

ISIN: INE0FFK01017

Date: 14.08.2025

To,

**The National Stock Exchange of India Limited,
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022-26598237, 022-26598238
SYMBOL: NPST**

**BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Scrip Code: 544396**

**Subject: Transcript of the Earnings Conference Call of Analyst/Investor for the quarter ended
June 30, 2025.**

Respected Sir/Madam,

Pursuant to the provision of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith the transcript of the earnings conference call of Analyst/Investors for quarter ended June 30, 2025.

The same will also be available on the website of the Company.

Kindly take the same on your record.

**Thanking You, Yours Faithfully,
For Network People Services Technologies Limited**

**Chetna Chawla
Company Secretary and Compliance Officer**



“Network People Services Technologies Limited Q1 FY'26 Earnings Conference Call”

August 12, 2025



MANAGEMENT: **MR. DEEPAK CHAND THAKUR - CHAIRMAN &
MANAGING DIRECTOR, NETWORK PEOPLE SERVICES
TECHNOLOGIES LIMITED**
**MR. ASHISH AGGARWAL - JOINT MANAGING
DIRECTOR, NETWORK PEOPLE SERVICES
TECHNOLOGIES LIMITED**
**MS. SAVITA VASHIST - EXECUTIVE DIRECTOR,
NETWORK PEOPLE SERVICES TECHNOLOGIES
LIMITED**

MODERATORS: **MR. HARSHIL GHANSHYANI - KIRIN ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to Network People Services Technologies Limited Q1 FY'26 Earnings Conference Call hosted by Kirin Advisors Private Limited.

As a reminder, all participants' 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 '**' then '0' on your touchtone phone. Please note that this conference is being recorded.

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

Harshil Ghanshyani: Yes, thank you. On behalf of Kirin Advisors, I would like to extend a warm welcome to everyone joining for the NPST Limited Q1 FY'26 Conference Call.

We are pleased to have with us today the Esteemed Senior Management Mr. Deepak Chand Thakur – Chairman & Managing Director, Mr. Ashish Aggarwal – Joint Managing Director, and Ms. Savita Vashist – Executive Director.

The call is scheduled for 40-50 minutes to ensure that everyone has the opportunity to participate. We kindly request that each participant to limit their questions to two. Hence, this will help the management address as many queries as possible within the time frame. If we are unable to address any questions during the call, please feel free to reach out to us at info@kirinadvisors.com. We will be happy to coordinate with the management team and arrange further discussions. We appreciate your understanding and cooperation. We look forward to an engaging and productive call.

Now, I hand over the call to Mr. Deepak Chand Thakur. Over to you, sir.

Deepak Chand Thakur: Thanks, Harshil. Good evening, everyone. Very good evening to all our shareholders. First of all, I would like to thank everyone on behalf of my team for staying with us on this journey. And we are back on the road track that we have shown last year, the efforts to make this. It has been majorly through our tech, product, ops, sales, and support functions. Everyone contributing, I really thank them for this. Also, I thank our board for backing up very strongly when it was required. And, the results are only upward from here. So, what I will do is, usually I will split this call into 3 to 4 sections. One is I will give you a very quick analysis on the quarterly number that we have posted. Secondly, we will give you a quick idea about the business updates. This will give you some sense about the immediate and the long-term impact over the business. Then I will also let you know some roadmaps that we have built, which is going to trigger larger potential for the company as and when we go forward. That's something to look up to. And then I will open this up for the Q&A.

So, the total income for Q1 has grown by almost about 25% as compared to Q4. From Rs. 28 crores, we have gone to about Rs. 35 crores odd. And although you see there is 500 basis point dip in EBITDA percentage, not major contribution, of course, coming from TSP business. Now, that's been the nature of the business. However, the absolute number is on a higher side, which is about 7.5% higher from 10.5 to about Rs. 11.3 crores. At the same time, net profit is about 19.7% higher, from Rs. 6 crores it has gone to about Rs. 7.19 crores. Now, this being the first quarter for FY'26, we have successfully presented our financials in accordance with IndAS along with the comparative figures from the previous year.

Now, you know, we have also received our first dollar denominated remittance from the opportunity we secured in Q1 from Africa, making a key milestone in our global expansion journey. We are actually leveraging the technology we have built indigenously for the global market. Apart from this, now there's a big news which is coming from NPST's desk. I guess you guys are already aware about this. We have received in principle commitment from Tata Mutual Fund for a preferential issue of around Rs. 300 crores. We have EGM due by August 10 to take all your approvals so that we can further proceed with the process of completing the transaction. Now, what does this mean? It further validates our strong positioning in the Paytech industry. It further talks about our growth story, which will continue over a long-term period.

Our strategic steps and decisions, which is not limited to what we are doing, but the agility with which we are picking up the opportunities, solving industry use cases, and creating a revenue roadmap by building value proposition in the industry, that has been the forte of NPST. Our performance over the last 3 years and the potential that we have built for the next decade. It further boosts our plan to expand our market as well as product. It will help fast track the requirement we have around inorganic approach for business products and service growth. At the same time, we must also understand that it brings a very, very strong institutional support available for the organization growth, and of course, brand recognition.

Apart from this, when it comes to business updates, again, like I always break up in TSP business, we successfully, apart from getting empaneled with the leading banks, this time we also got empaneled with the government PSUs, looking at an opportunity in this segment. We have secured a major bill pay order from a large PSU. Now this reinforces our position in the bill payment segment. We are driving deeper engagement with corporates and Fintechs by getting into the turnkey project solution. At the same time, PPaaS business, which everyone wants to hear, we have started scaling steadily with significant growth projected in upcoming quarters. So, the scale has already started. Beyond PAPG, we have started collaborating with large merchant federation, which we have already signed that gives an access to large 150 odd merchants. At the same time, we have strategically partnered with industry players, which gives an access to 50 plus banks who will be getting onboarded for the offline payment platform.

We have expanded our ecosystem by adding additional payment aggregators this quarter. We are strategically planning to introduce new revenue stream, which is around, the auto pay and

payout. We have already given access to our partners. They're testing it. I presume it will start adding revenue between this and the next quarter. At the same time, we have safeguarded our rails by applying AI capable fraud monitoring system. Beyond this, the additional area which, last year was not contributing to our P&L, but like I said that, the agility with which we work is try to add more and more opportunities and more and more products every year and that is acceptance ecosystem. One big order which you heard last time was Central Bank of India, which we got at the end of Q4. So, we have now secured additional orders from all our existing clients. We are preparing to launch 10 new devices in GFS, which is required. As and when we are going forward, we are seeing the gap in the industry. So, that opens up a lot more opportunities for us. At the same time, we have identified an investment opportunity in device-as-a-service model. Now, this will enhance our scalability in bringing business through the acceptance ecosystem. Now, for last one year, we have been working on building NPST's own hosted ecosystem. So, the idea was, how do we bring all our products and services in one single environment and give it on a SaaS-based model? Now, that is what we have been working on for quite long. And last quarter, we were able to complete our compliances. And we are in a position right now that by this quarter, we should be able to, get that piece done, where all our products and services will be hosted for small to medium-sized banks, regulated entities, and fintechs. Now, this opens up a lot of opportunity around this area.

When it comes to global footprint, Q1, we got the order for the Africa opportunity somewhere mid-quarters. And let me tell you that we have enabled AI for the development strategy. And this is the reason why within 2-2.5 months, we were able to execute and close Phase-1 of the order. Now, that's a really fast pace. This will become a potential strategy for the organization going forward. We are in active discussion with multiple partners in Southeast Asia, Africa, and Middle East.

Apart from this, we are currently in process of working in new products, which are going to open several new business models around IoT. That is one area of work. Second is, we are also working on the NCMC payments transit. So, that is also one area that we are working on. And third is, obviously, apart from web and apps, we see huge potential through the devices, the POS business. So, that is the area that we are also trying to target in this global fintech space.

So, that's majorly from us on the business updates. Beyond this, I would say, let us get on call, try to understand from you guys. And I am happy to answer your questions. So, Harshil, over to you.

Moderator:

Thank you very much. We will now begin with the question-and-answer session. The first question comes from the line of Akshay from AK Investment. Please go ahead.

Akshay:

Hello, sir. Good evening. Thanks for the opportunity and thanks for the good improvement in the financial. So, sir, my first question is how much of our revenue was transaction-based and how much was SaaS-based in Quarter 1 of FY'26?

- Deepak Chand Thakur:** Quarter 1, our major revenue was TSP. So, very less revenue from PPaaS. It has picked up in this quarter, the second quarter.
- Akshay:** Okay. And yes, we are already progressing well on quarter-on-quarter, but year-on-year still, we have shown very significant growth in this quarter. So, what is your thought process on upcoming quarters and how much do we see progress in FY'26 as a whole?
- Deepak Chand Thakur:** We are very strong in our anticipation that somewhere by Q3, we will be breaching the highest quarter which we achieved last year. So, that's well on mark. So, you can anticipate from that the positiveness in the organization. So, we have already picked up that thread.
- Akshay:** Okay, sir. And, sir, my last question is, do we have any update about MDR? Because recently one of the members said that UPI can't be free anymore and MDR will be implemented in UPI. So, do we expect in near time that MDR will be implemented in UPI and we will have some better growth about that?
- Ashish Aggarwal:** So, Akshay, this is a regulatory question. I would like to stay away from that.
- Deepak Chand Thakur:** Because that's in the news and it has to be discussed by those who are decision makers around it. We embed our solutions, technology, the way regulatory landscape in India unfolds. So, let us observe that and as a company, we will try and see how to structure us. But this question is not for us. It is for the regulator or maybe someone who is a decision maker that side.
- Akshay:** Okay, sir. And, sir, last one small question is the payment gateways are our customers and they are not our direct competitors. Is that understanding right?
- Deepak Chand Thakur:** Absolutely correct. Payment aggregators are all our customers.
- Akshay:** Okay. And payment gateway also, right?
- Deepak Chand Thakur:** Yes.
- Akshay:** Okay, sir. Thank you so much and all the best for the future upcoming quarters.
- Deepak Chand Thakur:** Thanks.
- Moderator:** Thank you. The next question comes from the line of Srinivasu K from TIA. Please go ahead.
- Srinivasu K:** Hi, Deepak.
- Deepak Chand Thakur:** Hi, Srinivas. Tell me.
- Srinivasu K:** Congratulations for the strong Q1 numbers.

Deepak Chand Thakur: Thanks.

Srinivasu K: My question is about the new launch that you talked about the hosted cloud for payment product. I just wanted to understand how this is different from your competitors like Sarvatra, Jeta offering these kinds of services. Is it similar one or are you having any edge over them?

Deepak Chand Thakur: So, one name was correct. The other one was not. Jeta is not from our segment. You see the industry is concentrated with just 1 or 2 players. If you try to understand the hosted delivery, which we currently have, so, the competition, again, if you split that competition product-wise, you'll realize that all the products which have been built so far, that's where they may have the edge. But every year, there are new products and solutions launched by the regulator. Now, what we decided was every single product that we have, let us bring it on the hosted model. Now, although there is a consolidation, you may be aware that one big thing that happened early this year was cooperative banks were also given the acquiring opportunity. Now, this opens up gates for everyone who are in the call. So, there are about 70 odd acquiring banks, but total bank in UPI issuer is 670 plus. Now, look at the gap. So, we feel there is a great opportunity as and when the product multiplies every year. There will be product launches by regulator, product launches by NPCI, then there will be product demand by the customers. So, we see this as an equal opportunity for everyone. So, this is the right space where you see SaaS-based revenue will kick in for the company when it comes to the payments and the digital solution. The demand, as and when we go ahead, the cooperative banks, the small finance banks, all of them, payment bank or every fintech, they will require more and more digital solution. So, here onwards, it is only upward of the demand. And this being consolidated between 1, 2, 3 players, I think there is a need for 4, 5, 6 also in this. So, we want to have that space.

Srinivasu K: I see. So, how many tenants you are planning? Like how many are pilot and how many do you think it will be live in this year?

Deepak Chand Thakur: 100 plus tenant in next 24 months.

Srinivasu K: I see.

Deepak Chand Thakur: We already have 6 lined up. As soon as we go live, we will start with 6.

Srinivasu K: Okay. My next question is, in your introductory comments, you talked about new opportunity like device as a service model, right? So, can you walk me through how that works, like per device, economics, how it will work?

Deepak Chand Thakur: So, I don't know if you, I think on the retail side, when you go to market, have you observed in last few months, last 6-7 months, you have started seeing bank devices now, have you started observing that? You see AU, TMB, SBI, some bank device in some model, you will find somewhere. So, earlier, it was zero. Now, what has happened is, banks have started taking the

note of CASA impact of acquiring an offline business and staying there. This is where the opportunity is much larger. So, device as a service model, what it usually does is, it takes away the entire CAPEX cost for a bank to start entering into the offline business. Now, here again, there are 2 things we need to understand. We got some of the large orders in the country, including CBI, which happened last year. We are doing Karnataka Bank. So, we currently have about 11 odd banks where we are working. So, learning is great. What we intend to do is, going forward, what more channel of payments can be added to these particular solutions. The device as a service model works on per month per merchant task-based revenue. As and when you add more devices and more customers, the opportunity for the type of devices also multiplies. It can be static, it can be dynamic, it can be pocket, it can be any type. So, as and when this multiplies, again, the overall market demand increases. That's device as a service model.

Srinivasu K: Thanks. Thanks for explaining that. And my last question is about AI fraud that you talked about it. What kind of models are in production for your AI fraud engine? Like real-time scoring, latency, all those things. What kind of models are in production?

Deepak Chand Thakur: There are three things that we will be doing. One is, in the enterprise level, we are going to plug in this particular solution as part of our payment platform straight away. This goes as a value-added service to every single acquiring bank and every single payment aggregator will be taking this product from us. Second, this is decoupled so that those who are already into this space and they need this product, they can also buy it beyond my acquiring space. So, that's what it does. What essentially it does is, it predicts and it gives you an idea that there is a possible fraud in the system, either through the bad merchants or through bad transactions. You need to address that. On basis that it starts triggering the alerts and then you have to take an action. So, we have done both as a part of our platform and as separate. So, that's how we are working right now.

Moderator: Thank you. The next question comes from the line of Suman Patara from Texas Consultancy. Please go ahead.

Suman Patara: Hi Deepak. Congratulations on excellent numbers.

Deepak Chand Thakur: Thanks, Suman.

Suman Patara: I have just two questions. One is, I believe you have raised a lot of cash. What are your plans for that?

Deepak Chand Thakur: I will answer this first?

Suman Patara: Yes.

Deepak Chand Thakur: Like I said earlier, one critical reason why we really wanted was to get an institutional backing and someone who would really understand our story and bring a lot of guidance to this organization. So, more than money, it was also about the kind of association and the kind of

strength this organization can get with such kind of guidance. So, that's something. But when it comes to money, what we have done is, we have a very structured and thought through process around the growth. So, one is, we want to ensure that our growth path around inorganic structuring of the business is rightly achieved. So, one-product, second-service, third business. Irrespective of the domain that we are operating, like it can be PayPass, it can be TSP, it can be acceptance ecosystem, it can be global opportunity, wherever possible. Now, the organization is empowered beyond organic, it can now take an inorganic leap. So, that's one. And then the new area of interest, like what we further try to see that what more can we do for the expansion. So, we build APIs and then we give web solutions, we give app solutions. But the acceptance of payment beyond this is also through devices. And we believe there's a huge gap. And that's why we have a literally plan around payment infrastructure development fund by the government. So, that's the area that we really wanted to target. Because it not only has the domestic demand, it has the global demand. And it is agnostic to the domestic design of payments. So, now that is a specific vertical where we see a lot of opportunity. Third, beyond inorganic and acceptance is our lot of focus around the building lending-based platform. Now, here is what we want to do. The opportunity that comes around the gap in credit card domain. I mean, if you take global and if you take Indian market and the gap you see with the number of card issued, the number of credit line available around MSME, SME or the business segment. The number of credit lines available in the P2P segment, now that's tremendously big. Going forward, it is only going to multiply. And having a platform around that will be a great opportunity for us. So, these are 3 to 4 areas where we feel there will be a right utilization of us.

Suman Patara:

You can give some ballpark figure where you can be, let's say, three years down the line, four years down the line in terms of topline? 2029 or 2030?

Deepak Chand Thakur:

The aspiration is very high. I don't want to bind it with numbers right now. Because whatever numbers that we are looking at or whatever numbers we are calculating is based on what we are doing right now. But there is a lot that we are developing and building, which will start hitting our P&L, maybe 3 quarters down the line or 6 quarters down the line. And the fundraise that we are doing right now, it will also have a significant impact. So, all that said and done, we, of course, want to go back to the trend that we set last year. You know, every quarter, the pace at which we were going, every year, the number that we were achieving. So, that's what we intend to achieve going forward from this financial year. So, not good to put a number to it for now. But yes, the intent is, let us breach the highest performing quarter in next two quarters. And then from there, pick up the same trend, whatever we were trying to build. So, I hope that gives you an idea of what number we want to achieve.

Moderator:

Thank you. The next question from the line of Harish Kumar Gupta from HK Morpa Trading. Please go ahead.

Harish Kumar Gupta:

You have mentioned couple of times that in performing quarter means to be more precise 60%-70% in quarter.

- Deepak Chand Thakur:** It was Q2 numbers, right?
- Harish Kumar Gupta:** September quarter, Rs. 67 crores. But you are saying you will close that in December quarter? That have you targeted?
- Deepak Chand Thakur:** This is the target.
- Harish Kumar Gupta:** So, margins will also be in similar lines or...
- Deepak Chand Thakur:** Yes, because our platform business, that is building revenue and margin.
- Harish Kumar Gupta:** Okay, thank you. I think I got my answer. Thank you and congratulations for a great set of numbers.
- Moderator:** Thank you. The next question comes from the line of Keshav from Niveshaay. Please go ahead.
- Keshav:** Yes, thanks for the opportunity and congrats on the strong quarter. So, can you please elaborate more on your holistic cloud for payments that are vertical?
- Deepak Chand Thakur:** Keshav, we currently have all our solutions and forever we have been focused on the large to mid-sized banks, like Canara Bank, or two of the largest RRB in the country, second largest cooperative bank, one of the largest PPI holder in the country. So, that's how we have been working so far. So, our solution was designed for large-scale consumption. But can we do a sachet-based solution for small to mid-sized banks? Now, that's a much larger opportunity. So, what we did was, whatever solution we built in a decade, we have brought the solution in a structure wherein there is a lot of agility in terms of implementation, certification, deployment, and going live. Now, when we have such kind of agility and the modules are built in such a way that it's way too productized and there's very less customization, it brings down the cost heavily. And then, consumption of infra, consumption of that, service required to continue this kind of delivery. So, all that is part of the hosted platform. So, when we say hosted, it's not the infra, it's about the end-to-end turnkey solution required by a bank. For example, if you need UPI, I am your de facto solution provider from infra, applications, services, and the future scale. And then going forward, whatever is the new industry trend, everything you can look up to NPST. So, we wanted to bring all our learning, decade-long learning, onto a hosted platform and take it to these banks who are agile and really look up to growth strategy. So, that's the hosted platform. So, UPI, NPST, Mobile Banking, Omni, all of these will be hosted on this platform.
- Keshav:** So, are you going to host your own servers for this?
- Deepak Chand Thakur:** So, we will be hosting it on a private cloud which will be, of course, managed by the data center, not by us. But the entire ecosystem will be built and certified by us. So, all the compliances around running that cloud will belong to us. Whereas, managing the security and infra will be done by the expertise who are running the data centers.

Keshav: Got it. And also, those 300 crores that you have raised, so, how much percentage are you going to spend on this vertical, is there any numbers there?

Ashish Aggarwal: You are referring to hosted?

Keshav: Yes.

Deepak Chand Thakur: No, we are driving it through our cash flow. So, as and when we scale further, like I said, anything, wherever there is a growth opportunity through inorganics, then going forward in a year's time, if this particular hosted solution demands some kind of strategic scale, that is where we can look up to utilizing those funds. But for now, we are driving it through our cash flow.

Moderator: Thank you. The next question comes from the line of Nitin Gupta, an Individual Investor. Please go ahead.

Nitin Gupta: Thank you for the opportunity. Deepak, I was listening to your points earlier in this call. My first question is with respect to the fundraise that you have done, I understand that you indicated a lot of things in which you will be working on for which this fundraise may be required. So, is this like it's only for the external or the incremental manpower that we will be putting in, we require this or it's like for purchase of some hardware or something? Because I don't think it's really--

Deepak Chand Thakur: It varies, Nitin. So, for example, if it is acceptance ecosystem, wherein there is an OPEX based revenue over the period of, let's say, three years committed over the device as a service model, then in that case, if at all there is a need to pick up a larger order, and then the pace of delivery is way too fast, the demand has come really fast, then in that case, if at all required, then we can think about utilizing this fund for the hardware piece. And that for us will be hardware. But when it comes to building a very strong domain around lending, then it will be a combination of the platform, people, process, everything taken together. When it comes to going forward and executing the hosted solution, and we feel that there is an opportunity to acquire a business, and that is the customer, then that is an opportunity for us. So, I say that's why Nitin, it varies with the kind of opportunity we see forward. Because see, as our DNA, we have built payments stack, right? If you want to scale it to lending, if the journey can be brought down from 24 months to 6 months, now that's the opportunity that we want to capture. So, in that case, it can be people, process, everything taken together, platform, all these.

Nitin Gupta: Okay. Thanks for that. One final question, which I was having is, like, I think, since I've been attending calls of NPST, so I think 1 or 2 quarters back, you indicated that there were some 150-odd open positions in NPST, with respect to hiring I am saying. So, I was asking, like, if you can update this information, and there is a solution, like, in the investor deck, if you can put in the employee count, will it be possible for you, like, in the investor deck, have this information published?

- Deepak Chand Thakur:** If you can help me understand the objective?
- Nitin Gupta:** Yes, the first one was with respect to the open positions, which were there, like, I think one or two quarters back, you had said that there were some 150-odd open positions. I wanted to relate to actually, are we able to, what we are looking for in the market for the person? So, are we basically moving on to that path? So, that's why I said, like, if you can indicate the employee count on a quarterly basis, like, every, it's, I mean, basically, we have this that company indicate that, but if you can also include that information, then it will be helpful for us to basically see how we are growing.
- Deepak Chand Thakur:** I got the point. You want to see employee as an indicator. You want to see employees count as an indicator.
- Nitin Gupta:** Yes.
- Deepak Chand Thakur:** Fine. Okay, fine, we can do that. But let me tell you that we still have 100-plus open positions. And I think currently our headcount is more than 350. In fact, there is a growth. And beyond this, just to give you an idea about this, when you adopt a certain technology, now, we all know what AI can do. And I believe that this next 1-2 years is very critical for tech companies to understand the importance and adopt it. So, one of the use case, which I just called out right now was, when we delivered the Global Project, we did not hire even a single person from outside. We just took our existing team, built the domain around the product that we had. We just shifted a few people to this particular role. And within 2.5 years, we were able to deliver that. So, there can always be a, so I hope you understand that the incremental work, if you are trying to relate to that, may not necessarily be related to the headcount. However, the headcount will only multiply. That is what I can see right now. So, we still have 100-plus open positions. We have added a much larger number of employees in the last one year. So, I hope that answers your question. So, I will give feedback to my IR guys to include some indicator around it.
- Moderator:** Thank you. The next question comes from the line of AshishSoni from Family Office. Please go ahead.
- Ashish Soni:** Regarding usage of the funds, so how much duration do you want to utilize? And whatever you spoke, I think it's lending platform you are targeting. Is that correct in terms of acquisition? Is my reading correct because your domain expertise is in payment space?
- Deepak Chand Thakur:** Yes, so we are extending credit line over payments. So, we are looking at that segment also. We don't want to let that go. So, credit line over UPI is an area. Lending over payments is an area. Invoicing over payments is an area. So, these are all areas that we want to capture. So, it's not just lending but also we have acceptance ecosystem, we have global growth and then wherever there is an inorganic opportunity in the existing set of business. So, it is spread across these areas. It will be way too early to close on these points.

- Ashish Soni:** And in terms of growth aspiration for next 3-4 years, so which all areas or segments or verticals you are targeting like most revenue if you have any high-level thought process on that in terms of percentages at least?
- Deepak Chand Thakur:** So, we believe payment platform which was, we actually built that particular engine in the market and brought it first. So, that's one area that will continue to grow tremendously. And this will follow the trend wherein UPI going from 18 billion transactions a month to about 30 which was initial target and now 100 billion transactions a month. If that's the aspiration this country is holding on until 2029-30, we are seeing that the market growth itself is 5x. So, either we are 5x or we are more than that. So, we see payment platform as a much stronger contributor. Secondly, RBI brought in their vision document recently. We see a lot of potential around the RegTech, frauds and compliances. So, that for sure in next two years, not in first two years, but next two years will contribute heavily to the growth. Third, all new payment products like internet banking interoperability, that's completely new stack. Great opportunity there. Digital currency, only with about 16-17 banks. Again, regulator demand, that's a great opportunity. Then again, so what I am trying to say is that there is so many new product requirements around payment which will keep on getting added. So, if you want to ask me a question, payment platform is the first one. Second for sure is the technology service provider domain, which we have built all the new solutions coming in there. Third is the regulatory technology, which takes care of the frauds and the compliance requirement of regulated entities. And of course, I believe that acceptance ecosystem will play much larger role in the entire state. And then we have much more that we are working on. Lending, I have still not counted, but that will be a really big contributor. But that is again two years down the line. Then global, that is again going to be another contributor. So, there are a lot of triggers. The first 2-3 are critical for us to continue because that has really matured well.
- Ashish Soni:** And in terms of headcount, you said AI, you didn't require too many headcounts. In terms of next 2-3 years, where do you see a headcount growing? I suppose it will not grow in line with your revenues, right? It will be lesser. Is that understanding correct?
- Deepak Chand Thakur:** No. I was just giving an idea that if you are taking headcount as an indicator, that may not be completely true. Headcounts will continue to grow. Even this year, probably my HR is sitting at taking 350 to 500 plus people. So, that's what they are sitting on right now. And this may continue to multiply, but skillset will differ the type of people and the position will differ. AI will then bring down the laborious job around tech and product. So, there the headcount may not be required. So, it will not be like in '24, if I was expecting 100 people to be hired in tech and product for the same job today, I may not be hiring 100, I may be hiring 50 odd, but the incremental number will always be there. That is what I am trying to say.
- Moderator:** Thank you. The next question comes from the line of Hardik Gandhi from HPMG Shares and Securities Limited. Please go ahead.

- Hardik Gandhi:** Hello. Congratulations on a good set of numbers. It's good to see that we are back on the track and ramping up very fast. Just a few questions on the line of the new stake which was sold. Yesterday, I saw there was a block deal where the promoter sold in the open market also. So, was that a part of a requirement from Tata?
- Deepak Chand Thakur:** Last year in Q1, we gave this information to our investors that whenever we go for the raise, as promoters, we would also be interested to add an OSS piece as well. Now, because we got that opportunity from Tata and they were actually looking at the overall size. So, I think that was informed, I guess, in last Q1.
- Hardik Gandhi:** Okay, I might have missed that. Apologies for my end.
- Deepak Chand Thakur:** In Q1, we took the board approval and then we had put this up already. But after one year, it expires, if I am not wrong. I think my CS explained me this. And then now this year, when we got onto main boards, then we really got some really good interest from the market because we were in SME. We were not writing this kind of, so that really helped.
- Hardik Gandhi:** And what would be your holding post-stake sale as well as the preferential if everything was as bad?
- Ashish Aggarwal:** Till now, we have 67.55% holding. And after this dilution, it's near about 65%. And after preferential share, it will change, maybe around 61%, you can say.
- Hardik Gandhi:** Okay, understood. And second question is on the business front where the Rs. 300 crores out of this, all will be used for inorganic growth or do you plan to use Rs. 200 crores for inorganic? Is there a bifurcation which you have in mind and how confident are or have we selected a target company? Just your thoughts on those lines.
- Deepak Chand Thakur:** So, as in when we go forward, you will get that in news, okay? So, just hold on to that. Again, it's not, when you say inorganic, it's not about buying company. It's about services and it's about product as well.
- Hardik Gandhi:** And maybe you will buy IP, you will buy your product particular?
- Deepak Chand Thakur:** Or maybe I will buy a ready product. So, or maybe I will buy accounts, business, so that's about inorganic area. Second is building the entire vertical altogether. So, creating an absolute DNA for the segment around and lending and acceptance ecosystem. Now, that is also something that we are keen on. So, and then going global. Designing the solution in such a way that we are able to capture larger piece in Africa, Southeast Asia and Middle East. Then that is also something where we feel that now we have a, now our hands are flexible. We can actually go beyond and, you know, go faster. That's the overall objective. So, it's not only inorganic.

- Hardik Gandhi:** Yes, but since you mentioned IP, I was just wondering for the newer products which we have, have we, do we have a paid, like a registered IP for, like the fraud detection as well? Registered on the international market?
- Deepak Chand Thakur:** Not international, domestic. But every single solution till date is designed, conceptualized indigenously. And we hold the trademark and IP for that.
- Hardik Gandhi:** Okay, thank you. Thank you. That's it from my end. All the best for the future.
- Deepak Chand Thakur:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Suman Patara. From Texas Consultancy. Please go ahead.
- Suman Patra:** Hi Deepak, can we just quantify what percentage of our operations are AI-based and maybe 3-4-5 years down the line, what will be, what percentage will be the AI-based operations? Is it possible?
- Deepak Chand Thakur:** Way too early, but I can just let you know that I have given goals in within the organization to, to like tech product and ops. The goal this year is to adopt AI to an extent of 30% of their entire workload. So, that's what 30% of their entire workload. And it is this year's target. So, tech product was taken together. Now next year we will have to see how the industry evolves and what is the impact. Based on that, we can set the target going forward, but I believe it is only going to be incremental.
- Suman Patra:** Definitely. Yes. Maybe at some stage, one can go 60%-70%-80%, isn't it?
- Deepak Chand Thakur:** Never know, I guess the trend that we are seeing, we never know.
- Suman Patra:** Fine. Thanks. All the best.
- Deepak Chand Thakur:** Thanks.
- Moderator:** Thank you. The next question comes on the line of PrateekChaudhary from Saamarthya Capital. Please go ahead.
- PrateekChaudhary:** Good evening, sir. And congratulations for very good numbers and guidance for future. Sir, on our future for this payment platform as a service where we are going to see a majority of the growth? How have we de-risked the business model there in terms of like I saw on the presentation that now we have three banks instead of one earlier. So, if you could maybe name those. And second, in terms of the end segment of merchants where we were getting business earlier, I mean, going forward, will that also diversify very significantly for us such that, you

know, either on the bank side or on the end segment merchant side, we are not exposed to any single segment?

Deepak Chand Thakur: See, the thing is we are, so for the second one, the answer is simple. We are not acquiring merchants. We are not the aggregators. We sit inside bank's ecosystem and create the acquiring space between bank and payment aggregators. So, the idea is how do we bring the acquiring capability more and more in the payment space? So that's how we look at it. So, because on the other side is not direct merchant, but aggregators and the master merchants and bank's customers and bank account holders. So, we don't look at a specific segment. So, it depends on what they bring in. So, we have built our structure in such a way that any merchant category which is approved or authorized, they can use this particular platform. So, other side, I think that particular de-risking is always there. The second one is on the bank side we initially had only cooperative banks. Now we have a private sector bank and then we have a payment bank. These are three types of banks, more than the name of bank, the type of banks also matters at the time of de-risking. I hope that answered your questions.

Prateek Chaudhary: Has the business started with all three of them?

Deepak Chand Thakur: Yes, two of them majorly. The third one is yet to pick up. It's taking time, but it will do.

Prateek Chaudhary: Great to hear. Sir, last question. This major bill pay order from a large PSU, if you could disclose what sort of range is that order in, in terms of maybe 0 to 50 or 50 to 100 Cr. ?

Deepak Chand Thakur: No. That's not how it can be. Such kind of orders are under... There is no hardware component in this. It's software. So, the range is obviously over a crores. There is no doubt about it. But this because BillPay was launched last year and we were able to get a PSU bank within a year and then add multiple more accounts. So, we have like, I think 4 or 5 accounts already on BillPay and this was a large deal which we got through RFP. It's not 1,500 crores odd. It is under 2 crores. .

Ashish Aggarwal: About 2 crores, maybe.

Prateek Chaudhary: Okay. Thank you, sir. I will get back in the queue.

Moderator: Thank you. The next question comes from the line of Nitin Gupta, an Individual Investor. Please go ahead.

Nitin Gupta: Thank you for the opportunity one more time. Just one bookkeeping question. Guidance as in, we being able to touch our all-time high quarter in this Q3 of current financial year. So, I was thinking like, will it be completely organic or we are assuming that some kind of an acquisition or something would help or this would be...

Deepak Chand Thakur: Organic.

Nitin Gupta: Thanks, Deepak. That's all for my side.

Deepak Chand Thakur: Thank you.

Moderator: Thank you. The next question comes from the line of Nishant from Ex-GS. Please go ahead.

Nishant: Hi, Deepak. Hi. I have multiple questions. One is that our margins have fallen down. So, is that sustainable?

Deepak Chand Thakur: Yes, it is. Basically, the contribution from TSP was higher. So, that's the nature of the margin that we usually have in TSP. Earlier, we had a balance with TSP and PPaaS together. So, you will see the impact in coming quarters.

Nishant: So, what is the sustainable margin? So, I can see that June '24 was 35%. September was 35%. And now it's 30, right? So, is it a range of 30 to 35? Or can I expect 35% margin to be sustainable?

Deepak Chand Thakur: EBITDA, you are referring to, right? It's around 32, if I am not wrong. But yes, it is always above 30. That's what we see in these software sales.

Nishant: Okay, I can see 29. 24. Maybe I am looking at a different number. The current quarter, I think 29. 24. It's what's in front of my screen.

Deepak Chand Thakur: I guess 32. 5. You are referring to EBITDA, right?

Nishant: Yes, OPM margin, yes.

Ashish Aggarwal: Maybe because due to on the basis of sale or total income, which is okay. But yes, Deepak is right. We can anticipate more than 30%.

Nishant: Okay, and also we mentioned that we will beat our September '24 quarter. Are we saying in September '25? And are we talking about sales only or are we talking about OPM and PAT as well?

Deepak Chand Thakur: We are targeting all the categories. December, not September '25. I said Q3.

Nishant: So, Q2 would be same? We will maintain the same 20% PAT growth trajectory that we have maintaining.

Deepak Chand Thakur: Trend will pick up so that Q2 is much higher. And then by then we should, that's the aim is to breach that mental block by clear it in Q3.

Nishant: And what's the reason for the QIP? Because that will bring down our ROE and ROCE big time. So, what are we planning to use that money for?

Deepak Chand Thakur: Okay, I will answer that again. For the fourth time, maybe.

Nishant: No, sorry. My apologies. I can go back and refer to the recording if you have already answered it.

Deepak Chand Thakur: Please do that, because I have already answered 4 times now.

Nishant: Sorry about that. I joined late. So, it's on me. I will go through the transcript tomorrow. That is okay. I guess, that is all I had and have we had any other wins, like the South African project, the African project which you mentioned last time, which I am assuming might be Nigeria, but yes.

Deepak Chand Thakur: Well, the focus was PPaaS. So, I think activating and getting the revenue started on that is where we got one. Apart from that, I just said that there was a BillPay order that we got this quarter. And then majorly there are some wins, but it is not the number that I can put it here.

Ashish Aggarwal: I think it is there in the presentation. If you can pick up from there in the business update section, we have given all our deals, understanding and as well as the signups and the new collaborations, all that we have put up there. In PPaaS segment, there are aggregators that we signed, there is a federation that we signed. Then the order book around 50 plus banks in the offline QR space. Yes, that's major.

Nishant: Okay. And how about credit card on UPI? Is that picking up now?

Deepak Chand Thakur: I mean, it's taking its time. It's not actually the number that can significantly impact.

Nishant: Okay. And would it be okay to say that quarter-on-quarter from June '25 to September '25, we can look at 25% to 30% PAT growth. Would that be a reasonable number?

Ashish Aggarwal: From June to September?

Nishant: So, last three quarters, December '24 to March '25, we had a good 20% growth.

Deepak Chand Thakur: It's about 20% right now. It will be only incremental.

Nishant: Yes. So, more than 20%, right? You are saying this pace of growth will grow, right?

Deepak Chand Thakur: Yes.

Ashish Aggarwal: Okay.

Nishant: It could be number of 25 to 30.

Ashish Aggarwal: That is your number.

Nishant: Yes, you are not giving the number, that is why I am just saying am I on the right track? But okay, fine. I think that is all. Thanks for taking my questions.

Moderator: Thank you. As there are no further questions from the participants, I now hand over conference over to Mr. Harshil Ghanshyani for closing comments. Thank you and over to you, sir.

Harshil Ghanshyani: Yes. Thank you. Thank you everyone for joining the conference call of NPSC Limited. If you have any queries, you can write us at info@kirinadvisors.com. Once again, thank you everyone for joining the conference call.

Deepak Chand Thakur: Thank you.

Ashish Aggarwal: Thank you.

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