Date: August 21, 2026

To,
Listing and Compliance Department
Bombay Stock Exchange Limited
P. J. Tower, Dalal Street,
Fort, Mumbai- 400 001.

Dear Sir/Madam,

Sub: Transcript of the Investors' Earnings Call held on 19th August, 2026 on the Unaudited Financial Results for quarter ended June 30, 2026

REF: NIS MANAGEMENT LIMITED (SCRIP CODE: 544495)

Please find enclosed herewith the copy of transcript of the Investors' Earnings Call held on 19th August, 2026, with respect to the Unaudited Financial Results for half year ended September 30, 2025.

The transcript of the aforesaid earnings call with Investors/Analysts is available on the Company's website and can be accessed on the following link: https://nis.co.in/Investors_New/investors.aspx#cat-21

We request you to take note of the same.

Thanking You,

FOR, NIS MANAGEMENT LIMITED

Debajit
Choudhury

Digitally signed by Debajit Choudhury
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DEBAJIT CHOUDHURY
MANAGING DIRECTOR
DIN: 00932489

Date: August 21, 2026
Place: Kolkata

Encl.: As above

"NIS Management Limited
Q1 FY27 Results Conference Call"
August 19, 2026

MANAGEMENT:	**MR. DEBAJIT CHOUDHURY – MANAGING DIRECTOR – NIS MANAGEMENT LIMITED** **MR. KANAD MUKHERJEE– CHIEF FINANCIAL OFFICER – NIS MANAGEMENT LIMITED**
MODERATOR:	**MR. PARTH ACHARYA – KIRIN ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to Q1 FY27 Results Conference Call of NIS Management Limited. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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 Moderator: by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Parth Acharya from Kirin Advisors. Thank you and over to you, sir.

Parth Acharya: Thank you. Good afternoon everyone. On behalf of Kirin Advisors, I welcome you all to the conference call of NIS Management Limited. From the management team, we have Mr. Debajit Choudhury, Managing Director, and Mr. Kanad Mukherjee, Chief Financial Officer of the company.

With that, now hand over the call to Mr. Debajit Choudhury for the opening remarks. Over to you, sir.

Debajit Choudhury: Good afternoon everyone. I welcome you all to NIS Management Limited's earnings conference call to discuss our financial and operational performance for the first quarter of FY27. Let me begin with a brief overview of the company. NIS Management is an established integrated security and facility management services provider with over 4 decades of operating experience.

Our service portfolio spans security services, integrated facility management, housekeeping, electronic security and CCTV solutions, payroll processing, investigation, and other allied support services. We serve a wide range of corporate, institutional, and government clients across multiple sectors and geographies.

Coming to our financial performance for the quarter, we have started FY27 on a healthy note. On a consolidated basis, total income stood at INR115.44 crores, registering a year-on-year growth of 15.68%. EBITDA increased by 36.24% year-on-year to INR9.22 crores, while the EBITDA margin expanded by 121 basis points to 7.99%.

Net profit stood at INR6.40 crores, growing 35% year-on-year with the net profit margin improving by 81 basis points to 5.54%. EPS for the quarter stood at INR3.23, representing growth of 3.53% year-on-year. The improvement in profitability and margins reflects our continued focus on operating discipline, contract quality, and efficient execution.

Our operational scale also continued to expand during the quarter. The number of employees increased from 18,673 as of March 2026 to 19,154 as of July 2026, 19, 154, I mean, reflecting the continued addition of new assignments and expansion across existing contracts. During the quarter, we witnessed healthy order inflows across both private and government clients. We received 5 work orders from Reliance Projects and Property Management Services worth INR30.77 crores for housekeeping, MEP electrical, and ancillary services.

In addition, we secured facility management contracts across 7 Reliance Group entities valued at INR14.94 crores, taking the combined value of orders from the Reliance Group to INR45.71 crores. We also received 2 orders from Nesco Limited worth INR1.94 crores for the deployment of facility supervisors and attendants. Further, we secured an order worth INR36.71 lakhs from West Bengal Public Department for housekeeping services at the new Secretariat building.

These wins demonstrate our ability to deepen relationships with large existing customers while simultaneously expanding our presence across institutional and government engagements. Looking ahead, our focus will remain on profitable and cash flow accretive growth rather than pursuing top-line expansion at the expense of margins or working capital discipline. Maintaining the right balance between growth, profitability, and operating cash flow will remain central to our approach while evaluating new opportunities.

We continue to see opportunities across both the government and private sectors. In the government segment, our established credentials provide opportunities to participate in large tenders and expand geographically, while in the private sector, we see scope to deepen client relationships through a broader combination of security, housekeeping, facility management, and technical services.

We also believe the increasing formalization of the security and facility management industry can create greater opportunities for organized and compliant players like NIS. Particularly as clients place greater emphasis on compliance, workforce documentation, and execution capability.

We remain optimistic about the prospects of our CCTV and electronic security business, supported by improving availability of compliant equipment and expected tender activity. We also see renewed opportunities in the skill development and vocational training segments where government programs are beginning to see increased activity.

Overall, we are encouraged by the start of financial year 2027 and remain focused on disciplined execution, improving profitability, strengthening cash flows, and building a stronger platform for sustainable growth. We continue to work towards our stated objective of crossing INR500 crores in consolidated revenue during the FY27, while maintaining appropriate discipline on margins and working capital.

With that, I would now like to open the floor for the question and answer session. Thank you.

Moderator: Thank you very much. The first question is from the line of Keval Gala from Gala Ventures. Please proceed.

Keval Gala: Yes, hi. Good afternoon, sir. So, sir, you had guided for approx 12%-15% revenue growth and crossing INR500 crores in FY27. So with quarter 1 revenue growth at approx 16% and EBITDA margin at approx 8%, is there scope to raise FY27 revenue and margin guidance?

Debajit Choudhury: Good afternoon, sir. Kanad, our CFO will respond to this.

Kanad Mukherjee: So currently, there are 2 things that will happen. One is that last year we got certain major contracts like the Haldia Dock, Reliance Retail stores, around 130-140 stores in Gujarat. We started the work in January, but we ultimately got the work order in April. And then there was the Patna Secretariat, then the Irrigation Department of West Bengal, etcetera.

So what we are seeing is that, last year we would have -- whatever revenues we had booked from November-December onwards that will get booked for the entire year during this financial year. And on the other hand, as we have provided investors with information regarding the work orders that we have gotten this year, we are confident that we should be able to cross the INR500 crores mark during the current financial year at the pace that we are going on a year-on-year basis.

Regarding the EBITDA margins, normally our first quarter EBITDA is better, but it tends to moderate during the second and the third quarters while picking up again in the fourth quarter. So -- whether there is going to be an expansion at the EBITDA margin at a percentage level is hard to say.

Keval Gala: Okay. And sir, what is the current Q1 FY27 revenue contribution from each business segment? And how has the segment mix changed compared to FY26?

Kanad Mukherjee: Yes. So current quarter-on-quarter contribution is -- so we have June 2026 numbers, security we have done around INR54 crores -- INR54.98 crores. Housekeeping we have done around INR41.88 crores. IFM we have done INR10.28 crores. Payroll services we have done around INR3.40 crores, totalling up to INR110.53 crores. CCTV we have done around INR2.11 crores.

Small security and housekeeping services we have done around 1.29 crores. Our vocational training we have done around INR0 lakhs. And Yes, that is the revenue breakup. And in terms of profitability, the manpower business typically has a very similar profitability, so the EBITDA of the security, housekeeping, payroll et cetera, that is provided in the standalone financials itself at a rate of around 9.95%.

Regarding the NIS facility management services which provides CCTV and small security services, CCTV services has incurred a loss of around INR1.27 lakhs at a PAT level. Manpower services have resulted in a profit of INR5.16 lakhs. Vocational training in LLP and Keertika Academy have done a net loss of around INR57 lakhs. And NIS management has done a PAT of around INR6.93 crores.

Keval Gala: Okay. Got it, sir. Yes, that's all from my side, sir. Thank you.

Kanad Mukherjee: Thank you.

Debajit Choudhury: Thank you.

Moderator: Thank you. The next question is from the line of Harshit from RoboCapital. Please proceed.

Harshit: Hello, am I audible?

Debajit Choudhury: Yes, please.

Harshit: Yes sir. Thank you for the opportunity. Sir, just wanted to understand like what sort of debt outlook do we have for FY27 and 2028, like, what kind of debt can we expect?

Kanad Mukherjee: What kind of debt can we expect?

Harshit: Yes, like what will be our debt level for the next 2 years, for this year and the next year?

Kanad Mukherjee: There will be no increase in debt. Debt levels will stay the same. There will be no increase in debt.

Harshit: Got it sir. So what is the – right? Yes, please go on, sir. Sorry.

Kanad Mukherjee: Sorry, you were going to ask something else?

Harshit: Yes sir. Sir my second question is regarding free cash flow. What kind of free cash flows are we targeting to make for this year and next year like what approach do we have over there?

Kanad Mukherjee: Yes, I think -- so basically what has happened in the last 3-4 years, our free cash flow which is -- in our industry although capex is not a big part, but you will see in 2024-2025 there was a capex at a consolidated level because of the food and supply contract that we had gotten.

So on an average we do around INR8 to INR9 crores of free cash flow in the last 3-4 years. This year I think we should be able to do -- see we are in the pipeline, there are 2-3 interesting things that have happened.

One is that we have got a DDU-GKY project for Odisha, which is…

Debajit Choudhury: Skill development.

Kanad Mukherjee: Yes, skill development, which is the DDU-GKY skill development project, which we have already given -- we have already uploaded on the exchange, that is for INR7.93 crores. Now that is a high margin contract. We are expecting to bill around INR4 crores this year. Now, we are also expecting 2 big projects of around INR15 to INR18 crores from the Mumbai police and traffic. So these are also around 25% to 30%. Then one of the banks, larger banks where we work with, HDFC Bank, has kind of asked us to set up a command and control center which is more CCTV driven.

But the investment, currently the investment that we are looking at is around a INR1 crores to set up the entire control room, wooden wall panels, et cetera. So we are expecting reasonable around INR1.5 to INR2 crores from HDFC Bank also. These are high margin contracts.

Now considering the high margin of this, our aim is if we can move the systems revenue from the current INR13-INR14 crores range to the INR30 crores range, then I think our free cash flow will improve from the INR8-INR9 crores range to around the INR13-INR14 crores range. So that is currently the aim. I mean we are working towards that goal to move -- to change the level of our free cash flow from an average of 8 or 9 every year to around a 13-14 on a year-on-year basis.

Harshit: Right. Understand. My last question is regarding like, is there any possibility that -- do we have any aspirations of like growing 20%, you know, we have grown like 16% this year. So any possibility of growing more than 15%, let's say, around 20%?

Kanad Mukherjee: Right. See, we are a 40-year-old company, right, and one of the things that has happened in the last 40 years, although I have been here for only 3 years, but what I've understood is that, we have understood what a bad contract looks like and what a good contract looks like. So there are quite -- there are a lot of contracts which are available in the market, but being, you know, we are in a very good position where we can afford to also be a little choosy in terms of payment cycles and understanding the value of the service to the client.

I'll give you an example for that. For example, we are becoming much -- we are gradually moving towards, let's say, the banking sector although the margins are lower in the banking sector but the payments are better, the cycle is better. On the other hand, we are moving more towards the manufacturing sector where the payments are not that great, I mean, the cycle is not that great, but in terms of margins they are much more superior. Why? Because the security guard outside a warehouse is an asset for them. So their entire inventory is managed by the security guards and the CCTV cameras and everything.

So, same for warehousing sector also. So, but you know, for example, housing societies, is something that we are not willing to go. We have very few housing society clients. We are not willing to go. On the other side we have something like the government contracts. Government contracts, you are aware in terms of the GeM bidding, nowadays they have brought down the percentage to 3.85%. So at L1 everybody is bidding at 3.85%. We have been able to retain non-GeM contracts through higher bids and everything.

But as things move more towards GeM contracts in the manpower sector, we will have to be a little more choosy in that range as well. That is why we are focusing more on CCTV projects and DDU-GKY projects, larger revenues, one year execution, once you get the money the profit also comes along with it and everything. So, the hope is to grow at 20% definitely. But also while ensuring that the strength of the balance sheet is not compromised. I think Mr. Choudhury would like to add something to this.

Debajit Choudhury: Sir, you will see that basically we are doing a bit of a restructuring within our operations in the business. You see, we are already pretty well occupied with manpower deployment whether it is in the security guarding sector or in the housekeeping cleaning sector and such other labor intensive facility management sector. So that is one. Now what we have started doing is firstly, we have started adding more components to these 2 primary manpower elements.

In the security, the component is being added through gradually CCTV systems, access control systems, and many such technologies which are available today which gives a very good security solution to our customers. And bringing those solutions within our total offerings, what we hope to do is basically bring in a mix in the whole contract size and gradually increase the percentage of share of say, technology devices and such other things within a security guarding contract, we should be able to improve our margins on these areas. This is one aspect of it.

Similarly in the facility management end of the contracts where we have been primarily giving a lot of cleaning services through our operating cleaners and others, now we are gradually moving rather strongly towards 2 or 3 elements of the work. One is, of course, increasing the components of mechanization within the contract. Like I will give you an example.

In the airports today when we do the contracts, earlier these airport contracts were typically housekeeping contracts with a huge manpower service provider -- manpower service along with a lot of chemicals and other things. Today the contracts have basically transformed into mechanized environmental support services, which means that there are mechanizations which is a very, very significant part of the whole cleaning.

We are doing facade cleaning of Kolkata Airport and which we propose to increase over these coming periods in a larger way. And this facade cleaning has the component of labor like the glass cleaners and others, but what is very important is that we have more and more components of lifts which are basically scissor lifts and you have dual mast operating lifts and cranes which allow our boys and girls to work at heights. And thus, what is happening is our component mix within the contract is shifting gradually towards mechanization and electronics.

We are also exploring the potential of having a few AI driven cleaning machines, you may have already seen those happening in a few malls and even in airports. And so these will also increase the gross margin of the entire operating structure. So what you're looking at in security and cleaning -- and in security also there will be plenty of devices which are coming about, access control systems with boom barriers and such other things are coming about and we are very well poised to provide these services.

And we have already started offering like Kanad a little while ago told you that. HDFC we are having -- we are about to have. We are on the final stages of discussion and negotiation of a contract for providing centralized integrated command and control center which is typically a very large control room structure for a cluster of branches, which could be even a cluster of say 100 branches, bank branches and that will be the service, entire service will be provided by us.

What will happen? You see, we already have a very significant number of security guards who are performing in HDFC. And now with the inclusion of this, in which we are expecting as Kanad has told a little while ago, that we are expecting quite a bit of high margin monthly subscriptions from our customers, the entire composition of the contract would shift away from a very low margin banking, typically manpower security driven contract to a composite security solution for the banks.

So, and once we have this kind of an achievement coming from the banks, we are also expecting a very similar kind of outcome within the other sectors. So I believe these are going to give us a lot of potential which will help in margin improvement significantly.

Harshit: So sir with all these developments, how do we see our EBITDA margin moving from 7% and move to let's say 8% to 9% in the next 1 or 2 years like what is the trajectory we have in mind?

Kanad Mukherjee: Yes. So there is a point to this. Fundamentally our margin growth that happens, happens from project businesses which is the CCTV project or the DDU-GKY projects et cetera. Whose revenue growth is not as at par with the kind of growth that we typically see in the security facility management sector because that is more commoditized and more manpower driven.

So, because the share of these project businesses is still catching up with the overall commoditized business, it's hard to see that there is going to be a margin expansion per se unless there is a very significant growth in the project business.

Debajit Choudhury: I would just like to add a word is that, you see, although it is difficult to really give you a very clear estimate of the total margin improvements, but the more combinations of electronics we can bring into the whole structure we are going to see an increment in the margins. So I would expect at least an increase of about 1% to 2% in the EBITDA area over the next 2 years or so.

Harshit: All the best.

Kanad Mukherjee: Thank you.

Moderator: Thank you. The next question is from the line of Keshav Garg from Counter Cyclical PMS. Please proceed.

Keshav Garg: So, Mr. Choudhury, I wanted to understand what's the net debt on the company as on date?

Kanad Mukherjee: At a standalone basis, it is around INR69 crores and on a consolidated basis it is around INR82 crores.

Keshav Garg: No, I am asking for net debt which is net of cash. I can see we have INR67 crores cash as on...

Kanad Mukherjee: Yes, in that case we have more cash than debt as on March, but currently at a standalone level as of June what I can tell you is that, we had around INR60 crores in cash and INR69 crores in debt.

Keshav Garg: And also I can see we have a lot of short term loan and advance, other current assets so what exactly is that?

Kanad Mukherjee: So these are typically advances that we give to vendors for IFM projects and these are circular in nature. So as the business grows, it becomes essential to kind of grow the loans and advances as well. And these also include loans and advances to related parties such as Keertika Academy.

Keshav Garg: So basically, what is the working capital days in our business?

Kanad Mukherjee: I think working capital days would be around 3 months or so.

Keshav Garg: 3 months, okay. Now, Mr. Choudhury, we came out with an IPO last year at INR111 and we raised INR52 crores. And today the market price is INR46, so the stock price is down 60%. And fortunately we have a good balance sheet, there is not much debt. So why don't we do an open market share buyback of 13 lakh shares for it will cost us merely INR6 crores.

And the promoter shareholding will increase from 69% to 75% which is the maximum permitted. And it will basically we will be spending just 11% of the money we raised last year in the IPO. And it will boost the confidence of the shareholders also because the number of the shares outstanding will reduce. So the earning per share will increase automatically. So what are your thoughts on this?

Debajit Choudhury: Sir, there are certain issues. One is, when we raised the IPO fund, we had a plan for growing this business substantially. Okay? And we today also intend to utilize the entire capital for growing the business. And over the last whole year, we have added several structures as I said, several vertical structures to our business, which will help us to grow the business significantly over the next 2, 3 years.

In fact, if we look at it up to even 2030, we will have a significant growth and we are just creating these structures which will help us to build that growth. We are orienting more and more towards electronics business, we are orienting a lot on the skill development issues because we see that the skill development opportunity is opening up again. And skill development actually is also a pretty capital intensive function because we have to open up lots of training centers, which require quite a bit of capital expenditures. We have to set up labs and everything.

So what happens, sir, is that instead of trying to basically give back the cash and get back our equities et cetera, we are still very, very focused on increasing the entire value of the business. And in spite of the challenge I'm fully aware and I acknowledge that the challenge is a very serious challenge and we would not have loved to come to a stage where we have our price today is 46, but it also means at the same time that we now can actually grow the whole structure over a period of time and I'm almost sure sir that we shall be able to make a very good utilization of our capital. And then we can of course look at paying back our investors in a handsome way.

Keshav Garg: So basically Mr. Choudhury you are saying that in the first -- if we spend INR6 crores which was our profit in the first quarter, our net worth is INR202 crores. So basically INR6 crores is less than 3% of our net worth. So are you telling me that if you spend your first quarter profit then the company will not be able to grow?

Debajit Choudhury: No we actually as I said sir, we are looking at growing in different diversified areas which would take a little time for getting the results back. You see like the as I said, the skill development we have just been awarded with a skill development project for Odisha. And this project will have a gestation period of about six months or so in setting up the entire infrastructure while we will also start providing the training.

So and then we shall require the cash during this period sir. This is one and of course when we are trying to grow at 15% right now and gradually trying to move towards a higher percentage, we shall require a higher working capital provision for making the payrolls and complying with all these statutory requirements. The funds will be required sir.

Keshav Garg: I think Mr. Choudhury talk is cheap but actions speak louder than words and I think if at the 60% discount at which you sold the same share last year if you cannot buy it back I think that itself is enough commentary about the strength of the business. Thank you, sir, thank you very much.

Debajit Choudhury: Thank you.

Moderator: Thank you. The next question is from the line of [Mitain Shah 0:32:26], an individual investor. Please proceed.

Mitain Shah: Yes, good afternoon and thank you for giving opportunity. So one of the question has already been raised by just earlier caller regarding the use of cash that is there. So okay, I understood. So the other thing what I wanted to ask is that of the total proceeds of almost INR51.75 crores, that had been raised have all of them been utilized so far or what is the status, if you can just update regarding the same?

Kanad Mukherjee: Yes so currently as on June 2026 IPO funds which are available is around INR36.85 crores.

Mitain Shah: Okay that is still balance, is it?

Kanad Mukherjee: Yes.

Mitain Shah: Okay, okay. And when you said working capital days of three months rough roughly around 90 days basically, so which vertical has the maximum working capital of the five verticals that we serve?

Kanad Mukherjee: That would be the CCTV business. The CCTV business has the longest working capital, Yes.

Mitain Shah: But isn't that also loss making as of now if I were to understand?

Kanad Mukherjee: In the quarter June, yes, because we've already deployed to the existing projects which are there with Mumbai traffic and we had raised we had given an intimation to the exchange about the

Mumbai traffic project. Then there are two projects with Webel, one with PWD. So because of that, we have it is showing a loss currently, but it is it is our most profitable segment.

Mitain Shah: So it will stabilize going forward, is that correct?

Kanad Mukherjee: In the September quarter, it will stabilize, yes. By September when the bills start -- when we start raising the bills it will stabilize.

Mitain Shah: Yes, also am I right in understanding if we were to compare ourselves with any of the listed peers, would companies like SIS or Updater Services are -- though I'm not talking about size, I'm talking about the sectors that you serve, are they comparable in any ways or in any verticals?

Kanad Mukherjee: Sir, I will let Mr. Choudhury answer that question.

Debajit Choudhury: Sir, let us look at it this way that what we do not -- any of our competitors typically appear, I would say, typically do all of those services in the same way in the same geographies. Okay, so say there are companies like SIS which has a very wide range but at the same time they also have cash management services and things like that which we do not do.

And we do not have cash management services. We have a very high focus on skill development. And like SIS although it has a training background and it has a very sound training infrastructure, it is still not in the business of providing skill development. So that area is there. And typically for others, like if you are talking about some businesses who would be giving facility management services but do not provide electronic security services.

So it is not really a typically apple to apple comparison but our peers I will say working in the similar sectors, we do collectively you would see that most agencies work with a combination of the offerings. Now some of us have maybe a wide array of combinations and some others may have a more focused combination towards facility management and such like Updaters and others. So that is it sir.

Mitain Shah: So it's like maybe only some of the verticals are comparable or are in the same business, am I right? Not all of them?

Debajit Choudhury: I would say so. I would say so, sir. Because say if you are there are companies which are more security focused than facility management focused and there are companies who are security and facility management focused but do not do CCTV and such other things.

Mitain Shah: Understood, understood. So having understood this, so is there any seasonality in the business?

Debajit Choudhury: Yes in each of the verticals there are very strong similarities. I would tell you that say the moment we bid for a government contract in any of the categories, whether it is for security, whether it is for CCTV and or for facility management, integrated facility management, we compete on a peer-to-peer basis and there are very, very strong significant similarities because the government tenders and others they require a particular set of qualifications and credentials.

Only when we can bid for large contracts. And say a company like SIS and ourselves we bid on security and facility management contracts in a government contract on an almost on a similar offering, although SIS is much larger. But wherever we fit into those credentials we bid exactly in a similar manner and with similar offerings.

Mitain Shah: Sir, I was not asking similarity, I was asking is there any seasonality in the business? Seasonality?

Debajit Choudhury: Very little, very little. Ours is a regular maintenance and surveillance requirement. You see our work has in fact I think our experience in the COVID also, it showed that if a particular facility continues to function, if it doesn't stop down, then it continues to require both the security, facility management and the surveillance verticals almost irrespective of the terms the seasons or even the footfalls often.

Mitain Shah: Got it, got it. So I mean the company is established almost 40 years back. So is it that it is the second generation -- are you the second generation who is in charge of the helm or if you can just brief me about the past of the company?

Debajit Choudhury: I will tell you; we have a board which is a very strong board and which actually has people who had been, say our independent director Mr. Tapas Nag had been the managing director of Western Coalfields and we have a non-executive director who had been associated with companies like LNM Mittal and others for very extended periods of time.

So we have a lot of experience within the structure in the team. In the management team also, what is happening is we have actually, say if I would say among the management team, I am the senior most in age also in the whole group and then gradually our management team comes down to even ages of about say today about 30, 35 and they are taking on very serious roles.

So this company is looking towards a pretty professional succession instead of just a founder level, family level succession. But many in the family are involved and we are sir looking at a succession over the next few years and up to the decade with a pipeline where gradually at least four or five of the members will be able to take up the current senior positions.

And their age would be pretty low, they would come within the 50, 55 odd category to about 30, 35 because we do a lot of software and our management incumbents in the software category are very low age.

Mitain Shah: Understood, understood. So the reason I asked, Mr. Choudhury is that like since almost 40 years in the industry so good pedigree and good experience. Having said that, at roughly around INR430 crores, INR450 crores odd revenue taking on the topline, anywhere in the past or any thought process on any acquisition as such because 40 years is a good time to scale up by way of inorganic activities. So that's the reason I am asking. Did the company shy away from inorganic acquisition as such?

Debajit Choudhury: Sir, we do look at acquisitions. In fact, we will possibly have to going forward, not immediately and I cannot give you a date or anything, but we will possibly have to have more acquisition towards -- as we move towards higher technology areas. Because our company is gradually shifting towards the technology fields, we have started working a lot within ourselves. We already have a department which is in software for the last 20 odd years and we have never actually been using that department for our own support services.

But today we are bringing in these departments and as we bring these departments we realize that there are occasions when we need to bring in new kind of infrastructures and talents within the business which can happen through acquisitions. And we are also looking at such possibilities. I cannot give you a very specific answer on this right now, but it would happen over a period of time.

Mitain Shah: The reason I'm asking, because obviously we discussed that SIS is not exactly Apple to Apple peer, but more or less similar business in some verticals, they have been growing by wide of inorganic activities, basically. Or alternately, if I may ask, have any time the company been approached by this option of these larger peers for acquisition?

Debajit Choudhury: This is, as I said, again, a 40-year-old business, doing strong in the government areas and in multiple geographies of multiple states. So naturally, there have been offers to take up and discuss all these things. And again, in among the peers we know each other so very well among the teams.

So these kind of discussions do go on. But I will tell you very frankly, sir, as of being acquired, NIS doesn't really have any plan of taking that up in the near future. As far as the acquisitions, certain offers, certain discussions do come to us. But what happens, I will tell you very frankly, sir, as we have seen many acquisitions in the past in our industry categories, not all acquisitions have been very successful.

One of the major reasons is labor is a very sensitive element and there are lots of statutes. So taking over organizations which are available, which will help us to improve our top line very significantly. But we would consider such pure manpower-based acquisitions at a later date, sir, not right now at all.

Mitain Shah: No, no, understood very clearly. I mean, and what you said I totally allude to that, because that is what happened to one of the peers what we discussed. They struggled a lot and they are sort of stabilizing as of now. I really appreciate for your candid response and very transparent response. Really appreciate and thanks for giving me the opportunity. And wish you all the best.

Debajit Choudhury: Thank you very much sir. Pleasure talking to you.

Moderator: Thank you. The next question is from the line of Vidhi Purohit from Phoenix Capital. Please proceed.

Vidhi Purohit: Hello. Sir, roughly what percentage of your revenue currently comes from West Bengal and with this recent wins in Gujarat, Maharashtra and Bihar, how quickly do you see the geographic concentration coming down?

Kanad Mukherjee: Yes, so currently it's around 72% to 73% because see, right now what has in Gujarat and Maharashtra I think I had mentioned in either in some conference earlier or in some earnings call only, our Head of Marketing is based out of Bombay, right. She lives in Bombay, she travels to Gujarat, she is currently in Delhi and that is the belt that we have kind of like we operate out of from a senior management team and we have asked her to grow that belt and which is how these contracts are now showing up in that region.

In West Bengal what happens is that we already are a known name at least among the companies that require security facility management services. And with the -- right now there is at least an environment of industrial push that is happening. Like for example, you would have read in the news that Lux has started a new factory in West Bengal.

Now Lux was our earlier customer, Lux has automatically given us another factory, this new factory. So this push that is coming in is really benefiting us. We are seeing that more factories, more warehouses in Howrah, they are they are growing and these factories are kind of giving us work and warehouses giving us work.

So I don't see per se the West Bengal -- the West Bengal growth will continue to be at par with our national diversification, but I don't see growth in West Bengal slowing down, which means that I don't see the share of West Bengal in our total revenue coming down significantly, but Mr. Choudhury may have some different view point.

Debajit Choudhury: Well I can only add to that that we have not been seeing a whole lot of CCTV and similar contracts coming along the West Bengal government side and you see the typically the CCTV and such similar businesses have a require a huge government support and push for growth of that industry.

And what we are now expecting is a lot more of these kind of tenders coming out in the market and if they come about then we shall definitely be getting a lot of benefit out of it and we are in a very good position to take advantage of the situation. So yes, as Kanad says that West Bengal will possibly -- if at any time over the last few years, couple of years etcetera, we had felt that the share of business in rest of India will grow higher than typically West Bengal, but what we are expecting and very it is a satisfactory thing that we are expecting that West Bengal will also grow equally and help us to maintain the same percentages of course.

But having said so we now are also looking at quite a few more business in Bihar and Odisha. So these two are also very fast emerging sectors in the East and we have already started seeing benefits coming out of that to us.

Vidhi Purohit: Hello, I mean, the increase in minimum wages and statutory employee cost is contractually passed onto the clients. But is there any time lag between paying employees and recovering the higher cost from the customers and does this have any temporary impact on margins or working capital?

Kanad Mukherjee: Yes, so we of course give the wages first and then we raise a bill on the client and then the client pays typically in three months. That is our DSO cycle.

Vidhi Purohit: So what is the current status of the CCTV tender pipeline and when do we expect this business to start contributing meaningfully to revenue?

Kanad Mukherjee: Yes, so like I said a while back, we are expecting a significant tender from Mumbai this year. We had already gotten a tender from Mumbai traffic of around INR2.18 crores, we are expecting another one or two tenders between the range of INR15 crores to INR18 crores. And then like we said that HDFC bank -- we are in the final stages of negotiating with HDFC bank for the command-and-control center which should also -- there are 100-150 branches which are provided and we should get another two to three INR2 crores revenue because this is in the subscription model.

Now coming to the AMC contract, we are expecting AMC contracts from the New Kolkata Development Authority that would be worth INR6 crores. But that is in the final stages of tendering, so we are yet to hear from them. And apart from that also, we have approached companies like SAIL and we believe that during this year we should be meaningfully engaged with SAIL in their various projects at the Burnpur factory and which is in West Bengal itself, the Burnpur factory.

And we should be able to convert at least to the extent of INR4 crores to INR5 crores. So my estimation is that we should achieve something around INR30 crores this year against INR13 crores to INR14 crores last year and that would be double of what we did last year. And then gradually step up our project execution in this sector.

Vidhi Purohit: Thank you sir. I will join back the queue.

Moderator: Thank you. The next question is from the line of Deeya Jain from Sapphire Capital. Please proceed.

Deeya Jain: Hi sir, am I audible?

Kanad Mukherjee: Yes ma'am.

Deeya Jain: Sir, why did we have a loss in the CCTV segment this quarter and how do we look at FY28 in terms of revenue and margins?

Kanad Mukherjee: So in the CCTV segment practically ma'am during the first quarter these project businesses incur a loss. It was the same last year also where the loss was to the tune of around INR1.5 crores because we were executing a very big project. These typically stabilize by the September quarter. So I wouldn't worry a lot about that.

Last year we did not come out with June numbers because we were not listed. So but first quarter project businesses suffer because there is more expenditure and the billings the completion certificates are not provided. The completion certificates typically land up by July, August, you started getting the completion certificates, so the billings have started.

And by the end of this year ma'am we are expecting like I said around a INR30 crores revenue and with that we should be able to increase our PAT which was last year around INR2.5 crores to around INR3.5 crores to INR4 crores.

Deeya Jain: Okay, sir. And my second question on FY28 revenue growth and margin guidance.

Kanad Mukherjee: FY28?

Deeya Jain: Yes sir.

Kanad Mukherjee: FY28 I believe we should we will definitely cross INR600 crores. Like we should be in the range of like INR630 crores, INR640 crores because we are very aggressively bidding for contracts, we are our marketing director is now currently in Delhi talking about government contracts like management attention and management focus is definitely in the range of getting the -- crossing INR650 crores by '28. There's no doubt about that. Like that is definitely targeted, fully targeted and completely committed.

Deeya Jain: Okay sir, thank you and all the best.

Moderator: Thank you. The next question is from the line of [Mitain Shah 0:54:39], an individual investor. Please proceed.

Mitain Shah: Yes, thanks for giving opportunity again. So like I heard a lot of times regarding the mentioning of HDFC bank as a client as such and also recently also quite a couple of orders from Reliance and even earlier as well from the group as such. So can we just know what is the contribution from top five clients as such basically?

Kanad Mukherjee: Sir, top five clients, so there has been a bit of a reshuffling that we are expecting this year. So Reliance is our top client. So that is we will be we are doing around INR46 crores to INR47 crores from Reliance itself. Like Reliance is our top client. And then we have HDFC bank which is at around INR18 crores and then Anjali Jewellers around INR12 crores. We have the airports which have a combined revenue of around INR30 crores annually speaking.

One of our contracts which is the Directorate of Technical Education and Training that was -- that we have applied for a renewal and we are yet to see the results of that. But we are providing for a loss of that contract, at least from an accounting perspective we are providing that we may not get the contract, but the time will tell. And that has been applied for. Other than that Torrent Power has been with us, it's around INR6 crores or INR7 crores. Yes.

Debajit Choudhury: Apart from that you see there would be another kind of change that we could possibly be seeing and that is because quite a few of the contracts under the new codes are being converted from state minimum wage to central minimum wage. So we will see a significant jump in the total contract values of many of these contracts.

And HDFC Bank, one of them would also become possibly -- will have a much larger share of the total business that we do. And similarly there are other banks which we are already in discussion with, we have started getting contracts from those banks. So we will see Axis and others who could actually lead to a higher turnover.

And if you look at it this way, then if you look at the governments as a collective like say the government of West Bengal and the government of Bihar and if you look at it that way, then and now gradually with the government of Maharashtra for even the CCTV businesses, we could be seeing a very large share of business from each of these states as state governments.

Mitain Shah: Got it. So Reliance contributing almost INR40 crores, INR45 crores is almost around 8% to 9% of the top line. Correct?

Kanad Mukherjee: Yes, Yes.

Mitain Shah: And is there something called as client retention rate or something like that if we can get?

Kanad Mukherjee: Yes, so let me, there is a bit of an explanation to that. So typically the one good thing about our industry is that typically in our industry the client stickiness is high. So we have typically an average client retention of around four and a half to five years.

Mitain Shah: When you say client retention, say suppose you have completed one contract say of 4 to 5 years, how much of those customers renew from there? Say suppose you had 100 customers and out of that say 90 customers renewed post those many contracts so it is 90% retention rate in simple layman's language.

Kanad Mukherjee: We have a very high. I think it would be about 96%, 97% straight away on the renewal rates. Apart from the retention the renewal. Most of our contracts in fact very few of our contracts are terminated before at least one two three rounds of renewal.

Mitain Shah: Got it, got it. This recent orders which has been disclosed regarding Reliance and NESCO and West Bengal government as such. What are the durations of these contracts basically?

Kanad Mukherjee: Right. So Reliance is open-ended. Reliance is a yearly renewal contract. That's number one. But we've been serving them for almost 14 years now, 14-15 years. And then we have NESCO, NESCO is also a yearly renewal contract. Yes, but we've been serving them for around three years. Then we have WBSEDCL which we had intimated the exchange about, so that is a three-year contract, no that is a two-year contract. And then we did the DDU-GKY Odisha which was a two-year contract.

Mitain Shah: Got it. I mean really appreciate. I mean once again but thanks for giving opportunity and thanks for being so candid and so transparent. I really appreciate and wish you all the best.

Debajit Choudhury: You're welcome, sir.

Moderator: Thank you. Ladies and gentlemen that was the last question for today. I now hand the conference over to Mr. Parth for closing comments. Over to you sir.

Parth Acharya: Thank you everyone for joining the conference call of NIS Management Limited. If you have any further queries you can write to us at research@kirinadvisors.com. Once again thank you everyone for joining the conference.

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