

(Formerly known as Eppeltone Engineers Pvt. Ltd.)
Registered Address: A57, Defence Colony, New Delhi -110024

November 21, 2025

To,
THE MANAGER,
Listing and Compliance Department
NSE Emerge
NSE LIMITED
Exchange Plaza, Plot No. C-1, G Block, Bandra
Kurla Complex, Bandra East, Mumbai –
400051

Symbol Name: EEPL
ISIN: INE11HF01010

Subject: Transcript of Q2 and H1 FY'26 Post Earnings Conference Call organized on November 17, 2025

Dear Sir/Madam,

With reference to the above-mentioned subject, kindly find enclosed herewith a copy of a transcript of the Q2 and H1 FY'26 Post Earnings Conference Call held on November 17, 2025.

The transcript may also be accessed on the website of the Company at <https://www.Eppeltone.in/investor>

This is for your records and information.

Thanking You

Yours Faithfully

For and on behalf of Eppeltone Engineers Limited

(Deven Chowdhary)
Whole Time Director
DIN No. 09198677
Add: A-57, Defence Colony
Lajpat Nagar, New Delhi-110024





EPPELTONE ENGINEERS LIMITED

H1 FY26

POST EARNINGS CONFERENCE CALL

November 17, 2025

Management Team

Mr. Deven Chowdhary - Whole Time Director

Mr. Rishab Nagpal - Chief Financial Officer

Call Coordinator



Strategy & Investor Relations Consulting

Presentation

Vinay Pandit:

Ladies and gentlemen, I welcome you all to the H1 FY26 Post Earnings Conference Call of Eppeltone Engineers Limited. Today on the call from the management we have with us, Mr. Deven Chowdhary, Whole Time Director and Mr. Rishab Nagpal, Chief Financial Officer. As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements, which may involve risk and uncertainties. Also, a reminder that this call is being recorded.

I would now request the management to run us through the investor presentation, briefing us about the business and the performance highlights for the period ended September 2025, the growth plan and vision for the coming year, post which we will open the floor for Q&A. Over to the management team.

Deven Chowdhary:

Thank you very much, Vinayji. Good afternoon, everyone. Firstly, thank you for showing investor confidence into our company. I'll just give you a brief run through the presentation. We can start with the next slide.

So, our company was founded in 1977 by my late father. We are into manufacturing of meters since 1999. We started with SMPS and power conditioning products. Business expanded into energy metering manufacturing later on.

Currently, our facility is about 36,000 square feet, in Greater Noida. We are NABL approved. Our company holds the S Mark certification from the Ministry of Electronics. It also holds the DSIR certification from the Ministry of Science, and also our products are TEC certified, which is under the Department of Communications Government of India. We are empanelled with over 30 DISCOMs and PSUs across the country and major turnkey contractors. Our goal is to deliver high-quality, cost-effective metering solutions that help the utilities to reduce their AT&C losses, also enhance the transparency, accuracy, and reliability of the product. Next slide, please.

This is our vision and mission. So, we intend to grow. God has been kind. We've been doing tremendous work over the last 10 years. Currently, the government is envisaging about ₹2.5 lakh crores into the smart metering business. We intend to be a major player into this. Apart from this, we also intend to have different product verticals, which we will discuss in subsequent slides. So, this is a small

evolution of Eppeltone of our company, which started in 1977 like I said. In 1990, due to the liberalisation and globalisation advancements in the country, my late father set up three manufacturing units, two in Okhla, one in Parwanoo, Himachal Pradesh.

We also used to manufacture CTR TVs, and monitors the old, big monitor that we used for the computer since because of liberalisation, a new technological advancement took place in our country. In 1999, like I said, we diversified into manufacturing of counter based static meters. In 2002, our private limited was incorporated. 2009, we delved into complete automation of SMT lines and moulding machines.

By this time, we were based out of from, Okhla in New Delhi. In 2016, our factory relocated to Greater Noida because of the space constraints that we were facing. Also, we set up our NABL approved lab. In 2017, we received the CMMI Level III certification and launched the water meter portfolio. In 2019, we launched the CT meters, which completed our LT meter range, and also, we registered our EPELTONE trademark. 2020, all smart meters as per BIS 16444, which is a standard by the government was completed by us and launched by us.

2024, the MTCETE certification was received. And in 2025, the DSIR certification along with the listing was completed. A brief about the management team. My elder brother, who's a Promoter and the Managing Director, Mr. Rohit Chowdhary, he basically, he did his Bachelors of Engineering from Nagpur University and then his Master's from prestigious Delhi College of Engineering.

He has been there for over 20 years into electronic manufacturing, has been instrumental in driving Eppeltone's transformation. Under his leadership, the NABL approved R&D lab and all the other feeds that we have received, that we discussed in the previous slides, have been achieved. Myself is I'm Deven Chowdhary. I completed my Engineering and joined Eppeltone in 2009. And I've been trying to do, let's not self-boast. And move to the next slide.

Here's a small brief of our reach currently. So, we work across 17 states in the country. It's primarily tender based business. As and when tender is received, orders are received, prices are good. Let's call it the geographical reach of our organisation.

So, here's a small business overview. So, like we said, we are into manufacturing of electronic energy meters, which conventionally used to be the static energy meters, which have now transformed into smart energy meters. The advantages of smart energy meters are to reduce AT&C losses primarily. The losses the government has already faced from generation to transmission to distribution. Our primary work core segment relates to the distribution network. So, we have the single and three phase static energy meters, the whole current LTCT, the smart energy meters for advanced grid efficiency, multifunction meters that are used in commercial and residential establishments as well. Also, we have delved into renewable, including solar and smart grid gas and water meters that are currently into launch stage.

Other product segments include, power and energy systems wherein we have some power conditioning devices like battery chargers, very high-end battery chargers, not the conventionals. We also have some LEDs that we used to do. We have the entire testing apparatus. Of late, we have not been doing this, but we have the testing apparatus for this. The HES and the MDMS, for those who are not aware, that is basically the data analysis softwares for the data that are received from smart meters. These are primarily used by the utilities.

And also, we do customise engineering solutions as and when the client demands so. Our state wise in the past six months has primarily been Uttar Pradesh, Gujarat, Chhattisgarh, Delhi, and others. There's a brief on the product portfolio, a single-phase meter, a three-phase meter, a solar metering, the industrial metering. These are the smart energy meters that we manufacture and supply to the government.

Apart from this, we also have some metering accessories because certain governments need some accessories to go along with the energy meters primarily in the rural areas. These are the boxes that go with the energy meters. And to give you a brief insight, these are the newly ventured products, the underslung charger that we were just mentioning that has been approved by the Railways.

The gas meter and the water meter that we have already launched and is on the testing stages. The water meter testing has been completed. We've just got the report last week. The gas meter is currently going on, and we expect to complete it by the end of this month, early next month. This is a brief on the manufacturing capacity. Our current capacity, like we said earlier is around 36,000 square feet based out of G-91. The utilisation has been minimal. There have been multiple reasons for that. Our existing facility revenue potential is around ₹300

crores to ₹350 crores. The new facility, which is coming as the fully automated plant, we expect to envisage about 60,000 square feet in that plant as per the approved map.

Apart from the capacity that is going to increase because of this, we also see a CapEx that will be involved. We also see a machinery CapEx that will be involved. But because of this 60,000 square foot plant, we envisage about ₹500 crores to ₹600 crores revenue per year. We should note that the entire new facility is going to be completely automated.

Apart from improving the quality of the product, we also see operational efficiency and optimisation, which will allow us to manufacture more meters. We have some strengths and strategies, the advanced product technology that we are completely working on, the skilled workforce because of which the training that we impart to them because of which our products are high quality in nature, The quality and the service standards that we have to maintain, including the RCA and the CAPA that we provide to our clients as and when required.

The reliable suppliers and the customers that we have long-term relationships with. Most of our suppliers are also 15 to 20 years old. Most of our buyers, since we've been working with the government for over 20 years, it's a trust that needs to develop because we should understand that metering is the only revenue generating item for power. So, it's not very easy for anybody to develop that trust. And the NABL approved R&D lab that we have and allows us to basically have continuous innovation and also product performance.

A few strategies that we are currently going to follow is obviously number one, primarily geographic expansion that also includes exports. The broader product portfolio that we have been working on includes gas metering, water metering, the AMISPs that we'll be discussing in subsequent slides, the efficiency improvement by automating a new plant, the capital optimisation, and the quality assurance that we have to offer to our clients.

These are a few of our client list. So, we are approved with Power Grid and NTPC, which is a feat in our country. We are currently working with a few clients. These are some of government organisation, PSUs. Some are private companies who have given orders to us. So, our current order book is around ₹416 crores that has to be executed over the next one and a half to two years.

This is the breakup of those orders. Also, we have lately been submitting our new bids, which is around ₹600 crores. We expect some of the bids to close over the next month or two. There's a small industry overview. As you can see, there's a 34.6 CAGR that is expected over the next five, seven years. So, India's peak load reached 250 gigawatt in 2024. That means there is a lot of energy consumption and a lot of energy requirement.

Apart from the solar, let's call it a solar generation that has been going on in our country, there is also a need to meterize and measure the amount of energy that is used to generate revenue for the government. The AT&C has already reduced from 21% to 16% and primarily, all of this has been because of the data analysis that has come from the smart meters. The National Smart Grid Mission, Ministry of Power has shown that about 22 crore meters have been sanctioned, out of which around 4 crore meters installations have been done.

The National Smart Metering Program also creates a large sanction rollout, the 25 crore meter that has to be done over the next two to three years. So that means that the market is big, and we tend to or intend to at least have captured about 10% to 15% of this market. Next slide, please.

So, here's a brief on our Way Forward. So new metering segments, like we've already discussed, the gas metering and the water metering that are upcoming. They've already been launched. The battery chargers that have already been approved by the Railways that has already been launched. The gas and water metering are under testing phases. The battery charger is also under developmental phase. This is how it works. Basically, they give you an order. First, there's a development period. Once the development period is complete, the product is verified and validated, then subsequent orders are given.

So, our products have already been circulated to the clients, and the factory approvals etc. have already been done. So, this AMISP expansion is a new revenue segment. Basically, right now, the scheme that we were discussing, which the government is envisaging ₹2.5 lakh crores on is the RDSS scheme.

The RDSS is called the Revamped Distribution Sector Scheme. So, the RDSS basically allows anybody or everybody who was an AMISP, a service provider, to complete their automated metering infrastructure for the government. So, it's a service model with the REC application. REC is the Rural Electrification Corporation, and we

have already applied to become an AMISP. We expect the approval over the next 30, 40 days. And once we are in approved, AMISP, then it also allows us to create another revenue stream to the tune of ₹300 crores to ₹400 crores. The capacity expansion that is going on is already going on for the 60,000 square foot unit.

Once the capacity expansion is complete, which we presume to be done by sometime mid of next year, we should be able to target a growth of at least 30% to 40% or more. And we have also ventured into integrated installation services. These are nothing but the installation services that go, our primary work right now is supply.

So, what we are seeing on the field level is that there have been certain places or certain areas where because of lack of manpower, lack of knowledge, lack of handling, the service providers have been facing some issues. So, we intend to give them a one-stop-shop, a complete solution, wherein we'll be taking the orders from them to complete the installation and hand over the project. That allows us also to complete our project before time. That allows them also to complete their project before time.

So, here's a brief on the business and performance highlights. I'm sure most of you have already seen, gone through it. So, the FY26, the H1 revenue was temporarily muted due to prolonged and early monsoon. So, what happened was, there has been a lot of clearances. There has been a lot of, but this time, the monsoon was very, very prolonged. So, because of this, the field level execution, etc., was taking longer than usual.

The EBITDA also improved because we optimise our in-house processes. We reduced the job works. We increased the in-house manufacturing. We had some machines which helped us improve the EBITDA. The order book is already, like we mentioned ₹416 crores. The net profit also improved, again, because of optimisation of processes, work reduction, and finance cost, because of the IPO, there was a large chunk of money that was used, so there was an improved margin in financing.

So here are some performance highlights. The FY25 revenue was around ₹124 crores that we closed last year. The FY26 currently is around ₹46 crores, the H1 which compared to last year was a small dip. But the gross margin like we mentioned in the previous slides, EBITDA margin, gross margin, profit margin all increased, again, primarily because of job work being reduced, in-house processes

being optimised and increased, some machineries that were bought, and also the operating expenses including the margin cost, the interest cost.

This is a half yearly statement. The annual income statement. So, the annual income statement wherein the margin in H1 FY26 was around 38.8%, the GP. The EBITDA was around 18.4%. So, subsequently, the net profit margin was around 13.5%. If we see a revenue CAGR, the revenue CAGR in the last two years has been over 31%. The GP by God's grace has shown substantial increase, the EBITDA as well.

There are some few awards and achievements that we have received over the past few years. Global Hues magazine has awarded us the corporate connect magazine. The MSME awards has given us the best MSME. The Young Industry Leader award has been accorded to me. We have been bronze partners with the smart utility, which is the flagship programme of the Government of India in India. So, we are a bronze partner with them, and we hope to make a substantial role in the completion of the project.

Some certifications, the DSIR certification that we mentioned, so that comes under the Ministry of Science and Technology. The MTCTE certificate, that is the product certificate wherein your product has to be certified by the telecom equipment authority to ensure that it meets the safety and the standard protocols. The CMMI development, which is the CMMI Maturity Level 3 is awarded by the prestigious Carnegie Mellon University.

Thank you. If there are any questions, we can discuss on it.

Question-and-Answer Session

- Moderator:** Thank you. Anybody wishes to ask a question, may use the option of raise hand. Sir, we'll take the first question from Kaushal Sharma. Kaushal, you can go ahead, please.
- Kaushal Sharma:** Hi. Very good afternoon.
- Deven Chowdhary:** Hi, Kaushalji.
- Kaushal Sharma:** Yeah. So, my question is on your smart meter side like, what is our defective rate?

Deven Chowdhary: So, usually, defective rate was let's call it the allowed rate is 1% per year. So, usually, our meter, this is the allowed rate that when you work with anybody who's a service provider, this much is allowed because it's at the end of the day an electronic. We have to understand that electronics are manufactured primarily by 8 to 10 companies in the world. They themselves, when they manufacture it, they say 10 parts per million or 30 parts per million are going to be defected.

Now those 30 parts, we don't know which one are they, neither do there. But the metering has about 600 such components. So, what we have experienced over the last three years, our ratio has been somewhere around 0.3% to 0.4%.

Kaushal Sharma: What is 0.3% to 0.4%?

Deven Chowdhary: The defective ratio, the rejection ratio. That's field level.

Kaushal Sharma: Field level. Okay.

Deven Chowdhary: Yes.

Kaushal Sharma: Okay. And sir my next question is, what is our average realisation of single-phase smart meter or three-phase smart meter currently? And are we doing any static meter, and what percentage, does it contribute to our top line?

Deven Chowdhary: By realisation, you mean the turnaround time for the...

Kaushal Sharma: No. The average price of single-phase smart meter and three-phase meter currently.

Deven Chowdhary: So basically, the average price varies from -- the prices of smart meters are very different. It's like buying a smartphone. So, for smartphone starts from ₹10,000 goes up to ₹2 lakhs. Same is the case with smart meter also. It depends from the specifications that your client wants. It depends on from these -- let's say, for example, one particular client wants dual SIM smart meter. One particular client wants a single SIM smart meter. One particular client says, I don't want a communication module. I only want the bare meter. So, your price starts from somewhere around ₹2,000 goes up to ₹2,500 depending on the specification, etc.

Certain specification smart meters, it also goes up to ₹3,000. So, it'll be very difficult for me to just per se say, this is the exact price. It

varies from specification-to-specification. Same is applicable to three phase metering as well, wherein your range starts from ₹3,300 goes up to ₹4,500.

Kaushal Sharma: ₹3,300 to ₹4,500?

Deven Chowdhary: Yeah.

Kaushal Sharma: And are we making any static meter as of now, and how much does it contribute to our top line?

Deven Chowdhary: In H1 2026, we have not manufactured any static meters. And, yes, we do have some static meter orders, but they're very minimal in nature. In the existing top line of whatever it will be on this FY26, we don't see a manufacturing ratio of static meters being more than 3% to 4%.

Kaushal Sharma: More than 3% to 4%. And what is in our order book?

Deven Chowdhary: Currently, static meter order book is around ₹1.3 crores.

Kaushal Sharma: ₹1.3 crores. And my next question is, does the company have vision of manufacturing any power quality meters going forward?

Deven Chowdhary: Yes. The company has been visiting the power because lately, there are a lot of requirements has been coming out for PQMs. So, we are evaluating our options. Our team is working on it. As far as the vision of manufacturing concern, that is a bridge that we'll be crossing once we get there. Currently, it's under evaluation.

Kaushal Sharma: Okay. And is the company designing circuit by its own or get it done by its supplier for their smart meter?

Deven Chowdhary: So, basically, we have an in-house R&D lab. We have an in-house R&D team. Everything is designed in-house only. The fabrication of PCBs, etc., is done in China, but the model, the Gerber files, the technical know-how has been provided by us. The software is all in-house. The hardware designing is all in-house. The assembly testing, packing, manufacturing is all in-house. We have our own in-house SMT lines as well. We have our own in-house moulding machines as well for the plastic parts.

Kaushal Sharma: So how much SMT line do we have currently?

Deven Chowdhary: Currently, we have two SMT lines, and we are in the process of procuring one more.

Kaushal Sharma: Okay. And what is our credit cycle with our customer as of now?

Deven Chowdhary: Again, that varies from person-to-person, but tentatively, we've seen the credit cycle to be somewhere between 60 days to 120 days.

Kaushal Sharma: 60 days to?

Deven Chowdhary: 120 days.

Kaushal Sharma: 120 days. And one more question on your, the IPO money that we have raised for working capital. Last year, we raised around ₹30 crores IPO for funding of working capital. And almost 81.43 Cr the working capital is required that is being met out with our internal working capital through borrowings internal accruals and IPO proceeds and all.

So, on an average, our inventory to net working capital ratios has around been 3.5 times. And we require around ₹81 crores of working capital, though that comes the top line of around ₹285 crores. And we have generated just ₹46 crores in this H1. So, are we expecting a good jump in turnover in the next H2, and what is our projection for H2?

Deven Chowdhary: Projection, so we have to understand that just because of the availability or the paucity of funds that this is an entire project. It's like entire ecological effect. It's like an, let's call it an ecosystem. Even if you have the material, once you are ready with it, if the material is not installed at the field level, so they're bound to get some delays from the customer.

Currently, also our stock is high. That is because we were supposed to, let's say, sell a lot more material than what we did. We have some FGs also in stock, at the end of September 30th. But because of the prolonged monsoon season, there has been so, the electrification does not happen when there is monsoon. You have to understand because at the end of the day, it's electricity that you are working with because also, there is lack of reachability to the particular sites. And there is a lack of, let's call it shutdowns, because at the end of the day, it's hazardous in nature.

So, we do see a substantial growth in the H2. And in the past 17 years that I've been working, as compared to H1, H2 has always been higher

that we have seen as a trend. That's also because in H1 after March, a lot of companies do a lot of procurement in February and March of the previous financial year. So, in first quarter from April to June, the amount of sale is considerably less. It starts after the second quarter because second quarter is primarily monsoon. It's not that it's zero or anything. There is some work at the field level, but most of the work starts after or around Diwali time. That is when there is a lot of manpower that is available, a lot of execution of contracts that go on. So, it's an ecosystem that we have to follow.

Kaushal Sharma: So, what's our expectation for H2 or a whole year in terms of growth?

Deven Chowdhary: In terms of growth, we do see a 30% - 40% increase from our last year's financial turnover, hopefully.

Kaushal Sharma: And will it be sustainable for next two year as well?

Deven Chowdhary: It should be sustainable and increase.

Kaushal Sharma: And our EBITDA margin is just 18.4%, which is increase from 13.8%. So, will it be sustainable in future as well?

Deven Chowdhary: So right now, because of the availability of funds, like I said earlier that we had a lot of savings on the interest. We had a lot of job work in-house processes that we did. We do intend to automate, once our new plant is ready. We do see sustainability on this front as well because there'll be a lot of automation. Once a lot of automation is there, so you also have product optimisation. Once you have the product optimisation, then your manufacturing cost is bound to reduce.

Moderator: Kaushal, any more questions? We'll move on to Nupur Karnani. Nupur, you can go ahead, please.

Nupur Karnani: Yeah. Thank you. So, firstly, congratulations to the management for good sets of result. My first question is that compared to last six months, our employee benefit expenses have reduced by somewhere around ₹1.52 Cr. So, could you please explain us the reasons for this decline? And additionally, we noticed that around 4 SMPs have resigned over the past four months. So, what was that due to, like organisational restructuring performance-based decisions, or voluntary exits?

- Deven Chowdhary:** So, thank you, firstly, Nupur. As far as the cost of, is concerned, so a lot of cost was basically related to development of new products that is the R&D, the water metering, gas metering, the underslung charger, which is obviously used from ECP. So, the tax provision, Rishab will explain you more, but there is a benefit of the issue expense as well. Rishab, if you would like to highlight on this.
- Rishab Nagpal:** Our employee benefit expense in the current first half year has not gone down. Rather than that, we have invested in development of some new products. So, the employees that are working on the new products, the cost to the company has been capitalised, which you can also see under their intangibles under development. They're working on new material that is why.
- Nupur Karnani:** So, in ₹1.92 Cr that has been reflected in assets under development. So, what is the contribution of employee benefit expense in that entire ₹1.92 Cr?
- Rishab Nagpal:** Around ₹1.4 to ₹1.5 Cr.
- Nupur Karnani:** That means somewhere around 80%, I believe. 70% - 80%. Okay. And what about the people like four SMPs who resigned in last four months?
- Deven Chowdhary:** Honestly, ma'am, that's a purview that one has on its own. They have it all I mean, all of them have been voluntary exits. The company has also tried to retain, but I'm believing that whatever opportunities they have for themselves in the future, we wish the best for them.
- Nupur Karnani:** So, by the voluntary exits of these four SMPs, did our business suffered or did we face any hardships while execution of our work?
- Deven Chowdhary:** No, no. By God's grace, we haven't faced any kind of hardships because of these exits. And we are also under the process of hiring new people as replacements.
- Nupur Karnani:** Okay. But there is one thing, with respect to our attrition rate. In last three years, our accretion rate increased from 12.6%, then then 15.69% in 2023-2024. Last year, it was 36.36%. So, with such a high attrition rate, it brings disruption in the operations of business. So how are we dealing with this attrition rate? And in future, what are we expecting?

- Deven Chowdhary:** See, as long as this attrition rate does not affect your R&D, then one manufacturing company does not have much to worry about because R&D is the kind of place where certain attritions cause a lot of, let's call it hurdles and not problems. But as far as the manufacturing processes are concerned, once you have your SOPs in line, once you have the Supervisors, etc. which are long-term in nature, then you don't see much of a problem as far as manufacturing is concerned.
- Nupur Karnani:** Okay. So, if we considered last six months, so our long-term borrowings have reduced by ₹1.65 Cr whereas our short-term borrowings have increased by ₹1.44 Cr. So, in this backdrop, how have finance was still come down by ₹23.72 lakhs? Was there a change in interest rate, some repayment terms, or source of fund? What exactly that was?
- Deven Chowdhary:** Rishab?
- Rishab Nagpal:** The interest cost got down primarily because, the money that we received from IPO rather than using the working capital, we used our IPO money, the ₹30 crores that we got for working capital. That has helped us to bring down our finance cost. Apart from that, the bill discounting charges that were earlier in finance was because due to a big working capital requirement, we generally used to get our bills discounted from our customers.
- That cost has been completely removed because of the proceeds we got from the IPO. That's the main difference for the cost to reduce.
- Nupur Karnani:** But like in our objects of the issue, there was nowhere mentioned repayment of borrowing as one of the objects of our IPO?
- Rishab Nagpal:** We have not repaid our borrowings. We have used that money to buy material from the vendors. But earlier when we wanted funds, we used to get our bills discounted from our customers. There were charges from part of our finance cost that was deducted by our customers while making us the payment. So that was completely eroded from the finance cost in this year. It is that we got. Though loans were low, working capital has been repaid from the issued proceeds.
- Nupur Karnani:** Okay. So, one question is with respect to our receivables and working capital. So, if we consider H1 of financial year 2025-2026, and 2024-2025, so receivable as a percent of sales have risen to 99.22% as of 30th September 2025. And in 30th September 2024, it was somewhere

around 69%. So, given this trend, how our company is planning to manage its working capital efficiently going forward?

Deven Chowdhary: Come again please, I'm sorry. I lost you in the middle because of the network.

Nupur Karnani: Okay. I'll repeat it again. So, my question was with respect to the receivables and working capital, receivable as a percent of sales have risen to 99.22% as of 30th September 2025. Whereas if we consider the period of 30th September 2024, it was somewhere around 69%. So given this trend, how our company is planning to manage its working capital efficiently going forward?

Deven Chowdhary: I'll give you a little brief. So do you see this receivable in H126 primarily because most of the sale that has happened, has happened in Q2. So, you see a substantial larger amount of receivable that are in the books. Usually, this is not the trend that is let's call it, that's engraved on a stone. But yes, it's a part of it. Most of the sale, because it happened in Q2, we see a substantial amount of money that has come under receivables. But when you see the overall year's results, it is going to be on the contrary.

Nupur Karnani: Okay. So, there was one more thing with respect to financial.

Moderator: Nupur, there's some disturbance in the backside. You'll have to either speak a bit closer or tell others to keep quiet in the back.

Nupur Karnani: So, one thing was with respect to our finance cost. In finance cost, we are including interest expenses as well as our bank charges. So just want to understand that what constitute the bank charges that are forming part of our finance cost. Because in 2023 as well as financial year 2024, they are constituting almost 50% of our total finance cost.

Rishab Nagpal: This also includes the bank guarantee charges. The bank charges are primarily the bank guarantee charges.

Deven Chowdhary: So, Nupur, we have a fund based and a non-fund based. So, what happens is when you work with the government, you have to give them bank guarantees. Or also when you have to procure some material from your clients, you open LCs for them. Both of these non-fund-based limits usually have a charge that is associated to it. These are called bank commission charges or bank charges or it might be from -- it varies from bank to bank. So, these are primarily the charges that are mentioned.

- Nupur Karnani:** Okay. One more thing. In the last six months, our other current assets almost doubled. It increased from ₹3.22 Cr to ₹7.37 Cr. So, what exactly constitutes these other current assets?
- Deven Chowdhary:** Rishab?
- Rishab Nagpal:** I'll have to check. Just give me a second.
- Nupur Karnani:** Sure.
- Rishab Nagpal:** The major difference, the major part is the prepaid expenses, that pertain to the next half year and next year that form part of the other current assets.
- Nupur Karnani:** Okay, understood. And so that was from my side.
- Rishab Nagpal:** And the rest is GST input that we have. The GST input and the income tax refund etc. That are not material to the extent. Yeah, that's it.
- Nupur Karnani:** So, just one last question from my end. As now we are into development phase, what was our research phase? Like, how many months we were into the research phase for the products that, Devenji mentioned, that railway product, as well as meters?
- Deven Chowdhary:** I'll take it. So, for the railways, the particular products, the research phase is usually from one to two years. We've been working on it since 2021. What happens is once you complete your research, then you start delving into the approval. Approval in itself from the Government of India, Ministry of Railways takes about four to five months for it to be accorded.
- For gas and water meter, we have been working from 2023. In fact, our first water meter was in 2023, although it wasn't at a production stage, but it was at a prototype stage. So, all these products along with their testing, their validation, their full proofing usually takes about one, one and a half years of development time.
- Nupur Karnani:** Okay. So, all those research expenses that we...
- Moderator:** Nupur, can you please join back the queue?
- Nupur Karnani:** Sure, will do that. Thank you.

- Moderator:** I request participants to limit their questions to two. Sir, we'll take the next question from Nishita. Nishita, you can go ahead.
- Nishita:** So, I just wanted to understand the CapEx, that we are doing of around ₹15 crores for the new facility. When is that facility going to be operational and how are we funding that CapEx?
- Deven Chowdhary:** So, we do expect this facility to be operational sometime mid of next year. Most of the funding is being done from the internal accruals of the revenue that is being generated. If need arises, some of the funding will be taken as debt from the bank.
- Nishita:** Okay. And like, at full potential with both the facilities, you've mentioned that we can do a ₹500 Cr to ₹600 Cr of top line. So, when do you see the facility reaching its full capacity utilisation?
- Deven Chowdhary:** In the first year, we don't obviously, we don't see the capacity the facility to be reaching its full potential. But most of these, since we already have invested so much on the existing plant and infrastructure, that is going to be moved to the new facility and obviously, new machines and new machinery that is going to be integrated. We do see in FY 28, both our plants working at maximum potential.
- Nishita:** Okay. And my next question is you mentioned that; we'll have a 30% to 40% growth in FY26 compared to FY25. And in H1, we've only done ₹46 crores to reach that growth, we need at least ₹121 crores of revenue in H2. So, are you confident that we'll be able to achieve that?
- Deven Chowdhary:** Ma'am, in the past also, there has been a trend. H1 has usually been comparatively lesser as compared to H2 because like I said earlier, H1 primarily constitutes two to three months of monsoon. This time because of the delay in monsoon, I mean, let's call it a prolonged monsoon, there has been substantial decrease. Otherwise, we did have an FG of another ₹20 odd crores.
- We were supposed to close over, which we have also declared in our books that, we were supposed to close at ₹15 - ₹20 crores higher revenue than what we did. But, yes, we are very optimistic. We see the requirements of our clients. We see the clearances that we've been offered in the last one month or so. And we are keeping our fingers crossed that, the project gets executed as per the requirement.
- Nishita:** Is it okay and the margins will be sustainable at 18% level, right?

Deven Chowdhary: Hopefully, yes.

Nishita: Also, my last question is, you mentioned that on the AMISP, once we get approved, the revenue potential is ₹200 Cr to ₹300 Cr. So, is that included in the new facility or that's the additional revenue?

Deven Chowdhary: So, basically, that's a service model. That's a separate working revenue model. This ₹500 to ₹600 we have mentioned is a manufacturing facility outcome that we see. That is going to be a service model. Need not be that I have to manufacture anything. It's a project. So that is going to be separate from this revenue.

Nishita: Okay. So, like when...

Moderator: Nishita, can you please join back the queue?

Nishita: Yes, sure. Thank you.

Moderator: We'll take the next question from Jai Shah. Jai, you can go ahead, please.

Moderator: We will move on to Manish.

Moderator: Manish, you can go ahead, please.

Manish: Hello, sir. First of all, thank you for organising this call. I just have two questions. First is with the new developments in your gas meters, could you share how large this market opportunity is? And, also, is the focus primarily on domestic demand, or are you guys planning for some exports as well?

Deven Chowdhary: Thank you, Manishji. For your first question, the gas meter currently, the market procures about ₹200 crores to ₹250 crores on an annual basis. We see a growth of 30% to 35% as per various studies by the IGL that is going to happen because gas has still not reached the rural most areas. The cylinders are still working there. So just like electricity has reached now, because of the Har Ghar Nal Yojna, the water, let's call it the water tap has reached. We also see gas to reach in the next seven to eight years.

So, this market from the current ₹200 - ₹250 crores we see it to grow to about ₹1,200 crores in the next five, seven years. And as far as

exports and domestic sales are concerned, we are looking at opportunities for exports also.

We're also in talking terms with a few organisations. As time will come, we will be disclosing them as and when required as per the statutory obligations, of course. But we see good potential in gas also in the upcoming future.

Manish: Okay. And my second question is, can you briefly explain that your railway product, which got railway approved? And what's the specific use case for that product in the railway?

Deven Chowdhary: It's an underslung charger. Basically, it gets installed under every bogey every wagon of the railway. So, every railway now has an emergency lighting unit. In case of any emergency, in case of anything, there is let's call it a guide path of the wagon, which there are certain LEDs that are light up. So, for those LEDs, there's a battery bank, which is under every wagon. To charge that battery bank, this underslung, it's a heavy-duty charger. It's a 4.5 kilowatt charger. It's not a small charger, that is placed under every wagon.

Manish: Okay. So, do you get order directly from the Indian railways or?

Deven Chowdhary: Yes. Orders are directly from the Indian railways or their contractors who have been awarded by the railways who have to buy material from approved vendors, either of the two.

Manish: Okay. So same way you have to bid here as well?

Deven Chowdhary: Yes. Exactly the same procedure.

Manish: Okay. Thank you.

Moderator: We will take the next question from Tahir. Tahir, you can go ahead, please.

Tahir: Thank you for the opportunity. I wanted to ask regarding the current order book levels of the company like, what is the full order book of the company and execution period for the same?

Deven Chowdhary: Thank you, Tahir. The current order book stands around ~₹410 crores. The executable period for this is 18 to 24 months as per the contracts. We do envisage to compete it on time.

- Tahir:** And what is the major proportion for this ~₹410 Cr?
- Deven Chowdhary:** Proportion as in?
- Tahir:** Single meter, three phase meter, or smart meters?
- Deven Chowdhary:** All of them are smart meters except for the ₹1.2 / ₹1.3 crores that I mentioned that was through the static meters.
- Tahir:** Okay. And do we have to bid to get this order from the government or what is the process for getting these orders?
- Deven Chowdhary:** So, what has happened under the RDSS scheme, like I said, the service providers have been given the work to complete the projects. The service providers are like Adani, Ambani, NCC, Tata Power. These are very big organisations, so they get an order for ₹800 crores, ₹1000 crores, ₹1,200 crores that includes a project of electrifying as well as replacement of the meters.
- So, the government basically, these service providers have to buy from us, because we are approved with that particular government. The government has only one requirement. Since it's a revenue generating item, it's a very critical item for power. So, they say that you will only be buying from people who are approved by us. Whomsoever is not approved like, for example, I work in 17 states. So, there are still other states that I'm not approved, which we are currently working to get approvals in. Therein, we can't supply our meters currently.
- So, you get it from the government indirectly because you have to be approved with the government. Otherwise, you cannot be selling those meters, and the government will not be installing them.
- Tahir:** Okay. And who is our major client? Can you name them?
- Deven Chowdhary:** It will be difficult for me to name them on a public platform, but we can get back to you on this, if you can email to our company.
- Tahir:** Okay. And on the margin front, are there any margin difference between the single-phase meter and the three-phase meter?
- Deven Chowdhary:** There is a slight difference in margins, and that is also because of optimisation of product, but that's not more than 0.5% to 1%.

- Tahir:** Okay. And one last question. Our CFO declined in H1, significantly from negative ₹5 Cr in H1FY24 to negative ₹21 Cr in H1FY25. So, and the major proposal was in the trade receivables. So, can you explain this same?
- Deven Chowdhary:** Rishab, you want to take this?
- Rishab Nagpal:** Yeah, please repeat your question?
- Tahir:** I wanted to understand the CFO, like our CFO in H1 FY25 declined majorly by negative. It is seen like negative ₹21 Cr. So, can you explain the same?
- Rishab Nagpal:** Can you please put this question on mail. I'll have to check internally for this. Put a mail for this, yeah.
- Tahir:** Okay. Thank you. Thank you for the opportunity once again.
- Rishab Nagpal:** Thank you.
- Deven Chowdhary:** Thank you.
- Moderator:** We will take the next question from Manav Kothari. Manav, you can go ahead, please.
- Manav Kothari:** Thank you for organising this call. I was going to ask, what is the current capacity utilisation we are doing for this plant?
- Deven Chowdhary:** The current capacity utilisation that we are currently ongoing is around 50% to 60%. We've also stated that in our presentation.
- Manav Kothari:** And what is the target we are planning for FY26 and FY27. The capacity utilisation, including the new plant which will we ramp up in mid FY27.
- Deven Chowdhary:** We have to understand that once the new plant is operational, the old plant is going to be a subset of the new plant. Apart from capacity expansion, there is also product optimisation, quality assurance, and everything that will come into picture because of the level of automation that is being involved at the new plant.
- Manav Kothari:** So, what is the target capacity utilisation we'll be...

- Deven Chowdhary:** Also mentioned this in our presentation. Maybe we see a target capacity of around, 50% growth from our existing plant.
- Manav Kothari:** So, then the top line growth will also be somewhere around 45% to 50%, right?
- Deven Chowdhary:** No, it's usually the top line growth will be 45% to 50%. Yes. Absolutely.
- Manav Kothari:** Yes. So maybe we are just being conservative right now. And maybe with the time by FY27, we'll be more clear about the numbers as well. So just putting on the numbers tag, can you also expect some quarterly business update or something going forward?
- Deven Chowdhary:** We have been discussing for evaluation of quarterly business results also with our IR team and internally. And we should be planning to start that very soon.
- Manav Kothari:** Perfect. Including what is the TAM that we are targeting in long-term say in FY28 - FY29? Is there any aspiration that we have planned for going forward till three to four years next?
- Deven Chowdhary:** So apart from increasing of our electric meter capacity that we'll be moving on to the new plant, the old plant is primarily being going to be used for the manufacturing of gas and water and also for the railway equipments. Currently, we have one which is approved, one which is under approval. And once we start working into all of this, we're also targeting three to four other equipments. Once you get the hang of the system, then you also you start to grow more. So, we do see ourselves touching, substantially 3 to 4 times in the next three years.
- Manav Kothari:** Yeah. So roughly around ₹450 crores - ₹500 crores that is a ballpark figure which we should achieve in next say four years, correct?
- Deven Chowdhary:** God willingly, yes.
- Manav Kothari:** Yes. Thank you. Thank you so much.
- Deven Chowdhary:** Thank you.
- Moderator:** We'll take the next question from Naimesh Koriyani. Nimesh, you can go ahead, please.

- Naimesh Koryani:** Thank you for the opportunity. When we are planning to generate revenue from EPC business?
- Deven Chowdhary:** EPC business, like I mentioned, that we are currently on the approval stage for the service provider. Once and if we get our approvals, then we'll be eligible to quote for any upcoming tenders. Obviously, we see that happening, the eligibility to start somewhere by February of this financial year.
- Naimesh Koryani:** Okay. And our total bid is ₹600 crores right now, right?
- Deven Chowdhary:** Total? Yeah. Total existing bids that we have already done is around ₹600 crores. Some of the bids are supposed to...
- Naimesh Koryani:** How much that bid will convert into order book expected now?
- Deven Chowdhary:** That is a very difficult thing to say because once -- but the thing with these tenders is the once you quote and then there's a lot of technical evaluation, commercial evaluation. Once that is done, everything goes through. Then there is a reverse auction that is being done. So again, it depends on a market scenario that particular point in time. If what is kind you might get all ₹600 crores or you might get zero, nothing out of it. So, it is a very difficult question to comment on concretely. But, yes, we will try to get maximum out of it.
- Naimesh Koryani:** Okay. The revenue projection for H2?
- Deven Chowdhary:** H2 should be good. I've already mentioned, we see a good growth from last year's numbers. So, which we are on track to achieve that growth, and God willingly, we'll get there.
- Naimesh Koryani:** Okay. Thank you.
- Deven Chowdhary:** Thank you.
- Moderator:** We'll take the follow-up question from Kaushal Sharma. Kaushal, you can go ahead, please.
- Kaushal Sharma:** Hi. My question is on your industry side. Like you said, that ₹22.42 crores of meter sanction, out of which ₹4.49 crores meters installed. So, what kind of delays has been happening in the industry, and what are the key reasons of a less number of installations in the industry?

Deven Chowdhary: So primarily, Kaushalji, you have to understand that most of the work has started in the last one year. So, this scheme came into the gazette in 2023, in August of 2023 or 2022. So, this scheme was supposed to be done at least by the end of 2025. Most of the work, so once you get a project, then you have to do a survey, then you have to start procuring material. Then there is sometimes there is administrative will power that is not there. Sometimes there is political will power that is not there. There's groundwork reality that everybody has to go through. It is just initial hurdles that happen. But eventually, over a period of time, everything streamlines into proper functioning.

Last quarter, we saw rainfall, for example, hampering the growth of these projects. Then because of the holiday season, there was a lack of manpower. Without manpower, you cannot be completing these projects for those service providers. I mean, our job is to supply them the material, but they also have to put that material on the field, then hand it over to the government. If a person from the government is not there, there'll be a small nitty-gritties that keep on happening. But in the largest scheme of things, these are not issues or hurdles that are going to impact the project life for a longer period of time. Just initially, it's like teething of a baby. So, it takes some time, but once it's done, so you don't have to look back at it.

Kaushal Sharma: And what is the overall CapEx amount for our new facilities or the automated and how many SMT lines are we putting?

Deven Chowdhary: So, we'll be using our existing SMT lines also, and we'll be putting another new SMT line. The overall CapEx that we see is going to be around ₹12 crores - ₹14 crores. That includes the structure also because it is going to be a mixture of RCC and PEB. So once the cost of PEB is high, but obviously is the reusability of that is also more. So, our future expansion plans that we have, so we can always reuse the cost that we're going to incorporate right now.

Kaushal Sharma: And how many new SMT lines are coming in these ₹12 crores?

Deven Chowdhary: One more SMT line apart from the existing two that we have.

Kaushal Sharma: And do we have any future plans to go in HT and feeder meters going ahead?

Deven Chowdhary: Feeder meters, we have already designed. It is under testing stage. The HT meters, we have not designed yet. But, again, our team is evaluating the quantity and the volume of HT meters versus the R&D

cost that is, put into it in the earlier stages. There's a lot of difference, because HT meter requirement is very less in nature. So, the ROI for that is not going to be in few years. It is going to be in many, many years. But we are still discussing. Our team is discussing. Our board is also discussing whether we should start into it. Once we have a bandwidth in the R&D teams, then maybe we'll be getting into it.

Kaushal Sharma: Okay. Thank you very much and best of luck.

Deven Chowdhary: Thank you.

Moderator: Due to time constraint, we'll take the last question from Pranjal Mukhija. Pranjal, you can go ahead, please.

Moderator: Pranjal, your line is cracking. Can you send your question on the chat? We'll take the last follow-up question from Nishita. Nishita, you can go ahead, please?

Nishita: Hello. So, as you mentioned, we started getting into gas meter, water meter and railway equipments, the chargers. So, are we going to see revenue contribution coming from these products in FY27?

Deven Chowdhary: Hopefully, we'll be seeing a very small amount of revenue inclusion from these products in FY26, which is substantially going to increase in FY27. This is our target plan.

Nishita: Okay. And you mentioned that like, we are automating both the facilities and which will help improve our efficiency. So, the EBITDA margin in FY27, is it going to be in the 18% range only or can we see some further improvement in EBITDA margin as well in FY27?

Deven Chowdhary: Ma'am, all these atomisations and improvement that we are targeting and planning is to improve our profits and EBITDA for the growth of the company and this investor. So, we should see a decent amount of increase as far as the percentages are concerned.

Nishita: Okay. So, like, can it be in the range of 20%?

Deven Chowdhary: It will be difficult for me to comment right now, but it should be at a decent position better than the existing.

Nishita: Okay. Understood. Thank you so much.

Deven Chowdhary: Thank you.

Moderator: Yeah. Since there's no further question, Deven, would you like to give any closing comment before we end this call?

Deven Chowdhary: So, thank you to all our investors for taking out the time and being a part of this call. As a company, we are working our level best to give our best returns to the investor and also for the growth of the company. In case you have any other questions that you want to still ask, you can always send us an email on our email address. We'll be happy to answer them. Thank you for your time.

Moderator: Thank you. Thank you to the management team for your valuable time, and thank you to all the participants for joining on the call. This brings us to the end of today's conference call. You all may disconnect now. Thank you.

Deven Chowdhary: Thank you.