14th August 2026

To,
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400051

To,
BSE Limited
Phiroze Jeejeebhoy
Towers, Dalal Street,
Fort, Mumbai – 400001

NSE Symbol: QPOWER

BSE Scrip Code: 544367

ISIN: INE0SII01026

Dear Sir/Madam,

Sub.: Submission of the Transcript of Q1 FY27 Earnings Conference Call held on 10th August 2026.

Pursuant to Regulation 30 and 46(2)(oa) read with Schedule III Part A Para A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of **Q1 FY27** Earnings Conference Call that was organized with the Analysts/Investors on Monday, August 10, 2026 at 03.30 P.M. (IST) on Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter ended June 30, 2026.

The aforementioned transcript of the 'Q1 FY27 Earnings Conference Call' is also uploaded on the Company's website i.e. www.qualitypower.com.

We request you to take the above on record and treat the same as compliance under the applicable provisions of the SEBI Listing Regulations.

Thanking you,

Yours faithfully,

For Quality Power Electrical Equipments Limited

DEEPAK RAMCHANDRA SURYAVANSHI

Digitally signed by DEEPAK RAMCHANDRA SURYAVANSHI
Date: 2026.08.14 18:37:14 +05'30'

Deepak Ramchandra Suryavanshi
Company Secretary & Compliance Officer
ICSI Membership No.: A27641
Place: Sangli

“Quality Power Electrical Equipments Limited

Q1 FY27 Earnings Conference Call”

August 10, 2026

MANAGEMENT:	**MR. BHARANIDHARAN PANDYAN – JOINT MANAGING DIRECTOR – QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED** **MR. SANJOG MHATRE – CHIEF EXECUTIVE OFFICER – QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED** **MR. RAJESH JAYARAMAN – CHIEF FINANCIAL OFFICER – QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED** **MRS. SARIKA JADHAV – SENIOR VICE PRESIDENT, FINANCE – QUALITY POWER ELECTRICAL EQUIPMENTS LIMITED**
MODERATOR:	**MR. SIDDARTH BHAMRE – ASIT C. MEHTA INVESTMENT INTERMEDIATES**

Moderator: Ladies and gentlemen, good day and welcome to Quality Power Electrical Equipments Limited Q1 FY27 Earnings Conference Call, hosted by Asit C Mehta Investments Intermediates. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. Siddarth Bhamre from Asit C Mehta Investments Intermediates. Thank you, and over to you, sir.

Siddarth Bhamre: Thank you. Good afternoon, everyone. It gives us great pleasure to host this Q1 FY27 earnings call for Quality Power Electrical Equipments Limited. As we all know, quarter one saw huge swing in commodity prices due to geopolitical uncertainties and one would have anticipated its negative impact on the supply chain.

However, QP has delivered excellent set of numbers, especially on the margin front. We, at Asit C Mehta, a Pantomath Group of company, would like to congratulate the management of Quality Power for this achievement.

Today, on this call, we have Mr. Bharanidharan Pandyan, Joint Managing Director, Mr. Sanjog Mhatre, CEO, Mr. Rajesh Jayaraman, CFO and Mrs. Sarika Jadhav, Senior Vice President, Finance. Over to you, Bharani.

Bharanidharan Pandyan: Thank you, Siddarth. Thank you, everyone, and good afternoon. Welcome to the meeting. This quarter has been operationally intense, with customer qualification, capacity expansion, and acquisition execution progressing in parallel. We completed several detailed audits by global OEMs and utilities, while customer visits to our facilities increased materially. Both reflect the larger programs we are qualifying for/and require direct senior management involvement.

At Sangli, machinery installation at the new facility is progressing. As expected in a new project of this scale, there are a few minor last-mile issues around sequencing, utilities and statutory interfaces. These are being addressed effectively and we do not see anything structural. Trial production is targeted during the current month, subject to remaining approvals.

Machinery installation for High Voltage CTC Magnet Wire facility is also commencing. At Endoks in Turkey, civil construction of the power conversion system facility is complete, with operations expected to begin during Q3 this year. In parallel, confirmatory due-diligence on Winwin Speciality Insulators Limited has been completed without adverse findings and we are progressing towards definitive agreements.

One area I would specifically highlight is management bandwidth. As we acquire and integrate businesses, we are increasingly looking at management as a common group resource rather than individual company teams.

Experienced leaders across from Mehru, Endoks, and other businesses are taking responsibilities across the group, while Quality Power, Managers are similarly being deployed wherever their capabilities can add the most value. This creates a common pool of management talent across the group and allows us to scale without having to recreate management ability independently in every business.

Winwin will add further experienced operating pool to this talent. We have also strengthened our technology leadership with the appointment of Mr. Shailendra Kumar as Group Chief Technology Officer, bringing in over three decades of experience from HVDC, FACTS, Power Quality and Grid Technologies from Hitachi, erstwhile ABB.

We closed this quarter with an order book of INR1,945 crores, approximately 1.9x last year's revenue. Demand remains strong across our businesses, with particularly encouraging traction in energy storage at Endoks.

The intensity we are seeing today is the result of several years of work coming together at the same time: new customer qualifications, new manufacturing capacities, and new technology and acquisitions. Our responsibility as management now is very simple: execute each of these properly, preserve our operating discipline, and convert this opportunity into sustainable growth. Thank you.

Now I hand over to Mr. Sanjog Mhatre, our CEO.

Sanjog Mhatre: Thank you, Mr. Pandyan, and good afternoon to everyone on the call. I would like to focus my remarks on execution, operating priorities and the capabilities we are building for the next phase of growth. The most significant activity during the quarter has been the installation of machineries at our new Sangli manufacturing facility.

Given the scale and complexity of the facility, this is a highly coordinated exercise involving equipment placement, foundations, alignment, utilities, interconnections and readiness of supporting infrastructure. As is normal in a project of this size, we are encountering a few minor last-mile execution issues during installation.

These are largely related to sequencing, interfaces between equipment and infrastructure, and closure of certain site-level dependencies. None of these are structural in nature and the teams are addressing them effectively through detailed daily coordination and prioritization.

In parallel, we are preparing the organization for the next stage. This includes process documentation, operator training, quality systems, calibration, traceability and customer audit readiness.

In high voltage equipment, the ability to move efficiently from machinery installation to qualified production depends as much on organizational readiness as it does on physical assets. Our objective is therefore to ensure that once installation is completed, the transition into trials, customer qualification and commercial production is as efficient as possible.

At Mehru, our focus continues to be on improving throughput from the existing asset base. We are working on line balancing, reduction of changeover times, better material flow and removal of operational bottlenecks. The emphasis is on improving productivity and asset utilization before adding further capital.

At the group level, we are progressively moving towards a more integrated operating model. Engineering practices, manufacturing methods and testing protocols are being standardized across facilities and capabilities developed in one business are increasingly being shared across the group.

Procurement is another important area of integration. We have appointed a Chief Procurement Officer with a mandate to consolidate group purchasing, aggregate volumes, rationalize supplies and standardize common specifications. As our scale increases, we expect this to improve both cost efficiency and supply chain resilience.

On technology, HVDC remains a major strategic focus. We continue to strengthen engineering depth, simulation capability and specialist talent, while progressing through technical qualifications and customer audits with global OEMs and utilities. These qualifications expand our addressable market and improve our ability to participate in increasingly complex programs.

At Endoks, the energy storage business is seeing strong market traction, with inquiry levels ahead of our original expectations. This reflects the broader acceleration in utility-scale storage procurement across several markets. More broadly, the demand environment remains supportive across our portfolio, driven by transmission expansion, renewable integration, HVDC and FACTS deployment, grid modernization, energy storage and data center power infrastructure.

Our priorities for the coming quarters are therefore clear: complete machinery installation at Sangli, address the remaining last-mile dependencies, prepare the facility for customer qualification, improve throughput across existing plants, realize group-level procurement and operating synergies and continue strengthening our engineering capability. We are investing ahead of demand because we see a significant opportunity moving forward.

Our focus now is disciplined execution and converting that investment into sustainable growth, stronger operating efficiency and improved returns on capital.

Management: Thank you, Sanjog. And good afternoon to everyone on the call. Revenue for the quarter was INR256.4 crores. Gross profit was INR121 crores, with gross margin improving to 47.2% from 44.6%. Reported EBITDA was INR64.7 crores at a margin of 25.2%. Profit before tax was INR59.4 crores, and profit after tax was INR46.7 crores. EPS increased to INR4.66 from INR3.12. I would first address the Ind AS 29 impacts on our Turkish operations. Other expenses include INR7.82 crores net monetary loss arising from hyperinflation accounting.

This is entirely non-cash. Excluding this adjustment, EBITDA would have been INR72.5 crores at 28.3%. PBT would be INR67.2 crores, and PAT INR54.5 crores. The reported numbers are statutory, but the adjusted numbers provide a better view of the underlying operating performance.

On margins, there are a few important points. First, our increasing group scale is beginning to translate into procurement efficiencies. Approximately INR3 crores of volume discounts benefited the quarter as we increasingly procured materials at a group level.

Second, raw material movements affect our businesses differently. Mehru has a shorter manufacturing cycle, so changes in input prices are reflected relatively quickly. Quality Power's coil products have a longer manufacturing cycle. Materials being consumed today largely relate to orders booked several months earlier. Consequently, current raw material movements will flow through the standalone financials primarily during Q2 and Q3.

Importantly, every executable order currently in our order book has been booked above the margin guidance communicated to the market. We have not compromised pricing discipline to build volume. We also want investors to factor in the commissioning of our new Sangli capacity.

Fixed costs such as depreciation, manpower, power, and factory overheads will come into the P&L before utilization fully ramps up. We therefore expect some temporary moderation in standalone margins, particularly in Q3.

As utilization increases over the next 15 months, we expect these costs to be progressively absorbed and margins to normalize. Our consolidated order book at the end of June was INR1,945 crores, approximately 1.9x last year's revenue. Endoks contributed INR801 crores, Mehru, INR585 crores and Quality Power standalone INR553 crores. This provides strong visibility as we bring additional manufacturing capacity online.

Finance costs remain low at INR1.4 crores. Depreciation increased to INR3.9 crores and will rise as Sangli's CTC Magnet Wire facility and Endoks' Power Conversion Systems facility are capitalized. Cash balances have reduced because we are facing... funding this expansion largely through internal resources rather than debt. The board had declared an interim dividend of INR0.25 per share.

Finally, confirmatory due diligence on Winwin Speciality Insulators has been completed with nothing adverse identified. At an enterprise value of approximately INR315 crores, the transaction remains comfortably within the group's balance sheet capacity.

Overall, the strategy remains straightforward: maintaining pricing discipline, invest ahead of demand, use group scale to improve operating efficiency, and continue building Quality Power as a global high voltage and power quality technology platform. With that, I will hand the call back for questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Baidik Sarkar from Unifi Capital. Please go ahead.

Baidik Sarkar: Gentlemen, hi, good morning and congrats on a strong quarter. A couple of questions, could you break up the quantum of your Y-o-Y growth between Endoks, Mehru, and Quality? And I'm sorry, I didn't quite catch the CFO's comments on the margin pressure expected in Q3 '27, if I could, you know, request you to rehash that again, please. Thank you.

Bharanidharan Pandyan: Sir, I may not have the year-on-year of individual company, but I can give you some idea, roughly, the estimates I know. Year-on-year, I think Quality Power went from INR37 crores to INR69 crores. Mehru went on from about INR60 odd crores to about INR83 crores. And I don't remember exactly Endoks, but Endoks contributed about INR107 crores in this revenue.

All the Indian entities increased their revenue. The Turkish companies had a slight dip in revenue, primarily it's the middle of the year, and they had Eid holidays for two weeks in between? That was your first question, sir. The second question, can you just repeat it, if you don't mind?

Baidik Sarkar: Yes, Yes, I was just trying to, you know, appreciate the CFO's comments on the margin pressure that he said would hit us in Q3 of '27. If you could just rehash that again, please, you know, the exact line items that will suffer, and, you know, how exactly we should imagine your margin trajectory in H2 as the case may be.

Bannidharan Pandyan: So, the margin profile for the reactor or the coil products business, as what Mr. Rajesh indicated, for Mehru, whenever there's a copper or oil increase, the impact is immediate because the cycle time is about eight weeks. So, it comes and flows through the quarter. For somebody like Quality Power, when there's an increase in aluminium this quarter, it normally hits us about six months later, because we buy aluminium today, and by the time it is going into winding, it is almost four or five months later.

So, the cautionary note was towards Q3 where any impacts of anything in this quarter, because aluminium did have a spike this quarter, would come in Q3. The stable guidance for the coil products business is about 20%. As he indicated, most of the orders that are booked are in excess of 25%. But this is more of a cautionary word rather than a real-world scenario at this moment.

Baidik Sarkar: Okay, that's absolutely helpful, Mr. Pandyan. And, you know, one, one last question for you from my end. You know, for Quality, what I understand is that our typical execution timeline in order book is between four to six months, right? So, you know, given that we have our plants, due for commissioning towards the later half of this fiscal, by when do you think our order book will reflect our enlarged capacities again?

I understand we have been paid for a while given the capacity constraints, but, you know, by when do you think you will be in a position to move that again?

Bharanidharan Pandyan: So, we are targeting two HVDCs. One is old part, which has already been awarded. I believe it's Q3, Q4. Barmer is close to, I think, tender complete. It should be awarded anytime soon. These are two large programs that will come for execution this quarter. These are two HVDCs that we are planning.

There are about half a dozen STATCOM projects across US, Europe, Australia that we are in talks with. We have got a couple of STATCOMs already in the US. Apart from it, the data center opportunities are typically the, where we are seeing the USD100 million bids going on. That we are still struggling because the delivery periods are about 12 months' time.

Once, I believe in about three months' time, into the next quarter, when we are slightly comfortable once we have taken over the new facility and we have stabilized it. Believe me, this facility, if you come over, it's quite large. It takes you, it takes you about 600 meters from one corner to another corner walking around.

So, once we are able to stable, we will take in more orders. Getting orders is not a worry at this moment for us. So, if like in Endoks, if we could just open up the lid and we got in, we could get in more if we are able to deliver more, the factories build operate. Each of the factories is sitting on more than two years of order book almost at this moment, close to two years of order book and at the last capacities.

Baidik Sarkar: Yes, thanks for that. I'll fall back in queue. Thank you.

Bharanidharan Pandyan: Thank you.

Moderator Thank you. The next question is from the line of Rahul Maheshwari from Ambit Investment Advisors. Please go ahead.

Rahul Maheshwary: Good afternoon, Mr. Pandyan. Excellent set of results. My two questions, first, when can we expect the Sangli coil facility and the HVDC magnet wire facility to commission? And what can be the peak asset turns which can we expect from these two facilities?

Bharanidharan Pandyan: So, the machinery installation is already on. I believe we are also having a Vastu Shanti pooja I think this week in the factory. We have to still get the building completion certificate from the authorities and I think the process is on. As soon as they give us, I think we will be able to start begin trial production in the facility. Obviously, the initial audits of ISO 9000, 14000, OHSAS has to be completed. It will take us about a month.

And after that is when we start the customer audits in. We may have about, as I referenced, about 60 audits on the facility before this can take over the full volume of the existing factory. We have to schedule this one by one, these are global audits, and it will take us, I think, as we guided, about six months from the day we open up the facility for audits.

These are highly regulated products and every, every customer has to come and review the facility. However, given seeing that, I think some of the large HVDC orders, we have timelines for delivery, so I believe we will start opening up, as Mr. Sarkar had said, maybe at Q3 this year to get in more orders once we are comfortable.

The asset turnover of this factory, I think we have still not fully capitalized the, put the full capital in, but I would say INR1,500 crores to INR1,800 crores I think this facility is good enough to deliver.

Rahul Maheshwary: And for HVDC magnet wire facility?

Bharanidharan Pandyan: The machines are already on. This is a new product for us. So, we anticipate that it will take us another three months of trial run. We are anticipating by Q4 of this year is when we will be able to take up full production out of the facility. Bear in mind the machineries have come in, it will be also installed. We have got the power, we have got everything in, getting the licenses, all the ISOs and audits will be also on the facility. But being a new product in the facility for us as a company and as a team, I think we have to give it that three to five months to a stabilization.

Rahul Maheshwary: Sure. My second question is how should we look at the order book in terms of execution means? It's a good order book size and plus the capacity ramp-up will happen. So when can we expect majority of order book execution to take place? If you can give some staged kind of line-up in terms of...

Bharanidharan Pandyan: This order book what we have, Rahul, this order book is slated to completion in the next 15 months, give and take. So that gives you an idea how much we can eat. That gives you a rough idea.

Rahul Maheshwary: Sure. And we can expect order book to bill ratio to be maintained near to these levels going forward for next one to two years?

Bharanidharan Pandyan: I think I wouldn't commit on that, but we would try our best. We the order demand is good enough. Some of the businesses like PCS can -- scaling up is much easier in the best business today, but these are as I said, we have a 4 gigawatt facility in Turkey, 1 gigawatt almost we've got an order. We will, we will see ramping up as we start delivering products out of the facility. First we need to deliver the products out of the factory before we start committing more.

Rahul Maheshwary: Sure. Best wishes to you and your entire team. Thank you.

Bharanidharan Pandyan: Thank you, Rahul.

Moderator: Thank you. The next question is from the line of Nemish Sundar from Elara Capital. Please go ahead.

Nemish Sundar: Yes, hi sir. A very good afternoon and very congratulations on a excellent set of numbers. So, just continuing on the BESS part, could you just explain it in a little more detail as to like your capacity -- current capacity that you have for BESS, broadly in volume or revenue terms as of now and the new facility that you are building at Endoks for BESS, so what could be the scalability for BESS that you are expecting from this facility, in terms of revenue or volume?

Bharanidharan Pandyan: My current guess is that we have about USD60 million give and take of BESS, that is PCS orders, in our pipeline. And we are anticipating another USD40 million more in the next 12 months at least, which is, which is in line with the guidance that we have given earlier that we see about at least USD80 million of business coming in.

So at this moment our focus is to operationalize the facility and deliver more. Once we are able to deliver more, getting numbers out of BESS is not a very big problem. The demand for PCS in the world is very high. Most of the governments are still focusing on making basic battery cells and cell technologies.

The power electronics, software, and the hardware part is normally missed out and there are very few players in this business. The bottlenecks continue to be the IGBTs across the world.

As we are able to secure supplies, we should be able to also deliver faster. And we are also likely to, by the end of next year, get BESS to India as again, throughout we guided two years, two years. I think by end of next year, once we stabilize most of our business in India, we would like to start BESS in India. The PCS for the Indian and the Asian markets.

Nemish Sundar: Okay. And sir, the execution cycle of BESS would be similar to the core business, like around 12 to 15 months?

Bharanidharan Pandyan: No, these are very fast. I think they would be in six to nine months, most of the orders.

Nemish Sundar: Oh, okay, okay. So, even the working capital cycle also around the same period of time? Like cash would be realized.

Bharanidharan Pandyan: Correct. It's a, it's a fast-moving product.

Nemish Sundar: Okay, sir. And just my second question on Winwin Insulators. So, you highlighted that the acquisition cost and the asset break-up that you have given in the PPT, sir, on the revenue front, could you just give an idea of like what the currently how much is the entity doing and like if margins and what the plan for it, like, would it be fully used for internal purposes or like do you foresee it having other applications as well?

Bharanidharan Pandyan: So, Nemish, we are quite conservative in which, the way we sell internally. Each division internally buys from the cheapest source and not from the home source. And each division has to sell at the highest margin even to the internal factories. So, I would not say this business is something like a backward integration.

Yes, I -- if I buy at the market prices, yes, we get allocations. The internal demand for the product is about INR40 crores to INR45 crores per year, which is what will these guys get if the margins are similar, give and take. Right now, for the insulators, we are at least targeting about INR200 crores of orders in the next nine months. That is what is the team, what we say target that is given.

We are right now focusing on qualifications and type tests. We have finished type tests in the last one month up to 220 kV. 400 kV and 765 kV, I think is slated in the next few months. We have all already got into 800 kV, 765 kV DC insulator orders to them for HVDC projects in India. The customer audit as we speak is on at this moment at the facility.

Our intention is that the facility first gets staffed by the right people, right team, and then we start pushing out the revenues. I think the factory should be good enough at least for about INR300 crores to INR400 crores per year initially. But we are also starting capex very soon in the facility. They have two products. One is the composite insulators, which is very well covered.

The second product, sorry, the porcelain insulators. The second product they have is a composite insulator, what they use for normally bushings. They have a type test out of KEMA Netherlands of 400 kV composite insulators. We are also likely to scale up that business significantly. So right now the strategy is on because we have still not acquired, there is not much of a fund in the factory. Right now, the focus is on strategy, qualification and type test initially.

Nemish Sundar: And margins would be similar to Mehru as it was initially and then you look to scale it up in the upcoming quarters? Would that be something that would be the view?

Bharanidharan Pandyan: Yes, I think the margin profile would stabilize in about four quarters from the date of acquisition. You have to give us about four quarters. What we see at this moment is anywhere between 15% and 25% margin. The gap is very large because we still not have things under control. Once we have in control, we will narrow down the margin percentage.

Nemish Sundar: Okay, sir. And any tentative date that you look for finalizing this acquisition? Like consolidation and everything?

Bharanidharan Pandyan: I think consolidation will happen out of Q4, not before that, primarily because this being an SEZ property, it will require a lot of secretaries to sign off in Delhi. So, it's a bureaucratic process in India, so we will have to bear with it.

Nemish Sundar: Okay, fine. Thanks a lot, sir. Thank you so much. I'll get back in the queue.

Bharanidharan Pandyan: Thank you, Nemish. Bye.

Moderator: Thank you. The next question is from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

Darshil Jhaveri: Hello. Good evening, sir. Thank you so much for taking my question. Firstly, congratulations and a really great set of results in a challenging environment. So just wanted to know, what is the revenue guidance that we can do in FY27? Because based on the order book, I think we can have significant growth this year also, right? So could you just quantify that? Can we reach around INR1,400 crores by this, this year end?

Bharanidharan Pandyan: Darshil, I think we have guided to 20% at this moment. We'll stick our guns to it. Maybe at Q3, we can look at revising, what we say, the numbers. It's very early in the quarter, a year, part of the year. I don't want to commit things I cannot honour. I would rather err in caution than be aggressive on this.

We have the order book, we will build our order book more, as we speak, but, as I said, a lot of these factories are just yet to get commissioned fully. So, we need to also -- bear with us that we are a factory where quality, people, systems, everything has to be established. And these are not very easy to come out suddenly overnight. So please bear with us. We will try to do our best.

Darshil Jhaveri: Okay, fair enough. And sir, overall margin guidance, what would that be? Sir, because even, I think our Q1 is also been strong, like in an environment that's tough, right? So could you just help us with that, sir?

Bharanidharan Pandyan: Please model us at 20% or high teens EBITDA. We will always try to deliver better.

Darshil Jhaveri: Okay. That's very clear. And sir, we are sticking to the 50% growth in FY28, right?

Bharanidharan Pandyan: I think you can start looking at our order book and the delivery timeline, I think you can start mixing the data on it.

Darshil Jhaveri: Okay, fair enough, sir. That's it from my side. Thank you.

Bharanidharan Pandyan: Thank you, Darshil.

Moderator: Thank you. The next question is from the line of Naman Parmar from Niveshaay Investments. Please go ahead.

Naman Parmar: Yes, good afternoon, sir, and congratulations on great set of numbers. Sir, firstly I wanted to understand on the new products that the GIS and the grading capacitor used in the circuit, what's the update on that? If you can help us on that?

Bharanidharan Pandyan: So, the plant is being installed as we speak. I think this quarter, the new plant for the GIS manufacturing should be ready with all the clean rooms that is required. Substantial investments are going into that. The grading capacitor trials are on. We are yet to get the slots for the type test dates from the laboratories. We are waiting for that. The product per se is ready. Maybe in the next quarter, we will try to put some photographs of it.

So, yes, I think it is on track. We should start getting some results soon about it. I think the first product that will be testing is a 220 kV GIS components, switching on to 400, 765 kV in the next, say, one year's time.

Naman Parmar: Okay, got it. Secondly, on the bookkeeping side, like how much would be the forex currency gain in the other income if you can elaborate?

Bharanidharan Pandyan: I think we had a loss of INR8 crores -- INR7.5 crores, not gain.

Naman Parmar: No, that's the hyperinflation accounting entry, right, non-monetary.

Bharanidharan Pandyan: Correct.

Naman Parmar: But I am asking about forex gain or loss?

Bharanidharan Pandyan: Nothing, zero.

Naman Parmar: And lastly, on the margin side, if you can help me understand what was margins for the Endoks and Mehru in the current quarter, EBITDA?

Bharanidharan Pandyan: Mehru this quarter delivered about 18%. Our target was to get about 22%, 23% internally, however, with the kind of copper and oil prices that came in just in April, they had a direct impact. I believe we should be increasing the guidance of Mehru above 15% what we were earlier. I think our revised guidance for Mehru would be around 18%.

Naman Parmar: Okay. And for Endoks?

Bharanidharan Pandyan: Around 18% going forward. Mehru.

Naman Parmar: No, that's for Mehru. Endoks?

Bharanidharan Pandyan: Endoks you will have to give us some time. The current product lines where they are already present, like STATCOM, SVCs, automations, I think they are normally around 25%. With the BESS coming in, we will have to just have a look at it. The products are yet to be shipped out of the factory. I can better answer that in Q3, how the blended margins look like.

Naman Parmar: Okay, got it. And lastly, like you mentioned, you are raising the capital. So if you can help us understand the raising of the fund will be for what, and current debt structure is what?

Bharanidharan Pandyan: I don't think we have much of a debt. One second, the total debt as of last quarter is I think about INR23 crores, overall at a group level, that is also working capital at some subsidiary thing. Most of the companies are sitting on cash. However, these are at subsidiary cash. We are raising capital to close the WS acquisition.

We are also proposing a INR50 crores capex at that location for enhancing capacity. We have about 40 acres of land free to do what we want in SVZ, beautiful campus. I had put across a video graph, a video on it. So there we are putting INR50 crores and we are started working on a lot of projects in America.

We want to set up a US sales team and a sales office, so we would be deploying. We are also working on some next generation technologies in those markets. So we are also raising money for the US entry, because US needs to be funded quite well, otherwise with just 1 or 2 people, you will not be able to get the results what you want to. So that's the primary requirement, of course.

Naman Parmar: Yes, so total raise would be how much?

Bharanidharan Pandyan: We have not put numbers to it, but less than INR500 crores.

Naman Parmar: Okay. Got it. Thank you so much answering all questions. Best of luck for the future.

Bharanidharan Pandyan: Thank you.

Moderator: Thank you. The next question is from the line of Ankit Jain from Anand Rathi. Please go ahead.

Ankit Jain: Good evening, sir. Congratulations for delivering very solid set of numbers. So I have 2 questions. Number 1 is, I believe that you have started marketing your Mehru's products globally. So how is the reception of the products? Are you seeing more traction from Europe or US? And if the traction is good, would we need any further capacity expansion in India itself to cater to those markets? That's number 1.

Bharanidharan Pandyan: So, for Mehru, we have got a lot of orders, but they are already full with a lot of orders. They have, I think, at this moment supplying 1 in 2 high voltage instrument transformer that is required in this country. They have been a very vital part of the entire Indian grid system. So the customers are writing more of framework orders now rather than small order packages. So we do not have much of a capacity coming in from Mehru, the current facilities, I think they will reach 100% very soon.

We are overlooking at a facility in Turkey. I was there in Turkey a couple of weeks back, looked at the site, the space we have, we had put in some photographs also of the facility. To be able to either build a facility in Turkey for the European markets and deliver US from India and keep the rest of the world from Europe, that is one option.

Another option is to also look at the piece of land what we have in Vizag, to make it especially all the exports through one separate business. Advantage of WS is that we have 40 acres of land in that campus apart from the insulator factory. For doing whatever we want to do and build a large campus out of this facility. So these are decisions that we are looking at. We have about 6, 7 months' time before we bite the bullet.

Ankit Jain: Understood, sir. And sir, second would be, in order to cater to more European markets, would we need to set up any manufacturing facility there in the US or can we fully cater to the market from India or Turkey? So is there any localization requirement that we might need to consider?

Bharanidharan Pandyan: See, most of the markets, most of the markets are inward-looking, by the way they write the policies and tender documents. So, Europeans normally prefer a European origin company rather than any other origin in the world. Americans are that way kind of open to whoever the vendor in the world, as long as the quality and the systems are in process.

So, I believe US can be catered out of India, but for the European market, which is at a different level of a boom right now because of the renewable energies, we would definitely need a facility somewhere in the European peninsula. That is one of the reasons why we are also interviewing candidates, because this is putting all together a totally large green facility. So, we are taking our time, taking the decision rather than rushing into it.

Ankit Jain: Understood, sir.

Bharanidharan Pandyan: But Europe we are already supplying inside the Denmark grid from Mehru this quarter, and we will get more from the Swedish grid very soon.

Ankit Jain: Got it. And if I can squeeze in a very quick one. Sir, you also mentioned that you are hiring procurement across the group. So how does that help us? Will that lead to better negotiations? Can we see some margin accretion when you consolidate all the procurements? So how to see this?

Bharanidharan Pandyan: As the scale increases, we are seeing the reason why we need to start negotiating together. To give you an idea about castings, say aluminum castings, we buy about INR15 or INR20 crores in Mehru, we buy maybe at about INR250 crores of revenue in WS, we would end up buying almost INR50 crores of castings. Same way in Sukrut, they buy about INR10 crores of casting. Quality Power buys casting.

So, if all of them are talking to four different vendors, why not have a framework agreement with one vendor to get the scale and cost? So, this is us going through a natural progression of being a larger company where we are finding at some points we need to start consolidating, and some points retain freedom at factory level. I think we will find an equilibrium in the next few years.

Ankit Jain: Understood, sir. Glad to hear that you are moving towards that direction. Thank you so much and best of luck.

Moderator: Thank you. The next question is from the line of Lovish from Burman Capital Management. Please go ahead.

Lovish: Hi, sir. Thank you for the opportunity. Sir, my question is related to the Sangli facility. I did not fully understand what led to this, what is leading to the delay in starting the production. So can you help me understand what is the current status and when -- by when do we plan to start the commercial production?

Bharanidharan Pandyan: Technically, the commercial production can start the day we get the clearance from the utility -- from the authorities, that is your pollution completion board, your factory inspector, your building completion certificate, the MIDC, all the local authorities. So, the last-minute checks and balances are being done as we speak.

I think we have guided this month, we are trying our level best to start commercial production this month. Maybe in small volumes, not in very big batches. The reason why we are calling it trial is primarily because this being a regulated product, I cannot start producing everything overnight in this new facility because the customers want it only from an approved facility. And the approval of this facility is what takes time.

Lovish: Got it. And so when -- what is the timeline for getting these approvals, the required approvals?

Bharanidharan Pandyan: We have guided about six months. Because we have at least, in our initial scope of things, we have about 60 audits lined up. Global audits.

Lovish: And would we need all of these audits in one place or can we when -- as and when we start receiving approvals, we can start ramping up production?

Bharanidharan Pandyan: So, our first focus is the orders which we are executing. Let's assume that we are executing the Adani and the Power Grid HVDC, our first focus after getting the ISOs is to get the Adani and Power Grid HVDC approvals, for that I need to first get the Hitachi global approval from the facility which is about five or six audits. Then we have an Adani audit and a Power Grid audit. So that itself is about eight audits before we shift into the next project. So, we are prioritizing the audits based on which project is coming into manufacturing first.

Lovish: Understood. And sir, on the Winwin acquisition that we have done, I wanted to understand what was our rationale for this acquisition because it seems like backward integration will be only a small part of it.

So, what was the rationale for doing this? And what -- how do we plan to turn around this facility, because from what I understand, this is a closed plant and we'll have to spend some time into ramping it up as well.

Bharanidharan Pandyan: Good question, Lovish. This facility will take some time of management time in getting it turned around. This is a very large factory, as big as a cement factory. Insulators are a capex heavy business, unlike asset-light business of most engineering companies. Whether it is data centers or high voltage, low voltage, whatever we are in the business, insulators is something that we cannot live without. Let's say, if you go to any substation, the first thing you see is a brown porcelain.

Now, we have been finding that there's a demand for insulators internally which is slowing down our growth. But also across board, every large multinational which is guiding for growth is getting stuck because of this. So what happens, as we increase our scope of product, we can leverage or barter their growth with the supply of insulators to them. A. B, globally, there are very, very few insulators people in the world. I think in India there are about four or five. Globally maybe another eight or nine people, right?

So nobody is expanding, no new vendor is coming in, which means as the way we see the grids operate, the demand-supply mismatch of insulators are going to be even more extreme. And whichever business we get into or acquire, will have the problem of insulators. So that A, helps us in increasing our throughput of our existing businesses, and also use it as a leverage.

And the amount of money I paid for the business per se is about INR50 crores, INR60 crores. If you look at the valuation, we got a huge piece of land where we can start going and expanding it. The building is free for all, only eight acres of it is the facility. So basically, the business is not very much I paid for. I think in the next two years I should be able to collect my cheque back.

Lovish: Got it. And sir just one last question. If we look at the standalone business that we have, our gross margins have increased significantly this quarter. So what led to this and is this sustainable going forward, because I understand that there might be some increased cost on the capex front because of the new facility and all. But is the gross margin sustainable at these levels? Or will we go back to the previous levels we had last few quarters?

Bharanidharan Pandyan: So, as I said, we have been traditionally doing about 25% margin in this factory. Even if you see the last six quarters give and take that is what we are. Sometimes it's higher, but I don't hope it is going to be lower than that.

I cannot really comment the way we have been -- there's been sharp increase in prices, so the dollar is also depreciating -- a lot of appreciating and a lot of our orders are also exports. So we will have to give it. We have always exercised caution, and my colleague Rajesh also exercised caution. So please don't build your castle based on these numbers, please build your castle based on the numbers we've guided. We will always try to do better.

Lovish: Got it. Sir, just one small follow-up. On the standalone, can we expect an around 20% EBITDA margin or somewhere close to that one? Because there will be some cost from the new capacity...

Bharanidharan Pandyan: Standalone?

Lovish: Yes standalone.

Bharanidharan Pandyan: I think standalone we should be good enough for that.

Lovish: Understood. Thank you, sir.

Moderator: Thank you. The next question is from the line of Charchit from Genuity Capital. Please go ahead.

Charchit: Hi, sir. Thanks a lot for the opportunity. And congrats for the good set of numbers. So, just two quick questions. Firstly, on the fund raise that we are doing of like close to INR500 crores. So, what are the timelines of this? Like till when we are targeting to raise INR500 crores?

Bharanidharan Pandyan: I think we may attempt raising them this month, before the AGM. Our intention is to help my team less bureaucracy, what we say, so that we can get both the AGMs together. I believe we will start the road shows from 20^{th} of this month.

Charchit: Got you. And sir, on the Sangli ramp up, so like, till when we will -- we are targeting to commence this plant?

Bharanidharan Pandyan: So, commencement is subject to market -- what we say the approvals from the bureaucrats but as I said, our Vastu Shanti pooja is on 13^{th} and 14^{th} of this month.

Charchit: So, we can say like from Q2, we'll start generating revenue from this plant?

Bharanidharan Pandyan: I would say start looking at Q3. Some revenue trickling in, Q4 is when you would see some turnarounds.

Charchit: Okay. And how much we are targeting from this unit?

Bharanidharan Pandyan: At this moment, our first focus is to get the factory in order before we start revising targets. Please stick to the 20% guidance that we have given.

Charchit: Okay.

Bharanidharan Pandyan: Thank you.

Moderator: Thank you. The next question is from the line of Nakul Gupta from Shikherjee Advisors. Please go ahead.

Nakul Gupta: Am I audible?

Bharanidharan Pandyan: Yes, sir.

Nakul Gupta: Good afternoon, sir. Congratulations on great set of numbers. I just want to know that the accounting statement of Ind AS 29, if we are adding back the expenses, then we should also add back the asset base. So what could be the asset base of the Turkey if we do the pre -- before Ind AS 29 adjustment?

Bharanidharan Pandyan: We are not able to understand your question, sir. Can you please repeat it again?

Nakul Gupta: Like if we are deducting the expense and adding it back to the P&L due to the Ind AS 29 expense statement. So consequently, for the double entry treatment, the asset base should also be increased in the Turkey division. So is there any number per se for the revised and before Ind AS 29 adjustment, the asset base number of Turkey?

Bharanidharan Pandyan: Asset base?

Nakul Gupta: Yes, sir.

Bharanidharan Pandyan: Yes. You'll have to give us some time on it. If you can write to me, we will definitely reply on it. We will definitely reply. I don't think we have the data on hand. But we will -- if you can just send us a mail, I will ensure my team responds to you before this evening.

Nakul Gupta: Done, sir. I will do that. That's from my side. Thank you so much.

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

Rohit Taparia: Good afternoon, sir. I had a couple of questions. First is on Endoks manufacturing facility, what is the peak revenue potential and contribution for the same in FY'28?

Bharanidharan Pandyan: So at a high technology product, we really don't invest too much. As I said at this moment, the entire facility is costing us about $2 million, give and take we may spend about $1 million. I think that factory is good enough for about at least $70 million, $80 million. That is the kind of scale it can take. Yes, that would be the guidance on that facility.

Rohit Taparia: Okay, that is for FY'28?

Bharanidharan Pandyan: No, you asked me the peak potential, I give the peak revenue. I didn't say when the revenue.

Rohit Taparia: Okay. And contribution for the same, if you can provide it FY'28?

Bharanidharan Pandyan: Give us some -- you'll have to give us some time. As I said, the factory is still not operational. The civil is on. The interiors, flooring, the conveyor belts and the antistatic coating, there's a lot of, there's a power electronic facility, it needs a lot of interiors. It is on. Once we are able to ship a quarter or two with the products, we will be in a better position to give you guidance. At this moment, I will be shooting in the dark when I give you a number.

Rohit Taparia: Okay, sir. And second one is that on Winwin Speciality, when you had recently acquired Winwin Speciality, and when will it start contributing to the numbers and how much will be the peak contribution without capex and with capex, as you said in the recent call?

Bharanidharan Pandyan: We will start most probably consolidation Q4 this year. Without a capex, I think it should be doing between INR250 crores and INR300 crores. With the capex, I believe it will be about INR450 crores to INR500 crores. But also the capex is just not only for porcelain it's also for composites, adding capability rather than just product volume.

Rohit Taparia: Okay. Okay sir. And the Sangli plant, the peak revenue potential for that would be?

Bharanidharan Pandyan: Hello?

Rohit Taparia: Hello. Sir, for Sangli plant what would be the peak revenue potential.

Bharanidharan Pandyan: Hello?

Rohit Taparia: Yes sir what would be the peak revenue potential for the Sangli plant?

Bharanidharan Pandyan: As I said, about 1,500 crores, give and take.

Rohit Taparia: 1,500 crores. And FY28?

Bharanidharan Pandyan: INR1,800 crores. No, that is the peak potential. FY28, we have given a guidance of 50%.

Rohit Taparia: 15%?

Bharanidharan Pandyan: 50%.

Rohit Taparia: Okay, sir. Thank you.

Moderator: Thank you. The next question is from the line of Bhavya Shah from 3A Capital Services. Please go ahead.

Bhavya Shah: Congratulations, sir, for the great set of results. So my question is, government has recently allowed four Chinese companies to bid for HVDC contract. So how much this will impact our business?

Bharanidharan Pandyan: Good afternoon, I am not aware of the news that four Chinese companies are used for HVDC contracts. I had spoken on a Motilal Oswal, I've also written about it. The four companies, if I'm not wrong, you are referring to are the Chinese companies already invested in India, using Indian raw material. One was TVA Power Transformers, who were already full and supplying to Reliance and Adani most of their capacities.

They are allowed to quote for Power Grid, but even in the last tender they did not participate. Apart from it, there is a small composite string insulator factory, which is I think somewhere in Baroda. That company is allowed. And two companies for GIS. I think Taikai and Pinggao, one in Baroda and one in Vizag, sorry northeast in Vizag, are allowed. None of these are, operational factories. Most of these are de-rated in the last seven years.

Hardly any people out there. I think it will take a couple of years for them to even come back to where they were, six, seven years back. Most of these factories have been shut down for a very long time with no teams in. Also the government has not reduced any local sourcing norms, which means that they have to still buy 60%, 70% of their content domestically. So even the products what they will have to make here, they will have to go for domestic sourcing.

At this moment what do we supply, we are already a supplier to TVA in the transformer business through Sukrut. When NEPSI or Pinggao comes in India for the GIS, we will supply the components that we have developed with Hyosung. Apart from that I don't think we have any relationship with the other companies.

Bhavya Shah: Okay, okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Viraj from Moneygrow. Please go ahead.

Viraj: Hi Bharani, congratulations on the fantastic results and kudos to you and the entire management team for the energy and effort you're putting behind capitalizing on the market opportunity. If I can ask a little bit of background regarding WS Insulators, maybe if you can give us a little bit of history about the company, what went wrong and then what presented this attractive opportunity for you for acquisition, who was it last owned by? And why could they not manage it and hence Quality Power is looking to step in?

Bharanidharan Pandyan: Thank you, Viraj. So, WS stands for Westinghouse. This is an American company, started in the 1960s in Chennai. This was by far the largest company in India for insulators, has a very glorious past up to 800 kV from India. Most of the insulators that were exported pre-2000 from India was from this factory in Chennai.

When they were in downtown Chennai, they decided to shift the factory to Vizag in the SEZ, because they were mostly exporting from India, the high voltage insulators. When they were shifting in and they had some labour problem in Chennai, and when they shifted, the cyclone Hudhud hit the plant and almost, almost INR240 crores of the investment had to be written off in the plant. And the insurance money were taken by the financiers.

So this plant was sitting idle for about six, seven years, before a new set of investors took on a slump sale and spent about INR150 crores in renovating the plant again. They were able to do it. They spent all the money what they had. But at the end of the day, they also got stuck when the gas crisis hit, where they were losing about INR2 crores a day, because the gas was becoming very expensive or not available.

So that is when they had decided that they need a larger balance sheet to run the company, and they have not fully sold out, they had taken a debt in the market for that money, which is what they're getting paid. And the rest of the thing they are swapping with us. The management is coming in, they believe in the management like how we were able to turn around Mehru. They want it to be a process of the growth, and we have also absorbed the management and the directors into the, into our company.

So they believe that whatever the shares they own and they will also continue running the business along with us, they will have a significantly better exit over a period of time.

Viraj: Fantastic. And does the technical team stay on with WS Insulators because that's at the core of both the art and the science, so are the technical heads, the plant heads, the R&D heads available to us?

Bharanidharan Pandyan: There are currently about 120 people in the plant. This plant was built by the Americans. The PPC guys. This is one of the world's largest insulator company. They built, rebuilt the plant, they have audited the plant, this product factory is already supplying 765 kV class insulators in America. But it's being branded by a different, into a different brand. We will stop the white labelling very soon, we will get into all these markets ourselves.

At this moment, we have already got a lot of orders in the Indian market, including Power Grid for 765 kV and 400 kV. We are trying to get the approvals on. For us, it's a lockbox agreement till the day of the acquisition, any losses is to the owners account. So the faster they do, it will be easier for us to be able to fund the business. So that is why we are going ahead with the closure.

Viraj: Understood.

Bharanidharan Pandyan: So we believe the legacy is quite good. WS insulators is approved in over 55 countries. Even recently, we got customers from Iraq, Abu Dhabi and all reaching out to us, because they are already approved to all these high voltages. So as soon as we were there, we started getting inquiries.

Viraj: Excellent. And you already be running from the Vizag plant or is it the Chennai plant still running or is it Chennai land available?

Bharanidharan Pandyan: No, the Chennai is closed down. This is Vizag is rebranded as Winwin, but they have ability to use the word WS logo perpetually for insulators. But we will be changing it to Quality Power sooner. But all the approvals, type tests, credentials, everything is inherited into the company.

Viraj: Excellent. All the best.

Bharanidharan Pandyan: Thank you.

Moderator: Thank you. The next question is from the line of Rajat G from Fortune. Please go ahead.

Rajat G: Yes, good afternoon, sir. So sir my question is very long term, if you have any vision for 2030 or 2035, because I personally see our USP of integrated specialist as a, has a long runway of INR10,000 crores revenue. So I mean do you have any forward vision for that?

Bharanidharan Pandyan: I have expressed it, Rajat. We would like to be the alternative to Hitachi from India, not competing them but complementing them. I believe a country like us requires three or four companies in the technology platform like CG Power also, where you have multiple products. The differentiator between CG Power and us is we invest in high technology businesses and new businesses.

Let's say BESS, automation, HVDC, FACTS, where we are building our strength, we believe this is where the free cash is being generated and we will, we hope to generate a lot of free cash. When we generate these free cash, we intend to again buy out similar complementary high technology businesses in the high voltage transmission space. If you look at globally, Japan has Mitsubishi, Fuji, Toshiba. France has Alstom or now GEs. So all these large global companies have countries have some global multinationals.

India has L&T, a fantastic engineering company from the civil background. But from the electrical background, globally I think there needs to be an alternative, and we intend to be a participant in that race, while generating a lot of free cash and not making mistakes on the way.

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

Akhilesh Gupta: Hi, am I audible?

Bharanidharan Pandyan: Yes.

Akhilesh Gupta: Yes, thank you so much for the opportunity and congratulations on a fantastic set of numbers. I just had one question. There is this company within the Endoks group, it's called Inavitas. They do software for, I think Turkcell and all they have done. I just wanted to know if Quality Power has any, like, licensing agreement with them in the future planned, something like that, so that we can...

Bharanidharan Pandyan: No, no, we do not own, a couple of directors of Endoks have shareholding in Inavitas. Inavitas is owned by also a company called Alfa Solar, a solar company. But being directors in the group, we have always a right to call for software if required. They are mostly into grid automation and renewable energy integration software. Not related to technically this businesses of high voltage what we are operating.

Akhilesh Gupta: Okay. So do we plan to get into that segment sometime in the future? Because I think it's a high entry barrier segment.

Bharanidharan Pandyan: It is a very high entry barrier segment, but the kind of software and the front end that it is, I would not, what we say, I do not see myself in at least the next two, three years doing that. I believe there's a lot of runway in the high voltage product space.

Even in the substation there are enough products which Hitachi, Siemens, GE do not control or operate where we could wrap up companies at a much cheaper value. Software companies do not trade cheap and I am normally buying at a much lower value. So I would focus on manufacturing which is our core expertise at this moment. I would never say never, but not that in the next two, three years at least.

Akhilesh Gupta: Yes, on those lines, any increase in the partnership with Hyosung on the GIS front? Like we are doing instrument transformers for GIS right now. Any expansion in on those lines?

Bharanidharan Pandyan: So we are making instrument transformers. We are also getting into grading capacitors. And now with WS we are getting with insulators and bushings for GIS. Do not forget all transformer bushings need porcelain or composite, so for every transformer bushing that is made they will need our support in this country, or anywhere else in the world, or for that matter even GIS, breakers, composites and porcelain are everywhere. So in the GIS ecosystem, we have just increased our scope again.

Akhilesh Gupta: Thank you, thank you so much, sir. That's all.

Bharanidharan Pandyan: Thank you.

Moderator: Thank you. Due to paucity of time, we take one last question from the line of Rahul Maheshwari from Ambit Investment Advisors. Please go ahead.

Rahul Maheshwari: Thank you once again, for giving me the opportunity. Just, can you give, Mr. Pandyan, the growth trajectory, if you divide into three parts like power products, power electronics and the ancillaries business. If you can bifurcate between these two and how within these three components or segments, how the revenue mix will be changing in the next two to three years?

Bharanidharan Pandyan: I think the highest growth will come from power electronics sector because of the BESS coming in. The second growth area would be the high voltage power products, and ancillary is technically an internal consumption. Even though we do make a lot of stuff that is required, because we bill internally, because of I think the accounting standard we do not take credit for it.

So we are building considerable capacity in the ancillary business, something like a CTC, HVDC high voltage wire, I believe over the next two, three years we should be doing at least INR500 crores in aluminium wire, which is equal to about INR1500 crores to INR1800 crores in copper wires for as a CTC business. Same way is with our components business in Sukrut, which has turned extremely profitable this quarter for us.

The other businesses we are growing in, a lot of internal consumption is not treated as sales. So I wouldn't bet too much on ancillary at this moment. Ancillary helps us scale the other two businesses. Power electronics would help us scale immediately in the next two, three, four quarters, and then power products would catch up.

Rahul Maheshwari: But power products growth will be lower than the power electronics? As a on a going forward basis also because the scope of opportunities higher in power electronics.

Bharanidharan Pandyan: It is not only the scope, it is also the supply chain. To give you an idea, even if I am able to make my equipment faster, unless the large power transformer comes to the site or other equipment come to the site, the customer would not want to take a delivery.

So globally there is a shortage of a lot of components, so the global growth rate for a high voltage substation is still much lower compared to BESS, where there is much less of external influence on the products. So customers can take much faster in the power electronics consumption.

Rahul Maheshwari: And sir, just last question from my end, you being the supplier in, for the end consumer. For you, what is the biggest shortage of components that is happening or which is leading to extended supply chain?

Bharanidharan Pandyan: We are not one product, we are making about 12 or 13 products and every factory has its own set of worries. And that set of worries changes every quarter. So at this... if you ask where I sit it is the CTC cables. But if you ask the guys in the BESS, they are talking about IGBTs. Mehru guys are worried about the aluminium casting. Sukrut's are worried about springs. So it just cycles, so I would not put it on blame on one or two components, we are effectively managing it.

Rahul Maheshwari: Thank you once again and best wishes to the entire team. Thanks.

Bharanidharan Pandyan: Thank you.

Moderator: Thank you. Thank you everyone for joining this conference call. On behalf of Asit C Mehta and Quality Power Electrical Equipment Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.