July 31, 2026

BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

National Stock Exchange of India Limited
The Listing Department
Exchange Plaza,
Bandra Kurla Complex,
Mumbai - 400051

Scrip Code: 544533

Symbol: STYL

Sub: **Transcript of the Q1 FY27 Earnings Conference Call.**

Dear Sirs,

Further to our letters dated July 20, 2026 and July 23, 2026, we enclose herewith a copy of the transcript of the Q1 FY27 Earnings Conference Call held on July 24, 2026.

The same is also being made available on the Company's website: https://seshaasai.com/media-news/investor/

This is for your information and records.

Thanking you,

Yours Sincerely,

For Seshaasai Technologies Limited
(formerly known as Seshaasai Business Forms Limited)

MANALI SIDDHARTH SHAH
Digitally signed by MANALI SIDDHARTH SHAH
Date: 2026.07.31 13:47:42 +05'30'

Manali Siddharth Shah
Company Secretary and Compliance Officer

Encl: as above

“Seshaasai Technologies Limited

Q1 FY27 Earnings Conference Call”

July 24, 2026

MANAGEMENT:	**MR. PRAGNYAT LALWANI – CHAIRMAN AND MANAGING DIRECTOR – SESHAASAI TECHNOLOGIES LIMITED** **MR. GAUTAM JAIN – WHOLE-TIME DIRECTOR – SESHAASAI TECHNOLOGIES LIMITED** **MR. PAVAN KUMAR – CHIEF FINANCIAL OFFICER – SESHAASAI TECHNOLOGIES LIMITED**
MODERATOR:	**MR. PRATIK JAGTAP – E&Y LLP, INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day and welcome to the Seshaasai Technologies Limited Q1 FY27 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 star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Pratik Jagtap from EY Investor Relations. Thank you and over to you sir.

Pratik Jagtap: Thank you, Alarik. Welcome everyone and thanks for joining Seshaasai Technologies Limited Q1 FY27 Earnings Call. The results and presentation have already been mailed to you, and you can also view them on our website at www.seshaasai.com. In case anyone does not have the copy of investor presentation or press release, please do write to us and we will be happy to share them with you.

To take us through the results today, we have the management of the company represented by Pragnyat Lalwani, Chairman and Managing Director, Gautam Jain, Whole-time Director, and Pavan Kumar, Chief Financial Officer. Pragnyat will start the call with a brief overview of the company and business update, which will be then followed by Pavan, who will take us through the financial performance for the quarter, and then we will open the floor for Q&A session.

As usual, I would like to remind you that anything that is mentioned in this call, which reflects any outlook for the future, or which can be construed as a forward-looking statements must be viewed in conjunction with the risks and uncertainties that we face. These risks and uncertainties are included but not limited to what we have mentioned in the prospectus filed with SEBI and subsequent annual reports that you can find on our website.

Having said that, I will now hand over the call to Pragnyat ji. Over to you, sir.

Pragnyat Lalwani: Thanks Pratik. Good day everyone and thank you for joining us today for the Q1 FY27 earnings call. I hope all of you have had the opportunity to review our financial results and presentation. So, let me quickly discuss the business highlights for the first quarter of FY27. Post that, Pavan will take you through the financial update.

We are pleased to report a strong start to FY27 with a superb revenue growth of 21.1% on Y-o-Y basis reflecting the strength of our diversified business model and continued execution of our strategic priorities.

While the quarter witnessed some pressure on gross margins from the material cost mix due to rising geopolitical issues, however, disciplined execution and operating efficiencies enabled us to deliver growth in EBITDA and maintain healthy margins. We remain focused on driving sustainable growth, improving the quality of earnings, and building a resilient, future-ready business.

During the quarter, we witnessed healthy demand across our key business verticals, supported by deeper customer engagement, increasing adoption of our technology-led solutions, and strong momentum in our non-payment businesses. Communication and fulfillment and IoT solutions delivered encouraging performance, further strengthening our revenue mix and reinforcing the benefits of our diversification strategy.

We continue to invest in innovation, automation, and technology capabilities that will support long-term growth across our businesses. We would like to update that our Nagpur and Bengaluru facilities are still under construction. We expect the Bengaluru facility to be operational by the end of the calendar year after the necessary regulatory approvals.

In this quarter, we won two multi-year tenders from leading PSU banks, which represent approximately INR 73 crores in revenue over the tender period.

In terms of business segment update –

Our payment solutions contributed 42% to total revenue in Q1 FY27 and saw a nominal growth of 5% on Y-o-Y basis. We continue to see healthy demand and deeper customer engagement. Our strong relationships and proven execution capability continue to support business momentum. Our premium metal card business continues to gain strong traction and remains an important growth driver within the payment solutions segment. We are witnessing increasing adoption from banks and Fintech partners as institutions seek to enhance customer engagement and differentiate their premium offerings. This category not only offers us superior margins but also strengthens our position in the high-value card issuance market. We continue to expand our manufacturing capabilities to meet the growing demand for our metal cards, with the capacity expansion underway at our Bengaluru facility. We are well-positioned to support both domestic and international opportunities in this space. We are also seeing encouraging traction from global markets, particularly in Europe and Africa, which provides an additional avenue for growth going forward.

Communication and fulfillment solutions contributed 40% to total revenue in Q1 FY27 and witnessed a growth of 13% on Y-o-Y basis. Our communication and fulfillment solutions business also delivered steady performance backed by recurring requirements from BFSI, enterprise, and government customers. As Indian enterprises continue to invest in digitalization, automation, cloud-led communication infrastructure, and secure customer engagement platforms, we see strong relevance for our solutions. This segment continues to provide stability to our overall business and supports our objective of building a more balanced revenue mix.

IoT solutions contributed 18% to total revenue in Q1 FY27 and witnessed a growth of 145% on Y-o-Y basis. Our IoT solutions business remained a key growth driver during this quarter. Within our IoT business, RFID continues to emerge as a significant long-term opportunity. Enterprises across retail, logistics, pharmaceuticals, food supply chains, and manufacturing are increasingly adopting RFID-led traceability and automation solutions to improve visibility, compliance, and operational efficiency. We believe the market is still in the early stages of adoption and offers substantial headroom for growth. Our strategy remains focused on moving beyond standalone RFID tags towards providing integrated end-to-end traceability solutions that combine hardware, software, data intelligence, and supply chain orchestration capabilities. This differentiated approach allows us to create greater value for customers while improving the quality of our revenue mix.

We are particularly excited about the opportunities in the pharmaceutical traceability, where regulatory requirements, product authentication needs, and supply chain visibility are driving industry-wide investments. We have continued to make progress through customer engagements, pilot projects, and infrastructure readiness, positioning ourselves well to capitalize on this opportunity over the coming years.

We continue to make encouraging progress in our SIM and eSIM businesses. Following the successful commercial rollout of SIM card production, we are strengthening engagements with telecom operators and expanding our presence in the digital connectivity ecosystem. With our unique certification stack, secure personalization capabilities and integrated eSIM platform, we are well-positioned to capitalize on the growing adoption of eSIM technology and enterprise IoT applications in the years ahead.

With rising demand for real-time tracking, inventory visibility, asset monitoring, and technology-led operational efficiency, we believe our IoT portfolio is well-placed to scale further over the coming years.

As of now, we operate in a challenging environment impacted by geopolitical uncertainties, currency fluctuations, and cost pressures. While these factors may create some near-term headwinds, we are actively working with customers on price revisions and taking steps to protect margins and maintain healthy profitability. At the same time, management remains focused on strengthening supply chain agility through diversified sourcing and strategic inventory management, helping us respond effectively to changing market conditions and ensure business continuity. Importantly, our business fundamentals remain strong.

We have built deep relationships with customers, suppliers, and partners over the years, which help us navigate short-term challenges and position us well for future growth as global conditions improve. We continue to see healthy demand across our key verticals, supported by strong customer engagement and a solid pipeline.

Looking ahead, given the nature of our business, we expect H2 FY27 to be stronger driven by seasonal pickup in BFSI demand, and steady momentum in the communication and fulfillment businesses, and continued growth in the IoT segment. These factors along with our disciplined execution give us confidence in our outlook for the rest of the year.

To summarize, Q1 FY27 was a strong start to the year with healthy performance across all three verticals. While global uncertainties remain, we are confident in the strength of our diversified revenue mix, recurring business base, strong customer relationships, and focus on future-ready technologies. These strengths support our medium-term target of delivering revenue growth of 8% to 12%. We remain committed to creating long-term value for all our stakeholders while continuing to invest in future growth opportunities that will drive the next phase of our journey.

Thank you for your continued trust and support. We look forward to updating you on our progress in the coming quarters.

With that, I will now request Pavan to take you through the financial and operational highlights for the quarter. Over to you, Pavan.

Pavan Kumar: Thank you, Pragnyat sir. Good day everyone and thank you for joining our Q1 FY27 earnings call. Let me start with a quick summary of our performance for the quarter gone by.

In Q1 FY27, our revenue from operations stood at INR 377 crores, up 21.1% Y-o-Y and down 6.9% Q-o-Q. While revenue shows healthy year-on-year growth, it moderated sequentially versus Q4 FY26. Historically, Q4 is the strongest quarter in terms of revenue. This moderation has to be seen from that perspective. Gross profit increased by 13.3% to INR 157 crores. Gross margin moderated to 41.7% in Q1 FY27 from 44.5% in Q1 FY26 as cost of materials consumed increased faster than revenue.

The cost of material consumed for Q1 FY27 came in at 58.34%, which is about 411 bps higher than the average 54.23% COMC (cost of material consumed) for FY26. Traditionally, H1 revenues are lower than H2 revenues, and hence higher costs show in H1. Due to the product mix and operating leverage, COMC would be lower in H2, as played out in Q4 of last financial year as well.

EBITDA for the quarter came in at INR 94 crores with an EBITDA margin of 25.1%, an increase of 135 bps Y-o-Y. Despite the pressure on gross margin, disciplined management of employee and other operating costs supported profitability.

Profit before tax increased by 48.8% Y-o-Y to INR 82 crores, supported by operating growth and a substantial reduction in the finance cost.

Our PAT for the quarter stood at INR 60 crores, registering a growth of 63.8% Y-o-Y with margin at 16%, up 418 bps Y-o-Y.

In terms of revenue mix across our core verticals, payment solutions continue to be the largest vertical, which contributed 42% of the revenue, followed by communication and fulfilment at 40% and IoT solutions at 18% in Q1 FY27.

The top 10 customers contributed almost 56% of our revenues, and more than 95% of our revenues came from existing clients, showcasing the stickiness of client relationships and strong renewal and repeat business characteristics of our business model.

On the balance sheet and cash flow front, we remain well- capitalized. As of 30th June 2026, we had cash and cash equivalents of INR 369 crores. With respect to the IPO proceeds, utilization remains in line with the stated objects of the issue. During Q1, a total of INR 24.4 crores were deployed, primarily towards capex of INR 6.7 crores, GCP of INR 13.7 crores, and issue expenses of INR 3.9 crores.

Overall, Q1 FY27 marked a strong start to the year, reflecting the strength of our diversified business and disciplined execution. As we continue to invest in growth and technology, our healthy margins, strong balance sheet, and diversified revenue streams provide a solid platform to support the next phase of our growth journey.

Thank you once again for joining us. With this, I hand it back to the moderator to open the floor for the Q&A session.

Moderator: The first question comes from the line of Deeya Jain with Sapphire Capital. Please go ahead.

Deeya Jain: Hi sir, thank you for the opportunity. So, we have performed really well on a year-on-year basis, so how should we look at the whole year in terms of revenue and margins?

Pragnyat Lalwani: See, as I said in my opening remarks, we foresee a growth of about 8% to 12% on a year on year basis on the revenue compared to last year from a growth perspective. And on the margin, as a matter of practice, we really don't put out specific EBITDA or PAT numbers, and that position hasn't changed. But what we are happy to give a visibility on the drivers rather than the outcome.

You know, what is our order book? What are execution timelines or capacity utilization? These are generally moving parts at the moment, including the geopolitical situation and the input cost escalation. Any precise number we give you today, probably would be false precision. So, since these are not within our control, what we commit to do is being transparent on how these factors which are affecting our margins play out and share that with you quarter-on-quarter. So, we can give you the building blocks of the input parameters, which can help you build your own view and hold ourselves accountable on those building blocks rather than actually giving specific margin numbers at this point.

Deeya Jain: Okay sir. So, can you please share how many SIMs we've rolled out so far?

Pragnyat Lalwani: Yeah. So, we've been working with a large telecom operator over the last four to five months. And I would say we probably are right now doing close to 20% of their requirement of the pre and post-paid SIMs that they require. You know, it is the third-largest telecom operator in the country. We are currently catering to 20% to 25% of their requirement of the SIMs.

Deeya Jain: Okay sir, thank you. I'll get back in the queue.

Moderator: The next question comes from the line of Mohit Sukhani with IIFL Capital. Please go ahead.

Mohit Sukhani: Good evening. First of all, congratulations on the great result. I have a couple of questions for you. First of all, our gross margin has been down sharply both on Q-o-Q and Y-o-Y basis. So, I wanted to know how much of this impact is due to negative operating leverage, which would be recovered at a later stage, and how much impact would be due to pricing and rupee depreciation? And further, can we pass on these cost to the customers? Also, what would be the expected gross margins for the full financial year 2027?

My second question would be what would be the broad capacity utilization in each of the segments? And what are your plans for new capacity additions in the segments? And overall, if you can provide insights on overall capital expenditure that would be spent in this financial year.

Pragnyat Lalwani: Thanks Mohit. So basically, on the gross margin part, as you know, H2 of the year, traditionally for us, is always better than H1. So, typically, over there two things that play out for us very favourably. One is the nature of the product mix that constitutes our H2 revenue, and also the operating leverage that plays out.

Now, right now probably the input costs that have impacted our cost of goods sold here in the first quarter are predominantly the entire war-related impact. Now, this has got probably two or three-fold impact. One is obviously the direct impact on the currency, and then there is an impact which is the outcome of the war in terms of the commodity pricing, the logistics, and the freight cost. So maybe 40% to 45% of impact is directly attributable to currency, and the remaining probably is due to the direct impact of the war on the input costs.

Mohit, to answer your question regarding how the operating leverage would play out, probably you can actually look at our last year's number of Q1 versus Q4. As you see, every quarter last year, as we progressed and the revenues have improved quarter-on-quarter, the operating leverage has played out, wherein our gross margins and EBITDA margins have improved. So, we see no reason why, all other things being equal, as you know, the macroeconomic situation is not in our control, but assuming that things don't get worse from here on, I think the operating leverage definitely should play in as we go on quarter-by-quarter and we have better numbers coming in.

The second question of yours was about capacity utilization. So, capacity utilization, typically for us, in our business currently is around 65% to 70%. Having said that, this also has a cyclical nature to it. So, typically, when customers have higher renewal cycle demands or there are month-end loads of customers, we also reach about 85% to 90% of our capacity utilization, but on average we tend to be in the 65% to 70% range.

On the capacity-addition front, as we shared earlier, we are setting up a completely new greenfield facility for metal cards in Bengaluru, which we see is almost in the ready state. Now we will be getting into the certification and the compliance processing, and we feel by Q4,we should be into that process. Before the end of this calendar year, that facility should be operational, which will add significantly to our metal card capacity.

And on the capital expenditure side, we are on plan to use our IPO proceeds as per the stated objects therein, and we will probably maintain the range we have said earlier, about INR 140 crores to INR 160 crores per year of capital expenditure, even in this financial year. Just to say that we see this opportunity for us to reinforce our position across all three verticals. So, we continue to invest strongly and use this opportunity to deepen our capacities, being ready for the times to come in the following years to take growth ahead. So, investments areas per plan.

Mohit Sukhani: Okay, got it. And further, can you please tell us what would be the gross margin percentage for the full financial year if I'm considering the financial year as a whole?

Pragnyat Lalwani: See, essentially, as we said earlier, and as a matter of practice, we don't put out specific margin figures here. What we're happy to give you is the drivers rather than the actual outcome, as I've said earlier. So, from here on, we see the H2, as I said, is going to be better than H1. That is going to definitely help us in our operating leverage.

It's also the product mix. Typically, that part of the year has better product mix for us compared to the H1, which will again aid to us for the improving margins. Now, assuming that the macroeconomic situation does not change, we see no reason for any dramatic change in the margin numbers that we are having at this point in time. But we think probably the operating leverage and the product mix should only help us improve the margins from here on.

Mohit Sukhani: Okay. And also, can you give some insights about the order book and any future growth in the order book? At what rate would our order book be growing in the future?

Pragnyat Lalwani: So, right now we have a steady order pipeline basis which we have given our guidance for the year. And, as you know our business is essentially back-to-back, with the demand being put to us by the customers. So, right now, basically the visibility that customers have given us is what our guidance is based on. And as and when we receive further in the coming quarters, we shall share it with you from time-to-time.

Mohit Sukhani: Okay sure. Thank you so much for the opportunity.

Moderator: The next question comes from the line of Zaki Nasser with Nasser Investment. Please go ahead.

Zaki Nasser: Sir, congratulations on a strong set of numbers. You have indicated in the last call, that margins will be maintained at current levels. So, do we assume that Q1 could be a base for the current year?

Pragnyat Lalwani: So, as I've explained before Nasser, that the Q1 numbers, if you see is an outcome of the inputs, I'm talking about the absolute margin, and also the operational leverage that we get and the product mix that we have. So, other things being equal, what we feel is that, as the quarters go by and more of operating leverage kicks in and product mix plays out as per what visibility we have now. We feel there should be a margin improvement as we go along, but we don't see any dramatic change in the margin from where we are now. The current macroeconomic situation, as you know is very uncertain, but assuming that nothing untoward happens on the macroeconomic front, we feel that the margin should definitely have a positive bias as we go on.

Zaki Nasser: Sir, and with payment solution being our single largest vertical, how do you foresee changes in this segment on a macro level whereas the UPI is gaining traction? Do you think that your cards business would be affected because of this?

Pragnyat Lalwani: In fact, it's a good question. See the UPI play out on the card consumption is something which has been to our mind, already played out in the past few years. And we also feel strongly that UPI does not directly impact card issuances. See we as an organization are more concerned about card issuances rather than the number of transactions happening on a card.

So typically, here, especially on the credit card side, the credit cards have their associated benefits for issuances by the issuers and it could be some discount offered through an alliance partner, or it could be some scheme that is running on the card, which obviously UPI will not offer. So, I'm saying from that perspective, on the credit card side, it has its own value proposition.

On the debit card side, again, customers tend to always keep a card in addition to the UPI transactions that they do. Now what we need to see going forward, as we have been seeing in the media, is that there is going to be MDR applied on UPI. The government is contemplating of transactions above certain threshold to be charged with MDR.

Now, right now, the users have been very used to absolute zero charge on UPI. As time goes by, MDR being charged on UPI could be another factor which would, in fact, completely obliterate the difference between a UPI and a card because MDR would believable on both.

So, from our perspective, our customers have given us their plans, obviously, and the volume forecast basis which we make our business plans, which have already factored in the UPI impact, or the UPI aspect, into it.

Zaki Nasser: Sir, so you feel that part of UPI versus card has played out and the cards will remain stable going forward?

Pragnyat Lalwani: See the answer to that question also, sir, if you see in the last one year, the UPI saturation level is almost hit the ceiling, right? If you see, the UPI transactions are going up, but probably the UPI user base is not really going up as much as it was going up in the earlier years. It's almost reached close to saturation level.

So that also undermines our whole position that the UPI impact has kind of played out. And also, one more thing just to tell you, is that the payment solutions business for us is also not just coming from the cards issued. See, we are also very focused on playing the value proposition here in terms of two or three things, right.

One, how is it that, with Gen Z and the wealth segment in our country growing, we also cater to the niche premiumization space which customers want, which definitely has higher ASPs. Customers are wanting the sustainability around the cards being issued today, how is it that we bring sustainable card solutions, because every organization has its own environmental and sustainability objectives.

And then, obviously, there's a metal card aspect to it, for which we are investing heavily into our infrastructure and capacity. So, we look at a payment solutions revenue build-up as both a volume-driven growth and a value-driven growth for the existing volume, right.

So, this is how we kind of look at this. Also, you know, we've just begun the very nascent stages now of exporting our cards from here to Africa and Europe, and we also would like to see, as time goes by, in our premium products how to leverage the India manufacturing advantage to further probably use this channel for fuelling our growth.

Zaki Nasser: Fantastic sir. And if I may just add another sub-question to this, Seshaasai has been an enabler in the sphere of payment solution, so would you ever think of us entering the thing as a payment gateway kind of a organization sir?

Pragnyat Lalwani: Sir, if I may just suggest, Seshaasai as an organization, if you see, we've been typically focused on two or three things as our, maybe I have repeated this earlier also, as our mantras for any business that we enter into. We try to get into businesses which require high-end technology with a compliance moat or a technology moat which requires a typically a physical product to be delivered, which can scale along with time, and which is done on a decentralized basis.

So, from a payment aggregator solutions perspective, I would say this space is already having players, and we would have ample opportunity in the current offerings that we have within the payment ecosystem itself. As time goes by, we will share details with you as things fructify, but we have a lot of interesting adjacencies in the current product offerings themselves, which are of immense need to our customers.

So, our energy, our focus, and R&D is right now on logical adjacencies, where we do not have to invest too much in additional infrastructure, and where we can probably leverage on the current infrastructure and current resources to build up the adjacencies.

Zaki Nasser: Thank you sir, good to hear that you are not looking at that area. Best wishes for the year sir.

Pragnyat Lalwani: Thank you.

Moderator: The next question comes from the line of Pritesh from Lucky Investments. Please go ahead.

Pritesh: Sir, can you call out the growth of the individual segments if you had to look at next two to three years CAGR? For the cards, eSIM and the RFID tags businesses, at what pace should these three businesses grow separately?

Pragnyat Lalwani: So, as we said last year our IoT segment we've grown at around 45% year on year. So, this year also, we expect it to grow at a similar nature. Probably in the following year, with the base being higher, we haven't really given a visibility on the growth for the following year.

So, I think that should be again in the range of 35% to 40% in the following year. So, between financial year '27-'28, we expect the IoT business growth to be in that range. Historically, it has been at 45% in the previous year, it'll be in the 45% this year as well.

Pritesh: Okay. And the cards business?

Pragnyat Lalwani: See, the communication fulfilment business, we expect that to be remain in the flattish range for the coming years. The payment solution business, the growth driver that we have factored in is about10% to 12% growth CAGR.

Pavan Kumar: Hi, Pritesh. So as Mr. Pragnyat mentioned, we expect the IoT business to grow. Last year, we grew close to 45%, we expect a similar percentage growth on IoT business. Communication and fulfilment, we expect that to be more or less flat. We achieved almost close to 30% growth last year.

Payment solutions we expect a decent growth over this year and next year. Maybe, as we go along, we need to see how the product mix evolves and other opportunities evolve. Overall, internally, we have a plan of close to 12% CAGR, which is what we had indicated earlier in the year.

Pritesh: Okay. And chronology of margins? So, if one has to understand just the chronology of margin in the three businesses, where should the IoT business stand on the margin?

Pavan Kumar: So, typically, we've not separately given our margins per se across the three verticals. There are multiple adjacencies and common costs across the three verticals. So, we have our blended EBITDA, which we've done close to about 25% this quarter. More or less the businesses are in that range only. Payment solutions and IoT are more or less the same. Communication fulfilment is slightly lower.

Pritesh: Okay, thank you very much.

Moderator: The next question comes from the line of Pratik Banthia with Fermi325 Investment Advisors. Please go ahead.

Pratik Banthia: Hi, congratulations on a strong set of numbers, especially the IoT vertical. I just wanted to understand what was the capacity utilization in this quarter for the SIM card business?

Pragnyat Lalwani: For the SIM card business, Pratik, we were close to around 40% capacity utilization.

Pratik Banthia: Okay. And another question I had was on the insurance clients that we have. We seem to have about five insurance companies as clients. So, I just wanted to understand, are those clients up for re-tendering or have they moved to another player? As per your slide, I think the number of insurance companies that you were serving is down from, let's say, 13 to 10 life insurance companies this quarter, and from 9 to 7 in general insurance company. So, are they opening another tender for their business again?

Pavan Kumar: No Pratik, so, the customers that typically have churned out in insurance are customers who were doing very nominal business with us, you know, almost zero. They've gone completely digital, and there's probably very less business that we were doing with them over these years. So, one of the cases was that none of these specific customers have gone in for a re-tender. So, we've not lost any business. The customers who kind of transitioned had very nominal business with us over last few years anyways.

Pratik Banthia: Okay, got it. Great to know. Thank you.

Moderator: The next question comes from the line of Siddharth Daga with S.N. Daga & Company. Please go ahead.

Siddharth Dagha: Hi, good evening to the management, and congratulations for the great set of numbers. So, my question was related to the IoT business. In Q1, we have grown over north of 100% on Y-o-Y basis. So now when you're telling me that the IoT business is to grow at the rate of 45%, are we signalling any slowdown in the business in the coming quarters?

Pragnyat Lalwani: No, basically, if you see, last year our Q3 and Q4 in the IoT business was very strong. So, there's no slowdown, the growth remains intact. So, you know typically we probably are looking at almost doubling the number of what we were at last year.

So, the growth typically is going to be there. It's just that the first and second quarter of last year were slightly weak. So, the growth looks slightly more exaggerated, but the growth traction remains in as per plan, and we should be able to probably have IoT still contribute close to 15% to 18% of our revenue at the end of the year.

Siddharth Dagha: Okay. Thank you.

Moderator: The next question comes from the line of Deeya Jain with Sapphire Capital. Please go ahead.

Deeya Jain: Hi sir, thank you for the follow-up. So, the Bengaluru facility that is going to commercialize by end of this year, can we expect meaningful revenues from FY'28?

Pragnyat Lalwani: Definitely.

Deeya Jain: Would you like to quantify or give us any targets?

Pragnyat Lalwani: I think it's too early for us to do that, but all I can say is we're hoping it contributes something even in this year, but for certainly it will start contributing next year onwards.

Deeya Jain: Okay sir, thank you.

Moderator: The next question comes from the line of Pulkit Singhal with Dalmus Capital Management. Please go ahead.

Pulkit Singhal: Hi, thank you for the opportunity. My question is on raw material price trends. When you look at the payment solution business, how much is the chip prices up on a Y-o-Y basis, and at what pricing do we have the inventory currently?

Pragnyat Lalwani: So, I think the chip prices, more or less, from whatever that we've procured in the first calendar quarter of this year has remained kind of flattish, okay? So, there's no, drastic change in the chip pricing, just that the dollar impact on the chip pricing because chip pricing is always in USD. So, the dollar impact on chip pricing plays out basically.

Pulkit Singhal: On a Y-o-Y basis, the chip pricing you're saying is flattish in the dollar terms?

Pragnyat Lalwani: We've had some marginal improvement in the chip pricing, but it's got more than offset by the dollar impact.

Pulkit Singhal: And going ahead, you don't see chip prices increasing for your chip? I mean, I'm assuming you had some inventory, and that is why the chip price must be lower for you, but the current prices in the market could be a lot higher, right?

Pragnyat Lalwani: No. So, that's reflected by our working capital days also, the strategy that we've adopted over the last couple of quarters is to increase our inventory holding of chips for both for IoT business and the payment solutions business. So, that allows us to basically get better pricing because of the inventory holding at the pricing.

And also, as of now, we don't have any. We have a forward bias that probably sometime next year things, you know, could be different. We don't have very clear indications, but right now, for us, the lead times have gone up from the suppliers.

We haven't yet seen the price impact playing out. We're watching the situation very closely and, as we get indications of any upward price revision, we'll have to take appropriate action in terms of managing our supply chain and also engaging with our customers appropriately.

Pulkit Singhal: Understood. Thank you.

Moderator: Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for the closing remarks.

Pragnyat Lalwani: We thank all the participants for joining us today, and we assure you that we remain committed to very good profitable growth and ensure that we give meaningful returns to our stakeholders. It was lovely interacting with all of you. Thanks once again for joining the call today.

Pavan Kumar: Thank you all for joining us today. It was lovely interacting with you. Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Seshaasai Technologies, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.

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