“Onward Technologies Limited
Q1 FY27 Earnings Conference Call”
July 16, 2026

MANAGEMENT: **MR. JIGAR MEHTA – MANAGING DIRECTOR – ONWARD TECHNOLOGIES LIMITED**

MODERATOR: **MR. LUV GUPTA – GO INDIA ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to Q1 FY27 Earnings Conference Call for Onward Technologies Limited hosted by Go India Advisors. 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference call over to Mr. Luv Gupta from Go India Advisors. Thank you and over to you, sir.

Luv Gupta: Thank you, Iqra. Good afternoon, everybody, and welcome to Onward Technologies Limited Earnings Conference Call to discuss the Q1 FY27 results. We have on the call Mr. Jigar Mehta, Managing Director. We must remind you that the discussion on today's call may include certain forward-looking statements and therefore, must be viewed in conjunction with the risks that the company may face.

May I now request Mr. Jigar Mehta to take us through the company's business outlook and performance, subsequent to which we will open the floor for questions and answers. Thank you, and over to you, sir.

Jigar Mehta: Thank you, Luv. Good evening, everyone, and thank you for joining us today. Q1 FY27 marks an important milestone for Onward Technologies' journey and represents a strong start to a new financial year. We delivered our highest ever quarterly revenue of INR 151.2 crore, crossing the INR 150 crore milestone for the first time, with revenue growing 11.5% year-on-year and 8.7% sequentially.

Our EBITDA increased to INR 18.4 crore, growing 20% quarter-on-quarter, while EBITDA margins improved by 113 basis points sequentially to 12.3%. Profit after tax stood at INR 11.2 crore, up 16.9% sequentially, demonstrating improving operational momentum as we enter FY27. Beyond the financial performance, we continue to strengthen the quality of our business with our existing clients.

During the quarter, we won an INR 33 crore contract with a leading global power management company from North America and also increased the number of customers generating over $1 million in annual revenue from 16 to 18, reflecting deeper account penetration and stronger strategic relationships with our customers.

We do believe that the majority of our customers, if not all, have the potential to reach $10 million per year. What excites me most is that these Q1 results are not driven by a single client, a single geography or a one-time event. These are the outcomes of strategic investments we have made over the last few years in digital engineering, ER&D, and offshore delivery expansion, leadership capability, and account mining.

Today, we are beginning to see these investments translate into greater scale, stronger execution and improving operating leverage. We continue to invest in subject matter experts across all three lines of business, which is mechanical engineering, embedded and digital, and also in lab infrastructure, proof-of-concept development, engineering accelerators and reusable IP that enhance our ability to win larger, higher-value engagements across our targeted industry segments.

These investments are strengthening our competitive differentiation, improving speed to value for customers and creating a scalable platform for future growth. We are also seeing increased demand from global enterprises investing in software-defined products, AI-enabled engineering, automation, digital manufacturing and intelligent products. The huge expansion taking place across North America and Europe in data centers, AI, and energy are the areas where Onward Tech is focusing now to build newer and stronger capabilities, and where we believe, we are well positioned to capture a large share of customer spending over the coming years.

Importantly, we also completed our first-ever buyback programmeme during the quarter, reinforcing our confidence in the business, our cash generation capabilities and our long-term growth outlook. As committed, the promoters did not participate in the buyback programme.

As we look ahead, our focus remains unchanged, accelerating revenue growth, expanding margins, increasing wallet share within our strategic clients, scaling our offshore delivery model and continuing our evolution into a digital engineering and ER&D partner for our global industrial enterprises.

While macroeconomic uncertainties remain, we enter the balance of FY27 with record revenues, a stronger client portfolio, a growing pipeline, and significant opportunities ahead. What's even more exciting for me to share with all of you today is that our order book, or ACV, for this year has crossed last year's revenue. We have an amazing trajectory, as I said, and a strong sales funnel, as we deliver Q2, Q3, and Q4 of this financial year.

Before I hand it over back to Luv, I just want to give you three key takeaways. We have delivered a strong start to FY27 with record revenue, improving sequential profitability, and continued momentum across our strategic customers.

Second, the quality of our business continues to improve, as evidenced by the growth in our strategic customer base, increased offshore opportunities and larger engagement wins. Third, and most importantly, we believe we are building a company that is significantly stronger, more scalable, and better positioned than ever before.

Our investments in talent, engineering capabilities, offshore delivery and strategic accounts are creating a solid foundation for sustainable growth and long-term value for everybody in our ecosystem. While we remain disciplined and realistic about the evolving macroeconomic environment, we are optimistic about the opportunities ahead.

We have entered FY27 with record revenues and improving operational momentum. We crossed INR 150 crore this quarter. Our ambition is much bigger. We are building the capabilities, customer relationships, and operating platform required for the next chapter of Onward Tech's growth journey, and we believe the best is yet to come.

Thank you again for your continued trust and support.

With that, I hand it over back to Luv. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Hitaindra Pradhan from Maximal Capital. Please go ahead.

Hitaindra Pradhan: Hi, I hope I'm audible?

Moderator: Yes, you are.

Hitaindra Pradhan: So, my question is with respect to the Auto segment specifically: what are our growth expectations this year for our automotive projects? I mean, we hear mixed commentary from the industry, such as European OEMs struggling and green shoots in the U.S. So, if you can give us some kind of commentary or colour on that and how we stack with respect to the Auto segment?

Jigar Mehta: So, what we are seeing this quarter since April is that spending patterns remain very selective, but customers continue to invest in initiatives that are tied to product innovation, software-defined engineering, AI, automation and cost optimization. These are the areas where Onward Technologies is well positioned and where we continue to see healthy demand.

From your point about European automotive OEMs, we are seeing a similar trend. While there has been a lot of industry news about project cancellations and shutdowns, we at Onward Tech are seeing positive momentum with a few select customers in select areas, where we have specialization. So, we remain quite positive about where we are with our existing customers.

Hitaindra Pradhan: So, is it fair to assume that we'll be having positive growth in the segment this year with auto?

Jigar Mehta: Yes.

Hitaindra Pradhan: Got it. And the second question is slightly long term. I just wanted to get your view on the strategy that you have. What gives us the confidence about our ability to win in this domain? As far as we understand, the competition seems to be strong. I mean -- and some of the new platform or the things that companies are trying to do, they seem to be even the Tier 1 and the OEMs are also struggling.

So, what is our approach there? What is our view? You briefly mentioned and touched upon how you've been investing into digital stuff and building some kind of platform. But if you can give us some broad colour on your strategy from a medium to long-term point of view, that would be helpful.

Jigar Mehta: Onward Technologies has 73 live customers today, and we are focusing only on those customers where we have existing master services agreement signed, where we have existing client relationships, where we are working in one particular design centre or office location or factory of these customers.

We are not a sales organization chasing new customers. Our confidence is based on our conversations and discussions with our customers. So that fundamentally that gives us our biggest strength and there are no unknowns from that perspective.

Number two, the feedback that I'm sharing with all of you today is the feedback I've consistently shared for the last several quarters. And I continue to maintain that we are seeing a very healthy opportunity for a company of our size to continue to deliver robust double-digit revenue growth and double-digit EBITDA growth year-on-year, and we continue to focus on that.

We have three broad verticals and it's not going to be that every vertical will grow every quarter. But on an annual basis, on a three-year basis, we do believe all three verticals have huge potential for us, with the projections that we have shared with all of you.

Hitaindra Pradhan: Okay. Thank you. That is all from my side.

Moderator: Thank you. We will take our next question from the line of Rehan Saiyyed from Trinetra Asset Managers. Please go ahead.

Rehan Saiyyed: Yes. Hello. Good evening. So sir, I have a couple of questions. So first on the healthcare vertical. So could you please provide me the colour on the healthcare vertical? Are any clients close to crossing the USD 1 million revenue mark? And how should we think about its contribution over the next 12, 18 months? This is my first question.

Jigar Mehta: In HCLS vertical, we don't have clients that have crossed the USD 1 million mark yet. The way I'm looking at the healthcare business, it can grow anywhere from 20% to 50% year-on-year. It's all about execution. Q1, in particular, was a very good quarter for our team.

Rehan Saiyyed: Okay. And my second question is around -- first of all, an understanding regarding the ODC deal that we had recently and continued there. Given the recent ODC deal and continued focus on large accounts, so how should we think about the evolution of deal sizes and the potential for more such multiyear engagements going forward?

Jigar Mehta: So just to reinforce, the same point again, all 70-plus customers that we have are large customers. Each of these customers has a massive opportunity. When I say massive opportunity, each of them has anywhere from USD 100 million to USD 1 billion outsourcing budget in the space that Onward Technologies operates in. What we are seeing is increased opportunities across Mobility, Industrial Equipment, Healthcare and our software-defined product engineering space.

The ODC deal that we won this quarter for INR 33 crore is only a starting point. And this is just one example. There will be several large multi-year engagements and RFQs that we are participating in today and for which we are invited to compete. Our pipeline today is broader, and of much higher quality than a year ago.

Rehan Saiyyed: Okay. Sir, my last question is on your offshore mix. So your offshore mix has moderated slightly this quarter. So what led to this change? And when do you expect offshore leverage to resume as the margin driver? And just continuing on this part, and so what EBITDA margins are we expecting for two to three, four quarters going forward?

Jigar Mehta: So again, to reinforce our commitment and the projections that we have shared, the number of customers with USD 1 million-plus revenue has increased this quarter. Several customers will increase onsite, several will increase offshore, and I think it's all about timing. But year-on-year, you will see an improvement across all our customers because companies in the U.S. and Europe hire companies like Onward Technologies to leverage the offshore advantage. That's where the real strength is. That's where the real value play for them and for us. So you will see improvement there.

And in terms of EBITDA, we have shared before that we are confident that it will be in double digits and continue to improve quarter-on-quarter and year-on-year. And I think we have quite a reasonable pipeline for that.

Rehan Saiyyed: Okay. Thank you and good luck for the coming quarter.

Moderator: Thank you. Next question is from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.

Madhur Rathi: Sir, thank you for the opportunity. Sir, firstly, I wanted to understand regarding our aspiration of improving revenue per employee between INR30 lakhs and INR40 lakhs. So that would mean that our revenue on the base of 2,500 employees moving mostly to INR750 crores to INR1,000 crores levels.

So what kind of foresee -- when is this aspiration do we expect to achieve this? And sir, what kind of upskilling or what kind of contracts will be required to reach these levels? Because it seems that our employee cost is currently upwards of 70%, 75% of our revenue versus 65% for larger peers. So if you could help us understand this trend?

Jigar Mehta: We don't have a particular timeline, its an aspiration to move up the technology value chain. What we do have a very clear timeline for, which we have shared with everybody, is that we are confident of delivering double-digit revenue growth and bottom-line growth.

And as the overall numbers improve from our existing customers, I think revenue per person will increase as well. To add to the last point on revenue per person, to increase the revenue from current INR22 lakhs per employee to, let’s say, INR35 lakhs, I think it's onsite and moving up the value chain.

Madhur Rathi: Got it. So our target of achieving the high -- mid-to-high teens EBITDA, so what will it require from our end to scale our EBITDA margin going forward?

Jigar Mehta: More and more offshore. It's just about mining existing accounts. So currently, our top 25 customers contribute 87% of our revenue. With more customer engagements, we have to bid for larger projects, win larger deals, which we are doing now. More offshore, the margin improves, and that's where we will see the margin expansion happening from each of our existing customers. Each customer moves towards from $1 million to $3 million per year, $5 million per year, $10 million per year, and that's where the margin expansion will happen.

Because, keep in mind, the fixed cost for each client remains the same. Today, Onward Technologies is investing substantial capital upfront behind these customers. So, we will not need to keep investing more. Eventually, for 70 clients, we will only need 70 account managers, the same number of G&A staff and the same number of offices. It's more about growing with the customers, executing and broadening our engagement with them.

Madhur Rathi: Got it. Sir, if you could help us understand in our main segment of heavy engineering and industrial. So how has been the R&D trend of our -- so you don't like tell what your customers are, but if you could help us understand the Top 5 customers that we have. How has their R&D budget moved over the past 3 years? And how has their outsource -- so first, how their R&D budgets have moved over the past 3 years? Out of that R&D, how is the outsourcing work shifted? And how much has been awarded to Onward Tech currently versus what it was 3 years back?

Jigar Mehta: So just to clarify, our Industrial Equipment and Heavy Machinery segment is the oldest vertical of Onward Tech. We have been in this segment for 15 years plus, and most of our client engagements are 10-year plus. We have very stable long-term engagements with these customers. The difference is that pre-pandemic, Onward Tech focused only on the India market and the GCC business. Now we are expanding with them into global markets. And that's where the revenue growth and the margin expansion will come.

To answer your second point, these customers are all flourishing. They are delivering record revenues today. They're generating record profits and record cash generation today. And if you look at their market cap across North America and Europe, the industrial segment, the agricultural segment, the power generation segment, the oil segment, all are at an all-time high.

So that's where the revenue goes up, obviously, their investment in technology, innovation, and R&D goes up even higher. So, their outsourcing budget is very high, and with them, we are growing as well. We believe the momentum will continue. The deal that we signed this quarter is an example of that.

We have been supporting this customer for 4.5 years already, and it's not a new customer for us, but they've been testing us, doing pilots with us, giving us many different small opportunities to prove our capabilities.

We have done that. Hence, they invited us for this deal, and this is just one deal. Post this deal, they've already invited us for several new RFQs from the same customer. So, it's all about executing and then bidding for larger contracts with these customers. Each of these customers have outsourcing budgets of which Onward Tech accounts for not even, I would say, 0.5% to 1%. So that's the kind of potential we are talking about.

Madhur Rathi: Got it. Sir, just a final question from mine. Sir, does the outsourcing budget -- a portion of R&D budget that is outsourced increases in companies that are going through a down cycle, so like automotive OEM out of EU whose balance sheet is already stretched. So, are these players more open to outsourcing to a player like Onward Tech or a player in industrial and heavy machinery who might be making turbines or who might be making many equipment, is more willing to outsource the software -- the ER&D work to a player like Onward Tech, if you could help us understand?

Jigar Mehta: Customers that are growing very quickly, customers that are growing exponentially, and customers that are buying companies, that's the sweet spot. Those are the companies that outsource more to us. When customers are downsizing, there's an opportunity there as well, but that's not what Onward Technologies and my team are focused on today. We are focusing on customers, that are the biggest brands, that are at the forefront of innovation, and all multibillion-dollar companies.

Madhur Rathi: Got it. And sir, have we had discussions because we see that this time and material contract will become less and less relevant going forward with these AI models. So have we had any discussions with our customer about how these -- our contracts should move going forward, if you could help us on that front?

Jigar Mehta: There's been no conversation about time and material going away. Actually, we are seeing time and material increase this quarter, in Q1, and we see similar momentum in Q2. AI is affecting IT companies and Onward Technologies is not an IT company. We are a product-engineering company.

Madhur Rathi: Okay. So that was from my end. Thank you so much and all the best.

Moderator: Thank you. Next question is from the line of Omkar from KCP. Please go ahead. Omkar, your line is unmuted you may please proceed with your question. As there is no response from the current participant, we will move on to the next question.

The next question is from the line of Abhijeet from Paul Asset.

Abhijeet: Thank you for the opportunity. Am I audible?

Moderator: Yes.

Abhijeet: Yes. So sir, in the last call, you had mentioned we were setting up the digital AI lab in Chennai. Can you share an update on its progress? And have we started rolling out projects from there?

Jigar Mehta: Yes, absolutely. Chennai office has been amazing. The centre is fully operational. We have a few hundred people working from there. We still have some additional capacity left, which I think will get filled very soon, and we will start looking for even bigger expansion in Chennai.

Our focus this quarter is on opening our fourth design centre in Pune. We have 3 offices, that are fully functional and occupied. So we decided to open a fourth centre, which is coming up in August. So our focus lies there. Once this centre is fully occupied, our focus will go back to Chennai, which will again become a big growth focus or investment area for us.

Abhijeet: Got it. And the other question is regarding the rise in our fixed price mix in this quarter, I think it was somewhere around 16%. So is this a deliberate pivot or how is it? And [inaudible 0:28:58] going forward?

Jigar Mehta: Sorry, you are not very clear. Can you please repeat?

Abhijeet: Yes. I was asking regarding fixed price mix. So out of the total revenues, it was around 16% in this quarter, right? So is this one-off or was this a deliberate pivot and the trajectory from here?

Jigar Mehta: No, there is no such difference in terms of fixed price versus time and material. We have maintained that 80% plus of our revenues will be from time and material. I clarified this in the earlier point as well. I think what we are seeing from our customers is more and more time and material engagements.

We saw that in Q1 as well. But again, it could be cyclical. It could be that some projects which are fixed price could be in this quarter. But overall, we do believe we'll continue to be at 80% to 90% time and material at least for this financial year. That's what we are hearing from our customers.

Abhijeet: 80% to 90%. Understood. And regarding the INR 33 crores ODC win with the power management company. So how do you see this trend going forward? Are we seeing a strong pipeline for power and thermal management engineering?

Abhijeet: Yes, I'm talking about INR 33 crores ODC win that we won last month, I guess.

Jigar Mehta: Sure. How do I see the pipeline? Is that a question?

Abhijeet: Yes, yes.

Jigar Mehta: Okay. It's very robust. As I said, it's very strong right now because all the power management companies are focusing on data centres. And as you know, data centre business is booming. There's a huge shortage of capacity. There's a huge shortage of technical capability, and they need very strong manufacturing and engineering.

They also need very strong robotics and Onward Technologies already has that. So we have the capacity and capability. Now we have to just take these to our existing customers, which are ramping up. And we are already participating in a number of RFPs. And I do believe we will see significant progress and scale in this particular area, at least over the next 3 years.

Abjiheet: Thank you. That is all from my side.

Moderator: Thank you. Next question is from the line of Suresh Burramsetty from Burrams Financials. Please go ahead.

Suresh Burramsetty: Sir, actually, revenue will be increasing, sir, but profit after tax margin has not improved and further double-digit revenue growth, will guide to you in presentation, in results presentation. In future profit after tax margin will improve the chances is there, sir? Around 12% or 10%? Hello, am I audible?

Moderator: Yes, sir, you're audible.

Jigar Mehta: Yes. So, while PAT was lower on a year-on-year basis, sequential performance improved significantly. Our PAT actually grew 16.9% quarter-on-quarter, and our EBITDA grew 20%

quarter-on-quarter. So, margins did improve by 113 basis points. But our focus from a short-term and long-term perspective is on profitable growth and long-term margin expansion, which you will see going forward.

Suresh Burramsetty: You guide me how much you will improve in the future?

Jigar Mehta: Sir, we have already shared our projections. We are committed and are working very hard to deliver double-digit revenue growth and double-digit EBITDA margin on an annual basis. And we want to remain consistent for that over the next few years, and we will deliver that as we did last year.

Moderator: Next question is from the line of Omkar from KCP.

Vikram: My colleague is not there, so I'm there, I'm Vikram here. Actually, my couple of questions which I wanted to ask has been answered. First, I'll ask for the, since I'm on the line, I'll ask the question. So, my question to management is when is the inflection point, Jigar and your team sees where the investment will slow down into the manpower, building capabilities and building clients or acquiring talent? And when this will start converting to profitable? What are the timelines of investing and when you might, in terms of getting the larger benefit? So, slowing down and increasing profit margin. Is it 18 months away, 12 months away? Or you think there is on that timeline?

Jigar Mehta: Our priority is not just growing revenue. It is building larger, higher-quality, more scalable engineering engagements with our customers, which can deliver sustainable growth, margin improvement and, of course, shareholder value. So, we are seeing that already from last year. We went from a single digit, 9% to 13% last year. You saw a huge jump in revenue in this quarter. So, we are already seeing that. But I think it's all about maintaining the momentum and growing sustainably quarter-on-quarter going forward.

Do I see there being a hockey-stick curve in my business? No, I don't see that coming. I think that happens, in the product side of the business. In the services business, I think it's very important for Onward Tech to maintain quarter-on-quarter discipline while we focus on both short term and long term.

Moderator: Next question is from the line of Madhur Rathi from Counter Cyclical Investments.

Madhur Rathi: Sir, there is a line item in your balance sheet, subcontracting costs, which have increased by 36% YoY from INR 25 crore to INR 34 crore. So, what is this regarding? Are we facing employee productivity because our subcontracting expenses are increasing on one side, and then we are saying that we should improve employee productivity?

Jigar Mehta: Sure. So, let me clarify 2 points. First, if you look at from a ratio perspective, our subcontracting costs along with our employee cost, then the ratio for FY '26 has actually gone down compared to FY '25.

So, I think you are looking at transactions from a quarterly basis. I'm giving you an annual perspective. Secondly, because of the macroeconomic conditions in terms of the war, in terms of everything happening in the Middle East, a lot of people couldn't travel for positions that we needed to fill in Europe and U.S.

So, for short term, we have hired people locally in the respective markets, which will eventually go back to backfilling with our own team members as we make progress in the year. Once we win a project, we have to serve the customer, and that's what we have done. And I think our team has done a good job there.

Madhur Rathi: Sir, what I'm trying to understand is, sir, we do some kind of work for our project. Based on that, we'll get a better project or a larger project, and that is where we would like to move. So, based on the projects that we have done or capabilities that we have built with our customers over the next -- like over the last few years, sir, how -- what kind of new projects or if you can help us understand the trajectory of this based on the capabilities and the project work that we have done, what kind of new projects are we able to get? And what are the new capabilities that you would like to add that and -- like if you can help us on that directionally how this should go?

Jigar Mehta: Sure. So, I'll simplify it again. This is how our business works in the product engineering and engineering services space. Initially, all our client engagements start with onsite model, where Onward Tech will place our best engineers working at the client side.

So, whether it's in the U.S., Europe, or at their GCCs in India. After 3 months, 6 months, or 1 year, the maturity model improves, the customer transitions all these roles offshore, work moves from onsite to offshore. That's why you have seen our offshore grow over the last five years, in percentage terms.

Once the offshore team grows, let's say, in mechanical engineering, manufacturing engineering, or robotics, then in that area the customer will identify us as a niche supplier. Then all the global RFQs from that customer, whether it's coming from North America, Europe, Latin America, wherever, routed through this one particular outsourcing office of theirs, we get a chance to participate.

And then once we start winning those engagements, we can start scaling it up. And each of these engagements can become 200 to 500 engineers offshore in your ODC. And that's the kind of ODC that we have won. That's not the first ODC. We have several ODCs that we have won in the last 10 years. And you would have seen this if you have had a chance to visit our offices and design centres in Chennai, Hyderabad, Bangalore and Pune.

So, you have multiple ODCs working for multiple customers. Now it's about scaling it up. That's the second part. And the third part is, where we are building new capabilities in digital engineering. This is where we are building capabilities and positioning ourselves to get registered with our customers. When we do that, whether it's embedded technology systems, whether it's data analytics, and everything to do with data, that's where we get opportunities to start bidding for additional projects.

And we have started doing that as well now and have started winning several of them in the last 1 year. And those will scale much faster as well. So that's where we see a journey where our current client engagements can go from $0.5 million to $1 million to $5 million a year to $10 million a year. Onward Tech has to keep investing in the latest technologies our customer's demand. Hope I clarified your point.

Madhur Rathi: Yes, sir. So that makes sense. Sir, just one question on the INR 33 crores...

Jigar Mehta: I would add one more small point. But the cycle changes sometimes. And when the cycle changes, the clients sometimes do so well that they need everything onsite. So, while cost is very important, offshore is very important, like what happened 2 years or 3 years ago after the pandemic, customers were not demanding offshore, we started building onsite capacity in the U.S. and Europe.

Sometimes the whole model changes as well, and we have to be very flexible and very adaptive to the customers' requirements. Then they can trust you and know that you can be a global partner for them for the next decade or two.

Madhur Rathi: Sir, just this INR 33 crore contract for offshore development centres, so if you could help us understand how did we get this -- like if you can help us understand the journey with this client, what led them to give Onward Tech this because it's I think $3 million, $3.5 million of investment from our end on these fronts.

So, if you could help us understand what led the customer to give us these orders? And how should -- with this development centre, how should the business with this customer move going forward?

Jigar Mehta: Sure. I clarified earlier. This is an existing customer of Onward Technologies. This is a customer we've been supporting for the last 4-5 years. We've been supporting them across multiple geographies, multiple areas, including controls, embedded, electronics, mechanical, digital. The customer is growing exponentially, thanks to the data centre boom in North America and Europe, and they have floated multiple RFPs for multiple capacity expansion.

We participated in one of them, the first one, and that's the one we have won, which goes live. We have not even started billing yet. We will start billing from Q2. As I said, the centre only goes live in August and the full revenue will come in Q3 based on our projections.

But this is only a start. In my view and based on what the customer has told us, they want to grow 5x. And they have the budgets in place. They have all the roadmaps in place, but you have to stabilise, and you have to grow with them, and that's where Onward Technologies comes in. We have been meeting them for the last 5 years.

Madhur Rathi: Sir, as a layman, sir, what would be the scope of -- would it be like we – Onward Tech doing prototyping and testing for this customer or because this is a decent amount of investment. So where will this investment go? And what kind of work will be doing for this customer?

Jigar Mehta: So we are not allowed to share what kind of work we do. But on the broader side, it will be mechanical engineering, electrical engineering and electronics to start with. We are building capacity and capability for them to start with. I think it will be about 40 engineers to start with, and then we will ramp up from there. We have very strict NDAs. I hope you'll appreciate that. So, we are not allowed to share the detailed engineering work, but we can share the broader areas which have allowed us to share.

Moderator: As there are no further questions from the participants, I would now like to hand the conference back to the management for closing comments.

Jigar Mehta: Thank you again, everybody, for your questions and your continued interest in Onward Technologies. As we conclude today, let me again leave you with a few key thoughts. Q1 was an important quarter for Onward Technologies. We delivered our highest ever quarterly revenue of INR 151.2 crore, crossed the INR 150 crore milestone for the first time, improved our EBITDA by 20% sequentially, expanded margins, increased our strategic customer base, secured a significant offshore ODC contract and successfully completed our first share buyback.

These achievements reflect the strength of our strategy, the disciplined execution, and the maturity our team has built over many years of investment. More importantly, we believe the quality of our business continues to improve. We are stronger today than yesterday.

Our customer relationships are deepening. Our offshore delivery model is scaling and the investments we have made in digital engineering, domain expertise, engineering labs, accelerators and reusable IP are enhancing our ability to compete for larger and more strategic opportunities.

These are the building blocks that will position us well for sustainable, long-term growth. While we remain mindful of the broader macroeconomic environment, we are encouraged by the momentum we are seeing so far in the fourth month of the financial year. Our pipeline remains very healthy. Our accounts are continuing to expand.

Our clients are doing exceptionally well. And the whole excitement, the investments, and the massive scale that we are seeing across North America and Europe in data centres, AI, power generation, and the energy sectors is a key reflection of where we believe the opportunity for Onward Technologies will be, as we continue to build higher-end capabilities. We crossed INR 150 crore in quarterly revenue. But again, our aspirations are much, much higher.

Our foundations are in place. Our momentum is building, and we believe the most exciting phase of Onward Technologies' journey still lies ahead. On behalf of my entire team, thank you for your continued trust, support and partnership. We look forward to updating you on our progress in the quarters ahead. Thank you, and have a wonderful day.

Moderator: Thank you very much. On behalf of Go India Advisors, that concludes this conference. Thank you all for joining us today, 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.