



Date: February 21, 2026

To, The National Stock Exchange of India Limited, Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai-400051 Scrip Symbol: PIGL	To, BSE Limited Floor 25, P. J. Towers Dalal Street, Mumbai - 400 001 Scrip Code: 543912
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Dear Sir/ Madam,

Sub: Transcript of the Earnings Conference Call for the Quarter and Nine months ended on December 31, 2025.

In furtherance to our Intimation of Earnings Conference Call dated February 17, 2026 and pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Transcript of the Earnings Conference Call held in connection with the Unaudited Financial Results (Standalone and Consolidated) of the Company for the Quarter and Nine months ended on December 31, 2025 held on Tuesday, February 17, 2026, is enclosed and is also available on the website of the Company.

We request you to take the same on record.

Thanking You,

Yours truly,

For, Power and Instrumentation (Gujarat)Limited



Padmaraj Padmnabhan Pillai
Managing Director
DIN: 00647590



“Power & Instrumentation (Gujarat) Limited
Q3 & 9 Months FY '26 Earnings Conference Call”

February 17, 2026



MANAGEMENT: **MR. PADMARAJ PILLAI – MANAGING DIRECTOR –
POWER & INSTRUMENTATION GUJARAT LIMITED
MR. ROHIT MAHESHWARI – CHIEF FINANCIAL –
POWER & INSTRUMENTATION GUJARAT LIMITED
OFFICER**

MODERATOR: **MR. KARAN THAKUR – KIRIN ADVISORS**

Moderator:

Ladies and gentlemen, good day, and welcome to Power & Instrumentation (Gujarat) Limited Q3 and 9 Months FY '26 Results Conference Call hosted by Kirin Advisors Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on

your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Karan Thakur. Thank you, and over to you, sir.

Karan Thakur:

Yes. Good afternoon, participants. I, on behalf of Kirin Advisors, is delighted to host Power & Instrumentation (Gujarat) Limited for the quarter 3 financial year '26 Conference Call. Today, we have Mr. Padmaraj Pillai, Managing Director; Mr. Rohit Maheshwari, Chief Financial Officer.

And without any further ado, I would like to hand over the call to Mr. Padmaraj Pillai for opening remarks. Over to you, sir.

Padmaraj Pillai:

Greetings to all and a very good afternoon, and a very warm welcome to all of you for joining us today for quarter 3 and 9-month FY '26 Earnings Call of Power Instrumentation Gujarat Limited. I sincerely thank all our shareholders, analysts and stakeholders for taking the time to be with us today. Founded in 1975, we have built up a strong legacy as a leading EPC company, specializing in comprehensive engineering, procurement and construction solutions.

Over the past 5 decades, we have developed deep expertise along the transmission and distribution spectrum, along with post-installation maintenance services. Our capabilities span the complete electrical ecosystem from construction and maintenance of indoor and outdoor substations, laying of HT/LT lines, providing alternate power backups through DG sets and UPS systems, power distribution panels, lighting solutions, fire safety systems, extra low voltage works and building management systems.

We have successfully completed over 35 airport projects, electrified more than 1 lakh below poverty line households and laid over 20,000 kilometers of HT and LT lines. Our repeat orders from industrial, commercial and government clients stand testimony to our execution capabilities and commitment to quality and timely delivery.

During this quarter, we secured significant contract aggregating to INR124.17 crores. This includes INR102.78 crores turnkey which began work from Ajmer Vidyut Vitran Nigam Limited across 9 circles in Rajasthan under the RDSS framework to be executed within 15 months. We've also received a INR21.39 crores order from ATS Techno Limited for execution of an industrial project in Ahmedabad.

A key milestone in this quarter was the CPRI approval received by our subsidiary, Peaton Electrical Company Limited for its 11 kV 3,000 ampere segregated phase busduct system branded as Phibar. Our busduct systems are designed for high load, high reliability environments such as data centers, IT parks, airports, metros, renewable energy installations, hospitals, manufacturing facility, commercial real estate and large infrastructure projects.

The Phibar platform offers multiple advantages, including compact space-saving design, efficient heat dissipation, lower voltage loss, quick installation scalability and safe standardized certified components. With rising investments in infrastructure and digital economy projects, we believe this product line positions us well for the next phase of growth.

On a consolidated basis of Q3 FY '26, we reported a total income of INR48.89 crores, reflecting a year-on-year growth of 43.18%. EBITDA stood at INR6.16 crores, up 37.83% year-on-year with an EBITDA margin of 12.6%. Net profit for the quarter was INR3.57 crores, registering a growth of 11.96% with a net profit margin of 7.31% and EPS of INR1.69.

For the 9 months ended FY '26, the total income stood at INR161.35 crores, registering a year-on-year growth of 39.23%. EBITDA was INR17.68 crores, reflecting a growth of 24.86% with an EBITDA margin of 10.96%. Net profit stood at INR10.91 crores, up 21.85% year-on-year with a net profit margin of 6.76% and EPS of INR5.55. This performance reflects disciplined execution, operational efficiency and prudent cost management across the projects.

Looking beyond our own performance, the broader power and infrastructure sector continues to present strong structural opportunities. India has set an ambitious target of achieving 500 gigawatts of renewable energy capacity by 2030, while the peak power demand is projected to cross 800 gigawatts during the same period.

This requires substantial investments in transmission substation and distribution network strengthening. Under the revamped distribution sector scheme with a total outlay of over INR3 lakh crores, the government accelerating smart metering, feeder segregation and control and loss in AT&C losses.

This directly aligns with our core strength in electrification and distribution infrastructure. On the infrastructure front, India plans to add 50 new airports over the next 5 years with a long-term vision of developing 350 airports by 2047.

Additionally, more than 1,000 kilometers of metro rail projects have been approved across multiple cities, further driving the demand for electrical EPC execution and advanced power distribution systems. The continued capex push in transmission expansion, renewable integration and urban infrastructure reinforces long-term growth visibility for companies like ours.

Going forward, we remain focused on disciplined bidding, timely project execution and improving operating efficiencies. We will continue to strengthen our order book quality while scaling our manufacturing capabilities under the Phibar brand.

With a healthy order pipeline, strong sector tailwinds and expanding technical capabilities, we remain confident in our growth trajectory and committed to delivering sustainable long-term value to our stakeholders. I'd like to thank all our employees, partners and shareholders for their continued trust and support.

With that, I now leave the floor open for any questions. Thank you.

Moderator:

Thank you very much. The first question is from the line of Daksh Sharma from Oaklane Capital. Please go ahead.

- Daksh Sharma:** Sir, I just wanted to know like what is the current executable order book? And how much of FY '26 revenue is already secured from existing orders?
- Padmaraj Pillai:** Daksh, as on date, we are sitting on an order book aggregating about INR450 crores. And what we are expecting, I mean, the growth is as we -- we are -- you can see the last 3 quarters. I mean, so we look at the last quarter also being in the same lines with it. So I think we'll be able to close the year at very good figures basically.
- Daksh Sharma:** Okay. And sir, what would be the sector-wise breakup for -- of these order books look like across -- is it across airports, RDSS, electrification in...
- Padmaraj Pillai:** So it's a mixed bag. It's a mixed bag, mixed bag out of which around 60% or 65% of the order book is with the RDSS and the distribution segment. Around the balance 30%, 35% would be coming from the infra space, that is industries, airports and everything put together. So I mean, so it's a mixed bag of things right now.
- Daksh Sharma:** Okay. And sir, what is our current bid pipeline and success rate in tender conversion?
- Padmaraj Pillai:** So the bid tenders right now, I mean, already which have been bid is around INR200 crores plus. It's around INR200 crores plus, and we are participating another INR200 crores, INR250 crores of tender in this coming week. Hopefully, I think at the year-end, we should have whatever the closing would be, I think we'll be at 1.5x or 2x of the closing of FY '26. That would be our order book at the end of the year.
- Daksh Sharma:** Okay. Also, sir, if you could just segregate in terms of government versus private like what proportion of our order book is?
- Padmaraj Pillai:** Yes, yes. So basically, right now, the entire order book is backed by the government only right now. The private job is, I think, hardly about 2% or 3% of the total book as on date. So the maximum orders directly from the government only, basically.
- Daksh Sharma:** Okay. And sir, given that our average project execution time line is around 12 to 15 months. So how should we expect revenue conversion to play out over the next 4 to 6 quarters?
- Padmaraj Pillai:** So basically, I think all these projects are in the range of about 12 months to 24 months, not 15 months. So the larger size of RDSS projects, I mean, they are all piped between 15 to 24 months basically. And as far as the execution part is concerned, as on date, I mean, like the plan is to not take any extension or anything and just complete the jobs in the given time frame.
- So I think all this will be executed in the given time frame of the tenders or whatever is the tender time lines we'll be hearing by them. So I think we'll be having the revenues coming in, I mean, of all these projects in the next 4 to 6 quarters.
- Daksh Sharma:** And sir, lastly, sir, do you have some kind of visibility beyond FY '27?

- Padmaraj Pillai:** Obviously, this is like -- this is a 5-year plan that we've made for ourselves, wherein we are looking at to grow ourselves at the pace of about 30%, 35% year-on-year. That's what is our expectation. So I think that we've already -- we'll be achieving this year. And I think probably all the next coming 4 years, we'll be looking at the same.
- Moderator:** Thank you. The next question is from the line of Dhanraj Tolani from Kuber Advisor. Please go ahead.
- Dhanraj Tolani:** Sir, I just wanted to know like what is the current capacity utilization?
- Padmaraj Pillai:** Current?
- Dhanraj Tolani:** Capacity.
- Padmaraj Pillai:** Capacity?
- Dhanraj Tolani:** Yes.
- Padmaraj Pillai:** In terms of EPC?
- Dhanraj Tolani:** I just wanted to know like what is the current execution capacity and what would be the peak revenue potential out of that?
- Padmaraj Pillai:** See, the point is in case -- when we're talking about capability, basically, see, as far as the EPC business is concerned, there's something which comes into play is basically your bidding capacity. So right now, considering what we closed last year, we have enough bidding capacity left to, I mean, like, push our growth in terms of what we are targeting. I mean, year-on-year, 30%, 35% on, let's say, if things turn out to be the way the industry tailwind is blowing, I mean, let's see, we can even do better.
- So I mean in terms of capacity and capability, that is how EPC would be judged as. So I don't see any issues in that. I mean we have enough capacity, and we are already scaling up in terms of manpower also. So I mean, that is the 2 key stress that is required. So we are going -- we definitely planning the next 5 years.
- Dhanraj Tolani:** Okay. Okay. So if I talk specifically if I talk about the investment part, so how much is the -- like have we made in manpower or technology or even project management system? What investments are being made?
- Padmaraj Pillai:** So basically, EPC, the biggest investment that goes in definitely is into the manpower because you need a large team and you also need a specialized technical team to execute these kind of projects.
- So basically, the major is definitely into that. Coming back to the tech part, obviously, as we are growing, as I had earlier also stated, like we are also -- we've also started using tools of importance like ERP project management tools and a little bit of AI here and there. I mean,

like -- so we are also trying to push ourselves to analyse to make sure that there are no last-minute surprises. and the project goes on, I mean, like in the time span.

So everything is coming together. So this is the part where the entire investment goes into in terms of like apart from that, whatever infrastructure upgradation in terms of plant machineries and all that, that obviously, that keeps on going as and when required and as the project goes on. So I mean -- so that's how about it is.

Dhanraj Tolani: So what is our expected payback period out of this?

Padmaraj Pillai: Payback period?

Dhanraj Tolani: Yes.

Padmaraj Pillai: No, I think EPC in terms of like if you talk about payback, I mean, I mean...

Rohit Maheshwari: Sorry to interrupt. So basically, we are into the EPC segment, wherein there is no capex involved as such with regards to the project like generally what we have in terms of the manufacturing unit. As far as capex, you consider what we consider the capex as one is towards the issuance of the bank guarantees and another one is the working capital deployed for the project. So working capital deployed for the project is hardly for large projects, it is about 10% to 15% of the contract value.

So -- and at the same peak, we expect a PAT of 7%, 8%. So on an average, you consider in a 1.5 year or 2 years' time, we get an average return of equivalent working capital deployed on the project. So the point, the payback which you are asking is mainly applicable for the places wherein you invest into a manufacturing plant and like 3 years, 4 years or 5 years is your time line by which you will get your plant free from the revenues.

Dhanraj Tolani: Payment cycle differs between the government and private sector clients?

Rohit Maheshwar: Yes, sir, definitely. For private, it may differ some time. For government, it may differ. But on an average, we try to keep the receivables in between the days of 90 to 100 days.

Dhanraj Tolani: Okay, okay, okay. And also, I was just looking at the financial part. So I just wanted to know like gradually the other income part is growing. So, I just wanted to know like where this part is coming from, like, can you explain this term?

Padmaraj Pillai: Sorry, sir.

Dhanraj Tolani: FY '25, it was INR2.43 crores. And in FY '23, like other income was INR1 crores. So it has grown?

Rohit Maheshwari: So the main reason for other incomes are -- first is the interest income on the fixed deposits that we kept with the bank for the issuance of bank guarantees. Then other income include that other income is the -- like we won the arbitration award last year, wherein we realize some other income in terms of the delayed payment interest. And over and above that other income,

we recognize as a royalty income wherein we get -- wherein we have certain contracts on a royalty basis. So we get royalty on those orders.

Dhanraj Tolani: Got it, got it, got it. And what is the current working capital cycle? And how do you...

Rohit Maheshwari: Current working capital cycle is about 100 days, 95 to 100 days.

Dhanraj Tolani: Are we planning to reduce the receivable days for this?

Rohit Maheshwari: Yes. We -- if you see on a year-to-year basis, we are improving and we are trying to keep it below 90 or up to 90 days.

Moderator: Thank you. The next question is from the line of Vidhi Jain from Finix Capital. Please go ahead.

Vidhi Jain: Hi, sir. I just wanted to understand a bit more about the busduct and manufacturing business. Like how do you see this segment becoming over the next 3 to 5 years in terms of revenue contribution?

Padmaraj Pillai: Yes. So basically, when I talk about the manufacturing unit that we have recently acquired, so basically, the company is into manufacturing of low-voltage and high-voltage panels and cable trays and a lot of electrical products along the line.

And recently, I mean, they have also added and we've also added the busduct to the thing, out of which, I mean, the entire range consists of like 33 to 415-volt busduct, out of which the 11 kV busducts have already been tested successfully and the product has also been launched.

And now parallelly, we are also working -- parallelly, we are also working on the low-voltage busduct, which I think should go into testing somewhere in the month of end of March or something around. And I think the full-scale production should be starting somewhere by May '26.

So that is what the target is. And the contribution that would come from that would be in the range of about -- presumably, I mean, the first year, we would be targeting FY '26, '27, we would be probably targeting around at least bare minimum 20% to 30% -- 20% of the current top line. So I think -- and then year-on-year, we keep on adding it.

So I mean, like -- so I think I would put it in terms, if I look at it, there's going to be -- maybe in 2 years' time, there's going to be a major, major contribution coming in from the manufacturing side also.

Vidhi Jain: Okay. And how would you position products against some of the established players in this segment and in terms of technology pricing and quality?

Padmaraj Pillai: Yes. So the point is, if I'm putting myself against the players who are already established here, I would look at myself in a very comfortable position because we've been dealing with this

product from 2001. In fact, from the time this product had been launched in this country by a few manufacturers.

It was just that only about 1.5 years, 2 years back due to major overhauling of the infrastructure that this product has been made mandatory. And so that is where we also thought about getting into this product. It took us almost like about 3 years of hardcore R&D.

And what we've developed is a very beautiful piece of equipment in terms of aesthetics, in terms of costing. And we had to actually -- I mean, redesign the stuff because the earlier version that we thought was turning out to be a little expensive as compared to the current market requirement.

So we have two versions available right now. One is the economically trending and the other is technically a much superior product. It will depend upon the client choice, which reports still like. But we'll be placing ourselves very strongly against both the sides, I mean, like in terms of economy also and in terms of the technicality also.

Vidhi Jain: And finally, what kind of capacity expansion or capex would be required to scale up this business?

Padmaraj Pillai: So there is an investment that has already been planned and already been executed, which is some specialized machinery that is required for automation. So that has already been planned and the orders have also been placed. So we would be looking at getting the delivery somewhere in end of April or early March. So that has already been done. That's already been done. The planning has already been taken.

Moderator: Thank you. The next question is from the line of Pooja Mishra from JK Capital. Please go ahead.

Pooja Mishra: Sir, my first question is how much revenue comes from the government infrastructure work?

Padmaraj Pillai: See, whatever we are doing all are part of the government infrastructure basically. You can only segment it by saying that what comes from the distribution segment and what comes from the building infra like metros and airports and the other possible infra projects. So I would put it this way, as I said, 65% would be coming from the distribution transmission segment and 35% would be from the infra and other spaces.

Pooja Mishra: Okay. And how much incremental opportunity do you see from RDSS and IPDS and airport electrification program?

Padmaraj Pillai: I would put it right now that I think for next 2 decades, there is no stopping this industry. I mean I'm not even saying 1 decade, I'm, in fact, saying 2 decades to be very clear that the way things have been moving and the kind of investments that have been coming into this country and the way the requirement of the complete infra space that is being developed to get India into the ink of the INR 10 trillion or INR 15 billion, I mean, size of GDP.

I think -- I mean it's like -- I mean, it just depends upon how much growth you can sustain or how much it can be organically grown. So I mean, there is nothing -- no dearth of orders or there's no dearth of the new projects that are there. And I think that will continue for next at least 2 decades.

Pooja Mishra: Okay. And what role will renewable energy or electrification play in our future growth?

Padmaraj Pillai: So basically, see, renewable is just adding up to the capacity of the production -- of generation of the electricity. So as we are ramping up the generation part, it is very automatic that once you're producing something, I mean, like you will need -- I mean, the transmission and the distribution both to come in lines because if you generate and if you don't have transmission and distribution network ready, I mean, there's no use of that, it's going to all be wasted.

So that way, if you say that definitely, the renewable is going to contribute a lot because of the generation. But alternatively, as we are ramping up, I think even the nuclear capacities are being expanded, even the thermal capacities are being expanded. So I think all these things put together, I mean, like that's what I said. I mean, 2 decades of work right in front of us. And I think year-on-year, we'll see a good growth in this entire market.

Pooja Mishra: Okay. And sir, what are the key growth drivers for the next 3 to 5 years?

Padmaraj Pillai: The key growth drivers for this industry as we put it is because the first thing is that there will be a lot of -- there will be a lot of investment in terms of the high-speed rails that you will see a lot of expansion that is happening, the metros that is happening, the urban development that is happening because more and more rural -- more and more semi-rural is being now converted into semi-urban and semi-urban becoming urban.

If you see the cities, which we used to call second tier cities are now becoming the first tier cities. The first tier cities are moving into the metro status. So with this kind of thing that is happening, I mean, the population increase, I mean, the people moving the shift, I mean, AI making a big play. The world looking towards India as the next hub for manufacturing with data centers. The list is endless. The list is endless. So with all of this going on, I think we are in the right position to encash on this whole spectrum of things that's happening.

Moderator: Thank you. The next question is from the line of Yash Rathore from Unique Solutions. Please go ahead.

Yash Rathore: So my question was, what are the key risks in executing the current order book?

Padmaraj Pillai: Could you repeat your question, please?

Yash Rathore: My question was what are the key risks in executing the current order book?

Padmaraj Pillai: I don't see as such there is any risk involved as far as the execution part is concerned. The reason being that, I mean, we have our -- I mean, if you talk about the instability in the market -- in the global market, I think India is quite in a stable position right now.

So I mean, as far as that thing -- the factor is concerned, I think we can -- I mean we can just on that factor because the overall way, the things have been planned or the way things are happening, I don't see any risk, except for that portion is that definitely, there is a kind of what do you call it, a dearth of -- or there is the number of technical people or the sudden scale up that has happened in the market has actually created a little bit of a shortage of the manpower kind of a position.

But I think that would be probably addressed very soon, I mean, with the kind of people getting back into the core engineering and things happening now. I think apart from that, I don't see any risk happening.

Yash Rathore: Okay. So the other question I wanted to ask was how do you plan to fund the expansion in debt or in equity?

Padmaraj Pillai: So basically, as on date -- as on date, what we are doing is we are working on with the internal accruals itself. And probably if required, we'll be going for some debt or something to bridge fund it for the time being.

I mean if that is required and that also on the project-to-project basis, not exactly a long-term debt planning, but it will probably a project finance or something in case the internal accruals falls short or something like that. But otherwise, right now, the entire plan is based on the internal accruals itself.

Moderator: Thank you. The next question is from the line of Paras Chheda from Purpleone Vertex Ventures LLP. Please go ahead.

Paras Chheda: Sir, first thing, what is the revenue guidance for FY '27 in general and '26, what likely growth is expected?

Padmaraj Pillai: So as I had said earlier also and today also, we are targeting a growth of about 30% to 35% year-on-year. That's the target for next 5 years. And considering the current market position and considering the jobs available, I think it is quite achievable. And I think we should be able to do it. So that's what is the planning actually.

Paras Chheda: Okay. So sir, I mean, if you're looking at, let's say, that kind of growth for FY '27, what do you expect in terms of working capital or debt levels for the next year? I mean, can we manage it internally?

Padmaraj Pillai: Yes, that's what is right now to manage it internally with the internal accruals that we have or what we are anticipating. And also, if required, we will be going for some debt, which would be a bridge funding and that would be based on the project -- for a particular project. So the debt would be opened with the project and closed with that project instead of taking long term or something like that.

So in coming future, what we are planning is that even if the debt is being raised, that would be limited to the project that is going -- where the funding is going to happen. Otherwise, till the time we can manage it.

Paras Chheda: Yes. So most likely, there will -- at the moment, at least as it stands, there is no plan for equity dilution for FY '27?

Padmaraj Pillai: No, no, no, not at all.

Paras Chheda: Understood. Sir, what kind of sustainable EBITDA margins would you put for FY '27, you know, going forward?

Padmaraj Pillai: I think EBITDA margins should be anywhere between 12% to 14%, 15% would be what we are looking at.

Paras Chheda: Right. But for December, specifically, at least the last quarter, it's been sub south of 12%. And the PAT margins, of course, also because the interest have suffered. So how do you look at that, sir?

Padmaraj Pillai: Yes. So that's what I said. The PAT margins also we are looking at -- I mean, like pushing it -- we're making all our efforts that maybe another year or 2, we'll be pushing it to maybe 9%, 10% as the PAT margin and EBITDA about 15%.

So that is what we are all working towards. So how fast we can execute the project, get the turnaround, reduce the outstanding time period and get a better position out of the funding that we have or the internal accruals that we have. So that's what the plan is all about.

Paras Chheda: Right. So at least for the -- and that may be a medium-term plan, but for immediate FY '27, most likely 12%, 13% is what realistically we can achieve?

Padmaraj Pillai: Yes, yes, yes. That is definitely, that is definite.

Paras Chheda: Right. Okay, sir. And just one more thing on this busduct manufacturing systems. When do you expect this product line to start meaningfully contributing in terms of revenue?

Padmaraj Pillai: Maybe by after the second half of FY '26, '27.

Paras Chheda: Second half of '27?

Padmaraj Pillai: Maybe the third quarter.

Paras Chheda: Okay, third quarter. And I mean, in general, when it scales up, what kind of revenue share do you expect out of this division?

Padmaraj Pillai: So I think we would be looking on at least getting in the -- I mean, the first -- once we start the production, are we looking at full-fledged in a single year, at least 20%, 25% coming in from the manufacturing units.

- Paras Chheda:** Okay. And what kind of EBITDA margins will you have on that?
- Padmaraj Pillai:** I think it should be better. So let's see. Let's keep something for tomorrow.
- Moderator:** Thank you. The next question is from the line of Sakshi Shinde from Shaha Consultancy. Please go ahead.
- Sakshi Shinde:** I have a couple of questions. So my first question is, have you faced any delay in government tender approvals or receivables?
- Padmaraj Pillai:** No, I think all of these projects are fast track projects. So in terms of approval or added the award, I have not seen any much delay in the current times because there's a lot of trust from the central government itself because all these projects are funded by the central government. So a lot of push from the central government to execute the projects on time.
- Sakshi Shinde:** And what is your positioning in upcoming electrification modification projects?
- Padmaraj Pillai:** We have quite a strong position right now because we have a good order book already in line. We have our credentials in order. And so I think we position ourselves in quite a good place. So in coming times, I think both of it will be taken care of. So...
- Sakshi Shinde:** Okay. So what supply chain challenges are you currently facing?
- Padmaraj Pillai:** As on date, it has not started, but we do anticipate in coming times with the kind of -- but then I think all the manufacturers, everybody is also anticipating that. So everybody has gone in for expansion. So I think parallelly things should work out. It just -- there was a little bit of correction that happened in the last quarter end in terms of the prices of copper and aluminium going up. And all our projects are PV backed, they have price variation. So the impact is not directly on us. So that way it is safe and taken care of.
- Sakshi Shinde:** My last question is, how do you manage client concentration risk?
- Padmaraj Pillai:** How do you manage?
- Sakshi Shinde:** Client concentration risk.
- Padmaraj Pillai:** So basically, I mean, if you would have noticed that we've been working pan-India basically. So we don't restrict ourselves to a set of geographical areas. So that way we are very open towards the execution skills that we've got. So because of that -- but otherwise, if you -- on the other side of it, the good part is that, yes, the client retention has almost been 80%, 85% plus.
- So most of the clients that we've been working with for the last decade or more, we've been continuously getting orders from them also. So it's just that we're keeping on adding new and then retaining the old clients.
- Moderator:** Thank you. The next question is from the line of Vaibhav Mishra from Finvestors. Please go ahead.

- Vaibhav Mishra:** Congratulations for the numbers. Sir, my question is regarding the cash flow. So do we expect to be cash flow positive by the year end of FY '26 and beyond? I mean, some colour on the cash flow -- operating cash flow?
- Padmaraj Pillai:** Yes, I'll let Rohit speak on this. Rohit, can you just take over, please?
- Rohit Maheshwari:** Yes. Sir, so if you can see the FY '25 and the first half of FY '26, FY '25, the operating cash flow were negative and H1 '26 was on a positive side. So we are trying our level best to keep on the same track only. So going forward also, we are expecting the cash flow from operations to be on a positive side only.
- Vaibhav Mishra:** All right, sir. And sir, another question is regarding the -- I mean, order book. If you see the bidding is only just INR200 crores in the PPT, you had mentioned also in the call. So is there any -- how long in the bidding because what I see is bidding pipeline is a bit small. And what kind of order book -- can we expect the order book -- closing order book of FY '26 to be around INR500 crores kind of a number?
- Padmaraj Pillai:** See, the point is already -- see, the point in EPC is that you have to ensure the execution of the project. The booking of the project is equally important, but the major concentration goes on completing the job. Now if you have jobs in hand and if you take more jobs because the time frame for the jobs remain the same.
- And considering the current scenario, as I was just saying, there is definitely a little bit of things that have taken the market into the toll because of the aluminium and the copper prices and also so much of interest rates going on.
- So the expansion and the expansion of the manufacturer is also going on parallelly. So we are taking all that into consideration. So the INR200 crores, INR250 crores order has already been bid, and we are bidding another INR200 crores, INR250 crores in the next couple of days. So the bidding pipeline would go up to about INR500 crores and see how much we can bag.
- But one thing is very clear that we'll be looking at closing this year with at least 1.5x of the revenue of this year, 2x of the revenue of this year as the order book in hand as we move into the next financial year. So that's what is the target going to be.
- Vaibhav Mishra:** Okay. And sir, these orders that we have and we are bidding are these fixed price orders or the price variation?
- Padmaraj Pillai:** They are all with price variation.
- Vaibhav Mishra:** Okay. Okay. That's good. And sir, one last question, sir, regarding the conference call. In the last quarter, I think we did not have the conference call. So going ahead, can we expect conference calls after every quarter results? Or this will be like on-off kind of a thing?
- Padmaraj Pillai:** No, I think we had a conference call for the last quarter also, definitely. We've been maintaining the complete transparency. I mean, like -- in fact, we are having investors calls

also everything. Once a month, we have investors calls also probably. I think we'll put you on the list and we make sure that you're updated every time.

Moderator: Thank you. The next question is from the line of Anboli, an Individual Investor. Please go ahead.

Anboli: I want to know, are we into biz projects?

Padmaraj Pillai: Are we into which projects?

Anboli: Biz projects.

Padmaraj Pillai: Biz? What is biz.

Moderator: The line for the participant has dropped. We move on to the next participant. The next question is from the line of Aman, an Individual Investor. Please go ahead.

Aman: So I wanted to know in the con call of August, we were targeting a revenue of more than 50%. And in this call, it has dropped down to 30% to 35% revenue guidance?

Padmaraj Pillai: No. I mean what -- no, no, no, no. What I said was somebody asked me what is the 5-year plan. So I said the 5-year plan in totality is to grow at the rate of average rate of 35%. That is what I meant. So this year, what we are closing at, I mean, like, let's wait for the numbers.

Aman: Okay. And also, I wanted to know, we are into RDSS, aviation infrastructure, feeder, EGFV space. Are we also going into the BESS, B-E-S-S sector as well?

Padmaraj Pillai: Yes. So we have been trying to back contracts for the EPC of the BESS also because that is also going to be a part of the upcoming infra requirement. We definitely have quoted a couple of tenders under the EPC mode because majorly all these tenders which are right now being floated by the government are kind of in the PPA mode or the build operate transfer mode, wherein the capex is involved, the capex would be done by the bidder itself.

So what we are doing right now is we are supporting those bidders and I mean, probably wanting to take up the EPC for them on their behalf because these are basically investment companies. So we've been talking to a couple of them. We have submitted our bids. Let's see what happens.

Aman: Also, we are targeting a revenue of more than 30%, 35%, as you just quoted out. So how are we going to achieve that? What steps are we taking that we are going to improve our revenues going forward?

Padmaraj Pillai: So basically, as I told you earlier also, I mean, last -- last time also and a couple of times before also, I think the major revamping that has to be done for any EPC company when it comes into scaling is the hiring of manpower and getting the right people on board. So we have been concentrating on there and HR has been doing a wonderful job.

So we definitely are gearing up as we grow. So that's how it is, major thing involves the manpower revamping and also getting technology into play, using it to your advantage as to what tools are available in the market. So both ways, we've been working very hard towards it.

Moderator: Thank you. The next question is from the line of Paras Chheda from Purpleone Vertex Ventures LLP. Please go ahead.

Paras Chheda: Sir, what are our current receivable days on an average? And do you expect them to be stable in FY '27 also?

Padmaraj Pillai: Yes. I think the current is about, as I said, 90 to 100 days is what the current this thing is, and we are trying to reduce that number, maybe how much we can improve. How much we can improve is what is going on right now.

So -- and I think because these are all government -- central government funded projects, so we do not see much of this thing unless something goes wrong with the economy or something on an overall basis is a different story that we don't see because there's a lot of global thrust that's happening in people and the country is looking up to India as the next technology partner or the next thing. So it's quite hopeful. I think things should be in good shape as it is going on right now.

Paras Chheda: Right, sir. And sir, so you mentioned that probably you're looking at 30%, 35% of growth for FY '27, right? And this year also, of course, for the first 9 months, we grew on revenue and EBITDA PAT. But like we said, and you did point out that the idea is to then take net profit margin to somewhere around 10 percentage points in that region. Now how do you ensure that? Because -- yes, so what are the steps that you're targeting or looking, which probably can help you improve upon your profit margins given that we are now scaling as well?

Padmaraj Pillai: Yes. So basically, what we try to -- what we are trying to do is we are trying to target on specific kind of areas, zones kind of projects that -- and the expertise that we've got. And utilize them, utilize them as tools to make sure that with the top line, even the bottom line improves.

So I think considering the current scenario or considering the current position of the market, I think in coming times, things should be looking much better. So that's why I said that we think we will be able to contribute a little more towards the EBITDA as well as the PAT.

Paras Chheda: Right. So right now, let's say, we are somewhere for the first 9 months, I think about 7-odd percentage on net profit?

Padmaraj Pillai: 7%-odd. We are at 7%-odd.

Paras Chheda: Right. So for FY '27, do you expect it to be stable or improve slightly or probably?

Padmaraj Pillai: I would say that it's definitely going to remain stable. That is -- there is no doubt about being stable. How much can we improve it would just depend upon the kind of projects and like the kind of execution, how things would work out to be. Because as I told you, like last quarter,

for example, there were times when there was a little bit of material shortage because of the heavy rising in the metal and everything.

So considering all that equation, but I think in coming times, a lot of manufacturers, everybody has gone for expansion considering -- and they are all seeing that what -- as I say, being optimistic that 2 decades of work still -- minimum, that's a minimum time frame that I talked about. So, I think, I think all of them, all of the manufacturers also gearing up accordingly.

Paras Chheda: Right. Sir, just last two queries. So basically, the net profit margin is a function of your -- I mean, of course, it's a function of both, but just more sensitive to your interest rate or EBITDA margins, where can you sort of grow upon for improving your net profit margin, specifically? I mean probably in terms of weightage?

Padmaraj Pillai: No, no, no, no. In terms of like the size of the project also, the kind of the project also, see, there is -- if we get projects with more technical involvement, I mean, the number of competitors go down, like in case that we are getting some design-based tenders where we can optimize on design and get better results out of with our experience and with our thing. So that matters.

I mean interest remains a constant component, so I don't see much of shrinkage happening there. It is only by improving on your total revenues and cutting down on the cost, I mean, factor, I mean, using your expertise. That is what...

Paras Chheda: EBITDA margin is where you can probably apply the maximum effort?

Padmaraj Pillai: Yes, yes, absolutely. Absolutely.

Paras Chheda: Right, sir. And as some participants, one of those guys mentioned that our current bid pipeline is -- and you said that at the moment, you digest what you have, right? But are you sort of at all worried in terms of -- because as you just mentioned, that to improve on EBITDA margins, we're looking for specifically decent projects with relatively higher margins for us. So are you worried that 30%, 35% growth, at some point, you'll have to start again bidding probably and bidding and winning better?

Padmaraj Pillai: See, the point is right now, I think -- I mean, if you would look at the overall industry tailwind and if you look at the total kind of scenario for last couple of years, and the same has been reciprocated this year in terms of the budget also. The infra spending has been increased by another INR1 lakh crores this year. So I don't think that order booking or order pipeline is going to be an issue.

It is just that what do you want to target, where do you want to place yourself? What chunk of business you want to get out of that? It all depends upon what is going on currently, I mean, as far as the company strategy is concerned. So I don't have any fears or any doubt. It's going to be -- overall, coming time is going to be good.

Paras Chheda: Right. So in terms of even better margin projects specifically rather than general demand perspective, but slightly better margin projects, you would probably be able to...?

Padmaraj Pillai: I would -- you would -- everybody would love better margins. It all depends upon the company's industrial scenario because as on date, as you see, everybody has got their hands full. So probably everybody tries to improve. So overall, you'll see the strengthening of the -- that's what I'm anticipating. That's what I'm anticipating. Now let's see how it works out to be. I mean another 6 months, we'll be able to have a more clear picture of the thing.

Paras Chheda: Yes. But at least what comes towards this current EBITDA margin is broadly sustainable?

Padmaraj Pillai: This has been stable all the while. And I think this is particularly -- I mean, like I think the range which has been there is 5% to 6% to 10% has been the industry standard. So that definitely will remain. It's just we are being a little more hopeful that things should be improving considering the kind of volumes that's being generated.

Paras Chheda: Right, sir. And sir, just last in terms of the metal prices that have gone up, etcetera. So in that light, do you expect your manufacturing busduct systems whenever it comes up to be able to manage decent margins on that, economics on that?

Padmaraj Pillai: See, the point is that when you come back to the manufacturer, or come back to the EPC part of it, when the rates are basically being quoted, these things are being considered. And the moment that the order is closed, the order -- the order is closed also. There is a price variation clause, which is there in all the orders basically.

Yes, there is a price variation there, which is governed by the IEEMA, which is the Indian Electrical and Electronic Manufacturing Association, which publishes the indexes every month basically. And if there is a volatility, it publishes also 3x a month. So based on that, the time of the delivery, I mean, just before the inspection call is given, that is taken into consideration and the price variation is paid by the client.

Paras Chheda: Right. So for the EPC broadly, you're saying that it's more or less sort of a pass-through?

Padmaraj Pillai: Yes, for the manufacturing also. It's for the manufacturing also. Yes, all the companies, all the large companies, large companies who we are we going to compete with, they all have their PV clause in existence, if it's a large order.

If it's a small order, it's a different story. It's a large order, then nobody executes it without the PV. Because even the client looks at it from that angle because see, it's both ways. You look at aluminium trading at about \$2,400 and then I mean, like a couple of months by the time we take the delivery, if it comes to \$2,100 or \$2,200. The client also needs to take that advantage. So the client is also very clear. With the larger size of order, the PV is applicable.

Paras Chheda: Right. So it's both ways. And I mean, is it just too early to talk about economics on the busduct system? I mean, broadly, at least a double-digit EBITDA or 15%, 20% EBITDA can be expected on that? Or is it too early to discuss?

- Padmaraj Pillai:** I would contemplate that factor what you're saying. I would also be looking at that. But let's say, it's too early because once we come into place, how -- what is the growth scenario, what is the requirements? How it is going to happen? Right now, obviously, there's a lot of shortage going on. So let's see.
- Paras Chheda:** Fair enough, sir. And would you mind including me also on the list, if you can, please in terms of monthly or some sort of...
- Padmaraj Pillai:** Yes, sure, 100%. I'll ask Kirin to put you on the list.
- Moderator:** Thank you. Ladies and gentlemen, we take that as the last question of the day. And now I would like to hand the conference over to Mr. Karan Thakur for closing comments.
- Karan Thakur:** Thank you, everyone, for joining the conference call of Power & Instrumentation (Gujarat) Limited. If you have any further queries, you can write us at research@kirinadvisors.com. Once again, thank you, everyone, for joining the conference.
- Padmaraj Pillai:** I thank everyone for joining us. And hopefully, we'll be talking to each other very soon. And I think all of you can be with us, trust me. It's going to be a beautiful times to come for the sector, and please remain invested and please be with us. Thank you so much. Thank you so much. Om Namah Shivaya. Thank you so much.
- Moderator:** On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.