcoming future, where I mean, if, let's say, I'm currently managing more than 10 such opportunities.

And if we click one such opportunity out of one of the neighboring country, which I'm referring to, that will make our overall pact, which is equivalent to our last year's revenue. So that sort of scale, we are moving towards. Apart from that, we are currently into the edutech ecosystem as well.

So in edutech ecosystem, we have conquered a couple of product partnership with multiple, back end OEMs, and we are planning to implement it as a new initiative in government of Indian ecosystem with the help of METI, I'm talking about Ministry of IT, and a couple of model schools within army public schools, as well as Pilibid area. So these sort of projects we are initiating, which are which will be the benchmark for the transformation of the education ecosystem within the country. Apart from that, if I talk about our next expertise, we are good at healthcare as well.

So I would like to probably explain you one smaller project here, which we have been doing since 2016 into US ecosystem. I mean, if you are aware, in US, if you are purchasing a smaller medication from pharmaceutical store, or if you will go for a treatment in hospital, all your health related transactions gets associated with your national ID.

And there is something called health KPIs generated subject to those health KPIs your benefit provider, or if I talk in our Indian language, your insurance provider will entitle you for the specific amount of insurance, be it a government provider, I mean, if you are entitled to 401k plan, be it your employer or be it a private benefit provider, I mean, they will be able to give you the entitlement subject to your this KPI. So as we are speaking, we are processing more than 5 lakh transaction, sorry, more than 5 million transaction of US citizens health data per minute. So that level of capability in terms of big data and BI we are carrying, I mean, as we are speaking, and the health exchanges in US, believes in our product.

In this particular ecosystem, our indirect customer is health catalyst, which is amongst top 10 health tech provider in the world. In parallel to such solutions, we are also delivering the HMIS solutions, we are also having the capability to, digitizing EHR, EMR. So that level of capability we are carrying into healthcare ecosystem. Plus, we have encapsulated our capabilities into AI domain very well.

We possess a no code AI platform into computer vision industry. So which has been serving multiple use cases across several industries, where we have very good reputed customers in our bucket list, which you must be able to see on our website and on our brochures, which has been shared across with the investors. So if we talk about, I mean, our deep tech service capabilities, I've already explained you the BI, I'd like to take a moment to shout out at one of our customer from IoT side of it as well, which is third largest smart home company into US ecosystem into the particular domain they are working in.

They have delivered more than 6 million smart home across US. And we have deployed the application layer and firmware has been designed back there in our office. And we are the delivery partner from for them since 2019.

So we are delivering such customers who are in itself benchmarking in they are only, manufacturing their hardwares and sensors there. So I mean, rest of the I would be saying it that way the body is there, but the heart and mind has been delivered by Sahana systems for them. Okay, so, so when I'm talking about such capabilities, so large scale of customers into enterprise as well as into government, both are believing in us and, selecting us as the delivery partners.

And when it comes towards, the critical implementation, even our solutions are military grade. So even the defence ecosystem is believing in us and we are penetrating ourself into large scale projects with defence as well. So this has been our particular expertise in terms of the service ecosystem, which we have been following.

When we talk about our particular expertise into the smart infra sort of ecosystem, I mean, if we look at the history of the government's parallelism in terms of smart cities and smart infra, it used to be the basic implementation of ICCC, the basic implementation of surveillance and traffic monitoring system. But now when we talk about the current era, the AI is picking up. And that's where we comes into picture and we are the enabler of AI as well as the different solutions for such already implemented systems, how they can be enhanced up to the level of adoption of AI.

In parallel to that, we are also working with multiple government agencies to bring them with the latest solution. I can give a couple of examples. Recently, we have came up with multiple problem statements from Ministry of Petroleum, where they have, just in time, safety solutions, which is the need of our, I mean, if you will look at the news in recent past, there are several incidents which happened where, at multiple locations, there are multiple deaths which occur, there are multiple accidents which occurs.

So, to avoid such thing, I mean, we have come up with a solution which we have demonstrated to the ministry and now they are planning to procure it on larger scale. In same fashion, we have been working with couple of ministries like Ministry of Port, I mean, at level of the ports, we have demonstrated our couple of solutions and we are planning to execute the same on large scale. When we are talking about these sites, the projects of these sort of industries and the scale of these projects are, I mean, in two or three digits of million, I mean, if we talk about a single project size and government as well as the institutions with whom we are talking, they are interested in working with us because of our expertise into such areas.

Now, the question arises, how and why Sahana? So, basically, we are having the specialized team which are leading all these segments. I mean, if we talk about our FinTech segment, the advisory board of the FinTech segment as well as the person who leads the FinTech segment is someone who had been the CTO of one of the reputed bank into the international market.

Parallelly, when we talk about our defence tech, so when we talk about our defence tech ecosystem, it has been led by someone who had been into the defence ecosystem for a longer period and at the higher rank level from the technology side is leading the entire ecosystem of defence tech business.

In parallel to the same, when we talk about the AI and deep tech ecosystem, we have the people who are on our board are amongst, I mean, if you search their name on the Google Scholar, they are coming as world's top 2% scientists amongst the specific subject area which we are working upon. So, with that level of skill sets, we are moving across with the advanced technology implementation and service side of it.

And out of these services, we are coming up with the unique solutions which will be helpful for the ecosystem of government, defence and financial institutions. And those things can be resell, I mean, those things in terms of solution as well as in terms of semi products can be resell to the government in terms of, providing the services. One particular recent example which I would like to give into the defence ecosystem, we have created a firing range solution.

So, which will be a very crucial solution for the defence ecosystem while they are practising the firing. And this will, utilising the technology and AI, our soldier will be, pre-empted or avoided from the unnecessary injury which might occur to them due to, I mean, wrong practice of holding the gun or wrong pre-practice of, executing the firing into the firing ranges. So, many such solutions are being developed and being deployed across multiple industries as I have discussed.

And that has been, our core strength in terms of delivery when it comes with respect to overall capacity of Sahana System Limited. Now, if we look at the overall history of ours, Sahana System Limited incepted in 2012 and worked towards the latest technology trends and eventually grown and made their path where we are today. Okay.

So, in our ecosystem with the vision of Mr. Pratik Kakadia, who is the Managing Director of the company, he has always, pushed the team towards the excellence of, getting every latest technology and trend for the benefit of our company, our country. So, what we have done is we have so far served the customers into multiple ecosystem like United States, Middle East, and then in parallel to that the same trend we had tried replicating within our ecosystem of our government and enterprise customers. So, that has been the journey of Sahana so far and which had led us towards the success of where we are.

And we have also paved the milestone of our future where we are looking at the bright future of the company and the overall roadmap of the technology for the betterment of the future. So, that is what I wanted to brief when it comes towards the history of Sahana System Limited as well as what we are so far in terms of the basic results. If we talk about, if you will look at our current half year result, standalone Sahana System is standing in terms of revenue at INR42.40 crores,

which was, I mean, a very good hike in terms of our last year's full, last year's standalone full year financial, it was INR53.67 crores.

And if we look at the consolidated, last year's full consolidated revenue was INR69 crores. Well, we are standing at INR52 crores, INR52.6 crores in terms of consolidated revenue, half yearly this year. If we look at the profit after tax of the company, the PAT, which was last year nine point, sorry, INR15.3 crores standalone, which is currently INR9.8 crores in half year result. And if we look at last year's consolidated, it was INR18.21 crores. And currently, we are standing consolidated INR14.15 crores. So, this tremendous jump was the collective effort of everyone starting from the management to each and every contributor of the company and the well wishes of the investors who had believed in us.

So, that has been the journey so far and there is a successful roadmap, which we have already paved so far during this half year and you will be seeing real good results of the fruits which we have already started ripening out of the efforts which we had put so far. So, this was something which I wanted to discuss and explain so far to all the attendees who are there into the particular call. I would like to take the opportunity if any specific things to be discussed around any particular aspects, I would like to open up the discussion for the same.

Moderator:	Thank you very much. We have a question from Rakshit Shetty, an individual investor. Please go ahead.
Rakshit Shetty:	What would be the revenue and PAT guidance for this FY25 and FY26? And also, can you brief on the Sahana's business vertical? What is your vision? What are your plans ahead? Clients we cater to, our product specialization, orders in hand, orders in pipeline, who are our competitors? What are the major challenges we face?
Dhaval Joshi:	Sure, sir. In terms of results, sir, I have already given you the indication of half-yearly results. For full-year results projection, I think the finance team would be the right person to answer you on the same. So, I would request you to give a detailed email request for the same where you will be getting our basic projections, which are available for the public domain that will be shared by our finance team to you, sir. In terms of our vision with respect to Sahana Defence, sir, so if we, as I have previously explained, Sahana Defence is majorly into three segments so far, which is EW, IW, and also inside of it, and where we are working as the digital product engineering company for the same.

When I am talking about the EW segment, so all these three segments are having different types of competitors. I would refrain naming the same, but if I give you the idea of the business, I think you yourself will be able to compare ourselves with the bigger players who are there in the market. I would like to take an opportunity to give one more example with respect to what we are doing into defence that will give you more sense that what capabilities we are carrying and with whom you can compare us.

So, in EW, we have our own make in India radar and anti-drone systems. So, those are, I mean, 100% make in India and very few players in India are having the 100% make in India product because currently people are bringing the hardware from outside, bringing the technology from

outside and assembling it here and selling it across where we have our own make in India product. Now, how we are different from others into this particular ecosystem?

I would like to take one example for, I will not give the exact name of the customer, but somewhere in Northern Command of Indian Army, there were L70 guns, which were deployed. I mean, if we talk about the price of this particular gun, these are used to secure the airspace of the particular regiment which has been deployed there. Now, if we in current ecosystem, if that gun needs to be upgraded or replaced to take care of the drones as well, because previously those guns were made for taking care of the aircrafts and any vehicles which is coming from air to shoot them down.

But looking at the size and speed of drones, we are not capable enough to take the aim to drone and get them down. And if defence ecosystem in India would like to upgrade the same gun, each gun will be costing in two digits of crores. So, what we did is, I mean, the same problem statement was given to larger PSUs like Bell and couple of other giants into the ecosystem. But the best solution anyone else can provide to that particular gun was a large scale. I mean, the gun size is also of a 10 by 10 square room. I mean, when we are talking about one such gun.

So, the solution which was given by others was a large generator of similar size and a bigger radar system which was kept aside of INR9 crores rupees to take care of the gun. While we have created a solution which is custom made and deployed, which can be mounted on the gun. And it is, I mean, two by two feet and can be operated using the same power of the gun which was already mounted.

And the cost of the entire ecosystem was one tenth of what others has provided. So, that is where, I mean, here we are talking about 1,100 such guns which are available with the Indian Army. If we upgrade that many number of guns and we have already done the POC, we have already, got the appreciation from others because, I mean, Bell, a PSU like Bell and other companies could not reach at the instinct of the solution where we have delivered it.

So, that level of confidence we are carrying. So, I mean, I had given couple of names which I could. So, you can understand the compare, I mean, the comparison of our particular product size when it comes towards the EW side of it.

Parallelly, we are in talk with couple of neighbouring countries where we are planning to secure their king's palace with our anti-drone and radar systems. So, if, I mean, when we are talking about a country where a king is managing the country and if the critical location like that can be secured by our system, then the trust on our system is there more than, I mean, any other competitors which are there within the market.

So, that is another, comparison which I wanted to show or I wanted to discuss where you can understand that, I mean, how better we are in front compared to our other competitors, be it on the cost side, be it on the customization side and be it on the technology side.

Next, coming towards the future aspect of our ecosystem. See, we are creating the products which are not readily available in the market. We are, I mean, conceptualizing it from the

problem statements which are there with anyone, be it from the defence ecosystem, be it from any other ecosystem which I have discussed.

So, obviously, we will be having the first mover advantage, competitive age and the solution which we are providing is the need of hour for them. So, that is where, obviously, the future is, I mean, as per our experience so far, whatever we have envisioned, we have achieved and the future which we are envisioning is so bright and we are confident to achieve it, sir. I hope I have answered your questions.

Rakshit Shetty: Yes, sir. Fair enough. But, sir, these days, everyone are entering into anti-drone like Zen Technologies is there and various other players. But what sets apart Sahana systems from other players, sir? Like, what is the mode and technical edge we have over others?

Dhaval Joshi: So, that is what I am saying, sir. When the names which you have taken, majority of them are procuring the equipments either from Israel, either from Russia or from Slovakian subcontinent and assembling it here.

When we are talking about ourselves, apart from chip, rest everything we are creating on our own and assembling it on our research center and customizing it subject to the need of the customer. When we are talking about the other players, the other players will not be able to customize the product based on the requirement of what exactly the need of the ecosystem. I mean, if you will talk about any company, I mean, I can, you name any company into the ecosystem of anti-drone system.

In India, anti-drone system has three or four sub types. I mean, one is handheld gun, another is man packed version, another one is portable and third one is a fixed mounted. Now, if you will ask them, can you change the particular layout of the entire thing, which can be mounted on X, Y, Z, another thing, which is not a traditional one.

They will not be able to do and if they will be able to do, they will take a lot of time. We being the sole proprietor and owner of the particular product, we will be able to do it within the fraction of time and that we have done historically. When it comes towards the anti-drone side of it, that is our USP.

When we talk about the other system, I mean, if you will look at the companies which are into anti-drone ecosystem, they are more electronic company and if you look at the warfare, the way the warfare and the systems are going, it is more software driven, more technology driven. We are a core technology company. So, managing the best efficiency of the hardware and the ecosystem is our expertise and that is where we are having the edge apart from the other players which are there into the market.

Rakshit Shetty: Maam last question.

Moderator: I would request you to rejoin the queue as we have more participants.

Dhaval Joshi: Yes, sir.

Moderator: We have a question from Nishant Gupta from Minerva Global Capital. Please go ahead.

Nishant Gupta: So, thank you for the opportunity. Two questions. One is that in the start of the presentation, you mentioned that you are into defence, you are into health, you are into deep tech. So, just to get a sense, are these technologies fungible that you are having so many business segments or what is the strategy around paying so many different verticals and why not focusing on maybe two, three, four verticals and then taking the course over there?

Dhaval Joshi: So, I mean, to answer your particular question, if you look at any service company's DNA, I mean, I have started with we are a deep tech service company. So, when we talk about the service company, the service company's DNA lies around multiple ecosystems of the industries. If you will talk about one company which is into pure into ERP ecosystem, if ERP is their own, then yes, obviously, being a product company, they will more focused on an industry.

But being a service company, if you will look at any bigger player, let us start taking the example, I mean, I am not exaggerating, but giving you one smaller example to give you the fair understanding. If you will talk about the TCS. So, TCS is entering into all the segments when it comes towards the service and consulting aspect of it.

So, our overall vision when it comes towards becoming bigger into the service and consulting ecosystem, we are penetrating in all these segments. I mean, again, those are the rationalized segments where we have the expertise being carried out. And if you will look at each individual unit, this particular individual unit act as its own, I mean, under the umbrella of the company, it is having its own P&L unit, it is having its own leadership team, it is having its own DNA of running on its own.

So, that is how we are operating this service ecosystem. Obviously, our major focus currently is towards Defence Tech and FinTech. These are the two major segments. The rest of the segments are there. In terms of those segments, we are providing the services as the customers are there with us on, since a longer period of time. But yes, our major focus is towards Defence and FinTech ecosystems.

Nishant Gupta: Okay, sir. So, final question, sir. How big market are you targeting in the Defence Tech particularly for what you are doing? And is there any order book on the Defence side, which you have currently? Is it an order book kind of a presentation?

Dhaval Joshi: To answer your question, sir, I mean, when we are talking about the Defence ecosystem, we are already targeting large scale of, tenders within the Defence ecosystem. We have already applied for, I would say applied, rather applied, we have already, at the final stage of or verge of getting a couple of orders, which will be in large scale of numbers. If we talk about our current order book, we have already delivered when it comes towards, I'll start one by one, when it comes towards the software and AI and deep tech side of it, as I've already mentioned, we had delivered last year Army Day Parade where marking contingent was evaluated by AI.

So, that was our delivery. Apart from that, in 26 Pera, we have already delivered our anti-drone system. Gujarat Police is someone which is our current customer where we are already delivering something which is from our ecosystem of EW side.

And there are a couple of more orders, which are there in pipeline where we have already won and we are about to get the alloys. Okay. When we talk about the fintech side of it, obviously, we are already delivering a larger order alongside our partners in terms of, digitizing agriculture credit societies across two states in India.

Okay. So, that is our fintech order and it is, I mean, collectively when we talk about it, the overall project size is in three digits of crores. So, these are the current orders which are already being executed.

There are now the future of the fintech side of it, as I've already spoken at the beginning, we are already having the plan to, implement UPI in a couple of neighboring countries. So, that would be a bigger scenario in upcoming things, which you will be seeing. I hope I've answered your queries.

Nishant Gupta:	Sir, I was just keen about the quantitative side of it. I heard about the qualitative aspect, I was just keen to know the numbers point of view, like what is the order data, if you can quantify the numbers?
Dhaval Joshi:	Sir, in terms of number, as I've previously said to the last gentleman, the financial projection, which we will be able to share across to the investor, I mean, you can send across the queries to our finance team, they'll be able to answer it well to you.
Nishant Gupta:	Sure, sir. Thank you. Thank you, sir.
Moderator:	Thank you very much. We have a question from Sanket Thakkar from Vibrant Global Capital. Please go ahead. Sanket sir, your line is unmuted. Please go ahead. Mr. Thakkar, you can proceed with your question. Please go ahead.
Sanket Thakkar:	Yes, thank you for the opportunity. So, just wanted to check that, like over the period of the technology and the defence tech, the aspects which we are highlighting. So, just wanted to check on the team size, like incrementally, because I could not, in public domain, but in terms of like our technical strength and resource, if you can highlight that, how we are able to achieve this technology and any particular, like from our competitor or anyone have we roped in in the recent past?
Dhaval Joshi:	So, let me explain you the overall strength of the company, okay. When we talk about, I mean, if you will look at the public domain information, you will be able to see the full-time employees which are there directly in the parent company, but there are multiple subsidiaries which are also there into the ecosystem, okay. So, if we look at the group as a whole, in terms of tech side of it, we are having more than 450-ish people working with us.
	Apart from that, on the research side of it, there are 100 other people which are working with us, okay. And if we look at the delivery side of it, I mean, I had explained about one of the project with, for, the implementation of agriculture credit societies, right. So, there, how we are operating is, I mean, it is a pure service project which will be, I mean, after first implementation, it will be more rollout.

So, where we bring in the resources from partner or third parties, and we have such 1,000 plus resources working across for such scale of implementation, okay. So, that is the overall strength which we are carrying. Apart from that, I mean, apart from this 1,500 or 1,600 people across the group, I mean, be it full-time employees or be it from the vendor side of it, we have, the advisory boards and advisory people in terms of subject matter expertise, who are, the well-known face across the industries, and they are advising us in terms of, taking such technologies or such roadmaps ahead.

I had given the example of a couple of scientists who are amongst world's top two percent scientists on Google Scholar. I had also given you a couple of examples from the defence ecosystem rank level of lieutenant general or major general person who might have came out of the signal division of the ecosystem of army, had joined us on their advisory board.

So, that sort of things provides us a lot of insights and roadmap how we should move ahead towards such activities, and that is how we are scaling it up. I hope I have made it clear to your concern.

Sanket Thakkar:	Yes, sir. And sir, second question in terms of the approval, right? So, whatever this defence tech products and which we are, like, highlighting and we are anticipating, a profit which will be equivalent to a turnover. So, for all that, required approvals are in place, sir? These are under development stage?
Dhaval Joshi:	No, no, sir. If I talk about any of the product which comes towards the defence or our government side of the business, generally, we are not working in the traditional business which all other vendors are working. Whatever services or products we are, showcasing to them, we first do the demonstration POC to them, we get the necessary approval towards it, and then the requirement of procurement comes into picture.

So, I mean, before the hand, we have the necessity of approvals. I mean, if you look at a public domain news of even last month's visit of our Honorable Prime Minister in Gujarat, the entire rally got secured by the system which was provided by us to the security agency. I mean, if you will look at the news, okay.

So, if the Prime Minister of the country is believing on the product, and I mean, you must understand, I mean, what level of certification and what level of things we must be carrying, then only we should be getting that opportunity, right? So, obviously, yes, I mean, without that, it's such critical infrastructure or such critical area, you can't even enter your any such product. So, obviously, yes, we are carrying the necessary products approval and, the required things across. |
| Sanket Thakkar: | Understood. And so, last question, you mentioned some overseas order is under discussion. So, that is for which products are I mean, it's defence or any other segment? |
| Dhaval Joshi: | We have both. I mean, for a couple of countries, we are into defence ecosystem. And second, bigger thing which we are discussing is towards UPI or fintech ecosystem. So, these are the two major things which we are discussing on larger scale to couple of countries. In parallel to that |

from our US domain business, we are also planning to have some bigger orders in upcoming pipeline.

Sanket Thakkar: Understood. Okay. Thank you, sir.

Moderator: Thank you very much. We have a question from Sambhav from Sahana Systems. Please go ahead.

Sambhav: Hello, congratulations for great numbers. So, what percentage of our revenue comes from government projects?

Dhaval Joshi: So, basically, I mean, so far our DNA last again, overall, if we if you would like to get into the detail or depth of it, the finance team would be the right person. But again, I'm giving you the brief idea which might be plus or minus 5%-10%. So, 65% of our revenue comes from, I would say government defence or government aided ecosystem. When I'm talking about government there are multiple PSUs or even the larger private organization with whom we are working for a couple of large projects. So, we are getting some revenue from them.

Okay. And rest of 35% revenue comes from enterprise and the private ecosystem from majority from domestic and international market.

Sambhav: So, we have acquired some percentage taken machine solutions. So, do we want to acquire the full company in future?

Dhaval Joshi: So, the current plan or roadmap is more towards the benefit in terms of the technology complement, which we are doing to each other for the recent and couple of upcoming projects. Eventually looking at the future roadmap of the company, the board may plan something, but still there is no any comprehensive decision around it. But yes, the initial equity which we have procured was subject to the complement of the technologies which both the companies were carrying for the couple of current as well as future implementations which we are having on the roadmap.

Sambhav: Okay. So, do we want to acquire Infitron systems also or defence manufacturers?

Dhaval Joshi: So, Infitron ecosystem is again complementing. So, we have in one of our product line. So, we have, I mean, a substantial thing which we have already made in our plan. You will be able to see the proper future news around that. I mean, I feel this is not the right platform currently to discuss around it.

Sambhav: Okay, sir. Thank you, sir. I am very confident that next five years, Sahana will be a multi-billion dollar enterprise. Thank you.

Dhaval Joshi: Thank you, sir.

Moderator: Thank you very much. We have a question from Dinesh Shah, an individual investor. Please go ahead.

Dinesh Shah: Thank you for the opportunity. What is our spend on R&D on last year and this year?

Dhaval Joshi: So, in terms of our R&D spend, how we are emphasizing on it, sir, when it comes towards the defence side of it, how we have structured our R&D is, we are co-working with a couple of IITs. We are co-working with a couple of researchers, as I mentioned, who are on our advisory board. Now, we as a company invest on resources, which are already there with us.

I mean, how we are segregating our R&D cost is, it is majorly our resource cost and majorly our, I mean, service cost, which comes into picture. And then once the product gets finalized, we are going towards the mass delivery of it. In terms of numbers, sir, the exact numbers can be carved out by the finance team. You can send this particular query to the finance team, sir.

Dinesh Shah: Okay. So, sir, what was our team size last year and what is our team size as on today?

Dhaval Joshi: I have already, I think, answered this particular question to the last particular person. So, if we look at the resources from vendors as well as subcontractors, we are more than 1,500 people. If we look at the core team or tech team of the company, we are more than 450 people.

And if we consider all the subsidiaries, we reach up to 650, sir. If we look at the strength of last year, sir, last year's strength, I mean, of the core team was around 250-270, which we rose this year. I mean, as we are seeing the potential growth in the company.

Again, the intact or I would say the resources from the companies which are the partner company and from whom we are taking the resources for the implementation and rollout sort of project, which I have given the example of Gujarat recently and Karnataka recently. So, that is where the strength remained the same. So, it is the overall strength, sir.

Dinesh Shah: Okay. Sir, can you please elaborate on your result? What is the segment-wise revenue breakup and what is the unexecuted order book of the company as on today?

Dhaval Joshi: Sir, I would rather ask, I mean, you can raise the same query to finance, they will be able to give you the overall detail because the basic result which I should be sharing in public domain that I have already expressed, sir.

Dinesh Shah: Okay. Thank you.

Moderator: Thank you. Next question we have is from the line of Vinay Bafina from Original Sins of Private Limited. Please go ahead.

Vinay Bafina: Good evening, sir. So, what are the biggest opportunities and threats the company is facing right now and how are we addressing them?

Dhaval Joshi: Sir, in terms of opportunity, if you, I mean, recall the budget, I mean, as I have said at the beginning of the discussion as well as in the answer of multiple questions, our major focus is lying towards defence tech, fintech, and then master system integration, okay, all of them into the deep tech side of it.

Now, if you look at the budget and their subsection last year, last year's budget was having a new section called defence deep tech, and one lakh crores has been allocated by our, honorable

ministries for the defence upbringment using the deep tech. We being a deep tech service company since long, we are seeing a large market and large opportunities back there.

Parallelly, if we talk about the fintech side of our business, I mean, today, if we talk about, I mean, only UPI, UPI's last month's transaction was more than the GDP of many countries across the globe, okay. And now looking at the capability of Indian fintech ecosystem, any country in the world is, willing to buy such technology to upbring their financial ecosystem.

So, and apart from that, I mean, if we look at the consumer base within the India and adoption of digital economy in India, people are, even a small person if you will check, they will be utilizing the money transfer wallet or any other ecosystem which will be useful for, in terms of digital medium.

So, that is also a bigger, I would say a trillion dollar industry in itself. And the solutions which we have carved out around it, that are also fantastic and we are confident enough to grab, bigger market around it. And when it comes towards the deep tech service and master system integration, I mean, it is India's, I would say, decade.

So, the digitization in India is going to be a super, I would say, speedy race and we would definitely be getting a large pie of it. So, that's what in terms of our market share which we are envisioning, sir. And that's, I think that was your question and that's where we are moving towards, sir.

Vinay Bafina:	Thank you, sir. One last question. How the company is leveraging technology to enhance operations and drive growth?
Dhaval Joshi:	In terms of, sir, if when you are talking to a specific, company which has been a technology company, obviously, we ourselves must be utilizing the company's technology as well as a couple of product lines to streamline our own operations as well as the best utility of output which we can get out of it. If you look at the leadership level, I mean, let me start from myself only. I am the person who is, I mean, even as we are speaking, doing a PhD into RL.

Today, we are talking about AI, ML, DL. And we are currently building a product into reinforcement learning which will be a future upcoming thing. Okay. Apart from that, when we are talking about AI, people started talking about AI today. We have built our no-code platform into computer vision industry in AI four years back. Okay.

So, that is being leveraged all across in terms of our market competitiveness. I mean, if you will go and ask a company in AI that you will have to build an algorithm, it will be a longer duration aspect for them while in terms of delivery and performance aspect, we can deliver it in faster way and better executional manner. In terms of our internal operation, obviously, we are utilizing, I mean, one-stop solution in terms of ERP, CRM, and all other aspects to streamline and, get the better business process re-engineering aspect for the betterment of our business strategy as well.

So, I think, I mean, from both angles, obviously, being a technology-agnosed company, we are, equipped with all the necessity arrangements for the same.

Vinay Bafina:	Oh, Yes. Thank you, sir. Best wishes for the future.
Dhaval Joshi:	Thank you, sir.
Moderator:	Thank you. We have a question from Giri, an individual investor. Please go ahead.
Giri:	Sir, good afternoon. Yes. So, time to time, we keep seeing this notification that Sahana system is empanelled with CDAC and NICS, right, for multiple technology verticals. So, I have a very basic question, sir. Okay. What is the advantage of this empanelment? Is there any entry barrier which is stopping other companies to get empanelled here?
	Or how does this work? Do we need to demonstrate any of our capability verticals to be empanelled here, if you could throw more light? And I also want to understand, actually, what kind of a development work or support work we can expect since we are empanelled with these large bodies?
	What is the opportunity size here? If you could throw some light, right, around this side, so, it will be helpful for us.
Dhaval Joshi:	So, basically, I mean, when we are talking about, be it NIC, be it CDAC, be it RailTel, all these empanelments are the, I mean, strategic empanelments which has been made with all these agencies. If we look at, I mean, I will give you a very simple example. If you look at any government portal, any government website, they will be .nic.in or .government.nic.in, right?
	So, majority of the government portals and initiatives, which are being internally managed by government themselves or Ministry of IT themselves are being executed by NIC. Now, NIC themselves are also not equipped with all the technology which are, I mean, in the latest trend and the best in class. So, they empanel the vendors which are equipped with such technologies.
	So, answer to your first question, I mean, if we look at the spending of NIC, that would be in four digits of crores every year behind the technological upbringing of the country and countries, different ministries. So, now they have very limited list of empanelled vendors who are specialised in the new technologies which they are aiming for their, upcoming years. And that is where, I mean, they come up with the EUI with respect to, the empanelment of multiple agencies.
	I can give you one recent example. In recent example, they wanted to empanel couple of agencies for 50, sorry, 24 categories, I mean, be it AI, be it IoT, they have came up with the EUI for 24 categories. Sahana System Limited got empanelled for 23 out of 24 categories.
	And there were more than 200 plus companies participated out of which I think only in two digits the companies got empanelled. So, the complexity here, the level of, because when we are talking about managing the critical infrastructure of government, it is also crucially activity and in the interest of national security. So, they do, I mean, a lot of, process in terms of selecting and rejecting the companies there.

And we are proud of, getting empanelled in such, one such particular organisation like NIC, similarly like CDAC. And all these empanelments are, I mean, I have given the tentative number of three digits of crores from NIC in itself. So, that is in itself a different market segment for me in terms of getting the service business out of NIC.

Parallelly, when it comes towards the CDAC, it is more research oriented organisation for the, products which government would like to come up with or come out with. So, that is where also the similar process and, the number of expenditure which has been made by MINIT for CDAC is, again, three digits in crores every year. So, that is where we can get another line of business.

And again, with the limited competition, I mean, then the tenders will be not be, the tenders will not be the open tender. Even for the empanelled vendors, whomsoever has been, let us say, let us talk about AI. If I have been registered as an empanelled vendor in AI category for CDAC, then only vendors of AI category will be able to participate in the tenders with respect to AI.

With the AI mission of Government of India, there is a huge investment which is coming across in CDAC, coming across in NIC for the upcoming projects which are for the betterment of our country's future. And that will be directly exposed to us. Plus, for the PSUs like RailTel, the empanelment is crucial because, I mean, when it comes towards the execution of large-scale projects, I mean, for government, it is a chicken or egg story at many a times, I mean, in terms of eligibility of getting into tenders.

So, being partner of such organization, we can give our delivery capabilities to them and jointly we can participate in large-scale tender for the execution of such things. So, I think, I hope I have clarified the queries which you have raised.

Giri:	Yes, that was much helpful. Sir, I see that we are empanelled with CDAC and NICS, are we also empanelled with RailTel?
Dhaval Joshi:	Yes, sir, we are also empanelled with RailTel as well.
Giri:	Okay, got it.
Dhaval Joshi:	That is a recent news which we will be soon. Okay, thank you, sir.
Moderator:	Thank you very much. We have next question from Anurag Agarwal from Multiply Wealth. Please go ahead.
Anurag Agarwal:	Hi, sir. Thank you for the opportunity. So, my first question is, you mentioned that we were planning to take our UK technology international and for that, could itself turn into an opportunity size which could take our PAT to the levels of the last year consolidated revenue.
	So, what are the challenges you see to achieve that? What are the timelines you see to achieve that? Do you see it happening in the next one year or it may take a longer time frame like three, four years? First question is that.
Dhaval Joshi:	Sir, to answer to your first question, obviously, we are planning the horizon of very near future. I mean, it would not be the next two, three years as you have mentioned. In terms of so far we

are positive with the, excuse me, so far we are positive with the outcome which we have received and the support which we have received from both the governments of the countries because it is a government to government bilateral things as well apart from the technology transfer which we will be giving.

But yes, I mean, we are pretty much positive in terms of timeline and in terms of announcement. Once we will be having the positive news around it, we will be definitely sharing it across with all our family members in terms of investment. So, yes. But Yes, it is a very, very near future thing. We are envisioning it.

Anurag Agarwal: Got it. So, the second question is, you mentioned our capabilities in anti-drone system and since defence is one of our bigger verticals. So, I wanted to understand, do we have soft kill as well in terms of our capability or do we only focus on a hard kill?

And when we focus on hard kill, do we provide like just a layman layman way of asking, do we provide more about tracking and aiming these drones for old equipment that army has or do we have some other capabilities there?

Dhaval Joshi: There are major, I mean, our product, if we talk about it is a soft kill, which is tracking, stopping, spoofing and jamming the entire device and bringing it back to the base. I mean, back to the captured environment, which we want. When it comes towards, I mean, by modifying our soft kill, we have embedded our system with the hard kill ecosystem, which can give the older hard kill system the capability of the newer systems, which are quite more costlier than the existing, I mean, it will be a cost effective option than replacing the new one.

Okay. So, in terms of hard kill, we do not personally create a solution which is hard killing. I mean, when it comes towards the firing or a gun sort of activity, we are not the manufacturer of that, but we provide the instruction or digital instruction to the gun for the aiming aspect to kill the same, spoof the same and even jam the same at a stationary position when it comes towards the hard kill aspect of the integral system. Our system is more soft kill.

Anurag Agarwal: Got it. So, lastly, you mentioned we can reach out to the finance team for more clarity and finance and guidance part or in terms of differentiation in terms of revenue for each vertical. What is the best way to reach out to them?

Dhaval Joshi: I think the team will be able to share the email address to you on which you can share across your queries. Right after this, I think the, the team who is managing the call will be sharing the email address to you.

Anurag Agarwal: Okay.

Dhaval Joshi: Okay.

Anurag Agarwal: Thank you.

Dhaval Joshi: Thank you.

Moderator: Thank you very much. Ladies and gentlemen, we will take that as our last question for the day. I now hand the conference over to Ms. Vaishnavi for closing comments. Over to you, ma'am. Thank you. Thank you.

Vaishnavi Ambokar: Thank you, everyone, for joining the conference call of Sahana System Limited. If you have any queries, you can write us at info@KirinAdvisor.com and thank you once again for joining the conference call.

Moderator: On behalf of Kirin Advisors, that concludes this conference call. Thank you for joining us. You may now disconnect your lines.