02nd November,2026

The Corporate Relationship Department **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	The General Manager- Listing **National Stock Exchange of India Limited** "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

Symbol/Scrip Code: (BSE)530555 /(NSE) PARACABLES

Subject: Transcript of Conference Call pertaining to the Financial Performance for the Second Quarter ended on 30th September,2026

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of audio call recording of the Company's Conference call with Investors/Analyst held on Tuesday, 27th October 2026 to discuss the Un-audited Financial Results for the quarter ended on September 30, 2026.

This is for your information and record.

The transcript is also available on the website of the Company:
https://d5laeg4nevsr4.cloudfront.net/disclosure/4e5e-Tr-Q2.pdf

Thanking You

Yours Faithfully,
for **Paramount Communications Limited**

Rashi Goel
Digitally signed by Rashi Goel
Date: 2026.11.02 17:27:07 +05'30'

Rashi Goel
Company Secretary and Compliance Officer

Encl: as above

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Paramount Communications Limited

Q2 & H1 FY27 Earnings Conference Call

October 27, 2026

MANAGEMENT:	**MR. SANJAY AGGARWAL, CHAIRMAN AND CHIEF EXECUTIVE OFFICER**
	MR. PARTH AGGARWAL, PRESIDENT MARKETING
	MR. SHAMBHU AGARWAL – CHIEF FINANCIAL OFFICER
	MR. NARENDRA K. GUPTA – PRESIDENT, ACCOUNTS AND FINANCE
MODERATOR:	**MS. VANESSA FERNANDES – INVESTOR RELATIONS, ADFACTORS PR**

Moderator: Ladies and gentlemen, good day, and welcome to Paramount Communications Limited Q2 and H1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Vanessa Fernandes from the Investor Relations team at Adfactors PR. Thank you, and over to you, ma'am.

Vanessa Fernandes: Thank you, Ikra. Good evening, everyone. On behalf of Paramount Communications Limited, I would like to welcome you all to the Earnings Conference Call for Q2 and H1 FY2027.

Today on the call, we have with us from the management, Mr. Sanjay Aggarwal, Chairman and CEO; Mr. Parth Aggarwal, President, Marketing; Mr. Shambhu Agarwal, Chief Financial Officer; and Mr. Narendra K. Gupta, President, Accounts and Finance.

We will begin the call with brief opening remarks from the management, followed by a Q&A session. Please note that certain statements made during this call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties that could cause actual results or projections to differ materially from those statements. Paramount Communications will hold no responsibility for any actions taken based on such statements and undertake no obligation to publicly update these forward-looking statements.

I will now hand over the call to Mr. Sanjay Aggarwal for his opening remarks. Over to you, sir.

Sanjay Aggarwal: Good afternoon, ladies and gentlemen. A very warm welcome to you all to Paramount Communications earnings conference call for the second quarter and half year ended 30th September '26. Thank you for joining us today and for your continued interest in Paramount. Our results, earnings press release and investor presentation have already been uploaded to the stock exchanges and to our company website, and I trust that you have had the opportunity to go through them.

When we last spoke in August, I said that we had started FY27 on a strong note and the two engines of our business, domestic and exports, were both working for us at the same time. I'm happy to report that the second quarter has carried that momentum forward.

Let me begin, as I usually do, with a brief word on the environment we operated in because I think that is what sets the context for the quarter very well. The wires and cable industry continued to navigate two familiar challenges this quarter- metal price volatility and the global trade environment that is still settling down.

On metals, copper prices touched record highs during the quarter and moved quite sharply from week to week with the tariff decisions in the U.S. and supply disruptions at some stage of the large mines adding to the volatility. For a company like ours, that is exactly why we follow the

discipline which we have spoken about many times. The day we receive a firm-price order, the next working day we book the metal, and mostly, we do not accept firm-price orders beyond 3 to 4 months delivery. That discipline has served us well throughout this period. It is pertinent to note, however, that the major metal consumed by us is aluminum, which is more than 75% of the metal value consumption for the quarter. Aluminum has shown some price softening during this quarter. What has remained constant, however, is the underlying demand for our product range.

Transmission and distribution investments, renewable capacity addition, railways and metro electrification, and the buildout of large data centers all remain supportive throughout the quarter. These are not one quarter trends. These are multiyear programs, and we are seeing them reflected directly in our inquiries in our order flow.

On the export side, the picture in the U.S. has become clearer and importantly, more predictable. As you know, the IEEPA tariffs was shut down by the U.S. Supreme Court in February. Today, Indian cables are at par with the competing exporting countries in Asia and Europe. One expects that the tariff framework in the U.S. now rests on a more stable footing than sudden changes that we lived through last year. Our customers and distributors are regaining confidence and so are we.

Now Parth Aggarwal will take you through the business developments first, and then I will come back to the numbers. Over to you, Parth.

Parth Aggarwal: Thank you, Sanjay ji, and a very good afternoon to all of you. Our domestic business continued to build on the momentum of the first quarter, led once again by power cables and our B2B institutional customers.

The structural drivers we have consistently spoken about, grid strengthening and transmission investment, renewables, railways and metro, construction and infrastructure all remained active throughout the quarter. Our Dharuhera and Khushkhera plants continue to operate at optimal utilization, which underlines why Narmadapuram is so central to our next phase of growth.

On the export side, the normalization of our U.S. business that we spoke about last quarter has continued to progress with India now at par with other countries. Our competitive position has been restored and our distributors are planning with more confidence. We continue to view the U.S. as our single largest and most important export market, given the scale of grid upgradation and data center investment being planned there.

At the same time, we have stayed disciplined, as we said we would. We are not chasing volume at the cost of margin and most of our customers now carry tariff changes to their account. Alongside the U.S., our customers' engagement and approval work in the Middle East, Europe and Africa is progressing, where we see medium-term demand building from data center buildout and grid upgrade programs.

Our approach remains the same, to have approvals and customer relationships in place so that when demand in these markets turns, Paramount is a natural participant. This quarter, I would like to spend a few minutes on two areas that we believe are increasingly important for us. The first is HTLS, that is high temperature, low sag conductor.

Very simply, an HTLS conductor can carry significantly more current than a conventional conductor at higher temperatures and with less sag. This means a utility can increase the capacity of an existing transmission line on its existing towers without having to acquire a new corridor. In a country where right of way is one of the biggest constraints in building transmission lines, this is a very powerful proposition. The opportunity is large and visible.

The National Electricity Plan projects an investment of around INR 5 lakh crores in the EHV transmission lines between 2027 and 2032.

As per our internal assessment of the tenders announced by multiple utilities, state governments and central government authorities, the management projects the market size for reconductoring projects of HTLS to be approximately INR 50,000 crores in the next 5 years.

Paramount is well-positioned here. We are the first company in India to provide an indigenously designed, developed and manufactured product that is authentically Indian from core to surface. We offer both carbon-core and gap-type HTLS conductors, which allow us to address the full range of the tender specifications, and we have the capability to manufacture conductors up to 765 kV.

Most importantly, this is not future story. We have already secured an HTLS order book of INR 200 crores plus as on date and the capacity augmentation for specialized conductors is planned at our new plant at Narmadapuram.

The second area is data centers. India's data center capacity is expanding rapidly, and we are seeing strong demand for our power and specialized cables in these projects. We have established approvals with leading data center developers and the customers where we are approved, represent a substantial share of the hyperscale and colocation capex being planned in the country. Approvals with other leading developers are also progressing well.

Overall, we remain convinced that this is a multiyear expansion phase for the Indian wires and cables industry and that organized qualified players with a diversified portfolio and established relationships will capture a disproportionate share of it.

With that, I hand back to Sanjay ji for our financial performance. Thank you.

Sanjay Aggarwal: Thank you, Parth. Let me now take you through the numbers for Q2 and H1 FY27. For Q2 FY27, the revenue from operations for the quarter stood at INR 560.4 crores, a growth of 31.1% YoY and 5.9% QoQ. EBITDA, including other income, was INR 44.7 crores with an EBITDA margin of 7.9%. As I said last quarter, the metric that best reflects the underlying business is our operating profit.

Operating profit for the quarter was INR 40.9 crores with an operating margin of 7.3% as against 6.6% in Q1 FY27 and 1.3% in Q2 FY26. PAT for the quarter stood at INR 24.2 crores with a PAT margin of 4.3% and earnings per share was INR 0.74 for the quarter.

As regards H1 FY27, for the first half, the revenue from the operations was INR 1,089.8 crores, up 24.1% YoY. EBITDA, including other income, was INR 82.5 crores and operating profit was INR 75.6 crores with an operating margin of 6.9%. PAT was INR 43.9 crores.

On our last call, I had said that our first milestone is to get back to the FY25 level of margins by the last quarter of this financial year after having suffered the sudden shock of U.S. tariffs last year. With the first half behind us, I can say that we remain firmly on track towards that milestone.

Exports and domestic, when we look at the breakup, the export for the quarter stood at INR 158.1 crores, contributing 28.2% of the revenue and INR 313.1 crores for the half year. The decision we took last year to hold on to our U.S. distributor relationships, even though the worst of tariff disruption continues to pay off.

We expect U.S. exports to constitute 25% to 30% of our revenues for the full FY27, and we will continue to grow U.S. revenues in a measured way rather than pressing the accelerator too hard. Domestic revenues for the quarter was INR 402.3 crores, contributing 71.8% of revenue, led by Power Cables at 55.9% of the revenue. Within domestic, our B2B institutional business was INR 296.7 crores, B2C retail and distribution was INR 53.7 crores and B2C government and PSUs was INR 51.9 crores.

Coming to order book. Our order book as of 30th September '26 stood at INR 731 crores, comprising INR 632 crores of domestic orders and INR 99 crores of export orders. Power Cable and specialized conductors orders stood at INR 575 crores. As I've explained before, you will rarely see a very large order book on Paramount's books. That is by design. We do not accept firm-price orders with long delivery periods beyond 3 to 4 months because that is how we protect ourselves from metal volatility.

Coming to working capital and balance sheet figures. Our net working capital stood at 108 days versus 101 days at the end of FY26. This reflects basically the accelerated supplier payments post our equity raise. Our inventory and receivables discipline is intact. We expect it to normalize in H2 within 90 to 100 days for FY27.

Our net worth stood at INR 920 crores as of 30th September '26, and our debt-equity ratio remains comfortable at 0.14x. The equity that we raised in the first quarter continues to give us a healthy liquidity buffer for both growth and the Narmadapuram project.

Now on the Narmadapuram project. Let me give you an update on this project, our greenfield project coming up in Madhya Pradesh, which will be our third manufacturing facility. I'm happy to report that the project is progressing as per plan. Foundation and civil works are well underway and moving in line with our planned schedule.

As I had mentioned last time, we placed orders for the critical machinery well in advance, precisely because delivery lead times in our industry are long right now. Apart from the critical positions that have already been filled, hiring for operational and plant level roles has also begun with a phased ramp-up aligned to the commissioning timelines.

We continue to expect partial commissioning in Q1 FY28, as previously guided. Our expectations from the plant remain unchanged, revenue of approximately INR 500 crores in FY28, scaling up to INR 1,200 crores in FY29 as the plant ramps up.

Narmadapuram is what allows us to move up the value chain with EHV cables up to 220 kV, specialized conductors, including HTLS and e-beam cables. These are exactly the products where we see the strongest demand from transmission and grid modernization cycle that Parth spoke about.

Outlook. To sum up, ladies and gentlemen, the first half of FY27 has been about consolidating the recovery that we began to see in the first quarter. The domestic business continues to grow. U.S. business is steadily normalizing, and we are building our position in newer higher-value segments like HTLS and data centers, while Narmadapuram progresses on schedule.

We remain firmly focused on our 5-year vision of reaching revenues of INR 5,000 crores by FY31 through capacity expansion at Narmadapuram, deeper domestic penetration and broader export presence. I believe the first half of this year is clear evidence that we are moving in the right direction.

With this now, ladies and gentlemen, I open the floor for questions. Thank you so much.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question is from the line of Parth Mandavgane from IDBI Capital.

Parth Mandavgane: So my question was on our utilization. So I think our plants are operating at near full utilization. So what would be the most effective opportunities to improve our throughput and our utilization before the new facility reaches the scale that we need?

Sanjay Aggarwal: As you rightly said, the current plants are running at optimal utilization. And we are, in any case, still doing some capex in both the existing plants, which is going to help us achieve some better revenues from these wo plants.

But in any case, for the next financial year, we are expecting a INR 500 crores contribution to come from Narmadapuram project also. As far as the current financial year is concerned, we still expect to reach between 15% to 18% of increase in our revenues with the existing plant.

Parth Mandavgane: Yes, so following up on the Narmadapuram plant. Other than commissioning, what are the key sort of prerequisites that we have to achieve the planned revenue ramp-up at Narmadapuram, like, any customer approvals or product qualification and capacity utilization plan?

Sanjay Aggarwal: The plant that is going to come up in Narmadapuram, the major investment is going to be into the 220 kV AC power cable line, and there is a time line, which is always involved in getting the final approvals to go up to 132 and then to 220 kV approvals.

But the plant itself will not be lying unused because we still have a substantial order book on 11, 33 and 66 kV cables. So the plant will still be utilized, although not to the full extent or not to the extent of the largest size voltage ranges. So from that point of view, we hit the ground running at Narmadapuram plant from day 1 practically when we start manufacturing.

Parth Aggarwal: And also, like you see, we already have a healthy order book for HTLS product. So we'll be expanding our capacities for that product in the new plant. So that will also be hitting the ground running.

Moderator: The next question is from the line of Pramit Jain from JM Financial.

Pramit Jain: So my first question is - Beyond the U.S., which export market or the consumer relation are being progressed for qualification to meaningful orders? And what are the contribution could they make over the next 2 to 3 years?

Sanjay Aggarwal: You see, we actually moved out from various other markets of exports to focus entirely on the U.S. over the last 4, 5 years. The reason was that we were doing exports to more than 30 countries in the past, and these were our regular customers, but the individual orders were fragmented. The markets were not that large, and it put a bigger strain on our production capacity, especially when we were under pressure because of the limited production capacities. It was far more important for us to focus on the U.S. where we could generate much larger volumes, and could also produce also in much larger volumes from the same plant.

Now after the setback of the tariff imbroglio last year, we have again started focusing on various other markets. We are hopeful that within the next 2 to 3 years, we should be having some substantial contribution from other export markets also. We are already working in various Asian and European markets and also in the Oceania or you can say Australian market. So we should start getting results within the next 1, 2 years.

Parth Aggarwal: We are confident of our progress in these markets.

Pramit Jain: Okay. Got it. Also, my second question was on the working capital days were around 108 days despite a strong growth. So what will be our future cash conversion cycle?

Sanjay Aggarwal: You see, the working capital days, our medium-term working capital target remains at 90 to 100 days as we have previously guided. The current 108 days basically reflect a conscious decision from our side to accelerate supplier payment. This was basically because we had done an equity raise and the funds were lying unutilized to quite an extent with us.

So our receivable days have actually, in fact, improved substantially from 79 days at the end of FY26 to 66 days at the end of H1 FY27. So inventory discipline also remains intact. We expect

to return 90 to 100 days, as I said. And this was only a temporary phenomenon where we had an excess liquidity and we utilized it to reduce the creditors.

Operating cash flow generation, we are confident that shall be improving, and with the addition of the internal accruals, the company expects to have a positive cash flow as far as the working capital is concerned.

Moderator: The next question is from the line of Prathamesh Sawant from Abakkus.

Prathamesh Sawant: Congratulations on a good set of numbers and festive greetings to you and the team. Sir, on the exports front, sir, as we are saying that we expect to get back to our earlier margins of FY25 numbers, just wanted to understand what will be the glide path because we had some discussions that the claw-backs on the additional tariffs that were there, that was supposed to have a certain impact on margins. Also what is the current situation on the export front on the tariffs and duties front? So just trying to understand what would be the glide path to the export margins?

Sanjay Aggarwal: All right. So, let's look at the overall margin, that will give us an indication of how the export margins and the domestic margins have moved. We have hit practically another lowest point of our operating margin in Q2 of FY26 when we touched 1.3% operating margin.

Now since then, if you look at the glide path, we have done 3.3% in Q3 and 5.2% in Q4. Now both these quarters were still badly affected by the U.S. tariffs. It's only towards the end of February '26 that the U.S. Supreme Court struck down the IEEPA tariffs imposed by the U.S. government.

So we were able to do this basically on the strength of our domestic markets because we were still incurring losses on the U.S. market. Now you come to Q1 FY27, the operating margin was 6.6% and in Q2 FY27, it went up to 7.3%. We are well on target to exceed the FY25 operating margins.

And in fact, we are quite confident that this glide path shall remain on this upward trajectory on a continuous basis, especially because now that the U.S. market has stabilized, the margins in U.S. also we expect to improve. But at the same time, with our focus normally to keep the U.S. exposure to up to 30% of our revenues mostly, I think the domestic margins are going to matter more, and these are also coming up reasonably strong for us.

Prathamesh Sawant: Right. So sir, on the domestic front, like Parth was mentioning that we have a 200 crores EHV order. So what kind of margins can we expect from that? And when the numbers will actually start coming for those?

Sanjay Aggarwal: You see, HTLS order book currently as of date, not as of end of quarter, but as of date, is roughly INR 200 crores already, and this is a product which has far better margins. We expect this to help our margins to improve this year also. As I said that by the fourth quarter, we should be exceeding the FY25 margins, and maybe we'll exceed it more comfortably with help from the HTLS margins and the other new product.

Prathamesh Sawant: Agreed, sir. But can we expect a double-digit margin from this HTLS segment because industry peers are getting that kind of margins from this segment?

Sanjay Aggarwal: You see, HTLS by itself could give us double-digit margins. But then HTLS order book is roughly INR200 crores as of now.

Prathamesh Sawant: Right, right. I just wanted to understand directionally because this is just the beginning, eventually as the book grows, we can have a double-digit.

Sanjay Aggarwal: Eventually as HTLS grows as a percentage of our revenue, it should really help us to improve our operating margins. That's definitely there. No doubt about that.

Moderator: The next question is from the line of Yash Desai from Sanjay Doshi Financial Services.

Yash Desai: First of all, congratulations on the good set of numbers. I wanted to ask that, as you mentioned, the order book sits at somewhere around INR 731 crores. So, I wanted to know what proportion is backed by firm customer commitments? How do you assess its revenue visibility and the risk of potential for cancellation or deferment?

Sanjay Aggarwal: The order book is only firm orders that we have in hand. It's very rare that we see cancellations happening from our customers. In the worst of times, even from the U.S. markets, we did not face any major cancellations. So one can be resting assured on that.

Yash Desai: When can we see the revenue visibility?

Sanjay Aggarwal: Revenue visibility, I think it is quite continuous. The visibility of this year's revenue target is already there, considering the run rate that we have. Our H1 sales are INR 1,090 crores, and we are comfortably in sight of our target for the financial year FY27. That's not a problem.

Parth Aggarwal: Right. I think you asked for the execution of the order book, which is generally a 3-4 month period for the firm-priced orders, and if there are any variable orders, they might be longer. But overall, it's a 3-4 month period execution of the order book.

Moderator: The next question is from the line of Kriti Tripathi from NVS Brokerage.

Kriti Tripathi: Congratulations on a strong set of numbers. Sir, my first question is that the strong growth in the power generation and transmission sector. So can we expect the INR 5,000 crores revenue target in next 3 years instead of 5 years? What kind of EBITDA margin target has been set for that kind of revenue? Sir, the other question is that as you highlighted that HTLS conductors, EHV cables and e-beam cables are important future growth opportunities. So, are we planning to introduce any additional higher value further products like this? And sir, last question is, do we have any ambition to increase our export contribution to 50% of the turnover?

Sanjay Aggarwal: You see, we had touched export contribution to the level of 50% way back in FY23. So after that, we have been rather more concerned about limiting the export exposure and which has been shown to be a bit of a problem last year.

This year onwards, we look at it as a very stable opportunity. So, we are still not planning to go much beyond 30% of our revenues as exports. U.S. market, we can try and get larger numbers, but then it is always better way to limit our exposure to that market.

Coming to the target of reaching INR 5,000 crores, I think we want to be conservative in whatever we give as a guidance. This counts as a guidance when we say that we expect to do INR 5,000 crores by FY31. So that we will not revise, but we are rather hopeful that we should be able to better this target as we progress on our plans.

With regards to the products, the more profitable products that are coming into the Narmadapuram project are, of course, going to be extra high-voltage cables up to 220 kV. We are also looking at e-beam cables and rubber cables, and HTLS, the additional capacities that we need beyond what we have been producing in our existing plants are also be going to be there. So overall, we are expecting our revenues, and in concert with that, our margins to be on an upward trend.

Moderator: The next question is from the line of Nishita from Sapphire Capital.

Nishita: Sir, I just had a few questions. First is on our order book bid pipeline. So you mentioned that we only take firm orders and not longer than 3 to 4 months. So what is the order book visibility past these 3, 4 months of order book?

Sanjay Aggarwal: You see, this is a rolling situation. Every month, we keep on getting orders and getting orders, fortunately for Paramount, is not that much of a concern. We, therefore, do not try and feel comfortable with a longer order book, or if we wish we can have an 8-month order book, but we feel much more secure when we keep our order book limited to 4 months because of the metal price fluctuations. They can go up, they can go down, either which ways there can be a problem.

Our policy is whenever we accept an order, the very next working day we book the metal. And at the same time, we cannot have unlimited bookings of metals, that puts financial strain on the company. Secondly, it exposes the company to a situation where if a metal crashes and the customer finds reasons not to accept the material, then the company would be in a problem. So, the so-called hedging is something that we do not consider to be hedging in case of customers walking out of their orders.

Parth Aggarwal: Right. In case of variable-price orders, we are comfortable taking larger delivery orders when and where they are available.

Sanjay Aggarwal: So variable-price orders, many customers are nowadays changing their policy and giving variable orders, those we are comfortable. So, variable-price orders, we can accept on a longer delivery basis, not a problem.

Parth Aggarwal: I'll just add on to what Sanjay ji said. One thing we always say, Paramount's footprint is much larger than its current market size. We are a 70-year-old company with approvals and brand awareness across the country, across the utilities and the industries. So, it is not hard for us to sell, right? So the visibility to get new orders every month, it is not a problem for us.

Nishita: Okay, understood. And just wanted to understand the INR 200 crores of HTLS order book, that also has the same execution timeline of 3 to 4 months?

Sanjay Aggarwal: HTLS, hopefully, yes, but since it's a new product, this also involves installation. There's an EPC work also involved, so this might have some longer deliveries. But in any case, we are building up our capacities on that also, and there are further orders also in the pipeline. So, all this is a work-in-progress, and we are very confident that this is going to be a very strong contributor to our top line and bottom line.

Nishita: Right. If you could quantify the pipeline for HTLS?

Sanjay Aggarwal: We mentioned that as on date, we have an order book of around INR 200 crores for HTLS, and of course, there are more orders in the pipeline.

Parth Aggarwal: I'll just add - the substantial portion of this is the supply portion.

Nishita: Okay, understood. My next question would be on our new facility. So, what will be the total capacity for this new facility in Madhya Pradesh?

Parth Aggarwal: We plan to double our existing capacity. Right now, we are doing approximately 30,000 metric tons. With the new plant completely ramped up by FY30, we expect to double this capacity. So approximately the similar 30,000 metric tons will be planned in the next 3 to 4 years.

Nishita: Okay, understood. So by FY29, you've given a target of getting INR 1,200 crores of turnover from this new capacity. So by then, can we expect the capacity to be around 20,000 metric tons?

Parth Aggarwal: See, that will be as the situation goes.

Sanjay Aggarwal: The production capacity could be in that range, yes.

Parth Aggarwal: By FY29, yes, it could be on a run rate of that. Yes.

Nishita: Okay, understood. My next question would be on approvals. So, you mentioned that you need to get the 220 kV approvals and that's the major part of our new facility as well. So, when can we expect these approvals to come?

Sanjay Aggarwal: As I mentioned, it takes 1 to 1.5 years usually, or it should take that much time for us to get the approvals. But as I said, the plant will not be lying unused and the same plant we'll be using to manufacture our 11, 33 and 66 kV cables.

Parth Aggarwal: I'll just explain a little more on this. On the same lines that we are doing multiple lines of HT cables, right. Now some lines will do 33 kV, some lines will do 132 and 220 kV. Now the 132 and 220 kV machines can also make the 33 kV and 66 Kv cables that we are currently making, right?

Also each range has its own time requirement for approvals. 66 kV, we have a current range and to get the full range, we'll probably be able to get it within 3 to 6 months of the plant being

operational. 132 kV probably within the 12 months of the plant being operational. And 220 kV might be a little longer gestation period. So every benchmark will take its own time, but the plant will never remain idle. That's why we are confident of a number.

Nishita: Right. So this INR 500 crores and INR 1,200 crores revenue turnover target that we have from the same facility, ideally then won't be majorly from the 220 kV cables, I'm assuming because we won't get approvals by then?

Sanjay Aggarwal: Yes, it won't be majorly from 220 kV in the first 2 years, of course. The reason was product mix is going to be regularly improving, but it's going to be a part of a process. But the HTLS cables, we will be able to start supplying quite in an initial period from the initial dates. E-beam cables as we get it set up, we'll be using it for renewable sector, and that should be coming around much faster. So I think every product will have its different glide path, as you say.

Nishita: Okay. understood. And my last question would be if you could just reiterate the guidance for FY27, 15% to 18% growth you're expecting on top line? And what are we expecting on margin front?

Parth Aggarwal: Like guided earlier, our growth will be between 15% to 20% from the previous year sales. We are confident of achieving that. And I think our H1 FY27 run rate is pretty much indicative of that as well. So there is no issue in that. In terms of margin, I think Chairman has very clearly stated that we will be able to achieve the FY25 operating margin levels by the last quarter, and that is what we will reiterate.

Moderator: The next question is from the line of Nikhil Kanodia from Sunidhi Securities.

Nikhil Kanodia: Yes. Congratulations on a great set of numbers. This is very encouraging to see that you are walking the talk, be it the growth on the top line or inching towards the stabilized EBITDA margin.

So my first question is on that regard only, we have seen a lot of sort of commodity price going up and down and then a lot of the tariff-related nuances that has been played out. Then there are some refunds that are there, then temporary cost benefits. So given all these conditions, what could be our steady-state margin profile in the normal course of demand? If you can throw some light on your stable sustainable growth trajectory that we could see in the EBITDA margin level.

Sanjay Aggarwal: You see, I would prefer to use the term operating margin because that is what probably seems to be the market norm. And when we look at operating margins, we have already achieved 7.3% operating margin for this quarter. The target of around 8% is not that far away. We are looking at 2 quarters away.

And whatever is the net claw-back that comes after reduction of the sharing that we do with our customers, I think we are looking at that amount to be separate from the normal operating margins that we hope to show. This should be visible in our Q3 results.

Nikhil Kanodia: Okay, so is my understanding correct that you are saying that your 8% guidance that is there, that is ex of your clawbacks and any other price adjustments that might occur? So that would be ex of that thing, you are confident of achieving 8%, right?

Sanjay Aggarwal: Yes.

Parth Aggarwal: By Q4, yes.

Sanjay Aggarwal: By Q4, definitely.

Nikhil Kanodia: By Q4, you are saying that 8% will be the margin?

Sanjay Aggarwal: Yes

Nikhil Kanodia: Okay.

Parth Aggarwal: We are hopeful.

Sanjay Aggarwal: Yes. We have not achieved. It's not happened, but we can say that we are hopeful, yes.

Nikhil Kanodia: Okay Sir, understood. Sir, on the next segment of products and all of those things, you have been guiding on a lot of stuff and your competitors as well, they have been saying a lot on data center cables, e-beam, HTLS and all of those things. So just wanted to understand your idea behind, for you, what would be the best product mix in your range? What would be your priority for the commercialization? What would the sequence, the data center first or the e-beam? Or it is going to be in a simultaneous way? Because obviously, your new capacity is also coming up. So, Phase 2 might have all sorts of cables and all of those things that will be there. So, what could be the ideal product mix for you, which is margin-accretive? Also what could be the sequence for the commercialization of the same?

Sanjay Aggarwal: See, I think let us be clear. We ourselves, when we discuss sometimes, we also get confused between the market segment and the product segment. You see product segments are what we produce and market segments are where we have to sell.

Now whether it is data center, for example, there are many product segments that will go into the data center market. Similar would be the case of power T&D sector, where we could be supplying HTLS, where we could be supplying the EHV cables and where we could be supplying medium-voltage cables also.

Let us look at the product range then. Product range-wise, there is a very stable product range that we have in our existing 2 plants where except for the unfortunate tariff scenario that happened in the last financial year, which disturbed our working, other than that, we have had a very steady margin profile of our domestic sales. We have been able to increase our domestic sales also as and when required at a very fast pace.

In fact, I would call my markets have been fully very substantially fungible between U.S. and India, which we have shown by our track record. There's a slide also in our earnings presentation which shows that. So, I think looking at the product margins, we are able to switch from whichever product is giving us a better margin profile. As I said, these existing two plants are more or less having a steady range.

The new plant, the range, as we have mentioned, is going to be EHV cables. It is going to be e-beam cables. It is going to be HTLS and some more margin-accretive products. Now as and when we try and get the approvals and entry into various customers for each product segment, we are going to be improving our margins.

Parth Aggarwal: I think very well put, I'll just add on to it. You asked that what will be the priority selling area, which is data center or transmission. See, we have to fire on all engines, right? Our teams are working on all segments. We are progressing very well on our data center approvals. We have a very good team working there, and we have had many factory visits and plant approvals, etc, from very good big data center projects.

So let's see, we will get good business from them. We will get good business from various T&D customer segments like state and central utilities like power grid, etc. Very, very good opportunities coming in there, and then obviously, the industrial investment that is going on across the country is generating good demand.

Now EHV will go into all three, not particularly data center itself, but all three. So, we will sell into all. Wherever we can sell, we will sell all our products. Even export, we are trying that the approval that we are going to take for the new plant, we will work on export markets as well for those products, even for extruded, even for EHV cables.

Nikhil Kanodia: Okay. So Parth, all these newer product segments that we are talking, which are margin-accretive, largely of it will be catered from the newer capacity, right?

Parth Aggarwal: Yes, largely.

Sanjay Aggarwal: Largely, yes. But from the existing plants also, as we get into more margin-accretive customer segments, that should also improve the margin profile there also. Let's hope so.

Nikhil Kanodia: Sir, if I may squeeze in one last question that I had is that we have seen that there is a new entrant in the industry and the larger players have been impacted. Obviously, right now there is not much of an overlap with your product segment and the competitor's product segment.

So say, for example, just in case if you were to enter into their segment or they were to enter in your segment, how well are we prepared to face that competition? Because obviously, that will lead to some price-overs and all of those things, right?

Sanjay Aggarwal: We do not have any ambitions to jump into that extra competitive, high advertising cost and high distribution cost segment. We have a very limited exposure to B2C business, and that is quite steady. We just do around INR 100 crores of B2C house wire business out of our INR

2,000 crores revenue roughly. So that is not an area of concern for us. As far as the B2B business is concerned, that is a different ball game altogether. We have a strength which, as Parth just a few minutes ago mentioned, our footprint is much larger than our size actually of revenues or operations.

Right now, why we are so comfortable with a 3, 4, 5 months order book, is because orders keep rolling in on a very regular basis, it's not a problem for us. Whichever larger player enters into the field, and they try to increase their presence in the markets that we are dealing, I think we sit quite comfortably because even now we don't have any difficulty in getting the business that we need. So, it's not an issue.

Nikhil Kanodia: Okay. So basically, you are going to stay in your area of expertise and no experimenting here and there, and we were confident about the trajectory going ahead, correct?

Sanjay Aggarwal: Sure.

Parth Aggarwal: See, as we are going with the newer products in Narmadapuram, there are going to be less competition, right? That's why you are saying that they're going to be margin accretive. So we are confident of that.

Nikhil Kanodia: Okay. So those were my questions. All the best and look forward to your trajectory that you have been guiding and like for future conversations in your future earnings call.

Moderator: The next question is from the line of Ajit Sethi from Eiko Quantum Solutions.

Ajit Sethi: Yes. Sir, my question is on reconductoring. Want to understand the reconductoring opportunity in India in terms of circuit kilometres. And out of this total opportunity, what market share does company target to capture?

Sanjay Aggarwal: You see, we cannot share or rather be very confident of some exact numbers on the reconductoring kilometer, as you mentioned. But from our estimate, the size of the market is at least INR 50,000 crores in the next 5 years for the reconductoring business, which will mainly include HTLS, but other items also. This is something that we have derived from our observation and our experience in the overall market scenario.

Parth Aggarwal: There was a second part to your question. Can you repeat that, please?

Ajit Sethi: Yes. Out of this total opportunity, what market share does the company target to capture?

Parth Aggarwal: See, we have just introduced this product, right, and we are very well-positioned to capture a good portion of this business. Right now we will be in the top 5 companies for this product in the country right now. And as the market matures and as the product segment matures, we will be one of the leaders for this product. We are very confident of that.

Ajit Sethi: Okay. And sir, I want to understand of the total circuit kilometer, which is expected to be reconductor, how much is likely to be involved replacing the existing ACSR conductor? How

do you see the adoption of HTLS evolving compared with conventional AL59 conductors over the next few years?

Sanjay Aggarwal: HTLS is going to be replacing the traditional ACSR conductors. AL59, I think, should not be a priority right now to be reconductored because there will be so much of the low-hanging fruit would be ACSR conductors, which would be reconductored first. And thereafter, of course, HTLS will be much more efficient solution to the requirement. So that would also happen.

Parth Aggarwal: That's right. And also new lines, it's not just reconductoring, but also new lines, private companies which are setting up their own captive-use solar parks or renewable parks are setting up transmission lines with HTLS. So that is also an opportunity.

Ajit Sethi: Okay, and sir, within the HTLS conductor segment, which technology is seeing the higher adoption in reconductoring? Is it APC or AECP? What are the key reason behind this preference?

Parth Aggarwal: We will not talk too much in detail about this.

Sanjay Aggarwal: These are basically brands, not technologies, and these are probably areas where we would not like to discuss on a public forum.

Parth Aggarwal: Right. And I said, like, we said it's a developing market. Things are progressing very quickly, right? So, we will wait for the market to mature and comment on that. But like we said, we cover the two largest technologies, which has been procured for HTLS, which is the carbon-core conductor and the gap conductor.

Ajit Sethi: And sir, post commissioning of the greenfield plant, what will be our capacity for HTLS?

Parth Aggarwal: It will be an increasing investment into it and the output into it. But, we will give you a number by the time our plant becomes operational for what portion tonnage-wise we are going to be doing for HTLS.

Moderator: The next question is from the line of Parth Shet from Smith and Thomson Capital Advisory.

Parth Shet: Congrats for the good set of numbers. I had a couple of questions. First, like are we on track to achieve INR 700 crores to INR 800 crores in U.S. exports during this year?

Sanjay Aggarwal: Roughly, yes, because we are looking at some 30% revenues, as I said. So, INR 700 crores should be more like it, but these things are slightly variable depending on what sort of market scenario prevails.

Parth Aggarwal: Right. I think sir had clearly guided that we will try to maintain our U.S. exports between 25% to 30% of our turnover for the year, which should be around that number, right? Some tweaks here and there are always there as per the situation, but it should be around that number.

Parth Shet: And second question I would like to ask is how will the company fund the expansion like while maintaining debt-to-equity of 0.3?

Shambhu Agarwal: See, at present our debt-to-equity is 0.3, that is certainly very low. It is below 0.3. At present I think it is 0.14.

Parth Shet: Yes, yes, it is less.

Shambhu Agarwal: But certainly, we are going to target some long-term loan in the coming times to meet the Narmadapuram projects. In any case, we don't expect debt-to-equity ratio of more than 0.6 or 0.7.

Parth Aggarwal: Sorry, sir, we'll just clarify it. The INR 300 crores capex that we are envisioning, it is going to be a mix of debt, equity and the cash accruals that we are doing, right? So the cash accruals are there, the equity has already been raised, and long-term debt is being tied up, right?

Currently, we didn't need it. But now in the coming quarters, the long-term loans will be tied up. So, once the plant becomes operational, we are confident that our debt equity ratio shall not cross 0.3. Around that range, we will be around that.

Moderator: Thank you. Ladies and gentlemen, we'll take this as the last question for today. I would now like to hand the conference over to Ms. Vanessa Fernandes for closing comments. Over to you, ma'am.

Vanessa Fernandes: I would like to thank the management of Paramount Communications for their time today and for taking us through what has been a strong quarter for the company with growth in revenue and profitability. Thank you to all the participants for joining us and for your thoughtful questions today. If any of your queries remain unanswered, please feel free to reach out to us at Adfactors PR. We look forward to connecting with you again next quarter. Thank you and have a good evening ahead.

Parth Aggarwal: Thank you very much.

Shambhu Agarwal: Thank you very much.

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