



**Subex Limited**  
**Q3FY25 Earnings Conference Call**

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**CORPORATE PARTICIPANTS:**

**Ms. Nisha Dutt**  
Managing Director and Chief Executive Officer

**Mr. Sumit Kumar**  
Chief Financial Officer

**Mr. Ramu Akkili**  
Company Secretary

**Q&A PARTICIPANTS:**

- |                             |                       |
|-----------------------------|-----------------------|
| <b>1. JM Kumar</b>          | : Individual Investor |
| <b>2. Jitendra Bhutoria</b> | : Individual Investor |
| <b>3. Ajay Doshi</b>        | : Individual Investor |
| <b>4. Sanjyot Khare</b>     | : Individual Investor |
| <b>5. Abhishek Kale</b>     | : Individual Investor |
| <b>6. Bhavin Mehta</b>      | : Individual Investor |

**Moderator**

Ladies and gentlemen, good day and welcome to Q3 FY 2025 Earnings Conference Call of Subex Limited. 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 the conference call, please signal an operator by pressing \* and then 0 on your touchtone phone. Please note that this conference is being recorded.

I would now like to hand over the call to Mr. Ramu. Thank you, and over to you, sir.

**Ramu Akkili**

Thank you very much. Good morning to everyone who have joined for this earnings call for the quarter ended December 31, 2024. Now I would like to introduce the members of the management who are attending to this call. Ms. Nisha Dutt, Managing Director and CEO; Mr. Sumit Agarwal, Chief Financial Officer; and myself, Ramu Akkili, Company Secretary of the Company.

I would like to start the conference call by going through the safe harbor clauses. Certain statements in this presentation concerning our future growth prospects are forward looking statements, which involve several risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, fluctuations in earnings, our ability to successfully integrate acquisition, competition in our areas of business, client concentration, liability for damages in our contracts, withdrawal of tax incentives, political instability, unauthorized use of our intellectual property and general economic conditions affecting our industry.

So with this, I now hand over the call to Ms. Nisha Dutt to take it forward.

**Nisha Dutt**

Thank you, Ramu. Good morning, everyone, and welcome to our investor call. Thanks for joining us today as we share updates for quarter three. So, by now, you have seen the results. On a consolidated Q3 basis, we remain flat, but we do have some good news. Our telco business has grown 2% QoQ, and that is my key focus area as you are all aware. We are trying to get our telco business back on track. We have stabilized our telco revenues while improving our EBITDA margins. So, our YTD EBITDA margins are now at 4% versus minus 5% last year, and 9% this quarter versus minus 3% last year, the same quarter.

I think importantly, it's worth noting that we have achieved this while maintaining our cash position with EBITDA being positive in four of the last five quarters. After a year of evaluation, we doubled down on telco. We have deprioritized our non-core initiatives to reduce cash flow and reinvest in our growth. We see telco becoming a cash generating asset for us, driving profitability and enabling real investment into high growth areas like fraud management. And by this, I mean new age fraud management. We already do fraud management, but there are a lot of new areas of fraud that are emerging.

And you must have experienced it personally yourself, and this is a rising challenge across the industry. So we want to double down on this and start reinvesting in this area. Our priority remains a successful transformation, ensuring a long-term growth and profitability of this company.

On market dynamics, headwinds continue to impact us, including telcos delaying investments. So that is affecting our order intake right now. While we expect this to stabilize in a few quarters, but any potential tariffs or a threat of tariffs could create currency risks for us in some of the geographies that we work in.

We are actively mitigating this risk while focusing on business fundamentals to stay competitive. As you know, in uncertain times, playing to our strengths is the key. Despite these challenges, I would say Q3 saw strong wins. We secured Tier-1 logo in Americas Tier-1 and expanded with our Tier-1 Middle Eastern operator. They upgraded to our latest 5% SM and BA product, including AI driven use cases.

Additionally, we extended an MS contract with a Tier 1 operator and APAC customer. So this actually tells me that, you know, our recurring revenue is sort of, we are showing up our recurring revenue. And competing at this level, when you win Tier-1 contracts across geographies like, you know, Americas, Middle East and APAC, this reinforces our leadership in RASM business.

Beyond new logos, we also continue to deepen our engagement with key accounts, upselling and cross selling to meet evolving business needs. AI adoption and fraud management is growing. Like I said that, you know, the fraud is growing so is, you know, AI being used to counter fraud. AI be actually, AI is being used to both create fraud and then counter fraud. So this has become a really interesting area. With over 80% of our new deals include AI use cases now. So, this validates our investment and positioning that we need to invest in this area.

Our customers are also actively engaging with us for POCs, and we are currently running next gen AI POCs with three clients across Americas, Middle East, and APAC. On the thought leadership front, we continue to strengthen our partnership with industry leaders like GSMA, SASG, and Tinform. At a recent event, our AI agents for fraud management received excellent feedback. So, this reinforces our belief in, you know, innovating in this field and being one step ahead of our competition.

In coming quarters, I would say the focus remains on strengthening our telco core business while identifying growth levers in our fraud portfolio. So, with this, I will cover the consolidated financial results for Q3. All numbers that I will read are in INR.

So, revenue for the quarter stood at INR 727 million against INR 742 million for the previous quarter. EBITDA for the quarter stood at INR 25 million as against INR 19 million for the previous quarter. PAT stood at minus INR 33 million against INR 6 million which included an exceptional item, as you are aware, in previous quarter. But overall, the telco business has grown 2% QoQ and delivered a 9% EBITDA margin. So this is in brief our control financials.

Thank you for your constant support. We really appreciate you being here. Now I'm happy to take your questions and comments.

**Moderator**

Thank you, ma'am. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question please press \* and 1 on your telephone keypad, and wait for your turn to ask a question. If you would like to withdraw your request, you may do so by pressing \* and 1 again. Ladies and gentlemen, if you have any question, please \* and 1 on your telephone keypad. We will wait for a moment while the question queue assembles.

First question comes from JM Kumar, an Individual Investor. Please go ahead.

**JM Kumar**

The first question is related to cost cutting. Do you have any target for reaching double digit operating profit margin and double-digit net profit margin? See external environment is not in your hand, but internal things are under your control. So, what are the measures you are going to take to bring back this operating profit margin to double digit numbers and net profit also to double digit number? That is first question.

Second question, on operation technology front, what is happening? Are you continuing that business, or you are not going to pursue that business anymore? These are the two questions.

**Nisha Dutt**

Okay. Can we just clarify your second question when you say, what business are you referring to? Just for my clarity.

**JM Kumar**

Operation technology. Security for operation technology is called Sectrio.

**Nisha Dutt**

Oh, you mean Sectrio. I think I completely agree with you. I was very candid in the first quarter call itself that, you know, the environment and, you know, the environment doesn't seem to be under our control, and we are faced with geopolitical situations. I mentioned that in last call as well. And you are right, that's not under my control. But what I can certainly control is the cost aspect, and that's what we have been doing consistently.

So, if you, really look at our cost base, right, compared to last year, it has been consistently coming down. So, while you will see that my top line hasn't grown dramatically, my profitability is starting to come back in the business. And that's because we have been constantly working on our operating margins, both gross and operating margin. So some of the levers that we are using, obviously, the biggest lever I think we are using ourselves is automation.

We are able to automate quite a few tasks that, don't require, you know, as much manual effort as we had to do earlier. So that goes both, you know, in things like, implementations. It goes in, you know, engineering efforts. So, we are starting to automate quite a bit.

The second one is, I would say, in terms of EBITDA margin itself, right, you can see the difference there. This is the highest EBITDA we have achieved since quarter one of 2023. So

we are reducing, you know, continuously. We are focused on productivity. So that's an ongoing thing. I completely agree with you. So, we have been working on the cost aspect quite a bit as we, you know, sort of counter a lot of headwinds in the market.

On Sectrio business, again, this goes back to the, you know, margin question that you had. I have been refocusing on the non-core businesses right now, and which means that everywhere I feel that there is cash burn to my business, which does not allow me to reinvest in core. I've been, you know, sort of, consistently taking calls on those businesses to either divest or to deprioritize.

So, on Sectrio, we have deprioritized that business right now. What that means is that I'm currently servicing the contracts that I have. I've not sold the business, but I am focusing on servicing the current contracts. So, what that does is that I test my cash flow, and I'm not doing any new GTM right now. So that's how we are also trying to bring, you know, margins back into the core business. That's how I'll say it.

**JM Kumar**

No. Do you have any target when you will reach 20%.

**Nisha Dutt**

Target? I mean, I can't tell you which quarter we will reach, but, definitely, the effort is to, like, you will see. Right? This is this quarter, it's 9%. We are almost getting to double digits. So, we want to get to double digits. I can't say 20%, but we should be consistently making this better as we move forward.

**JM Kumar**

But what happens is performance is not consistent. It is going up, down, going up, down. There is no consistency in the performance.

**Nisha Dutt**

Agree. And which is, I think, the part of stabilizing a business. Right? Because we are coming off of quite a few very bad years. So, this is all, I would say, a part of, you know, transformation. It's a part of making the business, you know, stabilize. So sometimes it does have, you know, up and down, but we do have a destination margin that we are working towards. So, to your point, there is a destination margin in mind that we are working towards. It might just take us, you know, a little bit of time. And, again, you know, the calls that we are making consistently, and I always say that in every call, capital allocation decision. Right? My return on investment must be greater than my cost of capital.

So that's the bottom line. And I may I'm very brutal about it, and all decisions are being made by that perspective to make sure that we get to our destination margin next year.

So, I mean, that's all I can say. As you can see, we have been consistently doing this every quarter, and I hope that we can improve it.

**JM Kumar**

But Manpower cost is not coming down?

**Nisha Dutt**

It is coming down. Actually, our manpower cost has come down. If you look at them if you look at the analysis from last four quarters, I would say last six quarters, manpower cost is consistently coming down. Actually, it's come down.

**JM Kumar**

Percentage terms, it is not very high number. When you are using AI and all those things, automation, the cost should come down drastically.

**Nisha Dutt**

It doesn't come down drastically, but y-o-y there is a reduction? And, also, you have to remember that whenever we make first of all, you know, manpower optimization is something that, you know, we have to take a little bit, seriously because it's not, as easy to do or, it's not a trivial thing. So, we have to be very careful about how we do manpower optimization. But, beyond that, I think more importantly, you will see there is a y-o-y reduction and on manpower whenever we reduce. You will not see the impact of the full year impact to actually come, I would say after, you know, three quarters. Right? Because we carry manpower. Even if I put someone on notice, I carry their cost for almost three months, and you will see the full year impact only a little later, a few quarters down the line. That's why I would ask you to please go and compare y-o-y, and you will find that there has been quite a bit of reduction there, actually. I've spent almost, I think, 11% or so, y-o-y, it has reduced. So, it's not insignificant.

**Moderator**

I request the participants to restrict to two questions in the initial round and join back the queue for more questions.

Next question comes from Jitendra Bhutoria, an Individual Investor. Please go ahead.

**Jitendra Bhutoria**

I just wanted to know that the share of loss from LLPs, which is being part of the P&L, in last 4 years, it's showing a loss of about INR 71.50 crores '21, '22, we made a loss of INR 12.73 crores, '22, '23, INR 31.59 crores, '23, '24, we made a loss of INR 10.12 crores. And in this 9 month, we made a loss of INR 16.97 crores. Now in the last December, it was INR 6.38 crores, which we made a loss. And the September was INR 3.8. So I see that the loss is increasing, wherein the and this LLPs are essentially, I suppose, this is Subex Assurance and this Digital LLP. Out of that Digital LLP, we have already sold that ID Central. So now what are the components of these LLPs, other businesses like Sectrio and this, where we have decided that we will be focusing only on telcos and we'll be divesting or deprioritizing the other areas.

So why not we are these are limited liability partnership if we are not making money. We are burning cash every quarter. And last four years, I've been looking at it. So, what is the way forward? Why don't we shut it down? Why don't we, you know I know it's not easy to shut down in one day. But still, you know, it's already four years and, you know, the losses are not reducing. If the contract as you said in the previous, question that you are not taking new contracts, you are trying to service the old existing contracts, can you just tell us when these contracts will come to an end? At least we will know that we are not burning cash. And is there any steps taken for divestment of this Sectrio or any loss making non telco businesses?

**Nisha Dutt**

So, okay. I think that's a great question. So, first of all, few things that I'd like to clarify. First is that actually, our losses are consistently coming down, but you are right. So I mean, you are on point when you say that there are assets that are sitting that are burning our cash today. And that was one of the first priorities when I came in. I said that, you know, we'll look at all the businesses. So, there were three essential businesses that we had. One is telco, other was IDC, and third one was Sectrio. So Sectrio and IDC to me are non telco.

And, hence, you know, I decided to deprioritize those two, only because when I saw the numbers, they were burning quite a bit of cash for us. And in that process, we did put IDC on the block, as you know, and we divested out of it.

So that has been my priority from day one to see if we can, you know, sort of reduce burn and, free of our cash, actually, because I do want to go back and reinvest in telco.

On Sectrio, on the LLP that you're talking about, actually, Sectrio is sitting in that LLP, where you are seeing the losses. So, largely, Sectrio is in Subex Digital. Right? So Sectrio is sitting there. So, what's happening is that, when I said that we'll service so there are two big contracts that, we need to service. Out of that, one of the contracts we are trying to actually close down in the sense that, you know, if we are able to negotiate our way out of with the client, we should be able to close that down. The one of the contracts we might have to still service, actually. We may not have a way out. In which case, I would not need, you know, all the people that I have today to service because, Sectrio whole team wants to service a lot more contracts. Right? Now that affected the GTM has been cut, you can imagine that I don't need a lot of, you know, sales, presales, those kind of people like marketing.

I already don't need that. And, I only need people who can service contract. So, one has -- one, I'm trying to negotiate out of, which, you know, hopefully, we'll be able to negotiate out of within the you know, this quarter.

The second one, I think, we might have to still service, but we can service with a very late team. We don't need as much of, you know, bulk that we have sitting there. So, what you will start seeing is, I think, by Q1, we would have significantly reduced losses in this LLP. And you will see the cost reduction will start coming in because a lot of people are currently serving notice actually in this business.

So you will start seeing the impact of it in Q1, and you will see that it will start getting cleaned up. That has been my effort from day one, to somehow curtail this cash burn. One we have done, the other one, I would say, in my opinion, we are 80% there actually. Give us a quarter and you will start seeing the impact. And because we have taken a lot of drastic actions at our

end. So cost reduction will be seen. After the notice periods are served and everything is done, you should start seeing that.

**Jitendra Bhutoria**

One follow-up question. Now as you said that, there's two contracts which we are servicing right now. One, you are negotiating to wind it up by maybe your negotiation on this quarter itself. And the second one, will you need to continue. And I think probably you have 57 to 60 people in the Sectrio part employed. So, I would like to ask you, when is the second contract which you think you have to continue servicing will end actually? And secondly, in case if you are, you know, you are able to, put an end to this first contract in this quarter itself, how much manpower cost will be reduced in this quarter?

**Nisha Dutt**

So, the way okay. This is I mean, it's a little bit complex to answer only because and but I'll be candid. I think the issue is only that, you know, the resource school is typically common that services contracts. Right? It's not like we have people for every contract. It doesn't work like that. Other than, you know, on-site resources, typically, the resource schools are common. So, what that will do is if I'd able to close down one of the contracts, that will definitely take out some of the, you know, reduction. But in if I were to give you an order of reduction, I would say I would be able to cut out 50% right away. So, and the service contract that I have to service, I probably still need to keep some people there to ensure.

That contract, by the way, is, another, you know, three years or so. We'll have to service that contract for another three years. Yes. We'll have to service that because there is no way out. So we might have to service. Again, we will negotiate and see if we can get an early release on that. All the efforts are on. My focus is on these two large contracts to somehow see if we can exit and reduce our burn. I think you will anyway see a 60% reduction right away, actually. The other part, we will have to see if we are able to get early release and all that. So that's an effort that's ongoing right now.

**Moderator**

Thank you, ma'am. The next question comes from Ajay Joshi, an Individual Investor. Please go ahead. I repeat, question comes from Ajay Joshi, an Individual Investor. Please go ahead.

**Ajay Joshi**

I think four years working, the customers have been disciplined very bad, here MoM, QoQ, YoY. Now the contracts that you are signing, is it not possible that you get a price revision and the competitors that are quoting....

**Moderator**

I'm sorry to interrupt, sir. Your voice is very low. Can you speak bit louder?

**Nisha Dutt**

Yes. You are breaking up a little bit. I can't hear you very clearly.

**Ajay Joshi**

The revision in contract size can be amended?

**Nisha Dutt**

Okay. So basically....

**Ajay Joshi**

And what are your competitors quoting against you? Because it seems that you are working too hard, but you are not getting the value of money that you are working. This is what is letting you down. I see many software companies renegotiating, giving something extra freebies, but then winning back the contract at a premium amount. Now the turnover is also very stagnant. I don't know the technicalities of the company as I am an investor. I can give you one example of TANALA platform. It was quoting INR 4 5, INR 1,700, ex-bonus INR 900. So what your completers are doing is better you track them and how they are running so fast.

**Nisha Dutt**

Okay. I think I understand your question. It's a fair ask. So just to give some background...

**Ajay Joshi**

Thank you very much that you got my point.

**Nisha Dutt**

No. No. Absolutely. I get your point, and I think that was a very fair ask here. So just to give some clarity, a lot of our contracts that we've been are in an RFP mode. Right? So, these are, you know, these contracts are avoid awarded after a long RFP process, which is, like I mentioned, that our sales cycles are getting longer. So, customers don't award RFPs of, you know, million dollars or above without a competitive process, which is an RFP.

So, when you are doing an RFP process, we are very well aware of what our competitors are quoting, typically, because we have been in this business, like, for 30 years almost.

Right? So, we know what they are and, you know, where we are. There are places where they win and there are times when we win, so we know, you know, what the ballpark numbers are within which we need to operate. But, telco itself is very this space is very competitive. Right? So, in an RFP process, you can put your best foot forward, but you will understand that there are two aspects to an RFP, evaluation.

One is that, we have to be technically strong. So, if I my technically, my product works, I can be the first, you know, vendor. Let's say I'm first rank, but I also have to be financially very competitive. If I I'm technically number one and I'm financially number two, the actually, the win goes to we call it L1 wins. Right? The lowest cost vendor gets the bid. It's basically Telcos or elsewhere. I think, generally, people work like that. So financially also, you know, numbers wise also, we have to be competing very, very strongly.

So, while we revise our prices constantly, obviously, you know, with inflation and salaries and all that going up, we do revise our mandates and all that. That's something that we do that. But, you know, we have to be competitive, though, in the market. So, it's not that I can make dramatic changes to my pricing. And, the key for us is to deliver fast. It is to deliver with prioritization, which means that I need to make sure that every project that I do or the way I think about it is that if I win a project, I need to, you know, ensure that every project has gross margin, that I'm able to, you know, improve. So, if I sell a project at a certain x percent margin, by the time I end the project, that margin should have improved.

So that's how we are trying to see if I can extract more value from the wins that we have eventually. Right? But getting into a price war, we do keep tabs on our competitors. As you can imagine, that's something that's an activity I think our competitors do, we do. That is given. And we do revise our prices to answer your question. But please understand that we are in a very competitive market. All the awards and all the wins are applicable.

**Ajay Joshi**

You're operating in 100 countries is what I marked from your website.

**Nisha Dutt**

Correct.

**Ajay Joshi**

Now with local Jio, you have a standby agreement with them? It would be better if you push with local that is Airtel, Idea, Jio and BSNL.

**Nisha Dutt**

Okay. Your point is taken, all right.

**Ajay Joshi**

So, pushing with them the way Reliance Industries Jio is expanding, maybe you we may this company may get a small cake, even a small piece of cake lands into your lap. In the long term, it could be very beneficial.

**Nisha Dutt**

Okay. I agree with you. That's an effort that we have been making. But if you look at the portfolio that we service, like fraud and all that, right, the fraud pie is much larger in developed markets actually versus developing markets, although we constantly get a lot of spam calls on our phones. But actually, the people who pay for fraud are in developing in developed markets. And, as you can imagine, the market risk component, the beta is also lower in developed markets, right, versus developing markets.

So, I don't disagree with you that we need to focus on India, but we are actually, you know, making all efforts to see if we can break through into some of the accounts. But your point is well taken. We'll do that.

**Ajay Joshi**

Every day newspaper, I read INR 10 crores for taken away from the account, siphoned off.

**Nisha Dutt**

It's correct.

**Ajay Joshi**

Madam, is it possible to bring reliance on the platform of Jio? Join hands with them, sweat equity or funding. Okay. Ma'am, make an effort. Move 10 steps ahead with Reliance. Make an effort. It will come into your lap. What is needed is strong marketing. And the confidence that I see in your voice, you can make it.

**Nisha Dutt**

Okay. I will definitely make an effort. Thank you so much. No, I think you have a fair point. We'll make all the efforts.

**Ajay Joshi**

Because you need someone big now. You're totally stagnant. You need someone big to pull to take you up.

**Nisha Dutt**

I agree with you actually. I can't disagree with you on that. But we will try and get some key partnerships in place. And I will also -- we'll also make sure that internally we strategize to see if we can break through some of these accounts in a big way. Sure, your point is well taken.

**Ajay Joshi**

Thank you very much. And best wishes to you.

**Moderator**

I request the participants to restrict with three questions in the initial round and join back the queue for more questions.

Next question comes from Sanjyot Khare, an Individual Investor. Please go ahead.

**Sanjyot Khare**

Hello. Good morning, Nisha. Can you hear me?

**Nisha Dutt**

Yes, I can hear you. Good morning.

## **Sanjyot Khare**

Yes. So good to see some good improvement in operations side and the improvement in margins, so that's a good part. Still, the top line is not growing. I mean, it's just we're missing quarter-over-quarter and year-over-year, it's reduced. So is it something now though like your focus is now growing on the core business, that may be reason like some revenue has come down.

So is there any case that because we have not heard any new deals much. I mean, you though like you mentioned two deals are one, but not much maybe not being large in sight that we did announce in last quarter. So, one is like how the deal pipeline looks like and the demand for the services looks like for Subex. And any of the deals which are probably not closed in Q3 but it's more to Q4, that's why it happened. If something happened like happened like that, that some deals are not closed in Q3, but it will be closed in Q4.

So generally, Q4 is the strongest quarter for the company. So, in this year also, are we going to see that Q4 is going to be stronger and we'll be seeing sequential growth in both top line and bottom line.

## **Nisha Dutt**

Okay. Sure. So, here's a few things, right? I mean, I just want to place some facts on the table. Your question is well taken. But see our growth QoQ growth while and from an overall perspective, but like I said right earlier in the call, from a consolidated perspective, it looks like we are flat. But if you look at telco, which is where I'm focused, so once we take out all the non-core assets, you will obviously, in few quarters down the line, you will start seeing only telco. But if I look at telco, we have grown 2%. Now that may not sound like a very big number, but it's an industry. If I look at all the results that have come from other telco vendors and industry, it has grown only at 1% or 2%. So, in that industry, to go by 2% is, not trivial, actually. I think it's good for us. So that's one part.

The second is, we continue to see if we can, you know, get some of the deals closed. Like I said, what happens is that some of the, you know, political changes with, you know, some big office changes, there are people who are being cautious when it comes to spending money. So that's what we are seeing in telcos also. Like I said, the deals are slipping from QoQ. So there are some deals that we were pursuing in Q3, which, like, you know, didn't close. We are hoping that, you know, we'll be able to go back and close them in Q4.

The other challenge that we often run into and it's not a new challenge. It's a very well known, thing. It is that, you know, rest of the world follows a calendar year of, like, you know, December, and we are in some calendar year of, you know, March, April, like in India. So, the way, you know, the budget cycles work, it's a little bit off for us. But I think, good thing is our install base is robust. We are trying to upsell and cross sell into account, and, we should continue to do better, Sanjyot.

I think that, you know, they should start getting better. And, whenever we are faced with, you know, uncertainty market uncertainty, we are going to make sure that we focus on cost and start, you know, growing profit. At least, that's the goal really here. So you are right. Deals have been moving. I've been saying that since Q2, and I started noticing that, the deals that should have closed, we start seeing a slip of almost a quarter.

So, we have seen a similar pattern even in Q3. So, hopefully, you know, we'll have some closures in Q4. So, that's what we are looking forward to right now. Deal pipeline works robust right now. So deal pipeline looks good for us. Pipeline is good. It's just that, you know, at what rate it will convert is the only question that I am faced with. But obviously, we are making all effort to make sure that, you whatever we have in the pipeline, do the best to sort of make sure that conversions happen there. But to answer your question, pipeline looks robust right now.

**Sanjyot Khare**

Sure. But as seasonality works, the Q4 looks better, I mean, that's what we are expecting or you are saying the things will be different this time?

**Nisha Dutt**

I wish I could answer that, that's not to be forward looking. I mean, obviously, I want every quarter to be better than the last quarter. I mean, that much the effort is always that. But I won't be able to give any specific guidance right now.

**Sanjyot Khare**

I think it's everyone knows. Right? Is this, like, a better seasonality factor? Q4 is stronger. Correct. Only whether any change there or whether it's, like, going to be, like, every year. I mean, it's not something you are revealing or something different on that.

**Nisha Dutt**

I think it's, I think it should, you know, technically, it should follow pattern. So, they would think so. But, of course, you know, things like that, you know, when you get, there are some threats like tariffs and all that. You know, those are not seasonal. Right? Or these are some things that hit us out of nowhere. So, but yes, I mean, barring if I would say that if nothing changes dramatically in terms of external environment, then we should be able to do something. We should be on track.

**Sanjyot Khare**

Sure. And just as the previous caller was asking about, so it's definitely as you guys are really working hard and it's a niche company focusing on niche areas, it's only required to get the closure of the deals and getting more business. And it may be challenging because of company being small and maybe whatever challenges one company face compared to large companies and where they have funds and investment into marketing and other things. And so there so it may be a challenge.

So are you guys now looking into definitely as you are divesting noncore businesses and now focus on core business, are you looking into now it's very important that you one is like how to present yourself maybe going independently, maybe challenging to get a business. Are you looking into partnering or merging with any big companies? Because that will be really adding a value as you are I just want to understand your view, how you want to see the growth of the company and strategy for going forward?

**Nisha Dutt**

I mean, obviously, without giving too many details away, I think one thing is that our partnership is definitely a big trust area for us because know, if I partner with a big four, for instance, my go to market becomes easier. Right? I don't have to spend that much effort in doing GBM. So those are strategic. So, there are two types of partnerships that we are keen on typically. One is, the partnerships that help us unlock new markets, new accounts, and, you know, can make our GTM easier. I think the other partnership that we look for is product partnerships, which is where, you know, if I can, if there is a person that origin the company that has a product that is complementary to my product suite, then I go and, you know, do a partnership with them to see if I can maybe, you know, push their products, white label their products, or, you know, there are different kinds of, you know, modalities that are possible. But those two kinds of partnerships, we are constantly scouting for, and we actually have good robust partnerships with Big Four.

On product partnership side also, I would say we have good partnership with two or three companies that we sort of work hand in hand with, and we do take their products into market, you know, using our distribution. So, that is an effort that obviously is on all the time.

In terms of funding and things like that, obviously, those are the conversations, you know, being listed. We have to be a little bit mindful of, you know, how we, I would say, you know, approach some of those conversations. So that's also something that's definitely, an effort that we keep making to see if there is a possibility for us to make sure that, we are in a better place than where we are right now. But as you can imagine, we are cash positive. We are you know, we do have money in the bank.

So, there are bets that we can take, even while, you know, looking for so I wouldn't say that we are cash starved. Right? I'm debt free, 100% debt free. So, I'm not cash starved, but, of course, you know, we can always use some cash. So that's an effort that we constant. I mean, I would say that, you know, it's on an ongoing basis. We do have a lot of conversations, but if something good works, hopefully, it will be good for all of us. But beyond that, I can't really say anything because it's an effort that we make on an ongoing basis.

**Moderator**

Thank you. We have a follow-up question from JM Kumar, an Individual Investor. Please go ahead.

**JM Kumar**

Yeah, Nisha. Now you are trying to deprioritize Sectrio. Okay. Now you already have some contracts which are multiyear contract. Why you are not selling the Sectrio business to a security company? See, instead of killing all the contracts and making business zero and then closing down the business, you are not getting any value out of that. Instead of that, if you sell the Sectrio business to a security company like, say, Quick Hill or some other security company, you will get some value out of it. Why that option is not considered at all?

**Nisha Dutt**

No. So first of all, cybersecurity and OT security are different. I mean, I've said that multiple times. But, so for instance, you know, the protocols that one goes after is very different. GTM is already different.

**JM Kumar**

No, no but see what I'm asking is there are different technologies, but there are companies who are focusing on operation technology security. Why you are not selling this business to them? Of filling the business, slowly?

**Nisha Dutt**

No. So, I mean, obviously, when, we were divesting IDC, this thought was in our minds to see if, you know, we could do something with Sectrio, but it's an effort that we are making. I can definitely tell you that, you know, we have explored many options before coming down to this option. This is as you can imagine, this is the least preferred option. Right? To slowly service contracts and wind it down. This is the least preferred. So, I assure you that all options have been very diligently pursued.

**JM Kumar**

But that is a wrong capital utilization. You should sell the business and get money out of that.

**Nisha Dutt**

That's what I'm saying that all options have been explored already. I mean, this is what I'm doing today is my least preferred option. So, I have all explored all options, and I have come down to this. So, otherwise, you know, I would go with the, you know, something that would have been attractive. Right? If I had a buyer that's correct.

**JM Kumar**

You have not got any buyer for Sectrio?

**Nisha Dutt**

No. I do not have any buyer. So, and that option has been explored. In fact, in alongside the IDC, we explored that option. Because, obviously, that is my most attractive option for me. Right? Why wouldn't I do that? If I can get some money for the business and reinvest in core, why wouldn't I do that? I mean, that that would be my number one thing. Right? And to a lot of questions who are asking me that why has this been carried for so long? It has been carried because we were trying to see if we could explore other options.

Now that, you know, a lot of roads are closed to me, I'm here now trying to wind it down and try to, you know, stem the losses. So, obviously, the choice I'm left with is the least attractive option, but that's the choice I have right now. So, I can assure you, all that has been explored and very diligently, not just by us, with bankers. I mean, we didn't do it ourselves. We hired

top tier bankers, and we have done all the diligence possible. But this market belongs to OEMs. This market has always been OEM market and that's why it's very difficult to be competitive in this market.

Even the peer group, the peer group of Sectrio, their valuations are sitting in billions of dollars and they have raised tremendous amount of capital. So, it's not a market this is an OEM market, essentially. OT Security is an OEM. They you know, they take it all. So, for us to be very competitive in that market is going to be extremely difficult. So that decision was coming, you know, we arrived at that decision the moment I took over. And, we said that, you know, let's see if somebody can you know, let's explore all options in front of us, which we did actually. And where I am today, everything has been explored, I can assure you.

**JM Kumar**

Now in the presentation, you are using some abbreviations like MS and all that. That is not very clear for us.

**Nisha Dutt**

That's managed services. Okay. I can clarify that. We'll make sure that we do that. Okay? That point is well taken.

**JM Kumar**

And the and the see, telecom market itself is stagnated. What different thing you are going to do so that that core business will grow? Because that is still there is no clarity on this front.

**Nisha Dutt**

So, in core business, the way we are planning see, first of all, I think that, there is enough headroom for us to grow. I mean, I think that if you if we are looking for double digit growth, it's easily possible within telco business. Telco doesn't have to grow, you know, tremendously for me to do a double digit, because my size comparatively is not that big. Right? We have enough and plenty of headroom to grow here.

And in terms of edge and fees, when I say telco, I also look at edge and fees like OTT, fintech, and all that. So, I look at, you know, everything adjacent to telco. And today, I think the double-digit growth is actually possible here. So, we are trying to fix our house. Right? I feel that I don't want to in past, we have done that mistake in Subex, right, where we have gone to unrelated areas and which haven't really panned out very well for us as we are all aware.

What I want to do is fix the fundamentals of the business, fix our house. If we are able to do this, I think we can get to a double-digit growth and, you know, profitability very easily where we are. And then I will have more degrees of freedom in terms of cash to start taking bets in other areas. But today, where we are, they really need to double down. And I think we have enough room, headroom. And, the areas of investment, like I was mentioning for me, are going to be fraud. Actually, you have seen the fraud. Right? How it has increased? It has increased on WhatsApp. It's increased on call. It's just exploding actually right now.

So, if we are able to position our portfolio strongly in fraud, I think that's going to be the growth lever for us, this company. We are already known for fraud management. It's

something that I need to double down on and ensure that I have new types of fraud that I can tackle. And I believe that we can be that number one fraud management company in this, you know, space. So that's really my endeavor. So, the goalkeepers are very clear to me of how and the how our core portfolio will grow.

**JM Kumar**

No. When you say you are fixing house hello? Last question. Okay. When you are saying you are fixing house, do you mean to say that you are trying to get a new talent which is having track record proven track record to drive the business?

**Nisha Dutt**

Absolutely. Absolutely. Spot on. We are getting new talent. We are actually going to where, I would say, the talent is because I think, this is one of the efforts that we are making. We are. One is, I've hired new talent too. On fraud, for instance, right, we will go and actually hire talent from where I know, you know, it's actually, good. Because fraud is going to become, you know, fought with AI, engineering AI. Right? So, we are going to get best in class talent here. So that's definitely going to come.

**JM Kumar**

No such announcement has come that new talent has come.

**Nisha Dutt**

We don't make talent announce but okay. I think we can make I think that's I don't see why we can't make it. But we definitely haven't made it.

**JM Kumar**

Somehow, top level talent, if you are getting from global international market, that should be told. At least it will give us confidence that we are going to trying to go in the right direction.

**Nisha Dutt**

Understood. Okay. I think, that can be done. We haven't, you know, done that in past, but for sure. Okay. Understood. We'll do that. We are hiring, though. We are hiring, and we are hiring, you know, from good places. So I'll do that. Actually, in fact, I almost feel that by the end of, you know, the next year financial year the company, I would say, they would have sort of turned over the talent quite a bit in terms of percentage.

You know, a lot of new people would have to come in. So that's really the endeavor to see if we can get fresher people because, obviously, new blood helps. Right so?

**JM Kumar**

They're not fresher at the top level to drive the business.

**Nisha Dutt**

No. But I meant fresh blood. No. No. By fresh, I don't mean fresher from that perspective. What I mean is that people who come with, you know, different kind of perspective have worked at different places. I think that sort of, thing really helps. So, I have the same opinion as you on that.

**JM Kumar**

Okay. So, I will wait for such announcement. Let's see whether we are going in the right direction.

**Nisha Dutt**

Sure.

**Moderator**

Thank you. Next question comes from Abhishek Kale, an Individual Investor. Please go ahead. I repeat, question comes from Abhishek Kale.

**Abhishek Kale**

Nisha, you mentioned in the deck that we want to Tier 1 opportunities, one from America, North Americas and Middle East. I think we had one significant win in the last quarter as well, which I highlighted in the deck. But I have specifically asked about whether the company would provide any disclosures regarding the ticket size. And let me finish. I think at that point in time you said that you would go back because there are certain non-disclosures that you have and you have to get the client onboard with what we can disclose, right? Correct. My point again is if whatever is the customer comfortable with, we have not given those numbers from the past quarter, it was promised in the call that you would look at and get back. Nothing happened on that. Same thing here as well. The announcement is there at the time when we see the deck, right. These announcements should actually happen as and when you sign the dotted line. Take this as feedback. I mean, it's been going on forever. You guys say that you will make an announcement, nothing happens, but then we see this on the in the deck.

Nisha, one thing I think that management should appreciate is the fact that we do a very horrible job when it comes to communicating to investors what we are doing. It is only during our conference calls we end up sharing some details. I understand the restructuring part and we're looking at certain avenues which again are day to day company operations which we cannot. But if there are certain significant things like a contract win that must get communicated to the investors.

I mean look at the horrible state of our stock price. We have lost about 60% or 70% from what we were when we I mean the COVID highs, post COVID highs of the Hyper Sense announcement, right? Investors lose confidence in the way we operate, if we continue to do and we continue to expect the investors to show patience, right. But we can show patients provided you give us I mean, what you have done in like you have said that our telcos EBITDA have improved.

Great, I mean, we appreciate, we are seeing the green shoots, but we should also see these announcements in as and when you sign the deals and we would appreciate if the contract value is specified, if it cannot be okay.

And then one more thing, you have also mentioned that the telco business EBITDA margin stands at whatever percentage, right? What if you can share a graph or on your deck, if you can include what each segment brings in as revenue, because if you say that my telephone business is, say, 80% of my top line, right, I would like to see how my revenue mix is. Right? We are right now specifying the revenue mix by managed services, licensing and implementation, support and others. But within this, right, in the managed services, maybe I'm seeing 80% of telco, right, licensing and implementation, maybe 20% of telco, right. So, I mean, in order for us to better understand as a company, like you said, our key focus area we are going to focus on, telcos for a significant future, till the time we generate significant cash to then probably look at other areas if we want to, right?

So that is something that can be a part of the deck. I mean, I was the one who initially told when you came on board and took over as the CEO that your deck probably is far too long and it doesn't give me any clarity and you worked on that and got it shorter. But now specifically I'm asking you to I mean segmental revenues if I may say so. Okay. So, if you can yes, I mean, because that's the feedback pointers I'm giving and probably some of the questions are answered. But I think the top line continues to remain stagnant.

I don't have to be a rocket scientist. Nobody in this call needs to be a rocket scientist to notice that. I hope that changes. I mean, I would like to see that first one hundred crore number coming. When? I don't know. I'm just right now, I mean, if you are an investor in the company and looking at what the Tableau stock has done, would you continue to remain an investor in the company is the question that I would ask you as a CEO of the company, would you after seeing so much happening, right? I mean, it is really tough now, Okay?

#### **Nisha Dutt**

No. So I agree, Abhishek. I understand, you know, I your frustration. I share your frustration as well. So, but one thing. Right? One is, fixing the fundamentals. Right? I think that, my job from day one has been to fix fundamentals. I would repeat that because and which means that figuring out what our priority was going to be and, you know, putting the other two assets on the chopping block. And that is not, an insignificant piece of work or it's not easy to do, okay, in a company that has been running in a certain way for many years.

So those actions were taken. But I think, like I said, right, telco has enough headroom. We can get to double digit growth. I want to see if we can make this cash generating so that I can you know, that gives me some degree of freedom to go invest. In terms of stock market, we are all aware what has happened. The market dynamic is really poor. All shares, I mean, including ours. Right? I mean, you guys invest not just in so many shares. I'm you know, I'm sure your shareholding is quite right. Right? You know everything is on a discount right now. I mean, it's not just the so much.

#### **Abhishek Kale**

I understand, we are not at a discount. We were we are still quoting at a premium because we are not positive.

**Nisha Dutt**

Okay? So that I understand, but generally market has been taken a beating. Small caps have been.

**Abhishek Kale**

No, I'm not talking about I will call it time. No, Nisha. I mean, jokes apart, look at what the broader market has done not in the times when it has started to tank, right, post October, okay. Probably the curve was a bit different for the entire broader market and compared to that where we were I cannot do an apples-to-apples comparison with everyone.

It won't be fair to judge Subex with I'll compare it with the Tata's of the world or anybody else of the world. But I think you appreciate the pain. I think you acknowledge it as well. I'm just hoping that things change. That's it. And I have all the good wishes that I can give from my side. But I would like to see more disclosures, more communication made by the management. I mean, we are like hiding in hibernation and then probably at the time of visits, we come up with some announcement. This should not happen. If you are paying on the....

**Nisha Dutt**

No, I would say we are working very hard, actually. It's just that I, but I completely take your point on Cadence. See, we do have a process. It's not that we don't have a process. We do have a process where marketing sales and the company secretary get together. And, you know, we do try to make as many disclosures as possible. Now all disclosures to the stock market have to be, you know, backed by customer consent, right? So sometimes the consent but consent cannot be there for numbers. Many times, they just say that they don't play a game on the tail side.

**Abhishek Kale**

Even if you say, I mean, this exact line that you have pointed to you have added in growth. Right. It did happen on the day of this announcement because it would not have been a part of this deck, right? So, it happened in the quarter. As and when this happens, you at least tell that we were able to close a deal with this, but because of a certain restriction by our client, we are not able to disclose the ticket size.

Put that black and white, I don't care. Okay. But at least show that you had us a contract win. I mean, come on, the marketing guys are would not have a problem in disclosing that. You are very -- you guys are very active on LinkedIn and everything on social. Why not this on the investor deck, any disclosure to the exchange? Piece of cake, right? It shouldn't be that difficult. Don't disclose anything in terms of who that client is if you have a problem. At least mention the geography and the segment maybe, which part of the business won that contract. And that then would translate into my revenue mix as to like you have said with the services that you have specified here that I generate X amount of revenue from X business, right? I mean, do a segmental number on the tech as well. I mean, another what a pie chart or whatever should do the job for us. It shouldn't be that difficult. I mean, these are -- I mean, very low hanging fruits, which I'm expecting the company to do. I'm not asking for stars.

**Nisha Dutt**

No. No. Agreed. Agreed. Okay. We'll try our best to be better communicating.

**Abhishek Kale**

And I don't want to sound harsh, but I would like you guys to sincerely make an effort in this direction as well. I know you guys work hard. I'm not taking that away from you because that is so one certain number. It will take time. I understand restructuring is a big process. I completely get it. But these are low hanging fruit, man. Come on. We can do that.

**Nisha Dutt**

Point taken, Abhishek.

**Moderator**

Next question comes from Bhavin Mehta, an Individual Investor. Please go ahead.

**Bhavin Mehta**

Yes. Just to think I heard a lot of questions. Just to ask to check with you. Earlier in the call, you mentioned that when you have technical capabilities, there are certain restrictions on the financial parameter where because of which you are not able to win the game. So is there a counterintuitive that if you continue to grow with this space, the probability of the Subex winning order will be low and this space is coming up very fast and for large players in the IT space who can have a huge capital can quickly catch up on the technology and then the relevance of Subex will be limiting as we move forward in the time. So that's number one.

Second, the how are we trying to increase the wallet share from the client perspective? Because the way the size of the company, the offerings will be low and would it be relevant for them if some new players come in with high capital and with high, what do you call, financial backing or technology backing or maybe some certification? In which sense they can easily probably move Subex out of their list, clientele list.

**Nisha Dutt**

Okay. So, two questions you asked. The first one, I would answer by saying that, relevance of Subex cannot be, if somebody with more capital comes in, can they necessarily replace us in contract? I would say no. The answer to that is no because the switching cost for a customer once our system is in, the switching cost for a customer is very, very high. It's not a, you know, it's not a trivial thing, actually. So that's why you will see that our logo churn in Subex is actually only about 1% or 2%. We are able to retain all clients.

So, it's not to say that we have not faced competition from people who came with lower cost, which came with a lot more financial backing, but the switching cost is very high for a telco. So, it's not something that happens very easily. So, I don't necessarily see that as a big threat, honestly, even from IT service providers because we are the essential difference being that we are a product company and service providers are exactly that.

They are in services. So, I think there is a, you know, clear my line of demarcation there. So, I don't think of it as a big threat, honestly. And there is a lot of customization that happens

around our product. Right? So, when I put in my system, I do a lot of customer controls around it. It's not something that a telco can get up one day and say that I have this person, so, you know, let them replace. It does not happen like that. The replacements typically happen on an RFP cycle, which is typically once in three years, or, whenever telco wants to upgrade.

So, these are on set cycles, and that's why you will see that, there is a revenue base while we may struggle for growth.

But there is a revenue base that we have maintained and we continue to maintain, and that comes from the fact that our churn is very low in accounts. So, I wouldn't, worry overly about that. That's first.

The second is in terms of why my size might be smaller, but one of the strengths of Subex, and I think one of our great competitive advantages is that we are present in hundred plus logos today. Right? All the 75% of telcos in the world have my product somewhere in some shape or form. So, what that does for me is that it gives me access to a lot of companies, customer base and logos.

So, every time I upset if I have to upsell or cross sell in an account and if I have, let's say, that I have two new AI use cases that I want to take to market, I don't have to spend that much effort on the go to market and, you know, how do I reach new customers. That is not the challenge I have today. I can go to market very quickly. If I have some enhancement on the product, if I have some upgrade, if I have new offerings, it's easy for me to access the base that's sitting for me.

So, I think that is, I would say, the biggest advantage of Subex. Even though we are small, that is something that we have been able to do extremely well over the last 30 years. And, that's what we are trying to do. So, our incremental cost is, you know, for a customer, an incremental cost to upgrade our system is lower than to get a competitor system in, actually. And we are also making our tech stack, you know, more cloud and AI enabled.

Right? Now cloud enabled so that we can go to, you know, newer market. So that's how I see it. I so to answer your question, I don't see that particular thing as a threat right now.

### **Bhavin Mehta**

So, when so fair enough, but then why I'm still leveraging? So, the way then it looks appears that while you because of the stickiness, because of the switching costs, we are taking clients for granted. We can't we sorry, I'm sorry if I'm sounding harsh, but if you have such a good potential, then leverage we should cross sell the product. The usage of Protea applies switching cost to leverage. If they're not able to cross sell, it means some way or the other, the client may may not be able to satisfy those services, and they're not willing to give us a more wallet share of their spend.

### **Nisha Dutt**

So, I kind of, you know, agree with you. See, the first thing is that I don't think customers can ever be taken for granted, and I tell that to my teams internally as well that, if customers, you know, if we take customer directly, then very soon we'll be out of business. So that's something which we never do internally. Customer is, of course, you know, customer is king, like to say. But in terms of, our ability to cross sell and upsell, that's one of the activities that we do consistently. I would say that, Subex hasn't done a great job of it in past, but this is

something that I'm very hyper focused on because, farming an account is so much easier than winning a new deal. Right? I mean, hunting is always harder much harder to convince a new client that come work with us than to tell our customer that you are happy, buy another thing from me.

So farming is something that as a strategy that we have been focused on, since, last few quarters. And that's something that we continue to do. My own focus is, highly on that because, obviously and how do you farm a customer is you can only farm a happy customer. Right? You can't farm a customer that doesn't like you in person.

So, I think, given that our churn is low, that tells me that customers are sticky. Also, they are you know, I would say in terms of satisfaction, customers are not, you know, barring one or two stray incidents. Typically, customers have been happy with our products. So, we do want to farm much more aggressively than we have been doing in past. That has been lacking in Subex in past. But rest assured, that's absolutely the strong focus right now.

**Bhavin Mehta**

But you canceled your numbers. Focus could be there.

**Nisha Dutt**

It will. And some of the accounts, even that I spoke about today in Tier-1, that was an upgrade that I spoke about. Right? The Middle East. We upgraded a client from, you know, our old start into a new start, and it's a significant deal. It's a Tier-1 deal. That shows that there was a customer that was happy and, you know, went and I was able to upgrade a customer. I was able to upsell into an account. So, a lot of accounts are like that for us.

**Bhavin Mehta**

Of course, there would be I'm pretty much sure that, all the customers will not be greedy, and they will be happy with the services in that issue. But all should cancel those numbers, but then let's speak to them all. So, I think I'm telling what you all invested in the call will ask for the same thing. That if we have so much potential.

**Nisha Dutt**

You and me same.

**Bhavin Mehta**

Yes. I mentioned in the market. And then at least there is some numbers to be shown. And how what is the churning, if may I have comments, is the churning in your sales team? Because sales team in this space has a lot of work to do. And if they are in the churn and believe that they were stable sales force or maybe not a strong sales force, then the potential of Subex will not be good enough to reach to the larger addressable market.

**Nisha Dutt**

I agree. I think, in terms of sales, I would say that we have quite a few people who are old timers in the sense that they have been with us for many, many years. Some actually go almost

to the time when Subex was born. So, we do have a lot of old timers. But, of course, you know, our sales teams go, we keep bringing fresh talent also in. I think can sales do a better job? Absolutely. I think, it would I won't be the first one to say that sales should do a better job. But we do have old timers. We have a healthy mix of old timers versus, new timers right now.

And, we have been revamping sales in the region, doubling down on some regions, deprioritizing some geographies as we see, business shrinking or growing. So that kind of, I would say balancing act happens on an ongoing basis. But, your message is well taken. I will take it back to the sales team. In fact, they are on the call. I'm sure they're hearing this. This message is well heard, so we'll do better.

**Bhavin Mehta**

And last question, I had to take this first question as well, that because of the financial strength, strength, you may be not eligible for certain contracts. So have you noticed how much of this context we have lost because our strength was not enough for us to go into even RFP.

**Nisha Dutt**

I will have to come back to you, but as far as I know, none. I mean, I can very confidently say never. Never have we lost an RFP or haven't been able to participate in an RFP because our balance sheet size is, small. Absolutely. From the time I have come in, I can very confidently tell you none. Before my time, I would have to go back and check, but, for the duration that I have been here, absolutely not. Not. We have never ever not been able to participate in an RFP because of our balance sheet.

We are, in fact, I would say, the first choice when it comes to RFM contracts. Right? We are pretty much in the market where there are two or three players, that can compete with us. So that I can tell you. Very confident. It has never happened.

**Bhavin Mehta**

Sure. Okay. Thanks a lot. That's all for me, sir. All the best for your future, and please deliver on the numbers. That's what I would say.

**Nisha Dutt**

Thank you so much. And please stay with us and hopefully, we'll deliver.

**Moderator**

Thank you. We have a follow-up question from Ajay Joshi, an Individual Investor. Please go ahead.

**Ajay Joshi**

Yes. Confidence is your asset. I can tell you that. You enter your chamber, put your hand on the desk and say, I can do it. I will do it.

**Nisha Dutt**

Absolutely. I mean, I don't know if I could actually tell you, but I strongly you know, this is not just words. Right? I truly, truly believe that there is, you know, strong untapped potential. We haven't been able to make it real. And, this is something that we need to make it real for Subex. I mean, from investor side, I know the frustration, but I can tell you that even employees sometimes don't feel good. Right? Everyone wants to be a part of a growth story. Nobody wants to be a part of story that didn't work out.

And, I feel almost, you know, that there is an obligation on all of us to do right by you and to do right by the employees as well. So, I think all of us want to be a part of the winning story. I can definitely, you know, assure you that. That's the conversation we have all the time, that we want to be part of the winning story. Yeah.

**Ajay Joshi**

Can you walk with a strong foot, with confidence? I can do it. I will do it. And we are trusting you to do it.

**Nisha Dutt**

Thank you so much. I really appreciate it. I think we can do it. I mean, I can, you know, I have no doubts in my mind. I think we have the potential. We will get there. So

**Ajay Joshi**

Yeah. Just remember one thing, talk with the locals in India.

**Nisha Dutt**

Sure. Absolutely. I've taken your opinion on the alliance, absolutely.

**Ajay Joshi**

Elon Musk is coming. Keep it in your mind.

**Nisha Dutt**

Elon Musk, yes. He's coming for all of us. Absolutely.

**Moderator**

Thank you. Now I hand over the floor to management for closing comments.

**Nisha Dutt**

My closing comments are actually that, you know, you've asked all the questions and, see, there are questions. I hope you got some of the answers. But, again, my appeal to all of you is we are in a transformation journey. Transformation does not happen over few quarters. It is a multiyear process. But as you can see, if the top line doesn't work for us, we will make sure that the bottom line does. But, next step, my effort is to make sure that we grow and we grow

profitably and sustainably. And more importantly, we don't take bets that will not work for us. And, you know, I want to make sure that we are conservative on the cash side. So that's generally been my effort. I have spoken to a lot, you all always come on investor calls, so I greatly appreciate that. And I would appreciate if you stay with us, for this journey. I know the stock markets are volatile. They are a little turbulent. But, that said, please have faith. Like the last speaker said, at least I have confidence that we'll get there. So please stay with us for this journey.

So, thank you so much, and I look forward to speaking to you again in after we do Q4 results. Thank you.

**Moderator**

Thank you, ma'am. Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and for using Door Sabha's conference call service. You may disconnect your lines now. Thank you, and have a good day.

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- Note:**
1. This document has been edited to improve readability
  2. Blanks in this transcript represent inaudible or incomprehensible words.