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November 23, 2026

To **National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051	**To** **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001
NSE SYMBOL: MVELECTRO	**SCRIP CODE: 544851**

Subject: Transcript of Conference Call for Investor and Analysts

Pursuant to Regulation 30 and Para A of Part A of Schedule III and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the conference call for investors and analysts on the Q2 FY26-27 results held virtually by the Company on Wednesday, November 18, 2026.

This intimation is also being uploaded on the Company's website at www.mvelectrosystems.com.

You are requested to take the same on your record.

Thanking You,
FOR MV ELECTROSYSTEMS LIMITED

Sourabh Bansal
Digitally signed by Sourabh Bansal
Date: 2026.11.23 10:42:11 +05'30'

Sourabh Bansal
Company Secretary and Compliance Officer
Enclosed: As Above

“MV Electrosystems Limited
Q2 & H1 FY27 Earnings Conference Call”
November 18, 2026

MANAGEMENT: **MR. MOHIT VOHRA – NON-EXECUTIVE DIRECTOR – MV ELECTROSYSTEMS LIMITED**
MR. PANKAJ RASTOGI – MANAGING DIRECTOR – MV ELECTROSYSTEMS LIMITED
MR. AJAY KUMAR – CHIEF FINANCIAL OFFICER – MV ELECTROSYSTEMS LIMITED

MODERATOR: **MR. AKHILESH GANDHI – STELLAR INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day and welcome to the MV Electrosystems Limited Q2 and H1 FY27 Earnings Conference call. 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 the conference call, please signal for 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. Akhilesh Gandhi from Stellar Investor Relations. Thank you, and over to you, Mr. Gandhi.

Akhilesh Gandhi: Thank you. Good morning, everyone. I, Akhilesh Gandhi, on behalf of Stellar Investor Relations, welcome you all to MV Electrosystems Q2 and H1 FY27 Earnings Conference call. We shall be sharing the key operating and the financial highlights for the second quarter and first half ended on September 30th, 2026.

We have with us senior management team of MV Electrosystems Limited, majorly Mr. Mohit Vohra, he is a Non-Executive Director. With him, we have Mr. Pankaj Rastogi, he is a Managing Director and we also have Mr. Ajay Kumar, he is a Chief Financial Officer. But before we begin, I would like to state that this call may contain some of the forward-looking statements, which are completely based upon the company's beliefs, opinions and expectations as of today.

The statements made in today's call are not a guarantee of future performance and also involve unforeseen risk and uncertainties. The company also undertakes no obligation to update any forward-looking statements to reflect development that occur after the statement is made. Document relating to company's financial performance, including the investor presentation is already been uploaded on the stock exchange.

With that, I now invite Mr. Mohit ji Vohra to state his opening remarks on the company's performance for the second quarter. Thank you and over to you, sir.

Mohit Vohra: Good morning and Namashkar to everyone. I hope I am audible, comfortably audible. Can you please confirm this?

Moderator: Yes, sir, please go ahead.

Mohit Vohra: Okay, great. So, good morning once again and on behalf of Board of Directors of MV Electrosystems and the management of the company, I would like to express our sincere gratitude to all the stakeholders for your trust and confidence in the company. So immediately after listing, in the month of August, that was anyway the second quarter we entered into.

We immediately started our operations, manufacturing operations to scale up started happening. And you would have seen that the month of September itself, the very next month, we showed the manufacturing, production and billing of 7 propulsion locomotive propulsion systems to Chittaranjan Locomotive Works.

So, this was a kickstart. And in parallel, I mean, the other activities, which required scaling up of manufacturing operations, as I mentioned, they were new test setups being planned and they

were progressing parallelly. Some kind of manufacturing activities to the scale that was also happening parallelly.

So, we started with very good figure. And now you will see henceforth, month over month, quarter over quarter, a very, very significant increase in the supplies of these propulsion systems owing to the orders, a very strong order book in hand. And I am sure you would have seen, approximately INR275 crores order that we just received, I think about two days ago.

And I think that was posted on the stock exchanges. So this highlights, also the confidence of the customers, Indian Railways, on the company. That even after having a strong order book, they continue to shower their orders, new orders on the company, looking at the preparations that are going on in our factories.

First factory, during the last call, as we mentioned, it is completely operational and fully occupied. Now the second one, the second factory, which we call this as Unit 2 is under execution as of now and we hope that by 15th of December or third week of December, we will have that factory also fully built and fully prepared to produce and supply propulsion systems from that unit as well. We indicated you also that we further want to increase the capacity of the company going by. So, do I continue, or you want to make some questions in between?

Moderator: Apologies for the disturbance, sir. Please proceed.

Mohit Vohra: Yes, no problem. Okay, so as we mentioned that, I mean, this propulsion story and power electronics story is going to increase over a period of time, quarter over quarter and year over year. And we wanted to have our preparedness over, I should say, the infrastructure part. And in line with that, we approached certain industrial development authorities, state industrial development authorities.

And finally, we are allocated a land of 10 acres at Gwalior MP IIDC industrial area. A formal ceremony is scheduled on tomorrow, that will be chaired by the Chief Minister of Madhya Pradesh and there we shall receive our letter of intent for allotment letter, you can say, for the 10-acre land which is taken to execute our propulsion system and new projects that we foresee in that particular place.

So that is going to be our third Unit 3 and we are hopeful that by the month of January or February we will start our execution of this particular factory in Gwalior. Besides locomotive propulsion systems, we have already started -- we mentioned to you in the last call, we have already started the development of our EMU or technically speaking, MEMU propulsion system.

The new R&D center, that is R&D Center Unit 2 is taken just adjacent or just in front of our existing R&D center, and there the test setups are ordered and will be set up very soon. The team has started gathering. Our recruitment has started. One floor of this R&D center is now getting ready with our manpower. I mean, people have started operating from here.

And I think the next couple of months you will see a full-fledged manpower, technical manpower or R&D manpower operating from this particular R&D center. The development or the prototype

development, the first propulsion system of the MEMU trains is expected about second quarter or third quarter of the calendar year next, 2027.

And after which the trials or the prototype testing as a regular practice will start by RDSO or Indian Railways after that. So our second product is also getting ready. I think this coming next three to four quarters, we will be scaling up our operations on locomotive propulsion system.

We will be focused on increasing the invoicing or the revenues of this particular segment. And immediately after that, followed by that, we will have our next product ready in the form of MEMU or EMU propulsion systems. On the third front, I mean, we also started our activities on rail electrification side.

So we know that rail electrification, particularly the second line, which is technically called as 2x25 kV AC line. The second lines are planned very ambitiously by Indian Railways. So we have identified products that goes in line with our capabilities, company's capabilities and we have started the development of those products as well.

One very important product in this category is automatic fault locator, which locates the faults in electrical lines and automatically convey this to the concerned division. So these automatic fault locators are being or basically planned to be manufactured in TOT, transfer of technology agreement with a South Korean company. The systems are ready and the products are offered for prototype testing.

We are hopeful that in the ongoing month or maximum early December, we will have our product prototype cleared, followed by which we will seek approval from RDSO for this important product line. So once this happens, we will start participating in the tenders of this particular items also, which happens regularly or I mean very, very frequently you will see these tenders coming up because of the ambitious plans, as I mentioned, of Indian Railways.

So this will mark our entry into this rail electrification side besides the rolling stock side, which are our first two products basically. So we look forward to exhibit our revenues increase month over month, as I mentioned. And hopefully you will see a very good flavor in the month of January, in which we can say that our scale-up would have matured and you will see consistent revenues or the supplies of propulsion systems thereby after that. So, finally, once again, I would like to thank for your patience and also, as I mentioned, for keeping the trust and confidence in our company. Thank you. Thank you so very much.

Moderator: Thank you very much. We will now begin with the question and answer session. The first question is from the line of Paras Kulkarni from Ignite Capital Limited. Please go ahead.

Paras Kulkarni: Thanks for taking my question. My first question pertains to the order which India has received from Japan.

Moderator: Sorry, Mr. Kulkarni, we are not able to hear you.

Paras Kulkarni: Yes, am I audible now?

Moderator: Okay please go ahead.

Mohit Vohra : A lot of background noise.

Paras Kulkarni: Yes, my first question pertains to the order which India has received from Japan for the supply of indigenous propulsion systems. So, is our product qualified for the same and what could be the order size if our platform is qualified?

Mohit Vohra: The order you mentioned from Japan?

Paras Kulkarni: Yes there are reports of India receiving orders for railway propulsion systems indigenously?

Mohit Vohra: These are -- that is a different kind of propulsion systems that Japan government now is allowing Indian companies to enter into that market. So this is not analogous to this; this is different. Analogy is there, but it is a different kind of system.

Paras Kulkarni: Okay, so our product is not qualified for this one?

Mohit Vohra: Yes, please don't go by the general YouTube reports or maybe Google reports because these are not generally confirmed.

Paras Kulkarni: Okay, understood. And second question is with regard to our delivery. Now, earlier you had mentioned that we would be completing 70 sets by Q3 end. Now, the current presentation mentions that we would be completing 50 and 7 we have completed. So, is there any impact on or we would be having some LD or such penalty won't be levied in case of any delay?

Mohit Vohra : See, first of all, we mentioned 50 propulsion sets in the month of Q3 and in the month of December, you will hopefully see 25 sets going. In the month of November, this ongoing month, we will hopefully see 15 propulsion systems going. And we have built another 7 sets already in the month of October also. So we are very close.

I think plus minus 2, 3, 4 propulsion systems generally doesn't matter and they get a little bit here and there because of a very wide variety, thousands of components that goes into it. And while you are purchasing those components, there are always irregular, there can be irregularities, maybe sometimes because of semiconductor issues or here and there.

So if it gets shortfall in one particular month and then it gets covered in the subsequent month. So that is why I said that practically we started our operations, the scale-up operation in the month of September. That is just 40 days, 45 days ago. And we are going to see a matured month as January. So you can -- you will appreciate that this is very, very aggressive timeframe that we are looking at to reach the mature level of delivery.

Paras Kulkarni: Okay, understood. And the unit 3 which you announced for the land, so what would be the capex for the entire project considering the land as well as the factory?

Mohit Vohra: See as far as the land is concerned, going by the merits of the company, going by the merits of the product, going by the capabilities of the company and the 2 IPRs that we possess, I mean,

the state government actually offered this land virtually free of cost, in the sense that it will be given as a lease rate of INR1 per square meter per year.

So it is virtually free of cost land. And when it comes to expenditure, it would be only the construction or the R&D center maybe or office establishment, that particular expense. And in 10 acres, we have not precisely calculated, but I think, I mean, we will come to that. Let me let me work this out clearly because at the moment the plans are not prepared. The office plans are not there, the factory plans are not there. Let me see that clearly and I'll get back to you on the capex that will be involved.

Paras Kulkarni: Okay. Thanks for answering.

Moderator: Thank you. The next question is from the line of Ayush Agarwal from MAPL Value Investing Fund. Please go ahead.

Ayush Agarwal: Yes, good morning, sir and thanks for the opportunity. My first question is on the recent order that we got, like we -- I think, got around 20% of the allocation. So if you can highlight a little about how the allocation happened and did our competitors reduce price, which is why we got a little less allocation than we had expected?

Mohit Vohra: See when it comes to propulsion systems, there is always a supply chain scarcity because of less number of suppliers or the counted number of suppliers. So we continue to say this that the Indian Railways try to keep everybody involved while they divide the quantities between the suppliers.

So, it -- I mean then you are fortunate you get something like 25%. That is what we received last time. That was the maximum. And this time it was, as you rightly mentioned about 20% of it. So it is a small variation. It is not that the price is broken by, I mean, I mean aggressively by somebody. Maybe, maybe small, small price wars are always there, but not, not very significant ones.

So it is a matured way of dividing the percentage between the suppliers so that everybody remains involved and the supply chain part of propulsion system remains intact. So it will always vary between 25% and on the lower side between 15%, depending upon order tender to tender and time to time.

Ayush Agarwal: All right, that makes sense. I'll ask my next question and I'll put two questions in this. The first one is that, we see a new competitor that has come in, Hind Rectifiers finally have become a development vendor. So do you see increased competition and reduced prices as a result of that? And my second question is that, what is the update on EMU and MEMU propulsion development and when will we be in a state to deliver a propulsion set for them?

Mohit Vohra: Okay, the first answer I will attempt, and then finally the second one, since our Managing Director Pankaj sir is here, so because he is the one who is leading the MEMU development activity, so he will answer that question. So as far as Hind Rectifiers is concerned, I mean, first of all, it will not be right to comment on any other company as such.

However, still, I mean, you have seen that Hind Rectifiers has been receiving the developmental purchase order in the past also. So, that doesn't mean that the qualification has happened. But however, we with open arms, we welcome them to come to this lobby because Indian Railways now needs indigenized suppliers to strengthen our ecosystem so that we are not dependent, we are not fully dependent on outside.

So this – all these the complete ecosystem, I should say, should be available here, including the IPRs, that the core development, indigenous development, that is very important. So the kind of or the magnitude of propulsion systems that are required in future, including EMU, MEMU trains, Vande Bharat trains, Amrit Bharat trains, freight locomotives, passenger locomotives, the magnitude is going to be very, very huge.

Further, we are progressing towards very ambitious bullet train programs. So sooner or later, these are also will be required to get indigenized. So if we do not have that ecosystem in India, how will we be able to cater to the requirements. So, this is the time when we need indigenized suppliers and I'm sure the capable companies like Hind Rectifiers should also qualify sooner or later. We wish them the best of luck.

Moderator: I request you to join back the queue for more follow-up questions, please. Thank you. The next question is from the line of Darshil Jhaveri from Crown Capital Limited. Please go ahead.

Darshil Jhaveri: Hello. Good afternoon, sir. Thank you so much for taking my question, sir. So I just wanted to understand, our potential ramp-up is now taking place, so I think we want to do around 40 propulsion systems per month in Q4, right? So that's a significantly higher number than what we've ever done. So how secure is the supply chain for that because right now a lot of disruptions are happening, so any executional challenges that you see for this, sir?

Mohit Vohra : Yes, wonderful. See, when we forecasted that we will do about 40 propulsion systems from January, we obviously had ordered from our suppliers. Some of them are international suppliers, some of them are domestic suppliers, with the formal purchase orders along with the schedules. So that had already happened.

Now, going by the nature of the commodity or the components or the material, the delivery times differ. I think more or less, all the components are now getting into control and we will see the realization of what we planned of 40 propulsion systems. As far as the infrastructure is concerned, we have already prepared, as I mentioned. I mean, the factory was well aligned.

Only test setups were pending. Four test setups are actually required to do this kind of production or invoicing or billing for revenue. So, two are already operational and further two, the equipment's are being delivered by the suppliers to our factory. And hopefully that should be in place by 15th of December. If it happens, then I think nothing can stop us in doing these kind of revenues.

Darshil Jhaveri: That's really great, sir. And so just wanted to know, like, the EBITDA margins potentially that we can make or PAT margins? What would it be because I think right now we see the full scale-

up happening in H2. So if you could help us, like, even if per unit margins or something like that, so that would be really helpful for us?

Mohit Vohra : I think first of all, I'm not advised to mention anything about PAT. However, I would say PAT will remain dynamic and you will see continuous improvement in PAT for next two quarters. Why? Because first of all, when we were developing our propulsion system and obviously we produced only one or two propulsion systems.

One was used for prototype testing and by Indian Railways other one was for our reference, but we bought the components in the form of primary packaging quantity or minimum order quantity at very high prices. So, those components are now being used because we cannot make this as a non-moving inventory. So we are using those components bought at a higher price because of very low volume.

So you will see one kind of PAT there. Then we ordered our next phase. We supplied from 7 to 10 propulsion systems, so there was another kind of price. And now we are coming into ambitious base, we are ordering bigger quantity. You will see a significant price reduction of the components or raw materials.

And further, this is not going to end. There will be a lot of value engineering which are pending, which will again reduce the price of the overall propulsion system. So I think you will have to see this. I mean, you have to remain vigilant to see this impact on the PAT on the development that will take place over next two quarters, I should say. And I think after that you will have a very clear picture of that in front of you.

Darshil Jhaveri: Fair enough, sir. So just a few more questions from my end, sir. I think we've also gotten a new order, right? And I think the range of that order to be completed in the financial year '28. So we have enough capacity to do our existing and new orders to complete that in like by next year, sir? Is that like fair?

Mohit Vohra : Yes, first of all, it is a very good problem to handle. I mean, it is always a good problem that you have a lot of orders and you are struggling to – so nothing can be better than this, but yes, we are coping up with that. As I mentioned, that the first factory is fully operational. The second factory, the setups are being taking place.

That should be operational by 15th of December. The third one, as I mentioned, is we are taking our registering our, besides Gwalior land, a new land which is 10-acre land. So all these measures are being taken timely to an extent we can foresee the situation here. So, we should be comfortably able to handle this situation, but I still wish that the market will remain so bullish that we keep struggling to supply the orders.

Darshil Jhaveri: That's great to know. So I have a few more questions. Can I ask them right now?

Mohit Vohra : Yes, please.

Darshil Jhaveri: Yes. So I just wanted to understand like two parts like one is, once we start fully supplying it, so what will be our roughly receivable days like the payment will be prompt and secondly, when our commodity prices go up and down, so how much like can we pass on in this?

Moderator: Sorry to interrupt, Mr. Jhaveri, I'd request you to join back the queue for more follow-up questions please.

Darshil Jhaveri: The management asked me to ask the question.

Moderator: Okay, sir, please proceed.

Darshil Jhaveri: Yes. So just say I'll end it with this question only. So just one part about receivable days and if the raw material prices fluctuate, can we pass them on? How is that done, sir?

Mohit Vohra: Yes very easy. The payment terms of Indian Railways is very clear and it remains very consistent. So, generally by historically, if you see, we have received the payment terms in line with what they have mentioned on the purchase order. When we supply, the equipment reaches them and tentatively within 15 days' time we receive the payment. So that is how good the payments are.

Number two your second question was the fluctuation of the materials, say for instance copper, steel, maybe aluminium. These are the major commodities, I should say. So there is a very beautiful formula which is orchestrated by Indian Railways and they have used this formula from an association called IEEE, which will very clearly define the impact on the propulsion system by increase or decrease of these important commodities.

So if, in say, for instance, we receive an order at INR1 crores price for propulsion system, if there is an increase in copper and raw material or other prices, the price will proportionately increase at the time of billing. So it is in the purchase order, it is always an indicative price. While you build the material, at that time the actual price is decided depending upon the raw material.

Darshil Jhaveri: Correct. Fair enough. That's it from my side. I have no questions, I'll join back the queue. Thank you so much. All the best.

Moderator: Thank you. We move on to the next participant from the line of Vignesh Iyer from Sequent Investments. Please go ahead.

Vignesh Iyer: Hello, sir, thank you for the opportunity. So my first question is regarding our material procurement, that is the IGBTs, the capacitors. So as we are seeing a timeline in terms of executing the orders and the propulsion system in quantity is going to see manifold increase in coming quarters, as indicated by your investor presentation as well as your initial management commentary. Wanted to understand, are we tying up for a long-term deal to get the raw material within the required timeframe so as to -- there is no delay in execution? That's the question?

Mohit Vohra : Very good question. I think you rightly mentioned IGBTs and capacitors. Both are very important components of this particular system and having very, very high delivery times. But

we have established good relations with a very renowned companies on this side and not only one, but two to three companies were finalized, shortlisted and to use basically.

So these -- this was very clear and the order, purchase orders, the bulk purchase orders, looking at the schedules and the orders that are received were based on these suppliers well in advance. Now at least these two commodities IGBTs and capacitors, we are very, very well covered.

There is absolutely no issue involved. A little bit issue which is involved is very, very minor components, maybe you can say some kind of sensor sometimes, some kind of LED, some kind of small, small electronic components here and there. And if it gets aligned over a period of time, then we have a stabilized inventory and that will also end. That issue will also end, but as far as IGBT and capacitor are concerned, we are well covered. Absolutely no issues.

Vignesh Iyer: So what percentage of your total raw material cost today would be from import and what percentage would be procured domestically?

Mohit Vohra: Almost equal.

Vignesh Iyer: Okay, that's all. I'll get back in the queue.

Moderator: Thank you. Next question is from the line of Moksha Shah from SR Circle Capital Limited. Please go ahead.

Moksha Shah: Thank you for the opportunity. So my first question was, so you were guided for a INR400 crores revenue in FY27. So given the slower ramp-up, would you revise this guidance or maintain it? And what -- when can we expect the EBITDA to turn positive? This is my first question?

Mohit Vohra : I think we should not revise this target. I mean and it should be possible to achieve it the way the things are getting scaled up and the way we are trying to address this inventory issue, small, small component as I mentioned. So, in the month of January, as I mentioned, you will see the actual matured delivery or revenues started coming in. If it happens, then I think we are online with what we indicated and the figures that you mentioned.

Moksha Shah: Okay. And when do you -- when can we expect the EBITDA to turn positive, sir?

Mohit Vohra: We should see this very well in the fourth quarter. I think if the gods support us, I think third quarter itself you might see this positive happening.

Moksha Shah: So you just mentioned that we had some irregularities in the propulsion systems, the number of propulsion systems that were built. So what was the reason for the irregularities in this quarter and do you expect it to remain the same like in the coming quarters?

Mohit Vohra: The actual, big-scale ordering started happening after the listing happened and that was late August, this quarter 2. So we ordered very, very wide variety of parts on mostly the international suppliers. These are all electronic components generally not being manufactured in India, wherein the delivery times became very, very high, went up to something like 6 months also in some of the cases.

So, because of that, there was a quite delay and we tried to arrest this as much as possible, speaking with the supplier, negotiating with the supplier to have a proof. So this problem has almost got resolved. Maybe a very, very few two, three, four set of components that are still an issue. Mostly it is resolved. And that led to a slight irregularity in the initial phase. And that generally happens. I think important is once you stabilize your inventory, you build up your inventory and then after that, there should be no irregularity of this kind and then it should be a very, very stable supply program after that.

Moksha Shah: Okay, thank you.

Moderator: Thank you. The next question is from the line of Yash Sharda from Emkay Global Financial Services Limited. Please go ahead.

Yash Sharda: Thank you for the opportunity, sir. My question pertains to the auto fault locator. If you could just help us understand the addressable opportunity size and potential market share which we can capture over the next, say, 3 to 5 years? Thank you.

Mohit Vohra : I will try to attempt this because it goes as a project and not as a product, but I will still try to attempt this. The automatic fault locators are generally three types of the equipment which are installed on the field. One which is installed in the traction substations where you see big, big transformers every 30, 40, or 80 kilometers by the train.

The second one is installed just at the middle of these two transformers and the third one are installed in between the middle and the transformer. I mean, two between the middle portion and between the transformer and to the other side. So generally, one at the substation, one at the mid portion and fourth in between.

So, going by the current prices, prevailing prices, you can roughly say something like INR1.25 crores per set. This will constitute one set, one at substation, and all of these things. And then you can calculate the route kilometers of the railways, the line track which is there and further the one which are getting doubled and the new lines being planned and the freight corridors. So this will not only cover the existing lines. So it will also be used in the upcoming lines that will be installed over a period of time.

Yash Sharda: Thank you, sir. Just a follow-up, what could be the expected localization level from this segment and potential margins that we can generate? Would it be better than the existing operations or slightly higher? Thank you.

Mohit Vohra: Localization, we will -- right from the beginning itself, we will do localization. We already have very -- we have excellent SMT lines, electronic manufacturing facility, assembly line, integration facilities. So everything is available. Right from the beginning itself, it will be completely in-house manufacturing.

As far as, the margins are concerned, I, can -- I am not advised to give you the right figure, but there will be ambitious margins because it is just an emerging field and we will be one amongst

the very, very or maybe first two or three suppliers, approved suppliers in this category. So we will hopefully see excellent margins in this product line.

Yash Sharda: Okay, sir. Thank you so much.

Moderator: Thank you. Next question is from the line of Rounak Bajpai from Wealthmine Advisory. Please go ahead.

Rounak Bajpai: Hello, sir, am I audible?

Mohit Vohra : Yes please.

Rounak Bajpai: So my first question is regarding our FY27 outlook.

Moderator: Mr. Bajpai could you speak a bit loudly please.

Rounak Bajpai: Hello. Am I audible now?

Mohit Vohra : Yes.

Moderator: Yes please go ahead.

Rounak Bajpai: Yes. So my first question is regarding our FY27 outlook. So you mentioned INR400 crores, but I think previously in the previous conference you mentioned that at INR4,600, we generate somewhere around INR70 crores. How will we reach that INR400 crores because as per calculations, I can see somewhere around INR250 crores at max?

Mohit Vohra : See, generally, the locomotive propulsion system is being built at INR1.96 crores. You can take tentatively INR2 crores, right? So if we could do 40 * 3 120 propulsion systems, in case we were able to do, then it will straight away become INR240 crores. Besides that our regular business also and we have already -- we are already doing a good part in Q3. So we are very much in line.

Rounak Bajpai: Okay, sir. Understood. Also, second question is in terms of the overhead electrification segment that we have. So once it's properly set up, what kind of value addition can we expect from that? And also, just to add on to that, like in terms of currently we have, I think, order visibility of INR1,000 to INR1,200 crores. So in the long run, whatever, like, vision, say FY31, what are we expecting?

Mohit Vohra: See, I would answer this way. Indian Railways is ready to order as much as the industry is wanting to supply. So generally we get caught that how many tenders got published, how many got finalized and how many orders are placed. Actually, the system is not like this. If I tell the industry that you start supplying 600 EMU propulsion systems from next year, will the industry be able to do that?

They will not be able to do that. The industry is not ready with that kind of capacity. So that is why the tenders are limited to this extent. So we should not worry about orders at this stage. We

should worry about indigenizing or scaling up our facilities in India, all the suppliers, in the sense that we should reach to a level wherein Indian Railways can also scale up their operations.

You mentioned about INR1,000 crores to INR1,200 crores. Yes, we will -- we should do this kind of turnover very naturally next year from the locomotive propulsion system as a product. Subsequently, you will see another product being added in the form of EMU or MEMU propulsion systems that is even more ambitious. And I think that will start adding revenues hopefully the subsequent year, subsequent year. So there is no issue of orders as such in this industry.

Rounak Bajpai: Okay, so understood. Just one last question. After Unit 3 is set up, what will be our total capacity? And at 1400, what will we like run with?

Mohit Vohra: If you leave aside Unit 3, even at Unit 2 level, we will have a capacity to do 50 propulsion systems per month, but we will not utilize to do more than 40 propulsion systems as such so that we remain very very stable in terms of producing this thing and we will keep some buffer for our EMU or MEMU propulsion system also because that will also require space or some kind of bandwidth within these factories. And further, whenever new factory gets produced, so that will be dedicated to probably EMU propulsion systems if I'm correct. But we need to strategize this internally first.

Rounak Bajpai: Okay, sir. Thank you so much and all the best.

Moderator: Thank you. Next question is from the line of Mr. Khush Shah from Vivo Commercial Limited. Please go ahead.

Khush Shah: Yes, good morning, sir. My first question would be can you help us to understand the opportunity size of propulsion system on the Indian base?

Mohit Vohra: So at the moment, we are doing something like approximately 1,500 to 1,600 locomotives. That generally is getting increased since the 1950s when the locomotives started getting built in India. So I don't know the future what will be the scale, but today we are at 1,500 to 1,600 locomotives level per year.

Coming to the EMUs, I think the way the cities are getting bigger, all these smaller cities like Chandigarh, Lucknow, Jaipur in Southern side, in Western side, the cities are getting bigger. Two cities are getting closer to each other. So there will be very huge requirement of EMUs or MEMUs in these cities and something like intercity chair car trains also.

So this will require very big quantities, obviously, of the propulsion systems as well. So the industry is getting ready to cater to this demand, which will evolve in a very, very big way or already evolved and will continue to be there, visible for the next 10 years, 15 years or so. So this is going to be a very ambitious, very big segment, I should say. Moreover, now we in India having expertise, getting expert in this, in the design part of it, international portfolio is also getting opened for us. So our Indian suppliers are now exhibiting on the global platform, and even we have planned to do so in the near future.

Khush Shah: But I guess there has been some speculation led, the current market situation is that they are now scaling down the requirement from 1,500 units to 1,000 units for the next, I guess, financial year '27-'28?

Mohit Vohra: There is always a misunderstanding because see, if I give you an example of one train, it is called as Amrit Bharat train. Now they will say we need 200 locomotives or 300 locomotives, just as an example of Amrit Bharat train, right? Now, Amrit Bharat train, one locomotive means two locomotive because it will be installed at both the sides of the train. It is called as push-pull arrangement.

So, I think sometimes we misinterpret these figures because of these technicalities. This particular requirement can never be scaled down. It can go simply up because of the freight requirement, a lot of freight corridors are already in place. What will we do with that freight corridor? Passenger trains are being increased, so obviously this will increase. However, there could be a migration of firm locomotives to distributed powertrains like Vande Bharat or EMU kind of train. But again that is not decreasing, but increasing the propulsion system requirements phenomenally in terms of revenues, I should say.

Khush Shah: Got it. My last question would be how much is the maintenance part as a percentage of order in a contract? Let's say you get an order for INR100 crores, then how much would be the percentage of maintenance and till how many years?

Mohit Vohra : What's the question? Sorry, the question was not clear. Please, please come again.

Khush Shah: How much would be the maintenance part as a percentage of order in a contract, let us say, you get an order for INR100 crores then what would be the percentage of maintenance until how many years would be the maintenance would be in that cost?

Mohit Vohra: Okay, generally it varies between 3% to 5% of the total value of the purchase order And you keep getting year over year, as the way it is specified in the purchase order as a maintenance part, because these are not proprietary products, So they are limited to those suppliers who have actually supplied those or installed those in the trains or locomotives. So obviously that has to be inside, in purchase order.

Khush Shah: Got it. And then my last question would be, how much time it takes to get a refurbishment? Let's say if there is an older propulsion system and in coming years, how much would be the percentage of refurbishment in the propulsion system will we get in every year as in the market?

Mohit Vohra: See this refurbishment, this sector is also opening up in a big way because now of late we have, tentatively 15,000 to 16,000 locomotives already available, being 1,600 being added every year. So the locomotives which are more than 15 years old, then that will require rehabilitation, complete rehabilitation.

And you will see a very significant volumes are coming in from rehabilitation programs and sometimes general maintenance part times also. So this to my understanding, this is going to

become an equally big market as far as new locomotives or propulsion system are concerned, going by the population which is available on the field.

Khush Shah: So as per your view, how much would be from the refurbishment market? How much will it come from it?

Mohit Vohra: It will keep getting slowed, it's a bit dynamic, not very certain to say, but you can very well calculate, imagine the fact that if you have 16,000 locomotives and you should reach to a level wherein 1,500 to 1,600 locomotives get 15 years older. So that year itself you will get another 1,500 locomotives, propulsion system standards or orders published for rehabilitation part. So that is why I'm saying that it should reach again to the same level as the market which is now available for the new propulsion system, multiply by 2, simply you can say.

Khush Shah: Got it, sir. Thank you. That's from my side.

Moderator: Thank you. Next question is from the line of Shubh Gala from Bhavya Growth Advisors. Please go ahead.

Shubh Gala: My question is already answered.

Moderator: Mr. Gala, we are not able to hear you. Could you speak loudly?

Shubh Gala: My questions are already answered.

Moderator: All right. With that we conclude the question and answer session. Due to time constraints, we also take that as the last question. I now hand the conference over to Mr. Mohit Vohra for closing comments.

Mohit Vohra: Yes. So finally, thank you very much to all the shareholders, our partners who are available here and those who could not make it. I mean, please don't feel that you are not given an opportunity to speak. You are welcome to send as many queries and as many questions that you have, maybe probably over email or by other means to us.

We will quickly try to respond to all your queries and questions on the business side. So with that, again, on behalf of the management and the board of directors, along with me, Dr. Pankaj Rastogi and our CFO, Ajay Kumar, I would like to thank you for your time and your patience and your continued trust and confidence in the company. Thank you so very much. Namaskar.

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