**Date: 12-11-2026**

To Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor, Plot No. C-1,
G-Block, Bandra Kurla Complex
Mumbai – 400051

**NSE Symbol: VILAS**

**Subject: Transcript of the Conference call with Investors/Analysts pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Earnings Conference Call held on Friday, 6th November, 2026, at 01:30 P.M. (IST), to discuss the Unaudited Standalone and Consolidated Financial Results of the Company for the half-year ended 30th September, 2026.

The transcript of the said investor/Analyst call is enclosed herewith as an annexure for your reference and records.

Kindly take the aforesaid submissions on record.

Yours faithfully,
For, **Vilas Transcore Limited**

NILESH JITUBHAI PATEL

Digitally signed by NILESH JITUBHAI PATEL
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Nilesh Patel
Managing Director

# “Vilas Transcore Limited

# H1 FY27 Earnings Conference Call”

# November 06, 2026

**MANAGEMENT:** **MR. NILESH PATEL – CHAIRMAN AND MANAGING DIRECTOR – VILAS TRANSCORE LIMITED**
**MS. NATASHA NILESH PATEL – NON-EXECUTIVE DIRECTOR – VILAS TRANSCORE LIMITED**

**MODERATOR:** **MR. AKHILESH GANDHI - STELLAR IR**

**Moderator:** Ladies and gentlemen, good day and welcome to the H1 FY27 Earnings Conference Call of Vilas Transcore Limited hosted by PhillipCapital PCG desk. 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, please signal an operator by pressing star then 0 on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Akhilesh from Stellar IR. Thank you, and over to you, sir.

**Akhilesh Gandhi:** Thank you, Dorwin. Good afternoon, everyone. I'm Akhilesh Gandhi from Stellar Investor Relations, and I would like to welcome you all to Vilas Transcore's H1 FY27 earnings conference call, which is hosted by PhillipCapital. We are pleased to have with us today Mr. Nileshji Patel. He's our Chairman and Managing Director, and with him we have Ms. Natasha Nilesh Patel. She is Non-Executive Director at Vilas.

But before we begin, I would like to mention that certain statements made during this call may be forward-looking in nature. These statements are based on company's current expectations and are subject to risk and uncertainties. Actual results may differ materially for those expressed or implied. The company's financial results and investor presentation for the first half is already uploaded on the stock exchange.

And with that, I would now like to hand over the call to Mr. Nileshji Patel, our Chairman and Managing Director, who will take us through the company's key operational and financial highlights and recent business developments. Over to you, sir. Thank you.

**Nilesh Patel:** Thank you, Akhilesh. Good afternoon, everyone, and thank you for joining us today. I would also like to thank PhillipCapital, PCG, and Sri Surya for hosting this conference call. Let me begin with our key business and operational updates for H1 FY27. During the first half, CRGO sales volume grew, grew 28.1% year on year to 11,697 metric tons, supported by higher utilization of our expanded manufacturing capacity, while revenue from operation increased 6% year-on-year to INR2,425 million.

Average CRGO steel prices were around INR180 per kg to INR200 per kg during H1 FY27, compared with approximately INR250 per kg to INR275 per kg in the corresponding period last year, resulting in lower revenue growth as compared to actual volume growth. Coming to the industry's environment. During H1 FY27, geopolitical tensions and supply chain disruption, particularly relating to transformer oil availability, affected production schedules at certain transformer manufacturers, resulting in temporary moderation in customer demand and order execution.

However, supply conditions have gradually improved and we are witnessing a recovery in demand and order activity. Encouragingly, overall demand and revenue have already improved by approximately 10% to15% on a month-on-month basis in October '26, alongside an improvement in CRGO steel price.

We expect this momentum to strengthen further as customer production and order execution is getting pickup. The long-term industry outlook remains healthy, supported by continued investment in power transmission and grid infrastructure. Moving to our financial performance. As you would be aware, the CRGO prices started dropping from 2nd quarter of financial year 25-26 last year and have only stabilized from the early part of FY 26-27, due to which H2 of FY 25-26 had lower outcomes than H1 of FY 25-26.

Given the relative stability in CRGO prices during H1 FY27, there is significant improvement over H2 FY26. We believe that a comparison with H2 FY26 provides a more meaningful perspective on our recent operating performance. On a half-on-half basis, revenue grew 4.6% to INR2,425 million.

Gross profit increased 12.6% to INR416 million. EBITDA grew 22% to INR248 million, and PAT improved 13.5% to INR172 million. Importantly, profitability margins improved sequentially with gross margin increase from 15.9% to 17.2%, EBITDA margin from 8.8% to 10.2%, and PAT margins from 6.5% to 7.1%.

While year-on-year profitability remained impacted by lower realization, higher depreciation, and initial operating costs associated with expanded facility and new products, the sequential improvement reflects progress in our operating performance. On the balance sheet and cash flow front, we generated INR369 million in operating cash flow during H1 FY27, while net cash outflow from investing activities stood to INR450 million, reflecting continued investment in our manufacturing capabilities. We closed the period with INR743 million in cash and cash equivalents.

Coming to our new product businesses, our nanocrystalline core business generated INR6.77 crores in revenue with sales volume of approximately 58,815 kg. Customer acceptance and production ramp-up continued during the period. Our transformer radiator business contributed INR2.67 crores in revenue with sales volume of approximately 241 metric tons. Customer onboarding and product approvals are progressing, supporting future volume growth.

We also commenced commercial sales of copper and aluminum conductors in September 2026, generating INR53 lakhs in revenue from conductor during the first half. This business has gradually scaling up, strengthening our product portfolio, and creating opportunities to increase our shares of business with transformer manufacturers.

On the strategic front, we secured power grid approval for prime CRGO coil slitting and lamination fittings for transformers and reactors up to 220 kV class unit 3, strengthening our eligibility to participate in relevant projects and expanding opportunities in higher voltage application. Additionally, we acquired a 100% equity stake in Leelajit Foundation, a Section 8 company, for undertaking CSR initiative. The subsidiary is included in our consolidated financial statement.

Coming to our FY27 guidance, considering the temporary moderation in customer demand and order execution during H1 FY27, we have revised our FY27 volume and revenue growth targets

to 30% to 35%, compared with our earlier expectation. We are confident of achieving the revised targets, all factors considered.

As discussed earlier, these disruptions were primarily related to Transformer oil availability and customer production schedules. With supply condition improving, demand is gradually recovering, although the pace of order execution is still picking up. The revision reflects this gradually recovering demand, while our long-term growth strategy remains unchanged.

I would also like to emphasize that our confidence in the underlying business and its long-term growth perspectives remains intact. Despite the temporary industry disruption, we have continued to grow volumes, improve profitability sequentially, and make progress across our new product businesses.

With demand and CRGO price showing sign of improvement. We believe the operating environment is moving in a positive direction. Our expanded manufacturing capacity and diversified product portfolio position us to benefit as this recovery gains momentum. On profitability, we expect to maintain EBITDA and PAT margins supported by improving utilization and operating efficiency as our business scales up.

Our priority remains increasing utilization of our 36,000 metric ton per annum CRGO manufacturing capacity, scaling contributions from new product businesses, and expanding our customer base across domestic and international markets.

With our expanded manufacturing capabilities, broader product portfolio, and power grid approval, we believe we are well-positioned to benefit as industries demand and standard. We remain focused on disciplined execution, improving profitability, and delivering sustainable long-term growth. Thank you for your continued trust and support.

With that, I would now like to hand over the call to the moderator for the question-and-answer session. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of Manthan with Nexus Securities. Please go ahead.

**Manthan:** Yes, good afternoon, sir. Am I audible?

**Nilesh Patel:** Yes, yes, you're audible, Manthan.

**Manthan:** Yes. Sir, so like based on our quarter one update, which we have already submitted, we did around INR132 crores of revenue in Q1 and around 6,650 tons of sales. So, in Q2, that implies that we have done just INR100 crores of sales in terms of CRGO. But, whereas, when we see the numbers of transformer companies, especially our key clients like Voltamp and Shilchar, their quarter-on-quarter has been significantly good, and they are even also guiding for growth in upcoming quarters.

So, the situation that you are highlighting that there is a problem on the customer side. So, that's something it's not matching because they are guiding for a healthy H2 in terms of volume and

overall sales also. So, by that case, the reason of lowering our guidance from 45% to 50% in just couple of months, because war has been since last almost nine months, so nothing has changed significantly on that front. So, reason being just changing our guidance by 15% in volume in just couple of months. Wanted to understand on that part?

**Nilesh Patel:** So, war has been started in somewhere around March end. Everybody was keeping on stocks, even oil companies over here they were having contracts for the first quarter, and in first quarter there was no disruption getting oils. There was a price rise, but disruption was not there. And whoever, like Silchar or this Voltamp, they are having a long-term contract for the oil and everything.

So there first quarter, we have done good business with the Shilchar as well as the Voltamp. In second quarter, yes, the demand was there, but we have experienced the order was there, but in last two months, the dispatch was not there. So, our main downfall came in August and September because of the rain and something the dispatch was not happening.

They might be having their good sales, because of power transformers, the inspection has been done and the dispatch is carried out. So, if their transformer gets stuck, they stop our supply. So, order was there and we were we were having lots of finish products lying at our company in September end, which we have dispatched in mainly in October.

**Manthan:** Okay. So, but sir, then in that scenario we can recoup the volumes lost in two months, like, we have remaining six months, so are we trying to be conservative since like because the situation has been uncertain like since now more than nine months? Because we can recover that volumes in six months. We still have six months to go for this year, and always H2 is heavy for this business, even especially Q4.

So, like, if finished goods are safe, then it's just matter of dispatch, then you can easily recoup your volumes. Why are we lowering? So, it mean, it just been conservative side, or are there any possibility of eventually exceeding this guidance given at this point of time?

**Nilesh Patel:** So, the point is, in earlier call, we said we will reach anywhere between 26,000 to 30,000 metric tons. And here also we said that we will definitely reach to that 26,000 to 30,000 metric tons, anywhere between that figure. And we are getting good orders for the last month also, and we are confident that we will definitely cross 26,000 metric tons.

**Manthan:** But what could be the reason…?

**Nilesh Patel:** That was the guidance when we gave the con call after the March.

**Manthan:** But in the Q1 press release also, you explicitly mentioned that you're targeting revenue growth of 45% and also volume growth of 40% to 45%. So that's where I'm coming for this number.

**Nilesh Patel:** So my answer is at that time we said that we will do this CRGO anywhere between ’26,000to ‘28,000 and we will contribute with the copper volume of 120 crores. That is what was the guidance we given. Right now we have conservatively reduced the copper volume, because it's a new plant and lots of approval has to be taken.

So, people are inspecting, approvals are getting slowly by slowly. We faced that in radiator in last six months, that the approval process of all the companies is very slow because they give us the approval within one or two months as a supplier. Then we supply them the product, they test over there, and after that they give us a small batch, then little bit bigger, then they increase the volume slowly, slowly. And that is where we realize that the same thing will happen in copper, and that's why we have reduced little bit projections in copper volume.

**Manthan:** Okay. And on the CRGO pricing front, currently is there also 200, or is there any improvement from that realization price for CRGO?

**Nilesh Patel:** 2% to 3% price has been improved.

**Manthan:** So basically around 205, 210. And are there any chances of further improvement? Because previously also you highlighted down domestic supply will also come into picture, so by that pricing could improve?

**Nilesh Patel:** So right now prices are gradually increasing, this 2%, 3%, and then the domestic mills are also -- this month they have increased the price. So, pricings are going on improvement basis, Chinese miller has also quoted bit higher prices, so definitely we see in next six month the price has to be improved.

**Manthan:** So, in terms of absolute realisation per ton, so H2 versus H1 of this current financial, we'll see improvement in realization per ton?

**Nilesh Patel:** 100%

**Manthan:** And at least 5% to 10%, we can expect considering current situation?

**Nilesh Patel:** What you are talking about pricing?

**Manthan:** Pricing, yes. Price per ton, not absolute volume. Price per ton, we can expect this much of improvement at least, H2 versus H1?

**Nilesh Patel:** Yes, yes, yes, that will be there.

**Manthan:** Okay. And the inventory that we have built up on the balance sheet, there all is finished goods inventory, and that all would be dispatched in the current half and current quarter?

**Nilesh Patel:** No, no. All are not finished goods. There is a few -- few is the finished goods, and the balance is the raw material.

**Manthan:** Okay. The raw material that we already procured, the way we used to manage previously also.

**Nilesh Patel:** Yes. We have heavy orders for next two months, so whatever the inventory is there, around say 70% inventory is booked against the order.

**Manthan:** Okay. And just one final point from my side, if you assume that the war situation improves in next one or two months and crude prices globally are down and supply disruptions are eased and

transformer oil availability is also back to normalization, near to normalization. So, in that scenario, is there a possibility that we again can recoup our volumes in Q4 heavily and exceed the guidance considering the improvement in global situation?

**Nilesh Patel:** This guidance we have given this time very conservatively. We are definitely trying to reach to our maximum level, but every time some situation comes and we don't want to face, so we've given this guidance and revised it very conservatively

**Manthan:** And margins also we are confident that H1 margins of around 9.8%, 9.9% will maintain, at least maintain…

**Nilesh Patel:** It will, because this this six month if you see the copper and radiator business is slowly, slowly picking up, and that 100% costing is getting solved from the radiator business, oh, sorry, lamination business.

**Manthan:** Lamination business?

**Nilesh Patel:** Yes. Sir, this production is in one premises, so we cannot capitalize those expenses, because the production has been started, and we cannot do product-to-product capitalization.

**Manthan:** Okay, okay. And the INR1,000 crores of vision that we have, obviously, all the situations are not in our control also, because we are affected by the events happening globally. But considering normalized situations globally, can we expect in the next year that we reach that top line number and INR100 crores of bottom-line number? Because we are doing new initiatives also now to mitigate the existing business risk.

**Nilesh Patel:** Sir, see, next financial year -- this year we are closing somewhere around -- anywhere between 620 to 650 or 660. And next financial year, conservatively, we will grow by 30%, 35% pace. That is what we say. Again, the copper business, if it reach to maximum level, definitely we can reach to what you are asking. But conservatively, we'll say that every year we will grow by 30%, 35%, 40%.

**Manthan:** And overall, there is no -- in the near term to middle, there's no slowdown in transformers volume and transformer industry as a whole?

**Nilesh Patel:** There won't be any.

**Manthan:** There won't be, so that industry won't be affected in at least next two years. So, these companies will continue to grow well and enhance our business.

**Nilesh Patel:** The only reason we are conservative, because these approval processes are getting lots of time. Even with the existing customer to whom we are supplying the CRGO; radiator, conductor, everything, they have their quality norms. They are coming to our factory, they give us some suggestions. We implement that, then again they come, they check, then they take the small batch from us, then they test at their end. All this process is taking at least minimum two to three months to develop the one customer.

Every time we go for a try with 3,4 customers, 3, 4 customers like batches-wise we are doing it. So that is why earlier this, this kind of systems were not there, but nowadays a lot of quality

criteria and as we are catering to EHV portion, EHV transformers mainly, they have the stringent quality terms and that is why it's taking time and that's why we have to revise this bit of 5%, 7%.

**Manthan:** Okay sir, that is that is for my side and all the best for the upcoming half and next year also.

**Moderator:** Thank you. Our next question comes from the line of Hemkesh Khattar from Green Portfolio. Please go ahead.

**Hemkesh Khattar:** Hello, sir. Thank you for taking my question. My first question is regarding the capex. So what I see in the cash flow statement, we have done a capex of around INR41 crores this H1, which is higher than FY26. So can you please elaborate where this capex has gone? Is it completely towards the copper conductor business?

**Nilesh Patel::** Yes, these are entire plant machinery and everything came for the copper conductor business. Copper conductor with allied facilities in particular factory.

**Hemkesh Khattar:** Do you have any like targets of fixed asset turnover with this business? Like at Peak utilization levels?

**Nilesh Patel::** Sir, this particular plant has been made for around 300 to 350 tons of copper and 100 tons aluminium, so that comes to around. Yes, so it's, this plant will cater somewhere around INR270 crores of revenue at its full-fledged capacity INR270 crores**Hemkesh Khattar:** And sir, in earlier conversation also you did mention that the audit process is taking time and everything, because of which you are also -- you have revised your guidance downwards, right? So like, your plant was completed in September and we are in November now. So how do you see is there any like revenue that you are expecting from this quarter or upcoming quarter, or will the revenue start flowing in from FY28 itself?

**Nilesh Patel::** This year in our target we have taken copper revenue as INR45 crores. INR45 crores in second half, which earlier we were around INR100 crores, and that we have revised INR45 crores.

**Hemkesh Khattar:** Okay. INR100 crores you were expecting but INR45 crores now. And like, for FY28, what would be your expectation since approvals are taking time but there's a huge demand in the market because of supply chain gaps, right? So next year, do you expect to reach triple digits in FY28?

**Nilesh Patel::** So in FY28, conservative figure we have taken as INR135 crores.

**Hemkesh Khattar:** Okay. And any outlook on the margins that this business will command compared to CRGO because CRGO being at 10%, 11% right now.

**Nilesh Patel::** This copper business is somewhere around EBITDA of 4% to 5% it works

**Hemkesh Khattar:** 4% to 5%.

**Nilesh Patel::** Yes.

**Hemkesh Khattar:** So do you expect margins next year to go down because of higher contribution from copper business or will this remain stable in 10% to 11%?

**Nilesh Patel::** No, like if we are doing copper 135, then we are increasing the CRGO also. And once the copper will start catering his own expenses, CRGO business will definitely improve. Right now we are serving all the expenses of radiator and copper from the CRGO.

**Hemkesh Khattar:** So at optimum level, as, like earlier it was asked to you, INR1,000 crores top line with INR100 crores PAT, but like looking at optimum utilization, if both CRGO and copper were running at optimum utilization, what is the kind of margins that you expect?

**Nilesh Patel::** Average EBITDA we can work out, and we have worked out with the copper and all CRGO and all business. It has to be somewhere around, 11% to 12% when it peaks, when it runs on a peak.

**Hemkesh Khattar:** 11% to 12%?

**Nilesh Patel::** Yes.

**Hemkesh Khattar:** And then regarding the new land parcel that was acquired, what are the plans with that land parcel? Can you please elaborate regarding projects?

**Nilesh Patel::** So once we will reach to this level, we have a few of the new product which will introduce in that new land parcel, which we will start in financial year '27-'28.

**Hemkesh Khattar:** So next year?

**Nilesh Patel::** Next year.

**Hemkesh Khattar:** And any like amount of capex like any outline?

**Nilesh Patel::** Not '27-'28, '28-'29.

**Hemkesh Khattar:** Okay. '28-'29 will be the timeline for that. And amount of capex that you are expecting?

**Nilesh Patel::** So that once we will finalize that product, we are working on that, and right now I do not have all those data that what will be the amount and what will be there. But we will come out with that once it will be finalized.

**Hemkesh Khattar:** Okay, sir. Thank you. Thank you so much.

**Nilesh Patel::** Yes.

**Moderator:** Thank you. Our next question comes from the line of Akash Jhaveri with Anekant Capital. Please go ahead.

**Akash Jhaveri:** Yes. Thank you for your time. Yes, the question I wanted to ask was on could you tell us what is the October volumes? Specifically, you mentioned that it's recovering now. So obviously H1 had the issues on transformer oil, but what would be our October volumes for CRGO laminates?

**Nilesh Patel::** Akhilesh, can we say this volume right now?

**Management:** Just a minute.

**Nilesh Patel::** So I do not know whether I can, legally I can say this or not?

**Akhilesh Gandhi (IR):** Sir, let's not discuss actual volumes please.

**Nilesh Patel::** So it will be -- it's a rise of somewhere around 20% to 25% compared to last earlier months.

**Akash Jhaveri:** Understood. Okay. And second question was you mentioned that the cost for the new business is radiator and copper are being borne by the CRGO business. So if you could just understand the underlying margins just broadly, would our EBITDA margins be say 150 basis points or 200 basis points higher because of the drag from copper and radiators? Just directionally, what would those kind of underlying margins be?

**Nilesh Patel::** Yes, so like once this will be independently that our EBITDA margin will be CRGO's EBITDA margin will be improved by 1% to 1.5%.

**Akash Jhaveri:** Okay. And the last thing is on the -- we had talked about bushings kind of venture last quarter. So just if you could help us understand how that is progressing.

**Nilesh Patel::** As we said earlier, we were trying to do our independently R&D center and do it in our brand, which is looking to these products. We have understood that this is a very, very niche product and it will take very, very long years to get approved and all those things. So right now we are looking for a technical tie-up or joint venture with overseas companies and, that search is going on. We have assigned a company who is looking for that. Once that will be done in some conclusive manner, we will announce for that.

**Akash Jhaveri:** Okay. Great. Thank you. That's it for

**Moderator:** Thank you. Our next question comes from the line of Sidharth Shah with SRS Capital. Please go ahead.

**Sidharth Shah:** Hi, I had one high-level question on the CRGO pricing. So from what I understand is basically because of the BIS license renewal, there has been more supply in India, and that could have impacted prices coming down. But globally, shouldn't there be an overall shortage of CRGO because of the transformer demand and people not putting up the CRGO steel plants? So can you help us understand why we do not see what the transformer tightness that we are seeing globally in the CRGO pricing and why that's coming down across the world?

**Nilesh Patel:** Sir, CRGO has different, different prices in different, different world. Like in Europe, the prices are around 15% higher than India because they have MIP, minimum MIP over CRGO. In USA, the prices are high because they have duties on CRGO to protect their local mills over that. So prices are not the same global, worldwide.

It has different, different prices in different, different regions. There is a restriction for exports and all those things. So in India, like, whatever the prices we are having, China is around 15% lower price in China. So…

**Sidharth Shah::** Sir, but why is the price going down if there's so much demand for the end product?

**Nilesh Patel:** Sir, CRGO prices were up in somewhere around two in last financial year H1 and before that because there was a -- in India there was a top Chinese mill. They have never given…

**Sidharth Shah::** Yes.

**Nilesh Patel:** BIS for the Chinese mill and that's why the prices were gone up. Once the BIS has been opened, the prices has been -- material was available and prices has been settle down to its normal level.

**Sidharth Shah::** No. Because, why I'm keeping the average that…

**Nilesh Patel:** Average prices worldwide is the same…

**Sidharth Shah::** Yes.

**Nilesh Patel:** What we are right now getting into India.

**Sidharth Shah::** Because, if you look at all the other transformer components, all the various components have seen huge price hikes because of supply-demand mismatches. There's not enough supply and a lot of demand. And somehow for CRGO, that doesn't seem to be playing out.

**Nilesh Patel:** So because it is available,

**Sidharth Shah::** You're saying globally there's overcapacity of CRGO?

**Nilesh Patel:** We cannot say overcapacity, but we can say that it's not in short supply.

**Sidharth Shah::** Okay. Understood. And just my second question would be, say in a peak cycle that you all had maybe a few years back, in CRGO, what could you see as maybe your EBITDA per ton on your new plants? I think right now maybe broadly it seems to be in the INR20 to INR25 range, EBITDA per kilo. So what could that be as a peak?

**Nilesh Patel:** So when there is a shortage, this EBITDA was 25% also. So that all depends, but this is the normal range. Right now, it's the business what is going, it's a normal business. When there is a shortage, this this can go to 25% also.

**Sidharth Shah::** Understood. Thank you.

**Nilesh Patel:** Yes.

**Moderator:** Thank you. Our next question comes from the Sahil Suresh Lendave with Spangle Advisors. Please go ahead.

**Sahil Suresh Lendave:** Oh, hi. Thanks for the opportunity, sir. In terms of revenue guidance, let's see, let's suppose the CRGO prices are similar in this thing. So what kind of revenue are you targeting in H2? Sorry, if I missed earlier. Hello?

**Nilesh Patel:** Yes. 1 minute. So in H2, what the turnover we are looking for, that's what is your question, right?

**Sahil Suresh Lendave:** Yes, sir.

**Nilesh Patel:** So we are targeting somewhere around INR375 crores in H2 total, all.

**Sahil Suresh Lendave:** Okay. And in terms of metric ton per how much will be?

**Nilesh Patel:** It's CRGO will be somewhere around 15,000 metric ton.

**Sahil Suresh Lendave:** 15,000. Okay. Sure, sir. We are – like, there somewhere around the track only.

**Nilesh Patel:** Yes.

**Sahil Suresh Lendave:** And in a particular with margin the – so excluded the RM price normalization and it's duty the operational…

**Moderator:** Sorry to interrupt Sahil, your line is not clear.

**Nilesh Patel:** Sahil, your voice is not clear? Yes.

**Sahil Suresh Lendave:** Hello? Am I audible now?

**Moderator:** No, sir. You are not clear still.

**Sahil Suresh Lendave:** Okay. I just follow up on. Wait just few seconds

**Moderator:** Yes. You may rejoin the queue. I'm assuming -- seam a better connection.

**Nilesh Patel:** Okay. Sure.

**Moderator:** Thank you. Ladies and gentlemen, to ask a question, you may please press star and one. Our next question comes from the line of Pratham Shah with Resurgence Capital. Please go ahead.

**Pratham Shah:** Yes. Thank you so much for the opportunity. So I would just like to understand that who all do we compete with in this space? Like, if we are supplying to a customer, then who are the other suppliers that that customer has?

**Nilesh Patel:** There is a company called KRYFS Lamination which is now under the Zetwerk. Then there is a Vardhaman Stampings, there's Amod Stampings, Mahindra Accelo, then POSCO, andNLMK India. All those are our competitors in India.

**Pratham Shah:** So is there anything which sets us apart from these companies, or is it like a commodity product?

**Nilesh Patel:** There are lots of another small, small companies.

**Pratham Shah:** Right. And okay, and I would also -- my second question would be on the like bill of materials. Like if there is a transformer, then how much would our CRGO steel form as a percentage of the total content in the transformer?

**Nilesh Patel:** Anywhere between 25% to 30% depending on the grade

**Pratham Shah:** Right. And the other verticals which we are coming across like radiators, copper, nanocrystalline core. So if we combine all of these, then how much would it be as a percentage?

**Nilesh Patel:** Like radiator is 1% to 3% in transformer cost, CT and copper is 25% to 30% of transformer cost.

**Pratham Shah:** And…

**Nilesh Patel:** So like if you put all together, if you count, it becomes the 50% of the transformer value.

**Pratham Shah:** Okay. 50% is right. And the capacities that we are putting up in place, so if you can give us some rough ramp-up timeline, like how the production will ramp up?

**Nilesh Patel:** Sure. Like now onwards we are taking that 30%-35% growth every year to reach to the maximum capacity. So in next 2 years, we will be able to reach to maximum capacity. That's very conservative, but as demand is there, once the approval comes and plant starting delivering the product, we can reach earlier off.

**Pratham Shah:** Okay, sir. Understood. Thank you so much.

**Moderator:** Thank you. Our next question comes from the line of Sahil Suresh Lendave with Spangle Advisors. Please go ahead.

**Sahil Suresh Lendave:** Hello. Am I audible now?

**Nilesh Patel:** Yes.

**Sahil Suresh Lendave:** Sir, in terms of equity market. So there is an uptick in the margins. So is it due to the RM prices normalization or is it due to the operational efficiency?

**Nilesh Patel:** No. This EBITDA margin for this year has been improved due to the consistency in the price.

**Sahil Suresh Lendave:** Okay. Sure, sir. And sir, also there is an uptick in the inventory also. So are we trying to have inventory gain or just to cater the increase in volume like the 15,000 target?

**Nilesh Patel:** With inventory we have to keep because there is a very much disruption in the shipping from China as well as Indian mills also are not having the stocks because they are not getting from the raw material from Russia and Germany due to the shipping disruptions. And as well as we have around 70% of material is booked against the order, whatever the material we have.

**Sahil Suresh Lendave:** Okay. Sure, sir. And sir, on the CTC conductors, so are we have we done started the production for the CTC part? And what are the margins for the specifically CTC?

**Nilesh Patel:** No. CTC part still will take 1 month. We have started PICC and AICC conductors. Part will take 1 month to 1.5 months because Chinese people are yet to come for the finishing of the machine. One machine, two lines has been set up. One intermediate machine has to be set up by Chinese people. So CTC line will take 1.5 months more, but the PICC and AICC we started. And this year, we have counted this volume as a PICC, AICC only.

**Sahil Suresh Lendave:** And sir, also on…

**Nilesh Patel:** It is -- even if CTC will start in next 1.5 months, what we see is that it will take again approval procedure and all those things particular for that product.

**Sahil Suresh Lendave:** Okay, sir. And you said what kind of margins are we anticipating for just for the CTC?

**Nilesh Patel:** In CTC, it's somewhere around 6% to 7%.

**Sahil Suresh Lendave:** Okay. Sure, sir. And for only PGCIL approval part, so what kind of incremental revenue expecting just because of this 220 kilowatt approval that we've received for the slitting and lamination cutting part?

**Nilesh Patel:** Sir, because if we go to 220 kV and 400 kV, the extra high voltage transformer takes a bit of a high grade of material. Those cells of high grade of material will increase, which will be around 15% costlier than the normal grade what we are selling right now. So that will already add into that 15% in revenue as well as comparatively that margin.

**Sahil Suresh Lendave:** Okay. Sure. That's a good thing actually. And sir, lastly, on the high voltage bushing part, so where are we in terms of that? And do we have plans to merge it with -- like, do we have plans to consolidate it in our company?

**Nilesh Patel:** Sir, as I said earlier also, that at present we are not working on it as an indigenous player. We are looking for the tie-ups for a few of the Chinese mills and looking in Europe also. So once we will get the technological tie-up or joint venture kind of thing, we will come out with that particular product.

Right now we are focusing on this and we have appointed agency for looking of that tie-ups. Because if we start our indigenous, it can be started, but looking to this kind of product which is a very easy product, if it takes a long time to get settled, bushing will take years to get settled.

**Sahil Suresh Lendave:** Okay. Sure. Okay. Thank you. That's all my part, sir. All the best and happy Diwali.

**Nilesh Patel:** Yes. Thank you. Happy Diwali.

**Moderator:** Thank you. Our next question comes from the line of Deepankar Bisht with CCVIM. Please go ahead.

**Deepankar Bisht:** Hello. Am I audible?

**Nilesh Patel:** Yes.

**Deepankar Bisht:** Yes. Sir, what is the reason for the decrease in the pat margin in September '26?

**Nilesh Patel:** So if you are comparing it last year first half -- see, if you last year of first half, I already stated that, that is the extraordinary 6 months and it cannot be always comparable because the material costs were going up and up, and that kind of profitability is some kind of rare profitability. If you will look at my commentary over that period, I have clearly stated that.

**Deepankar Bisht:** So what can be the sustainable margins moving forward?

**Nilesh Patel:** See, always -- if you see my all the commentaries, I always say that with this such kind of business, this PAT ratio somewhere around 7, 8, 9 and in some of the cases when the years are very good, it can be reached to 10, 11. I am talking about PAT, not EBITDA. But somewhere around 8 is the good call. That is what you can say.

**Deepankar Bisht:** Fair enough. Okay, sir.

**Nilesh Patel:** Okay.

**Moderator:** Thank you. Ladies and gentlemen, if you wish to ask questions, you may please press star and one. Participants who wish to ask questions may please press star and one, at this time. Our next question is from the line of Jay, an investor. Please go ahead.

**Jay:** Hi, sir. Happy Dhanteras.

**Nilesh Patel:** Happy Dhanteras, sir.

**Jay:** Thank you for the opportunity. Sir, I wanted to ask is like if you are planning on announcing any kind of share buybacks or anything as such?

**Nilesh Patel:** No, sir. At present there is no such kind of planning is there.

**Jay:** Okay. Well, that's all I had for you. Thank you so much.

**Nilesh Patel:** Yes.

**Moderator:** Thank you. We have no further questions, ladies and gentlemen. I would now like to hand the conference over to Mr. Nilesh J. Patel for closing remarks. Over to you, sir.

**Nilesh Patel:** Yes. Thank you everyone for joining today's conference call and for your valuable questions and continued interest in Vilas Transcore. We appreciate the trust and confidence of our shareholders and stakeholders. While the first half witnessed certain industry-related challenges, we have continued to make progress in strengthening our operations, expanding our product portfolio, and improving profitability sequentially.

With demand gradually recovering, CRGO prices showing signs of improvements, and our expanded manufacturing capability in place, we remain confident about the opportunities ahead. Our focus remains on increasing capacity utilization, scaling our newer product business, and delivering consistent operational and financial performance.

We remain committed to disciplined execution, transparent communication, and creating sustainable long-term value for our shareholders. For any further queries or clarification, please feel free to reach out to our investor relationship advisor, Stellar Investor Relations. On behalf of entire Vilas Transcore team, I would also like to wish everyone a very happy Diwali and a prosperous new year.

Thank you once again for your continuous support. Have a wonderful day. Thank you.

**Moderator:** Thank you. On behalf of PhillipCapital India Private Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.