SKPL/SECT/2026-27/109
Dated: 5th November, 2026

The Manager
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C-1, Block-G
Bandra Kurla Complex, Bandra (E)
Mumbai- 400 051
Symbol- SKIPPER

The Manager
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai- 400 001
Scrip Code- 538562

Subject: Transcript of the conference call on Unaudited Financial Results for the Quarter ended 30th September, 2026

Dear Sir,

In accordance with Regulation 30 read with Schedule III of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are forwarding herewith the transcript of the conference call with Investors and analysts held on 30th October, 2026, on Unaudited Financial Results of the Company for quarter ended 30th September, 2026.

We request you to kindly take the aforesaid information on record.

Thanking you,

Yours faithfully,
For Skipper Limited

ANU SINGH
Digitally signed by ANU SINGH
Date: 2026.11.05 16:46:56 +05'30'

Anu Singh
Company Secretary & Compliance Officer

Encl: As above

“Skipper Limited
Q2 FY27 Earnings Conference Call”
October 30, 2026

MANAGEMENT: **MR. SHARAN BANSAL – DIRECTOR – SKIPPER LIMITED**
MR. SHIV SHANKAR GUPTA – CHIEF FINANCIAL OFFICER – SKIPPER LIMITED
MR. ADITYA DUJARI – EXECUTIVE VICE PRESIDENT, FINANCE AND HEAD, INVESTOR RELATIONS – SKIPPER LIMITED

MODERATOR: **MR. NAVIN SAHADEO – ICICI SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Skipper Limited Q2 FY27 Earnings Call hosted by ICICI Securities Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Navin Sahadeo from ICICI Securities. Thank you, and over to you.

Navin Sahadeo: Thank you. Good evening, everyone. On behalf of ICICI Securities, I welcome you all to the conference call of Skipper Limited. Today, we have with us from the management, Mr. Sharan Bansal, Director; Mr. Shiv Shankar Gupta, Company CFO; and also Mr. Aditya Dujari, EVP, Finance and Head IR.

So without any further ado, I hand over the call to the management for their opening comments. Over to you, sir.

Sharan Bansal: Good evening, everyone, and thank you for joining today's Skipper con-call for quarter 2 FY27. Before we proceed, I would like to draw your attention to the fact that certain statements made during the call may be forward-looking in nature and should be considered in conjunction with the risks and uncertainties associated with our industry and business.

We are pleased to report another strong quarter with record revenue, sustained margin expansion, robust order inflows and a significant improvement in our balance sheet despite inflationary cost environment, continued geopolitical uncertainties and temporary disruptions in export markets.

Let me begin with our financial performance. During quarter 2 FY27, we achieved our highest ever second quarter revenue of INR1,384 crores, registering 10% year-on-year growth. For H1 FY27, revenue reached a record INR2,694 crores, growing 7% over the corresponding period last year. Profitability continued to strengthen, reflecting improved execution, favorable project mix and disciplined cost management.

Q2 EBITDA grew 11% year-on-year to INR145 crores with margins expanding to 10.5%. Profit before tax increased 25% to INR78 crores, while PAT grew a strong 56% to INR57.5 crores, with PAT margins improving by 130 basis points to 4.2%. For H1, we delivered our highest ever half yearly PAT of INR114 crores, representing 40% growth year-on-year.

An important highlight has been the continued improvement in our financial position. Our finance cost as a percentage of revenue declined to 3.2% in quarter 2 from 4.2% a year ago, supported by lower borrowings and better financial discipline.

Our debt-to-equity ratio improved to 0.38x, while gross debt, including interest-bearing acceptances declined by approximately INR358 crores year-on-year to INR964 crores. The recent INR433.5 crores preferential equity raise and our CRISIL rating upgrade to A+/stable further strengthened our financial flexibility.

Coming to the business performance, our order book reached a new milestone of INR10,066 crores as of September 2026, providing strong revenue visibility. We secured record Q2 order inflows of INR2,111 crores, up 70% year-on-year, taking H1 order inflows to INR3,786 crores, up 18%.

Our bidding pipeline remains strong at over INR35,000 crores, supported by sustained domestic transmission investment and expanding international opportunities. Exports remain a key strategic priority for us, and we are particularly encouraged by the changing composition and diversification of our export order book.

Our geographical exposure is now well diversified with the Middle East accounting for less than 18% of our export order book. The majority of our export order inflows are increasingly coming from developed markets, particularly the U.S. and Australia, where we are witnessing strong customer traction, growing engagement and encouraging order opportunities.

Our record quarterly export order inflow of INR1,055 crores, which surpassed the entire export order inflow of FY26 is a strong validation of our growing international competitiveness and expanding global customer relationships. We believe this diversification significantly strengthens the quality and resilience of our export portfolio and positions us well for sustained international growth.

Further, the ongoing 75,000 MTPA capacity expansion is on track and likely to be commissioned and operational in H2 '27, taking our total installed capacity to 450,000 MTPA from existing 375,000 MTPA. This expansion will strengthen our ability to serve larger orders, improve operating leverage and capitalize on opportunities in both domestic and international markets.

We continue to work towards our longer-term capacity road map of 600,000 tons by FY29, alongside customer qualification initiatives across developed markets and expansion of our global presence. Looking ahead, the structural outlook for power transmission and distribution sector remains encouraging, supported by grid expansion, renewable energy integration, rising electricity demand and investment in high-voltage transmission infrastructure.

We believe Skipper is well-positioned to benefit from these opportunities through its integrated manufacturing capabilities, execution track record, expanding capacity and growing international footprint. With a record order book, improving profitability, a stronger balance sheet and increasing traction in developed export markets, we remain focused on delivering sustained growth and creating long-term shareholder value.

With these opening remarks, I would like to hand over the call for follow-up questions from participants.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Dheeraj Mali from Wealthifield.

Dheeraj Mali: My question is, in the previous con call, you maintained your FY27 revenue growth of 15% and said you are confident of achieving it. However, H1 revenue growth is currently around 7.1%.

To achieve the 15% full year target, you would need around 21.6% growth in H2. Are you still confident of achieving this target? And what will drive that higher growth in the second half?

Sharan Bansal: Yes. Thank you for the question. We are largely in line to achieve our 15% growth target for the full year. However, there are continued geopolitical uncertainties and shipping freight remains elevated across the world.

So yes, we are facing shipment deferrals from a lot of customers who are waiting for the prices to come down. So yes, at worst, we may see 1% or 2% drop from our 15% guidance. But however, we are optimistic that we are largely on track to achieve our revenue growth.

Dheeraj Mali: Okay. So you mean 13% to 14% will be your target?

Sharan Bansal: At worst. Yes, at worst.

Moderator: The next question is from the line of Navin Sahadeo from ICICI Securities.

Navin Sahadeo: So a couple of questions. My first question was, to understand that this is the first quarter in which the export share of the order book has fell to 17%. So how should one look at it more so in light of the recent order that you won, but also at the same time, the challenges that we are seeing at the global level?

Sharan Bansal: Sure. Thank you, Navin. You are right that our traditional market, which is Middle East, there we have expsoure, which is why right from the beginning of the year, we took a keen focus to diversify our export order breakup.

And we are very happy that we have been able to achieve that to a large extent as we have been sharing for last several quarters that our focus continues to be on developed markets, particularly U.S., Canada, Australia and European region. And there, we have started seeing a good order inflow.

So in fact, now North America makes up almost about 44% of our total export order book. Australia makes up almost 18% to 19%. So combining all of these, now 60% plus of our order book is now coming from developed markets and Middle East is now only 18%.

So I think this is something that we are very happy about, and we hope to see further business coming from the developed geographies, particularly U.S.A., where AI-led data center power transmission investments are seeing a very, very strong momentum. So I think we have a large bidding pipeline in these markets, and we should see further conversion taking place in the subsequent quarters.

So that is what the export side is concerned. Middle East continues to remain a bit of a challenge. So we are not very optimistic in that geography. But I think if this war situation gets better, then we should start seeing that region revive again.

Moderator: The next question is from the line of Ashwini Agarwal from Demeter Advisors LLP.

Ashwini Agarwal: Just some more color on the export order book. I mean, are these orders all FOB or they are costs including freight? And if it is the latter, how are you managing the freight is one question. And second is, if there are delays to the international orders, do you have some flex in supplying the local orders to be able to meet your revenue targets? How are you internally thinking about all this?

Sharan Bansal: Okay. So on the first part, yes, largely the new orders that we are taking, we are taking with either on FOB basis with the ocean freight to be taken care by the customer or even if we are taking the sea freight, the understanding is that it is variable and to be finalized, to be frozen at the time of shipment.

So I would say that we are quite well covered in terms -- we don't have a risk on account of further escalation in the shipping freight, though I do believe that globally, we have seen more or less a peak of the shipping rates already. And now from here on, definitely, we are expecting reductions to take place.

On the second part of your question that if we continue to face challenges, then what is our plan for domestic. So I would say the domestic market is also quite vibrant. And last year, we did see muted ordering in the domestic side. But I think this year, the domestic order inflow has been also quite robust. And there are tremendous amount of opportunities in the domestic side also. We have also secured a good number of orders in the first half.

We are looking at more orders in the second half. Our total order inflow target for the year is INR7,500 crores, for which we are well on track to achieve that. So I'd say that now in the domestic also, there are enough opportunities for us to make up if in case there are further hindrances to export order shipment.

Ashwini Agarwal: And of your export order book, how much of that would be CIF, what you already have in the bag, the 17% of your total INR10,000-odd crores. How much of that is CIF where you might have to take the hit on freight?

Sharan Bansal: Maybe about less than 25% to 30%.

Ashwini Agarwal: Okay. Okay. And the margins profile of the new orders that's coming in, both from outside India as well as within India, how do the margins on the new orders compare with what you've reported in the first quarter, 10%, 10.5%. I mean, how do you think about that number changing as we go ahead?

Sharan Bansal: Last year also, we delivered a good increase in our EBITDA margin. And this year also, in both the quarters, we have seen EBITDA margins improve. Though we would have liked to see the EBITDA margins improve further, but we are facing some cost pressures due to fuel price increase and other commodity price increases. Otherwise, the EBITDA price increase possibly could have been even higher. Sorry, the overall EBITDA increase could have been higher.

So I'd say the new orders coming in, definitely are coming with good margins. We are steadily moving towards our long-term aspirational margins of 12%. So we definitely will move there.

And now with exports coming in with good volumes, we definitely feel that, that journey towards 12% will be faster. So that is definitely -- the margin trajectory will continue to be upwards.

Moderator: The next question is from the line of Navin Sahadeo from ICICI Securities.

Navin Sahadeo: So my question was around the employee cost. This quarter, we are seeing a fair amount of jump in this particular cost. I just wanted to understand, is this the run rate that we should pencil in for the balance 2 quarters in the fiscal?

Sharan Bansal: This quarter, particularly, I think the employee cost -- because there were increments done in the quarter 2, so the arrears of quarter 1 were also paid out along with the salaries in quarter 2. So I think that also had an effect. So I would say quarter 3, we should expect about a 5.5% as a percentage of revenue for the employee cost.

Navin Sahadeo: Understood. My second question then was about the segmental revenue breakup because now that like it's quite encouraging, heartening to know that you're still broadly sticking with the revenue growth guidance, which also then implies a much higher ask in the second half.

My question was around the segmental breakup because distinctly in the first half, bulk of your revenue contribution is from engineering products where the growth year-on-year, I'm saying, is fairly muted and EPC or the infrastructure projects is driving the revenue growth for us.

So in the second half, how should one look at growth? Will it be same like -- wherein the infrastructure project segments will drive growth or even the equipment or the engineering products as the businesses, that will drive revenue growth?

Sharan Bansal: See, overall in the year, definitely, Infra as a segment is going to be seeing a large growth this year. That is something that we saw right from the beginning of the year, and that's also playing out in the actual execution in H1 also. And similarly, in H2 also, we will likely see Infra playing a major lead in the revenue growth. Engineering segment shall be growing also.

However, the muted order inflows of last year and the ongoing export hindrances are playing a part and not allowing the Engineering revenues to grow as much as what we would like. I would say that both these challenges would probably be much better addressed in the coming financial year when -- because of all these new export order inflows from other geographies, we should be seeing more even growth across the segments in our overall company.

Navin Sahadeo: I appreciate. Only arithmetically, I just wanted to check because Infrastructure as a segment has much lower EBITDA margins. And if that is driving growth, then how can you -- like I'll just request you to convince us a little more on the margin stability in the second half with Infrastructure driving growth?

Sharan Bansal: Even in the first half, okay, we have seen that Infra has been the main driver of revenue. But despite that, we have grown EBITDA margins overall. So I'd say that the quality of the contract is getting better, and that applies to both Engineering and Infra. So for sure, we are confident

that despite whether it is Engineering leading the growth or Infra leading the growth, overall in the company, we will see EBITDA margin improvement.

Moderator: The next question is from the line of Ashwini Agarwal from Demeter Advisors LLP.

Ashwini Agarwal: So the major concern, if you just go through the first few questions on this call, is really about whether the growth rate will pick up in the second half or not. And I just wanted to sort of dig a little bit deeper there. If the growth is largely going to be driven by the domestic market or domestic supplies, and these are -- infra projects typically have visibility ahead of time because you would know which lines are coming up, you would know where write-off way has been secured, etcetera, etcetera.

How much visibility do you have of the revenue target that you have for the full year? Or if you back out the first half of it, the revenue target for the second half, how much visibility do you have at this point? And how much of it is sort of contingent upon events that are still to unfold?

Sharan Bansal: So I would say that we have a good amount of visibility and which is why we are maintaining our guidance of 15%, leave aside at worst a drop of 1% or 2% growth. So we are well aware of what our order book is and what is up for execution. So I say that we have full visibility and execution remains robust.

So in that sense, we don't see a challenge anywhere in hitting that overall growth target, both in terms of top line as well as bottom line. And so if you can see the bottom line number also with -- so firstly, let me start about top line. In the first quarter, we saw about just a 4% to 5% increase. But in the second quarter, we've seen already an improvement of about 10%. So that trend obviously will be much better in quarter 3, quarter 4. These are -- always the H2 is heavier for execution.

And on the bottom line side, if you see on overall in H1, we've delivered almost a 50% increase in bottom line. So I'd say that we are on the right track, and we definitely have a very good visibility considering the orders that are to be executed in H2 to be giving the guidance that we have given.

Ashwini Agarwal: No, that's very comforting. And the other thing is that the capacity expansion that you're talking about, how much will it cost? And will you be able to generate enough cash flows to fund that? Or would you be borrowing money? Could you provide some guidance on capex over the next 2 to 3 years?

Sharan Bansal: Yes. So our annual capex has been in the range of approximately INR250 crores to INR300 crores, and that's what we have been investing to add capacity. Our current expansion is also costing us just about that much. And in terms of funding, the company is quite comfortable. We recently did a fundraise also, preferential equity raise of about INR430 crores, which has brought down our debt equity to 0.38. Now it's below 0.5.

So obviously, it's very, very comfortable for us. I'd say the balance sheet has got a lot of strength. And with the operating cash flows also improving, this year, we do expect the operating cash

flow to be at least 75% of our total cash flow. So I'd say that we are quite in a comfortable position to meet all our capex requirements.

Ashwini Agarwal: And last question from my side. Exports cash flows, how do they work? I mean these are long shipping cycles and long receivables. So do you discount bills with or without recourse? How do you manage the working capital cycle with rising exports in the revenue mix?

Sharan Bansal: So there is a mix of contracts. In certain countries, we get LCs where we discount them upon shipment itself. And mostly in the developed countries where we don't have LCs, there the payments could be a function of direct payments against shipment or then even other discounting options are available because the customer quality generally tends to be of the highest standard.

So I would say that there isn't a very long cash conversion cycle in the export order despite the long shipping time. Generally, our payments are available to the company upon shipment.

Ashwini Agarwal: So your working capital cycle won't materially change as the export in the revenue mix goes up?

Sharan Bansal: Not really. What typically happens is, and I've shared this earlier, that exports, we see collections happening sooner, but the inventory cycle expands a bit because just in terms of the value-added grades, etcetera, and the inspection and shipping requirements, so the inventory, we probably have to hold on to a little longer and the production time cycles are also longer.

And the domestic side, the inventory cycles are shorter, but the collection cycle tends to be a little longer. So overall, they are both comparable. Both domestic and exports are comparable from a working capital perspective.

Moderator: The next question is from the line of Aditya Welekar from FYERS AMC. Sorry to interrupt to you, sir. Aditya, your voice is breaking. It's sounding a bit muffled.

Sharan Bansal: We can try -- let's try hearing him. Let him say his question.

Aditya Welekar: Is it okay now?

Sharan Bansal: Just continue. It's not very clear, but we'll try. Please go ahead.

Aditya Welekar: Sir, I want to understand the phasing of the capacity expansion. Means, we are expanding from, say, 45 kt to 60 Kt. So what is the status, means, in terms of -- is there -- this will be a greenfield capex. So is the land finalized? And by when we are expecting Phase 1 of that and Phase 2. So a little bit of more detail in terms of capacity expansion, if you can throw some light on it.

Sharan Bansal: Sure. So actually, the Phase 1 was when we moved from 300,000 tons a year to 375,000 tons last year. Phase 2 is when we are moving from 375,000 tons to 450,000 tons, and that will happen in H2 this year. And all of these have been mostly in brownfield expansion so far in the company's existing plant. The further expansion could possibly be greenfield.

So we are on the lookout for new land, etcetera. And that will -- our plan is to take this ultimate capacity to 600,000 tons. So that should happen over the next 2 to 3 years, for which we are looking out for greenfield investment land options.

Aditya Welekar: So this greenfield capex, what will be the capex intensity. Means, so far, we have been doing brownfield capex. So going forward, our capex intensity will rise as we go for the phase, up to 60 Kt?

Sharan Bansal: The capex intensity will not rise much, but only the cost of land will possibly be added. So far, it was being done on largely existing land. But I think going forward in the future, we possibly could be acquiring some land. So the cost of land might be added on to the capex.

Aditya Welekar: And what kind of time lines can we factor in? Means, by when you can go for a land acquisition and anything material, you can throw some light on that?

Sharan Bansal: We are in advanced stages of identification. And I think very soon, we should be within -- the target is that within this quarter, we identify a new location. So possibly the first phase of that, we could start by the end of next financial year. And the second phase could be the end of subsequent financial year. So by end of FY28 and FY29, we should be able to fully operate the new unit.

Aditya Welekar: Understood. And my last question is with respect to the overall macro and capex cycle of transmission infra. So do you see the -- as we will be going for greenfield capex also in future? So the book-to-bill ratio, will we be able to maintain at the current levels.

Means, I understand we have a bid pipeline of more than INR30,000 crores. But this -- at what stage of transmission overall capex cycle we are currently? And do we have a long runway to justify this kind of a greenfield capex, which will come up in the next couple of years?

Sharan Bansal: Yes, absolutely because transmission outlook is extremely robust, not just in India, but in several parts of the globe where we are already active. So I would say that even in India itself, we do expect to see, at least on the lower side, INR1 lakh crores plus of bidding every year up till 2032, '33. And some accounts suggest that even up till 2035, we should continue to see at least INR1 lakh crores of investment annually, if not more.

And on the global side, as you have seen in H1, we have started securing good amount of orders now from the developed countries, including U.S., Canada, Australia, etcetera. So I would say that trend should also continue.

And overall, every market where we are active, whether it is Africa, Middle East, South America, everywhere we are seeing very excellent opportunities for power transmission because all countries are trying to move for more electrification, more renewable integration into the grid and also more transmission systems to cater to the AI data centers.

So I would say that this trend should definitely continue and business outlook will not have any challenge for this new greenfield capacity.

Aditya Welekar: Understood. Just one last question, if I can squeeze in. With respect to our contract assets and contract liabilities, any guardrail or as we expand and as we grow in terms of top line and we explore into exports market, so how will you see the working capital, especially in terms of contract assets and liabilities?

Sharan Bansal: In terms of working capital, over the last 4 to 5 years, we have been able to bring it down from earlier almost about 200 days. We have been able to bring it down quite nicely to almost close to about 90 days. And I say -- I believe that this is the best in the industry. If you see all our peers, they're all operating at 120 days plus and 90 to 95 days is a reasonable stable working capital day for the company.

So as the company's operations continue to grow, the contract assets and liabilities will grow in proportion to the operations. But I would say that the net working capital days of the company should be in this 90 to 100 days stable region.

Moderator: The next question is from the line of Darshil Pandya from Finterest Capital.

Darshil Pandya: Just one question. Sir, what was the capacity utilization during this quarter, if you can tell us?

Sharan Bansal: Approximately 80%.

Darshil Pandya: Approximately 80%. And sir, this is on 3.75 lakh capacity that we're doing, right?

Sharan Bansal: Correct.

Darshil Pandya: So sir, this is the maximum that we can do from this capacity or there is some...

Sharan Bansal: No, we can -- we have in the past gone up to 90% also. So I think 90% is quite doable. But because -- as I mentioned earlier, because of the export challenges right now, we are not able to push for full capacity utilization.

Darshil Pandya: Sir, what is this export issues that we are facing? What products, what is something that we are facing this issue?

Sharan Bansal: So mainly it's on account of shipment deferrals, which are happening. In many cases, customers are choosing to defer shipments because right now, the shipping rates are very high. And if the customer has to bear the shipping increase, they are choosing to defer and wait for the prices to come down before they allow further shipment.

So that is all that is happening. I mean that's the main reason for this reduction in exports. If you see in this quarter also, exports declined about 46% year-on-year to about INR106 crores versus INR198 crores in previous year quarter 2.

Darshil Pandya: Okay sir. And one last question. When is this new capacity expected because we are already in H2 now. So if you can just share some time line with regards to this.

Sharan Bansal: It could possibly take place in the end of quarter 3 itself or latest, at the beginning part of quarter 4.

Moderator: The next question is from the line of Vinay Chaudhary from Invexa Capital LLP.

Vinay Chaudhary: Congratulations on the set of numbers and the fund raise. So just wanted to understand the utilization of the funds, what we did in terms of the preferential equity raise. And what's our strategy on the debt going forward?

Sharan Bansal: Yes. Thank you. So the debt, even before the fundraise, the company was in a very comfortable position where debt was concerned. We were at 0.64 debt-to-equity ratio before the fundraise, which after the fundraise, it has come to 0.38. So the main idea behind the fundraise was to strengthen the balance sheet.

And so that -- because we do have a decent amount of capex in the next couple of years, so the idea was that we strengthened the balance sheet and be ready for any new opportunities that may come about in business, whether it is M&A or new plants, etcetera. So I think that was the idea.

This quarter also -- today also, we have announced the acquisition of a small manufacturing company in South India. So that's a small acquisition. It's about INR15 crores to INR16 crores. But I think more such opportunities may come about in the future. So we want to be ready. And that's why the idea behind the fundraise was that we strengthen the balance sheet and be ready for all opportunities.

Moderator: The next question is from the line of Navin Sahadeo from ICICI Securities.

Navin Sahadeo: So having done a reasonably good order intake in the first half, what is now the full year order inflow guidance for us, sir?

Sharan Bansal: We maintain our order inflow guidance of INR7,500 crores. Hopefully, we should be able to do much better than this. But as of now, we want to maintain the guidance given last time at INR7,500, which is to get more and more export orders in the mix.

Navin Sahadeo: Yes, exactly. That's what my question was that is there a -- because the recent order was a very good like accrual that we got from exports. So, I was just wondering is there more visibility that you have that can convince on order inflow exceeding largely from export sections?

Sharan Bansal: It is definitely possible. Our idea would be that, of course, we'd like to see more and more export orders coming because anyway, they come with better margins and developed country exports come with even better margins.

So it's hard to say because export orders tend to have a little bit of an uncertain time line of finalization. Many times, we feel okay that the order is about to be finalized and we are favorably placed. But then again, another 2 quarters pass and the order is not finalized.

So again, I think keeping all optimistic views, I'd say that for the subsequent quarters also, we should be taking in a similar amount of export orders, which we have already taken, though officially, we will maintain that, "Okay, for the full year, we should take in about INR1,500 crores of export orders," out of which we've already taken about INR1,000 crores, INR1,100 crores already. But we maintain our guidance of INR1,500 crores of total export order inflow this year.

Navin Sahadeo: Yes. Helpful. My last question then was about the margins or risk to margins in light of the in general inflationary cost environment. So if you could just talk about how much percentage of the order book is like fixed or something which can like on a, what do you say, where it's flexible in nature wherein we can pass on the cost impact to customers and also the same that when we go for export orders and when we say that they are fetching much higher margins, are these also on fixed basis or they are on flexible contract basis?

Sharan Bansal: So our orders are now majority on fixed price basis. But because the margin profiles are comfortable and whenever we have a firm price order, we do get a sufficient amount of buffer from the customer in the pricing. And also, we are able to secure higher amount of down payment to secure a good portion of that inventory.

So I'd say that the risk to margin is nil because even in the first half of the year, despite the cost inflationary pressure has been there pretty much right from the beginning of this year. So possibly, what can happen is that our overall target for margin expansion may see some hit. But definitely, there is no chance of any dropping of our margins.

So like what we have done overall for H1, we have improved margin by about 20 basis -- 20 to 30 basis points. So I'd say that, that at least should continue. Our target would be to improve margins further. That's what -- our order book does have those kind of margins available.

But of course, look, if cost pressures continue the way they are, then perhaps the margin expansion will not be as high as what we had targeted for in the beginning of the year. That's about it. But as with more and more export orders now coming in where the execution will likely take place next year, we definitely will be moving gradually and steadily towards our aspirational margins of 12%.

Navin Sahadeo: So in the interim, is it safe to say that they will be in the range of 10% to 11% come what may?

Sharan Bansal: Absolutely. Absolutely.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference to the management for the closing comments.

Sharan Bansal: Thank you, everyone. Looking ahead, we are confident of delivering a significantly better H2. A multiyear growth runway ahead lies ahead for us. With a record order book, rising capacity utilization, improving margin profile, expanding export footprint and a structurally scalable manufacturing base, Skipper is entering a phase where growth, profitability and return ratios are

set to compound together. We appreciate your continued support and look forward to interacting with you again in the next quarter. Thank you.

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