November 11, 2026

To Sr. General Manager Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001 Scrip Code: 544317	To Sr. General Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai - 400 051 Scrip Symbol: TRANSRAILL

Sub.: Transcript of Earnings Call on the Unaudited Financial Results for quarter and half year ended September 30, 2026

Ref.: Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the earnings call held on Wednesday, November 4, 2026, to discuss the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2026.

You are requested to take the above information on record.

For Transrail Lighting Limited

MONICA TANAY GANDHI

Digitally signed by MONICA TANAY GANDHI
Date: 2026.11.11 11:51:16 +05'30'

Monica Gandhi
Company Secretary and Compliance Officer

Encl: As above

“Transrail Lighting Limited

Q2 FY27 Earnings Conference Call”

November 04, 2026

E&OE. This transcript is edited for factual and Grammatical errors. In case of discrepancy, the audio recordings uploaded on . the stock exchange and company website on Nov 4th, 2026, will prevail

MANAGEMENT: **MR. RANDEEP NARANG – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – TRANSRAIL LIGHTING LIMITED**
MR. RAJESH NEELAKANTAN – GROUP CHIEF FINANCIAL OFFICER AND CHIEF STRATEGY OFFICER – TRANSRAIL LIGHTING LIMITED
MR. DEEPAK KHANDELWAL – CHIEF FINANCIAL OFFICER – TRANSRAIL LIGHTING LIMITED

MODERATOR: **MS. BHAKTI SHEWALE – NUVAMA INSTITUTIONAL EQUITIES**

Moderator: Ladies and gentlemen, good day, and welcome to Transrail Lighting Limited Q2 FY '27 Earnings Conference Call hosted by Nuvama Institutional Equities. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call.

These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participants 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 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. Bhakti Shewale from Nuvama Institutional Equities. Thank you, and over to you, ma'am.

Bhakti Shewale: Thank you, Neerav. Ladies and gentlemen, good day, and welcome to the Transrail Lighting Q2 FY '27 Conference Call hosted by Nuvama Institutional Equities. 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 any assistance during the conference call, please signal an operator by pressing star, and then zero on your touch-tone phone. I now hand over the conference to Mr. Randeep Narang, Managing Director and CEO; Mr. Rajesh Neelakantan, Group CFO and Chief Strategy Officer; and Mr. Deepak Khandewal, CFO, from the Transrail Lighting. Thank you, and over to you, Mr. Narang.

Randeep Narang: Thank you very much, and welcome to all. Good afternoon. I'm joined here with Mr. Rajesh and Deepak, as already mentioned. So I'm very pleased to share that Transrail has delivered very strong Q2 '27 performance, recording the highest ever revenue and EBITDA.

This robust performance is achieved despite the continued impact on supply chain and logistics due to the Middle East/west asia crisis. This reflects better execution momentum across our projects, sharp focus on cash flow management. With this, the company's overall H1 performance is back on track to achieve the annual growth guidance.

Since listing, we have not missed any of our revenue or margin guidance, and we continue to be confident to achieve the same trend this year. Our focus remains on sustaining this growth while striving for industry-leading profitability and cash generation. Speaking of the numbers, the revenue for operations for quarter end September 30, has grown to INR2,056 crores, which is a 32% jump year-on-year. Similarly, EBITDA stood at INR238 crores, which is a 28% jump year-on-year, quarter 2.

Alongside our operating performance, we've continued to strengthen our balance sheet. Our cash flow from operations was impressive INR435 crores in H1, while the net working capital cycle days is sustained at 82 days for the same period. It reflects our continued focus on collections, project execution milestones, efficient working capital management. Going forward, improving cash conversion will remain an important priority as we scale up our operations further.

On manufacturing front, we have had meaningful progress in expanding our capacities. Our tower manufacturing capacity currently stands at 1,84,400 metric tons per annum, while

completion of Phase 1 of conductor expansion has increased our installed conductor capacity to 40,800 kilometers per annum. We have progressed well with our planned capex investments to further strengthen our manufacturing base.

The expanded capacity will enable us to support larger and more complex projects, improve supply assurance and have greater control of quality and delivery to meet the customer expectations. Our order book stands at INR14,218 crores as of September 30. While post the quarter got over, we have already declared orders of INR1,747 crores, providing strong revenue visibility.

With this improvement in order momentum, we are confident to achieve an annual order intake of INR10,000-plus crores, while maintaining a healthy book-to-bill ratio. The order win is also encouraging from the business diversification perspective, spanning transmission, substation, conductor and re-conducting opportunity. An important development is the order wins we've had and we have awarded -- got awarded 5 conductor jobs in India, where we will use our own manufactured carbon core HTLS conductors.

We see this as an important product breakthrough for Transrail. reconductoring provides an opportunity to enhance the existing transmission corridors without requiring the development of entirely new transmission routes. Our entry into these projects with our own manufactured HTLS conductor strengthens our presence in the conductor segment and opens up additional opportunity in transmission infrastructure market.

Further, we've also started booking small quantities for U.S. and other developed markets. We also recently secured greenfield GIS project in Jordan, which is 400kV and 765 kV transmission lines in India.

Looking ahead, we believe the structural opportunity in India power transmission and distribution sector remains strong. Rising electricity demand, renewable energy capacity additions, increasing electrification and need to strengthen and modernize the national grid has created a sustained requirement for transmission lines, substations, HVDC infrastructure and associated power infrastructure.

We believe that not merely a near-term opportunity, but multi-decadal growth drivers are available in the power infrastructure industry. The scale of investments envisaged across the sector provides encouraging visibility for experienced EPC players like Transrail with meaningful opportunity in the next 5 years up to 2032.

With the broader growth opportunity programs, Green Energy Corridor, Phase 3, GEC-III, we expect to play an important role. The program envisages an outlay of approximately INR1,86,000 crores, including INR1.36 lakh crores only for intra-state transmission and INR50,000 crores for battery storage. Most of this is expected in TBCB model, and hence, we expect our existing large client to be well positioned for such projects and hence, the addressable market for us will improve over the years.

As part of strategic diversification and leverage our core T&D expertise, we are evaluating opportunities and complementing our existing capabilities. In this context, the Board has

approved to acquire 49% stake in Project SPV, which is development of approximately 990-megawatt AC of solar projects in Maharashtra.

This may allow us to leverage our scale, expertise in power sector, generate long-term steady returns and cash flows while continuing to maintain our primary focus on our core EPC business. As we look ahead on our priorities remain clearly defined: accelerate execution of a strong order book, maintain our order intake momentum, complete planned capex, manufacturing facilities, strengthen our product market and consistently improve profitability and cash conversion.

We believe Transrail is entering an important phase of further growth. The power transmission and distribution sector is poised for multi-decadal investment cycle with strong industry visibility extending beyond '30, '32, and beyond this, we believe the structural opportunity will be a significant growth driver of Transrail in the coming years.

Our focus will translate this opportunity to sustainable growth, stronger financial performance and long-term creation of value for our stakeholders and shareholders. With this, I request our CFO, Mr. Deepak, to go through the financial numbers for quarter 2.

Deepak Khandewal: Thank you, MD sir. Good afternoon, everyone. I will take you through our financial performance for Q2 and H1 financial year '27.

Revenue from operations for Q2 financial year '27 stood at INR2,056 crores, representing a year-on-year growth of 32%. EBITDA for the quarter was INR238 crores, up by 28% year-on-year, translating into a margin of 11.6%.

Profit before tax stood at INR158 crores up 26%, while profit after tax was INR104 crores, representing growth of 12% year-on-year.

For H1 financial year '27, revenue from operations stood at INR3,792 crores. EBITDA was INR441 crores and EBITDA margin was 11.6%. Profit after tax stood at INR212 crores.

On the balance sheet, our priorities remain improving cash conversion, managing receivables and inventories and deploying working capital efficiently. We have showcased improved receivable management with a reduction in trade receivable translating into higher cash and bank balances while maintaining working capital days at 82 days.

Operating cash flow from operations during H1 stood at INR435 crores compared with INR29 crores during the corresponding period last year.

Net debt stood at INR143 crores.

The company is well positioned to capitalize on future growth opportunities, supported by strong execution capabilities, a healthy order pipeline and expanded manufacturing capacity. Our focus remains on ensuring that growth is profitable and sustainable while maintaining margin discipline and strengthening cash flow generation. With that, we can open the floor for question and answer.

Moderator: Thank you very much. First question is from the line of Harshit from RoboCapital. Please go ahead.

Harshit: So sir, we have increased our capacity substantially, right? And also there are some ongoing capex happening for construction equipment. So just wanted to understand that once all the capacities come live, what is the peak revenue that we can achieve?

Randeep Narang: So that's an interesting question. We are in EPC. So most of the production goes into our own projects in terms of requirement of towers and conductors. And we look at pacing the requirements based on the execution on the ground.

Now with the 200,000 capacity by end of the year and currently, it is at 1,84,000 tons for towers per annum. We believe that this is good for us to look at an order book of INR16,000-odd crores when we will look at this by end of the year. And we will also have this backward integration, which is already in place to support the execution of these projects and project duration is normally 24 months to 30 months. So when we have looked at backward integration, it is to meet the peak order book and plan for the next 3 years.

Harshit: Okay. And sir, this 20% to 25% growth, so this growth will continue for how many years?

Randeep Narang: So we're looking at a 20% growth for at least next 3 years, and based on the current plans and the order book. And this can improve also depending on how we close the year. And the further guidance on this, we can give you by, let's say, March or April of next year.

Harshit: So sir, this 20% growth takes us to, let's say, INR12,000 crores of revenue in FY '29. So do we have the capacities and -- do you have the ability to achieve that INR12,000 crores of top line?

Randeep Narang: Yes, not a problem at all.

Harshit: Okay, sir. And the margins would be around 11%, 12%?

Moderator: Sorry to interrupt you, Harshit.

Harshit: Okay, thank you. I will join back the queue.

Moderator: Next question is from the line Deepak from SVAN Investments.

Deepak Purswani: Sir, we have recently won new order INR770 crores for multiple re-conductoring projects using HTLS conductor. If you can give more detail on this project? Also in terms of the technology partners, who is the technology partner and technology tie-up? And how do we see opportunity in this? And also, this would be the, again, an EPC kind of opportunity or this would be purely a conductor kind of opportunity?

If you can share your perspective on this? And how do we see future in this, that would be helpful.

Randeep Narang: So this is product and EPC, both. Product manufactured in our factory on carbon core with Epsilon. And this is a French company who's supplying us carbon core. We are looking at not

only supplying the product, but also looking at reconductoring. We have jobs with Power Grid in West Bengal and Tamil Nadu.

So we have the technology partner and a technology partner is also putting up a factory in India. So this is good to go. Potential of this for the next 12 months will be more than INR10,000-odd crores, and we have the early mover advantage.

Moderator: Next question is from the line of Yash Kabra from Nirmal Bang.

Yash Kabra: Yes, sir. So just wanted to ask, firstly, continuing on the previous participant's question. Just wanted like can you give me like because you've told about 20% revenue growth for the next 3 years. So what are the EBITDA margins we are looking at? Can you also give some color on that?

Randeep Narang: Yes. So we are talking about 11% plus EBITDA margin. The guidance given for this year, we are on track, as you see, and similar EBITDA margins are planned for the following years. So the quality of our order book is what gives us confidence that we will maintain 11% plus margins.

Yash Kabra: Got it, sir. Got it. And sir, just wanted to ask regarding like the revenue growth is 32% EBITDA growth is also 28%. But if you look at the PAT growth in this quarter, year-on-year, it is just 12%. The factors relating to it is like depreciation has increased by 35% and interest cost has also increased. And taxes have increased a lot.

So just a color on all these 3 factors like depreciation, I think because of the capex which we are doing, it has increased. But on the interest and the taxes because the tax rate has also gone up. So any color on reference to that, please?

Randeep Narang: So I'll request Mr. Rajesh, our Group CFO, to address this question. Principally, you already answered half of the answer. We can only add a little bit more.

Rajesh Neelkanthan: So on the interest component, since the all working capital funded limits, interest cost has marginally gone up on an absolute basis compared to our revenue because as we continue to grow, our interest cost also marginally grow. But as a percentage, we see it coming down to revenue.

On the taxes, it's a one-off case which we have provided in September, and that's about it. For the future, we see the tax rate coming back to what it normally is around 25%, 26%. This was a one-off scenario for this quarter. And going forward, it will be normalized.

Yash Kabra: Got it, sir. On the PAT margins, we can expect around 6%, 7% going forward?

Randeep Narang: Yes. The margin will definitely come back between 5.5% and 6% going forward.

Moderator: Next question is from the line of Balamurali Krishna from Oman Investment Advisors.

Balamurali Krishna: Congratulations on good set of numbers. And also while you started guidance performance. This is one of the kind of thing in investor presentation, you are benchmarking yourself and also showing that how you performed against the guidance, that's a good sign.

First question is regarding HTLS conductor, sir. So we are getting the reconductoring orders. So if the HTLS conductors are carrying more load and whether this kind of trend continues, then is there any chance to reduce the new lines tendering sir? Is this possible? Or this will also grow at the same pace like new lines also?

Randeep Narang: So both are independent of each other. This is basically strengthening of the grid in different parts of the country, as in this case, West Bengal and Tamil Nadu. And this will carry 30% more electricity through the HTLS conductor. So therefore, it is grid strengthening without investing heavily into capex for new line.

Whereas we have a lot of new opportunities through solar power generated transmission line requirements. And both will run independently. Of course, new line potential is much higher. We're talking about going up to INR9 lakh-odd crores by '30, '32. This is smaller, and this is going to keep on coming. And for us, it's a good opportunity because we do make the conductor ourselves, and we also do the EPC that is the reconductor.

Balamurali Krishna: And just a follow-up on this. So when you did this reconductor, how is the margin profile? And you are talking about the French supplier who is supplying this core. So do you have any plans to make it all in-house maybe in the coming future?

Randeep Narang: So we -- our partner, Epsilon from France is putting up a manufacturing facility in South India, which will come on stream maybe in the next 6 months or more. So therefore, we don't have to put it in-house, and we have a steady supply and a very good understanding with them.

Balamurali Krishna: And on margin front, sir, is there any difference in normal?

Randeep Narang: These are quick jobs, and I would say they are better margin jobs.

Balamurali Krishna: So second question is regarding this solar energy for research. So what is the thought process behind this and how we are going to fund this one? So how would be the margin profile of this segment?

Randeep Narang: So I request our Group CFO and Chief Strategy Officer, Rajesh Neelakantan, to put some light on this.

Rajesh Neelakantan: So basically, as we have been focusing on businesses which are adjacent to our core T&D business, we are looking at opportunities which will help us become an integrated energy solution provider. So solar power generation was what we found the most natural fit where using our strength in procurement, execution of large projects, we'll be able to add a lot of value and build our book as a long-term business profile. So this is where we thought getting into solar IPP was the best bet for us. And that's where we are looking at the first investment and we'll build on to this in the future.

Balamurali Krishna: So what could be the capex for this project and how we are going to funding this one?

Rajesh Neelakantan:: So the project is about INR3,900 crores, which is obviously funded substantially by debt, which has been already closed with a large financial institution. So there is an equity component. There is about INR500 crores is what we have to put in over the next year or so. Most of it will come from our internal cash accruals, which we'll use.

And there will be some amount of debt on our balance sheet, which will be something today, our balance sheet is substantially under leveraged. So it will help us get a better leveraging also.

Randeep Narang: So in a nutshell, this is recurring revenue. It has good potential, good fixed tariff, and we believe that this will help our growth as Transrail. But the core business still remains T&D and will continue to remain so. So 85%, 90% will be T&D. We are not diluting our profile in any way.

Balamurali Krishna: Just a small follow-up, sir. So the margins, I think this power generation would be around 70%, 80%. So is it understanding right?

Rajesh Neelakantan:: Yes, yes. Broadly, yes.

Moderator: Next question is from the line of Sahil Patani from Strokes Capital.

Sahil Patani: I wanted to understand over the next 2 or 3 years, how much of our business will be export-led and how much will be domestic? Is there a target in mind you're looking at? Because currently, you're doing 62-38. So would that split remain the same? Or are you looking at more export-led growth?

Randeep Narang: So we're looking at an opportunity, which is 60-40, 60% domestic and 40% internationally. The India growth story is amazing, and so is the international. We will pick and choose our spots depending on the opportunity of the project, the margin profile, the country, the country funding agency. So all those factors come in play. When we go internationally, we work only with multinational funding agencies. So the quality of the job matters. So at this stage, 60-40 is a good bet going forward in the next 2, 3 years.

Sahil Patani: Okay. And my second question is on your entry into like handling of solar EPC projects. So I wanted to understand because there are synergies, do you have the expertise? Or will you need to like, let's say, hire more consultants or bring in such expertise? Or how are the synergies going to work around that?

Randeep Narang: So I'll answer the first part. We are doing solar EPC anyway. We also do solar rooftops. So we are in this segment. But now getting into solar generation-led opportunity, I'd request -- and our group CFO has already addressed it, but he'll give you a snap gist of it.

Rajesh Neelakantan:: So this is -- we got into this business as we find this business adjacent to our core T&D. And we have been -- as sir mentioned, we have been doing solar projects in the past, and currently doing solar EPC projects also. And as we speak, we are building our teams currently. And today, we are working with our partner. And together, we -- on this project, we are building on. And later,

going forward, we obviously will be building up our team to take up some more projects as and when it comes in.

Sahil Patani: Okay. And by when can we expect this -- like the numbers to come and flow into the P&L from this new initiative?

Rajesh Neelakantan: Partly, it will start flowing in from next year. So we're targeting about 400-odd -- 400 megawatts approximately by March or so, March, April. So part of it will obviously flow in from the next year. And substantially, we expect to commission by March '28, the whole project.

Moderator: Next question is from the line of Aditya Welekar from FYERS AMC.

Aditya Welekar: Sir, my question is with respect to our top line growth, you have said 20% for the next couple of years. So will our capacity which we have currently, will it suffice for that? Or we will need to invest more in terms of capacity expansion?

Randeep Narang: So as I have already informed, we are building our capacity from 84,000 to 1,84,000. And this is further under further expansion up to 2 lakh tons by end of this year. Similarly, same is for conductor from 24,000 kilometers going to 40,000-odd kilometers, and this will go up to 49,500 by end of the year.

So this is good to grow because this will take care. And as I had explained in the last communication, we are an EPC player who can stagger based on the need of the project, we will supply our towers and conductors. And this is sufficient for us for the next 3 years based on our 20%, 22% growth plan.

Aditya Welekar: Understood. And sir, there were some discussion regarding QIP in respect to raise some fund for BESS. So any color or any thoughts on that?

Randeep Narang: So we have yet not finalized the QIP content. It will take at least 6-odd months more. And our cash flows today are healthy. So the timing of the QIP would depend on when we need funds and the opportunity to invest. So right now, it's an enabling resolution from the Board, and we will wait and watch when to bring it.

Next question is from the line of Akshay Jhawar, Individual Investor. Please go ahead.

Akshay Jhawar: I wanted to know that the new orders that we are -- that we won in the last quarter, are they on a fixed price contract? Are they fixed price contracts? Are they cost-plus contracts? What is the terms around those?

Randeep Narang: So principally, our international jobs are with price variation. We had a mix of jobs, as we said, 60% is domestic, 40% is there. But for the domestic job, when we look at bidding, we firm up the requirements of the commodity and we hedge immediately. So as of now, we are fully hedged for the year, and there is no risk in terms of our change if there is in any commodity pricing, particularly for domestic.

Akshay Jhawar: For domestic -- if I understand correctly, for domestic contract, whatever will be any price variation on account of fluctuation in raw materials, we are covered for that, right?

Randeep Narang: Yes. We've already covered for conductor aluminum and also covered in terms of our cost management approach. And that is all inbuilt into our margin profile.

Akshay Jhawar: Okay. And just on the tax demand, one, is that -- is the final order, has that come in? And is there any other open ongoing tax litigation matter, which is there? Or has everything been addressed now?

Rajesh Neelakantan:: So the assessment is in process today as we speak. We have just filed our returns a couple of months back. The assessment is in progress. And it will take its own due course, and that's about it. The assessment is something which is in the normal course, and that's something which will take up as and when it comes.

Akshay Jhawar: Okay. And so this 14.3% does not include any interest or penalty, right? Or has that also been factored in and paid?

Rajesh Neelakantan:: It has been factored. So this was a filing of a block return. So there was no penalty as such. Tax has been paid as per the rates specified in the income tax.

Moderator: Next question is from the line of Rohit Singh from Nvest Analytics Advisory.

Rohit Singh: My question is on the industry side. Could you please share your perspective on the current industry scenario, particular in terms of growth trends, order inflows and competitive intensity?

Moderator: Rohit, sorry to interrupt. Can you repeat your question once again a bit louder, please?

Rohit Singh: My question is on the industry side. Could you please share your perspective on the current industry scenario, particularly in terms of demand and order inflows and competitive intensity?

Randeep Narang: So if you see, the industry is in a very good buoyant movement. We talked about INR9,15,000 crores of opportunity till '30, '32, and we will address at least 50% of that opportunity in India. Internationally also, there is a huge opportunity in terms of the growth drivers for international markets, particularly Africa. So we are in a good state of growth because the markets are growing.

Competition intensity, yes, it is there. There are big players and smaller players that are coming in. But when we talk about HVDC projects in transmission. People who have done this before, who have backward integration, who have tower test stations, who have a full chain of backward support system to execute projects on time will be people who will thrive better than people who are not fully equipped.

So competition happens everywhere wherever there is a growth. And we have absolutely no problem in looking at the opportunity. We, as a company, look at how and when we should pick the project. We have a risk assessment system metrics. And we believe that we will pick and choose the job, which will give us immediate opportunity to execute, better margin profile, good client, funding which is either domestic or international. International must be multilateral.

And last but not the least is the ability to execute the project on time through the utility or through the consultants who support the utility to execute the job. So principally, what we are saying is

we are in a zone of growth, and Transrail is well positioned for the next 5, 7 years to grow well with the industry.

Moderator: Next question is from the line of Mahima from PhillipCapital.

Mahima: My first question is on the bidding pipeline. I understand that we have already bid for a project worth INR18,000 crores. Can you throw some light on how the bidding pipeline looks like from here on?

Randeep Narang: So we have a good 5 months to go. We are looking at another INR30,000-odd crores of bids to be done. Work is happening as we speak and November itself is a good pipeline. So we are looking at a 10% to 12% win ratio, which is what we have been doing over the years.

And we are fully confident that the order intake plan, what we are giving guidance for will be INR10,000-plus crores is in the process of getting fructified. Already INR3,500 crores, INR4,000 crores in the bag. And we believe that this is achievable and which is something which gives us the future growth guidance for next year.

Mahima: Got it. And what would be our L1 position currently?

Randeep Narang: L1, we don't have. All orders have come.

Mahima: Okay. Got it. Lastly, on the product side, we mentioned that we have booked some small quantities from U.S. and other developed markets. You had mentioned about some monopole supply in Australia also.

So can you please quantify the orders that we have received? And how is the margin profile there?

Randeep Narang: So these are seed marketing, new country entry jobs. The margin profile is equivalent to what we are quoting today in terms of our guidance. And we are developing these markets, be it U.S. or Australia. And we have a sales team who is pursuing relationships and building these job opportunities. So this is work in progress, and these jobs are small at this stage, but we hope to look at bigger market share going forward.

Moderator: Next question is from the line of Anurag from Indira Securities.

Anurag: Congratulations on the good numbers, sir. My question is with regards to like we were doing around like INR5,300 crores of revenue in around 2025, right? And since then, our capacity has doubled, but you're guiding around 20% to 25% growth from here. So like what is the reason for the same?

Randeep Narang: See, we have put in the increased capacity, a new plant looking at our growth plans in the next 5 years. When we got listed in the year 2024 December, we are very clear that we have enough opportunity and order book and the planning has happened since then in a 3-year vision plan. So the current capacities are good to go for the next 2, 3 years. And if we feel that there is a need to further expand, we will do so. And that's not a problem because we have the expansion capabilities, the engineering capability and the execution capability.

Anurag: Okay, sir. Got it. And one more question in regards to this only that how much of -- like how much is capital -- our own capacity? Like how much do we use and how much do we sell outside?

Randeep Narang: So today, 95% is internal use, 5% is what product marketing we are doing, and we want to improve this portfolio as the expansion of factories happens.

Anurag: Okay. And sir, do we do any projects without this backward integration coming in?

Randeep Narang: No, not really. We look at our own products to be supplied for execution.

Anurag: Okay. So like you are saying like we can generate around 20% to 25% more with this capacity?

Randeep Narang: Yes. As I mentioned in the last person's query, we can stagger the execution because it is 24 to 30 months. When to supply towers and conductors to which project, we can plan that because that's the facility and the importance of backward integration. We are not dependent on anybody else to give you supplies. Within our own factories, we can control the supply chain.

Anurag: Okay. Okay. Sir, just one last question, please. Like can you just tell you a little bit of the economics on the towers, like how much do we generate like per tower, like per metric ton of tower and/or per kilometer of circuit provided?

Randeep Narang: No, that cannot be answered because it is part of an integrated EPC project. They are all when we bid, it is all done on a turnkey basis, and it is all together. We don't talk about towers and conductors individually.

Moderator: Next question is from the line of Deepak Purswani from SVAN Investments.

Deepak Purswani: Sir, just wanted to check -- continue on this reconductoring opportunity using the HTLS conductor. Firstly, with the French player, do we have the exclusive tie-up or this is going to be -- this is also available with the other players?

Randeep Narang: Other players are using some other manufacturer. Currently, we are with them in India. And if there is a further growth or opportunity, Epsilon or our suppliers may choose to have maybe 1 or 2 more partners, which is absolutely fine. They are putting capacity expansion there, and we are a preferred customer and we'll be given preference.

Deepak Purswani: Okay. And you also mentioned about the conductor, we have 49,000 -- we are looking to expand the capacity to 49,000-odd tons. Out of this, how much would be the HTLS component?

Randeep Narang: Exteriors, it depends on the job we get, and then it's need based. So we have supplied to Cameroon. We supplied internationally also HTLS. We are now doing it in India. So the product mix can change from ACCR to AL59 to HTLS. There is no fixed formula. When we have a job, we will make it.

Deepak Purswani: Okay. So the plant is fungible across all the product categories?

Randeep Narang: Yes.

Deepak Purswani: Okay. And also like you did mention about the bid, but just wanted to check it out, would it also offer some kind of export opportunity ?

Randeep Narang: Very much. With our partner who is a global player, a French player, wherever they see an opportunity to support us, they do that. We also bid internationally with HTLS conductors for turnkey projects. So there is an opportunity. And if there is an opportunity further in U.S. because they are also doing grid strengthening and looking at improving the grid structure, we may supply there also. These are all plans right now.

Deepak Purswani: And sir, particularly for this particular -- this segment of the business, what would be the kind of the margin or EBITDA per ton for this conductor business...

Randeep Narang: So this is in line with our margin strategy as we go currently. This is something which we believe that is a margin enabler and cash flow enabler. So we are happy that this product opportunity has come up for us, and we won 5 jobs.

Deepak Purswani: Okay. And this would also include the EPC installation along with the conductor.

Randeep Narang: Yes. Production...

Deepak Purswani: And sir, what would be the typical cost of per circuit kilometer installation of this HTLS conductor using this technology?

Randeep Narang: I will not be able to answer that. It is the first few jobs we've taken. maybe after 6, 12 months, I can answer this question.

Moderator: Deepak is interested to come for a followup question. Next question is from the line of Sahil Patani from Stokes Capital.

Sahil Patani: It's a follow-up from me. So sir, I wanted to understand, you said that we'll be growing 20% over the next 2, 3 years, right? But historically, also, we've mentioned that we kind of grow at 20%. But now with us pouring into solar power generation, shouldn't like our growth be more than that because we are having like a new avenue of growth and that we are entering. So I wanted to know your thoughts on that.

Randeep Narang: So I think it's a very interesting and good question. Right now, these -- entering into solar power generation, we have just started that process, and the revenues will come in next year, and the closure of this project will happen by end of '28. So as we grow along and this is an adjacent revenue opportunity, we will look at changing our guidance next year as we see the fruits of this new investment.

Sahil Patani: Okay. So from FY '28 onwards, we should be seeing that?

Randeep Narang: Yes. This is a long-term strategic investment.

Moderator: Next question is from line of Rahul from HL Technology.

Rahul: Sir, can you throw some light on the pledging which you have done, like pledging of shares?

Randeep Narang: Pledging of shares?

Rajesh Neelakantan: So this was a small pledge done with the promoter for some borrowing visited. It's a normal 2% to 3% pledge only for some borrowings, which did for a short-term purpose.

Rahul: So when do you plan to like rebuy those shares or remove the pledging?

Rajesh Neelakantan: It should take about 6 to 9 months.

Randeep Narang: Within the period we have just mentioned, it will happen.

Rahul: And sir, your plans on BESS and data center, like do you see any progress there, anything materializing at this point of time?

Randeep Narang: So we are building a team. We are now building engineering and costing estimation teams. We are bidding for some jobs in data center. BESS is still a little bit far away because we have to look at the complete supply chain. So work is in progress, and we are hopeful that by end of this year, the next financial year, we'll see results from it.

Moderator: Rahul, I will request to come up for a followup question. Next follow-up question is from the line of Balamurali Krishna from Oman Investment Advisors.

Balamurali Krishna: On the BESS and data center part....

Moderator: Bala, sorry to interrupt. Can you speak louder, please?

Balamurali Krishna: Yes. So question is regarding BESS and data center part. So data center, you told next year, things can materialize. So what kind of visibility is there from top line front of you or how?

Randeep Narang: See, we are looking at BESS investment announced by the Government of India in GEC-III of around INR50,000 crores in the next 5 years. We also see data center with predominantly private players to be more than INR10,000 crores to INR15,000 crores per annum.

This is work in progress as we're expanding to understand the market potential, understanding by meeting clients. So we feel there is good enough market opportunity. And we, as a company, plan to go slow, look at 1 or 2 jobs first, strengthen our capabilities before we go full-round.

Balamurali Krishna: So historically, we have around 10% to 15% pie in the opportunity. So do you think that we can have any kind of trends...

Randeep Narang: Not 10% to 15%. We are talking about -- we are maintaining our core T&D capability. These are new businesses we are getting into, and I talked about the market potential of BESS nd data center. This is a potential, not our order intake plan.

Balamurali Krishna: Secondly, on product side. So as of now, I think 2%, 3% revenue coming from product sales. So in long term, do you have any plan to increase the share to maybe 20%, 30% to reduce the exposure on the EPC side?

Randeep Narang: No, we are from current 2% to 5%. We intend to go to 7% and then see how and what other products we can bring in. So as of now, product positioning, stand-alone products is going to be 5% to 7%.

Balamurali Krishna: Lastly on receivables side. So I think the receivables are -- more than 6 months are 200, 300 range. So do we see any stress over there or how those are viewed?

Deepak Khandewal: Yes. There is some increase in more than 6 months receivable, but we are focusing on the same, and it will be reduced in the ensuing quarter.

Moderator: Next question is from the line of Anurag from Indira Securities. The line for the participant dropped. We move on to the next participant. Next question is from the line of Rahul from HL Technology.

Rahul: Like you answered my previous question. One last question. Like as a vision, where do you see yourself as market cap in next 6 years?

Randeep Narang: Market cap in next 6 years, forecast? I think both my finance leaders are scratching their head how to predict this. So I think one of them can answer.

Rajesh Neelakantan:: See, market cap is something which is not something which we can predict. What we can predict is what we'll deliver as a performance and continue to focus on our guidance and our focus. Rest -- market cap is something which the market will determine or the industry will determine.

Rahul: So EPS, can you guide where would be your EPS in 6 years, like around INR55, INR60 or?

Randeep Narang: EPS in 6 years. I think these are 2 forward question. I mean you see our results and the trajectory we are planning, you will see all the numbers in line with what we are saying. And if you see in our previous guidance, we have maintained that for the last 2 years. We intend to maintain the same for this year. So use that as a surrogate to predict the next 3 years.

Moderator: As there are no further questions, I would now like to hand the conference to the management for closing comments.

Randeep Narang: So I thank everybody on the call for giving us this opportunity to explain our results for Q2 and the H2 thoughts on how we plan to go forward and our guidance. Our investor presentation also has all the details. And all I can say is we have put on our requirements for H1, very much there, and we have had a very good Q2. So it's also something which is very opportune time that this is a Diwali -- Happy Diwali to all of you and our investors. The company is doing well and strong. So wish you bountiful of sweets, and thank you for joining the call.

Moderator: Thank you very much. On behalf of Nuvama Institutional Equities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.