

**Company Name:** Ceinsys Tech Ltd.

**Management Participants:**

Mr. Kaushik Khona – Managing Director, (India Operations)

Mr. Prakash Yadav - Senior Vice President

**11<sup>th</sup> Annual Valorem Conference Highlights:**

- The company is transitioning from a pure data collection player to a higher-value, analytics-led, end-to-end geospatial solutions provide
- Early-stage involvement (from Day 1 of projects) strengthens control over data ownership, enabling long-term monetization opportunities beyond initial contracts
- The business model inherently benefits from data reuse, allowing incremental revenue generation from private sector applications with minimal additional cost
- There is a clear strategic shift toward operating across multiple layers (3–4 levels) of the geospatial value chain, improving overall value capture
- Growth is being driven by a calibrated move toward larger, higher-value projects supported by enhanced capabilities, workforce expansion, and technology partnerships
- The company is maintaining an asset-light model, which supports scalability while limiting capital intensity and balance sheet risk
- Private sector traction is gradually improving, though currently characterized by smaller ticket sizes, indicating a long-term diversification strategy beyond government projects
- Revenue visibility is supported by a strong and expanding bid pipeline, with expectations of meaningful order inflows in the near term

**Key Questions & Answers discussed during the Conference:**

- **From which stage do you get involved in geospatial projects, and is its adoption being driven by the government?** We typically get involved right from the initial stage of projects, beginning with data collection and moving towards solving client-specific problems. Our engagement starts from day one, allowing us to build a strong foundation for downstream applications. Additionally, we are witnessing increasing adoption of geospatial solutions across government projects, with authorities progressively integrating geospatial capabilities as a key component in project execution and monitoring.
- **What percentage of the total outlay in JJM is allocated towards geospatial-related expenses?** Our direct share in large-scale projects such as JJM is relatively small in comparison to the overall project outlay (for instance, approximately INR 381 crores versus a total outlay of INR 95,000 crores). However, a key strategic advantage lies in owning and controlling the underlying data, which enables us to further monetize it by offering value-added services to private players across various project management and analytics use cases.

- **At which stage of the geospatial ecosystem do you primarily operate?** We are no longer limited to the data collection phase. Over time, we have evolved our capabilities to focus significantly on the analysis and application layers, enabling us to provide end-to-end geospatial solutions. Effectively, our operations span across level 3–4 of the geospatial value chain, where higher value addition takes place.
- **What is your outlook on the order book going forward?** We have consciously transitioned from executing smaller, low-value projects to targeting larger and more complex opportunities. This shift has been supported by continuous capability enhancement, expansion of our workforce, and the establishment of strong technology partnerships. As a result, we expect a more robust and higher-quality order book going forward.
- **How does your payment cycle typically work?** Our payment cycle is milestone-driven in nature. It involves multiple stages, including defined billing milestones and corresponding collection timelines. This structured approach ensures that revenue recognition and cash flows are aligned with project progress and deliverables.
- **What capabilities are you building on the data processing side of the business?** We are consciously moving towards an asset-light model and are not focused on building a heavily asset-intensive business. Instead, we are strengthening our capabilities in data processing and analytics through technology and scalable platforms, enabling us to deliver higher value without significant capital intensity.
- **How is your progress in private sector projects?** Private sector projects currently constitute a relatively smaller portion of our overall business, typically below INR 35 crores per project. However, we have made strong inroads by engaging with reputed clients such as Adani and have built a diversified base of over 400 corporate clients. This segment is expected to scale up over time.
- **Who are your key competitors?** We do not have a single direct competitor across all segments, as competition varies depending on the specific domain. For instance, in water utilities, players like Wright Water are relevant, while in the energy segment, companies such as Siemens may be considered competitors. Our diversified offerings place us in different competitive landscapes.
- **Do you plan to commercialize any of your internally developed products?** Currently, we do not intend to sell our products externally. We primarily develop and utilize them internally to enhance our service offerings, improve efficiency, and deliver better value to our clients.
- **What is the revenue potential with your current workforce?** With our existing workforce, we have the capacity to generate approximately INR 2,500 crores in annual revenue. Notably, this is still below our peak potential, indicating significant headroom for further growth.
- **How does your per-employee productivity compare within the industry?** We have one of the highest employee productivity levels in the industry, with per-employee revenue in the range of approximately INR 48–50 lakhs. This reflects our focus on efficiency, capability building, and optimal resource utilization.
- **Can you elaborate on your recent acquisitions?** One of our recent acquisitions, Allygrow, operates in the mobility solutions space, particularly focusing on automotive design services. The second acquisition, VTS, is a geospatial-focused company that strengthens our capabilities and also supports our expansion into the US market. Both acquisitions are strategically aligned with our long-term growth objectives.

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- **How do you see the revenue mix evolving going forward?** We are targeting a balanced revenue mix over the medium term, with an aspiration to achieve a 50:50 split across key business segments. This will help us diversify risk and ensure more stable growth.
- **What is your current geographic focus for growth?** The US represents a significant growth opportunity for us, with the potential to scale revenues by nearly 10x from current levels. We are actively focusing on expanding our presence and capabilities in this market.
- **Do you see a need for further acquisitions?** We remain open to both organic and inorganic growth opportunities. While we continue to strengthen our core business organically, we will also evaluate strategic acquisitions that can enhance our capabilities, market presence, or technology stack.
- **What proportion of capex projects is typically allocated to geospatial services?** Geospatial services generally account for around 5% of the total capital expenditure in large projects. For example, in a project with an overall outlay of INR 10 lakh crores, geospatial components may account for approximately INR 50,000 crores.
- **What is your 3–5 year outlook for the business?** We have built a strong pipeline of bids and are actively participating in large opportunities. Based on current visibility, we expect meaningful order wins in the coming quarters, which should support sustained growth over the next 3–5 years.
- **Why are billing and collections typically higher in Q4?** Our billing is largely milestone-based, particularly in government projects. Work completion is first certified before invoices are raised, which often leads to a concentration of billing and collections towards the fourth quarter. This is a structural aspect of our business model rather than a one-off occurrence.

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