



VIKRAN ENGINEERING LIMITED

(Formerly Known as VIKRAN ENGINEERING & EXIM PRIVATE LIMITED)

Date: 01st June 2026

To, The Secretary BSE Limited Corporate Relationship Department, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. (Scrip Code: Equity - 544496)	To, The Secretary National Stock Exchange of India Limited Listing Department, Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai -400051. (Scrip Symbol: VIKRAN)
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Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Transcript of the Q4 and FY26 Earnings Conference Call.

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith transcript of the Q4 and FY26 Earnings Conference Call held on Tuesday, 26th May, 2026.

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

Thanking You.

Yours faithfully,

FOR VIKRAN ENGINEERING LIMITED

Kajal Rakholiya
Company Secretary and Compliance Officer
Mem. No. A45271

Place: Thane

Encl.: as above



“Vikran Engineering Limited
Q4 & FY26 Earnings Conference Call”
May 26, 2026



**MANAGEMENT: MR. RAKESH MARKHEDKAR – CHAIRMAN AND
MANAGING DIRECTOR – VIKRAN ENGINEERING
LIMITED
MR. AVINASH MARKHEDKAR – WHOLE-TIME
DIRECTOR – VIKRAN ENGINEERING LIMITED
MR. NAKUL MARKHEDKAR – PROMOTER AND
WHOLE-TIME DIRECTOR – VIKRAN ENGINEERING
LIMITED
MR. ASHISH BAHETY – CHIEF FINANCIAL OFFICER –
VIKRAN ENGINEERING LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Q4 and FY26 Earnings Conference of Vikran Engineering Limited. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all 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 touchtone phone.

I now hand the conference over to Mr. Rakesh Markhedkar, Chairman and Managing Director from Vikran Engineering Limited. Thank you and over to you, sir.

Rakesh Markhedkar: Good morning, everyone. This is Rakesh Markhedkar. I am the Promoter, Chairman and Managing Director of Vikran Engineering Limited. I extend a warm welcome to all our participants during our Q4 and full year FY26 Earnings Conference Call. I sincerely appreciate the continued trust and support of our investors, analysts, lenders, and all stakeholders as Vikran Engineering continues its growth journey.

On today's call, I am joined by our other promoters; Mr. Avinash Markhedkar, Whole-Time Director; Nakul Markhedkar, Promoter and Whole-Time Director, Mr. Ashish Bahety, Chief Financial Officer, along with the Adfactors IR team, our Investor Relations Advisors. I hope all of you have had the opportunity to review our financial results, investor presentation, and earnings release updated on the stock exchange and on the company's website.

Before discussing the performance of the quarter and the year, I would like to briefly provide an overview of the company and the strategic progress made during FY26. About the company, Vikran Engineering Limited, we are a fast-growing integrated infrastructure EPC company with now presence as a developer in the solar business. Put together, we are constructing 1.5 gigawatt solar projects under construction. This is comprising a developer for around 1 gigawatt and 500 megawatt as an EPC.

We have a very strong execution capability across power transmission and distribution. That is the highest system voltage up to 765 kV substations and transmission lines, both kinds of substation, AIS/GIS, and the distribution, this is including smart metering. This is a major focus of the Government of India at present.

Then apart from T&D and renewable energy, we also have a presence in water infrastructure and railway electrification. Over the years, company has built a very strong execution-led reputation with a consistent focus on timely project delivery. As per the record, not a single project got delayed. We are very disciplined in the bidding, operational efficiency, and profitability-led growth.

Our core strength lies in executing technically complex projects across the power and renewable energy ecosystem, including very extra-high voltage substations and transmission lines, as I mentioned, along with end-to-end solar EPC solutions.

Over the last year, Vikran has further strengthened its positioning as an integrated renewable infrastructure solution provider, capable of delivering both solar generation assets and associated evacuation infrastructure under a single platform. The company's execution capabilities are supported by a very strong in-house technical and project management team, long-standing vendor relationships with the deep operational experience across multiple geographies.

Today, we have a very strong presence in 22 states with 190 locations across the country, and then head office at Thane, where we have our own design engineering, and professionals who are sitting, approximately 222 out of 1,200 professionals on the company's, , we are sitting at headquarter at Thane.

Our ability to mobilize parallel execution teams, undertake detailed engineering and pre-project surveys, and execute projects within challenging time limit condition to differentiate Vikran Engineering in the market.

Today, with a diversified and growing order book across both government and private sector clients, the company remains all positions to benefit from India's ongoing investment in renewable, power transmission and distribution, grid modernization, and industrial development, including smart metering initiatives in the country.

I would now like to give the call to Mr. Nakul Markhedkar, who is also a Promoter and Whole-time Director, and he will take us through the operational performance of the company.

Nakul Markhedkar:

Thank you so much, CMD sir. Very good morning, everyone. I would want to talk about the financial year 2026, as well as give you insights on what is expected in FY27. FY26 has been strategically significant for Vikran Engineering, marking an important phase in the company's evolution and diversification journey.

During the year, we strengthened our position beyond being a predominantly Power T&D focused EPC player, and expanded meaningfully into the renewable energy segment, particularly in solar EPC.

Our Power T&D and solar business today constitute the majority of our order book, reflecting strong momentum in these sectors and the success of our strategic expansion into renewable energy. The balanced order mix is supported by water infrastructure and railway projects, providing a healthy sectoral diversification.

A major milestone during the year was our formal entry into the solar EPC segment through the execution of multiple marquee projects, including a 100 megawatt AC solar project from Ellume Energy Maharashtra SolarOne, a 400 megawatt AC/580 megawatt DC solar project from NTPC Renewable Limited, and a 600 megawatt complete end-to-end project from NOPL Solar, of which 20 megawatt, out of that is five locations has already been commissioned, and a few more will be commissioned by the end of this month.

These wins and order executions have significantly strengthened our revenue visibility and validate Vikran's capability to execute large-scale renewable infrastructure projects. While these project wins strengthen our execution visibility within the solar EPC segment, we also have

taken a significant strategic step towards expanding our presence within the broader renewable energy ecosystem.

By this, I am referring to our strategic acquisition of NOPL Solar Private Limited, which has 969 megawatts of PM-KUSUM PPA signed with the Maharashtra Government. Post the quarter end, we completed the strategic acquisition of the company. The acquisition marks a very important step in Vikran's evolution towards becoming an integrated renewable energy infrastructure platform.

The portfolio benefits from long-term PPA with MSEDCL and substantial CFA that is Central Financial Assistance support from the Central Government, providing a long-duration cash flow visibility and strengthening the quality of our business model over the long-term.

To add to this, this project will require an investment of INR4,200 crores, for which we already have a sanction in place from one of our major lenders. And this project will lead to a revenue of over INR500 crores over the next 25 years with a strong EBITDA margin of 85% to 88%.

We believe that this acquisition complements our EPC capabilities and enhances our position within the Indian renewable energy ecosystem. Importantly, this strategic decision aligns closely with the broader transformation currently underway within India's power and renewable energy sector, which continues to create significant long-term opportunities for infrastructure and EPC companies.

Now, coming to the power and renewable energy landscape, what we are observing is the operating environment within India's power sector continues to remain highly encouraging, driven by the country's accelerating renewable energy transition.

During the FY26, India recorded its highest-ever annual non-fossil fuel capacity addition, taking a total installed non-fossil capacity to over 280 gigawatts, with solar emerging as a key growth driver. Importantly, India has already achieved 50% of its installed capacity from non-fossil fuel sources, way ahead of its original 2030 target, reflecting the strong structural momentum across renewable energy grid expansion, and associated infrastructure development.

At the same time, India's transmission and distribution ecosystem continues to witness strong investments driven by rising power demand, renewable energy integration, and grid modernization. This continues to create long-term opportunities in transmission lines, substations, underground cabling, and renewable evacuation infrastructure, all of which we are already present in.

Another very important update for all the investors is that our credit rating has been upgraded from BBB+ to IND A- with a stable outlook. We believe that this reflects the improvement in our financial profile, execution capabilities, order book quality, and institutional credibility. Going forward, our focus remains on building this momentum while continuing to scale the business in a disciplined and sustainable manner.

Now, talking about FY27, we've entered this financial year with cautious confidence, focused on scaling the business in a disciplined and sustainable manner, as discussed earlier. Our core

power and transmission business continues to remain the foundation of the company, supported by a strong sectoral tailwind arising from rising power demand, renewable energy integration, and continued government investment in the grid infrastructure.

We will continue to focus on high-voltage transmission substations and underground cabling projects where we have established execution capabilities. Solar EPC has now emerged as a key growth pillar for Vikran Engineering. Supported by India's accelerated renewable energy transition and strong policy momentum, we see significant long-term opportunities in this segment.

Following the large-format project wins secured during the FY26, we remain focused on scaling this vertical in a disciplined manner, while strengthening our execution and supply chain capabilities.

Water infrastructure segment also continues to offer long-term opportunities supported by sustained government focus on water access, irrigation, and waste management. We remain selectively engaged in this segment and continue to evaluate opportunities aligned with our execution and return parameters.

In parallel, we are also cautiously evaluating opportunities in the international market, particularly in the Middle East and selective regions of Africa, while also monitoring emerging opportunities in areas such as smart meters and data center infrastructure with complement to our engineering and EPC capabilities within the country.

I would like to now hand over the call to Mr. Ashish Bahety, who will take us through the financial performance of the company. Over to you, Ashish ji please.

Ashish Bahety:

Hello. Good morning, everyone. Thank you, Nakul ji about this, and let me briefly take you through about the financial performance. I hope you have already gone through the results for the Q4 and full year financial year '26.

For Q4 FY'26 performance, revenue from operations was at INR647 crores, as compared to INR355 crores in last year, Q4 FY25, reflecting a healthy year-on-year growth driven by execution momentum across the power and T&D business, as well as increasing contribution from the solar EPC projects.

Our EBITDA remains strong at INR92 crores in quarter four as compared to the last year, and as a percentage, it was 14.2%. PAT remains at INR56 crores as against INR38 crores in the corresponding quarter last year.

For the full year performance of FY26, revenue from operations, stood at INR1,249 crores, which is the highest in the history of Vikran Engineering, as compared to INR916 crores in FY25. That is again supported by strong execution across key infrastructure verticals, and also the ramp-up in newly secured projects in solar.

Our EBITDA stood at approximately INR175 crores, and our EBITDA margins remain at about 14%. PAT for FY26 stood at INR92 crores against INR78 crores approximately in FY25.

Overall, as far as margin and execution is concerned, our EPC business in the second half of the year, particularly quarter four, contributes a significant larger share of revenue due to execution ramp-up and milestone-based billing and revenue. The margin recognition generally improves as projects progress towards advanced stages, while projects in the initial execution phase carry slightly lower margins based on the billing milestones and the execution costs.

The increased contribution in solar EPC projects during the year also had an impact of blended margin, as several projects remained in the early stage of execution during FY26. Overall, we remain focused on balancing growth with financial discipline, maintaining bidding prudence, and also improving operating efficiencies as the business scales further.

With this, we would like to open the floor for the 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 Ashok Ajmera from Ajcon Global. Please go ahead.

Ashok Ajmera: Thank you for giving me this opportunity. And thank you Rakesh ji, Nakul ji, and Bahety ji for such an elaborate explanation, for giving details and information about the company. Having said that, this quarter has been also a decent quarter. Am I audible?

Rakesh Markhedkar: Yes, yes, please.

Ashok Ajmera: Yes. So as was discussed and declared also in even the last quarter and a quarter before also, our margin, EBITDA margin, which used to be in the range of 20% to 24%, 25% in the earlier years have gone down in the last quarter to 13.1% or something, and even in this quarter also I think 14.5% and odd. So, going forward, are we going to be in the same range for the EBITDA and PAT, or our EBITDA is going to again take a fillip going to 18%, 20% or 22% historically, which used to be? So, this is my just first question.

And let me also ask a few more, either points of information or some questions. You know, that Onix takeover, where the substantial takeover was done, so what is the status of Onix and the project, which was allotted or awarded to Onix, and the financial arrangement also. So, what is the status there, and how do we see the fruits, when and how it is coming going forward? So, these are my two observations.

And then the third one is in the, West Asian crisis and the geopolitical situations. I don't know how far it is affecting you, because though your imports are mostly from China and some of the other countries, which are not that way affected with this Hormuz, but how are we affected at all, if at all we are? And how going forward we are in a position to achieve our targets, turnover and other things? So, these are my first round, these are the few observations and the questions?

Ashish Bahety: Sure. Thank you Ajmera ji. With reference to the margins what you said, 22% might be for a particular quarter, however, if you see in FY 23, '24, '25, last three years, our EBITDA is in the range of 15% to 17%. And this year particularly, it is 14%, mainly on account of some Jal Jeevan Mission project receivables got delayed. As you know, I mean, there were some delays.

So as a prudent practice, we have taken a provision against those receivables, which will be reversed once we get those receivables, because now we are seeing a very good momentum on those receivables also and the payments are coming, I mean, started flowing from this financial year...

Ashok Ajmera: Sorry to interrupt, but that is also the government receivables, isn't it?

Ashish Bahety: That's right. It's a government receivable. However, as a prudent practice, we take some provision if it is going beyond a particular timeline. So that's where our margins, as compared to last three years, which were in the range of 15% to 17%, this year you will see that it is about 14%.

However, as we have discussed that we are very prudent in selecting the projects, we are targeting those projects, which are in the similar margin range, and we are hopeful that going forward also we'll maintain this particular range as far as margins are concerned. For the Onix project, Nakul ji, would you like to inform...

Nakul Markhedkar: Sure. So, the Onix project now it is still live. But what we are going to do is, since we've already acquired the SPV that Onix had got the project from, now we are going to replace the Onix order with the order from the SPV directly after the permission from the lender. So, that is also still intact.

Now to answer your third question, you asked about Onix's involvement in our current projects. So, since we've already bought the 100% stake in this company, Onix is nowhere in picture, and now we are the sole decision-makers and sole shareholders in the SPV.

Ashok Ajmera: So, you are not facing any problem, which Onix used to face? All those issues are over now?

Nakul Markhedkar: Yes, yes. So, I'm not sure what issues you're referring to when you talk about Onix, but as on date...

Ashok Ajmera: This was in open, like, whatever were the issues with the lenders or raising funds or whatever it is?

Nakul Markhedkar: So, considering our financial strength, we are already an A-rated company, whereas, Onix was, I believe, a BB or a BBB rated. I'm not sure of their rating. But we've already had multiple rounds of discussion with the senior debt lender, and they are very much comfortable with Vikran's proposal and are going forward with the project.

So, as you might have already observed, we've already commissioned four projects, and are planning to commission another two by the end of this month. This is the same project where we've just started working on these projects from January-2026, and in a matter of four months, this is the situation where we are in. There were a few issues that we had faced earlier, but all of those issues have now been resolved since we've already taken over the SPV completely. So now coming to your fourth question of global impact, were you saying anything, Ajmera ji?

Ashok Ajmera: No, no, you continue please.

Nakul Markhedkar: So, talking about global impact, historically we've not had a lot of imports directly, but of course, our supply chain is dependent on supplies from China. But as things stand, this war is not causing a lot of issues in our supply chain, and we actually were strategic in procuring a lot of critical items during the last financial year itself before things got worse. So, we are very well-placed for the next quarter as well.

Now, coming to what is going to happen in the next quarter, we are already in touch with the larger players in our supply chain to somehow hedge this risk of uncertainty. These players are market leaders, who have the means to insulate us from any and all market fluctuations.

Ashok Ajmera: Okay. One related question, what is the impact of the BESS regulations of the battery energy supported system, with that regulation changing and now you have to provide for the non-peak hours of storage and other things. So, what kind of impact are you going to face and whether that has been considered in your profit margins and other things?

Nakul Markhedkar: Yes, yes, Ajmera ji, so for us, the projects that we have, do not have any BESS component in them. I believe the policy that you're referring to is for up-and-coming projects. I think some certain percentage of capacity is expected to be reserved for BESS.

So, we've not yet got any project where BESS is in our scope. But yes, definitely, we've bid for a few projects where BESS is part of our scope and we are in good terms with a lot of these cell and battery manufacturers and assemblers in India as well as in China. So, I don't think this will be a big impact; rather, this will be healthy for the entire grid stability considering the generation during the peak hours can be switched to the evening hours.

Ashok Ajmera: But it will increase the cost of the project?

Nakul Markhedkar: So, it is only, if you bid for the project that way. So, for us, the impact is zero.

Rakesh Markhedkar: In our current portfolio, no BESS is there.

Ashok Ajmera: No, I understand that. I understand that.

Rakesh Markhedkar: I just want to give one emphasis on this Onix project. See, this Onix, everybody, let it be very clear now. Onix with the approval from the off-taker, MSEDCL, written permission from the Government of Maharashtra and the Board, we have taken over this company entire project, 100% as Vikran Engineering Limited now.

This SPV we have taken over now. And that the full confidence of the execution to the lenders, to our supply chain complete, that is going with the full confidence. We have commissioned 20 megawatt and another 20 megawatt we are commissioning in a few days now.

So, we are going very confidently on this, and this project is going with complete supply chain management with us, with the customers and all. And giving you some more information on the project, 80% of this project we have already acquired the land. And out of 969 megawatt, around 148 megawatt we are in a very advanced stage of execution. So very, very strong execution progress is going on this project.

- Ashok Ajmera:** Oh, that's great. So, our order position, which used to be INR4,000 crores, INR4,500 crores, with this Onix thing included, where do we stand as far as the order book is concerned?
- Rakesh Markhedkar:** Actually INR5,700 crores is our current order book.
- Ashok Ajmera:** This includes this Onix thing?
- Moderator:** I'm sorry to interrupt, Mr. Ajmera, you may please rejoin the queue for more questions.
- Ashok Ajmera:** No issue, no issue. I have completed all mine. Thank you very much and all the best to the management and to the company.
- Moderator:** Thank you. Next question is from the line of Pritesh Chheda from Lucky Investment. Please go ahead.
- Pritesh Chheda:** Yes, sir, thank you for the opportunity. Sir, I have two questions. One, because the shape of the order backlog has, obviously, changed with a lot of solar projects now. So, for FY27 if you could tell us what, kind of, execution is possible with and without the NOPL project, because the NOPL order book you have written as an asterisk mark over and above the order book that you are carrying. So, your revenue execution for FY27 with NOPL and without NOPL and the margins?
- And my second question is on NOPL. So, since acquisition, what are the milestones that have been achieved and now what are the milestones that have to be achieved for a smoother execution of the project? These are my two questions?
- Nakul Markhedkar:** So, thank you for the question. I was not able to get your name, please.
- Pritesh Chheda:** My name is Pritesh from Lucky Investment.
- Nakul Markhedkar:** Okay, yes. How are you?
- Pritesh Chheda:** Good. How are you sir?
- Nakul Markhedkar:** So, talking about NOPL, we are pretty confident about our execution as an order pipeline and hence we are pretty sure that we'll be able to do INR 2,200 plus crores of revenue next year, as in FY27, with or without NOPL. And, so again, I would also want to emphasize on a point where NOPL is now our subsidiary, and thinking of a plan without NOPL, it does not make a lot of sense because it would need a lot of commitment and investment from our side as well.
- So, we are very confident about this acquisition and are very, very confident about the benefits that this acquisition is going to provide to the company in the consolidated balance sheet. So, margins and everything will be in line. INR 2,200 crores, INR2,300 plus crores is what we are looking at in FY27.
- And there was another question that you had asked, which was milestones achieved. Okay, so acquisition happened in, just at the end of April. So, as of now, the milestones that are only there is that we've commissioned a couple of more projects, which we were anyways working on.

And expected milestones is that by the end of this financial year, we should be able to complete most of the project. And for this, we are fully prepared in terms of funding, in terms of supply chain, in terms of execution, and so everything is very clear.

The major challenges that generally people face in solar projects is the acquisition of land and evacuation. Both of these issues have been cleared for this project. Since our takeover, we've managed to identify more or less around 85% of the land required for the project. And one of the biggest advantages of this project is that this is spread across multiple locations.

So as and when you keep completing a location, your billing starts. So, happy to report that since we've already commissioned 20 megawatts, we are expected to get around INR 1 crores (management erroneously mentioned as INR 2 Crores but to read as INR 1 Crores) every month from sale of power from these projects, from these four locations.

Ashish Bahety: And we'll keep commissioning these projects and that revenue will keep adding accordingly. So, there are about 150-odd locations, where we have to work and that's how we'll keep achieving these milestones accordingly.

Pritesh Chheda: So, this 20 megawatt is commissioned with effect FY27, right, the first 20?

Nakul Markhedkar: Yes, that is, yes, correct.

Pritesh Chheda: Okay. Just a follow-on here, sir. With respect to the financing line on this project, does the existing financing line rolls over with the new owner of the project, or you have to make...

Nakul Markhedkar: Yes, it rolls over. There's just a small evaluation of the new promoter, which is under process and it will happen.

Ashish Bahety: And apart from that, as a backup, we have also arranged some other financial sources also, so in case it takes time, we have other backup also.

Pritesh Chheda: Okay. And my just other question is in terms of extension. Does it need any extension of the project with Maharashtra MSEDCL or Maharashtra Government or anything?

Nakul Markhedkar: Thank you so much for the question. Very, very relevant question. So MNRE has already given the extension till March 2027, and in line with MNRE's extension, even MSEDCL also has allowed us time till March 2027.

Rakesh Markhedkar: They have given us official extension letter.

Nakul Markhedkar: The extension letter already is with us..

Rakesh Markhedkar: We got the extension.

Pritesh Chheda: Okay. Done. Thank you very much.

Moderator: Thank you. Next question is from the line of Paras Chheda from Purpleone Vertex Ventures. Please go ahead.

- Paras Chheda:** Sir, thank you. Congratulations for a strong set of results. Yes. Sir, my first question, just to confirm, you have guided for about INR2,200 crores of revenue for FY27, is that correct?
- Nakul Markhedkar:** Yes.
- Paras Chheda:** Okay. Sir, what kind of sustainable EBITDA margins now we should sort of factor in?
- Nakul Markhedkar:** We should be in line with what we've already committed. 14%-15% is where we are very confident on and hoping to maintain that. We're very confident rather, I would say, to maintain these EBITDA lines.
- Paras Chheda:** Right. Sir, what is happening with regards to trade receivables now? About INR1,000 crores odd. And what is the specific exposure to JJM now pending?
- Nakul Markhedkar:** Sorry, your voice is cracking in between.
- Paras Chheda:** Yes, I was talking about INR1000 crores trade receivable and what is the specific exposure to JJM now pending. As you said, there is some sort of movement happening there. And when do we expect to turn cash flow positive, sir?
- Ashish Bahety:** Yes, so with reference to these JJM projects, the receivables out of receivable about 25% to 30% is from JJM projects. However, it is reducing now because the overall order book size, it is less than 10% from the JJM as the company has not taken any new orders in last two financial years for water.
- Also going forward, we are mainly focusing on solar, so our focus on getting the receivables faster is -- I mean, we are diversifying from these water to solar as of now to get the receivables faster. Also, our dependency on government is also reducing because most of these orders what we've taken newly is from the private players where the financing arrangement is already done. So that way, this will also help us in reducing the receivable amount.
- Paras Chheda:** Right. Are there any high-risk receivables now outstanding? I mean, whether they'll probably tantamount to writing off? Do you expect that kind of situation in these receivables?
- Ashish Bahety:** No, there are no such cases. Even you can look at the history and our prospectus where we have not taken any major hit till now in the company's history. Also, we were very cautious while choosing the projects and we are working very closely with the client and their funding arrangement while doing our projects.
- So that way, we don't see any major risk as far as receivables are concerned. As we have explained that as a prudent measure, we have taken some provision, but those are also will be reversed once the amount is received.
- Paras Chheda:** Right. Just last two queries. Now we are growing quite fast, right? And at least intend to grow fast. And the cash flow from operations continues to be negative. So one is, is there, I mean, a chance where we turn cash flow positive? I think the last time around we were told about FY28 we are looking at turning cash flow positive, if that holds for now. Or else are we looking at further equity dilution going forward?

Ashish Bahety: No, so as of now, we don't have any plans for further equity dilution. As far as cash flow positive cash flows are concerned, yes, because these FY26 and FY27 are again growth push what we have to bring into the company. And that's where you can see our order book which used to remain about INR2,000 crores has crossed INR5,000 crores.

We have a clear visibility on the future and we are expected to grow at a faster pace as of now. Once this pace is stabilized, definitely, I mean, we can see a positive cash flow which is expected from FY28.

Also with this acquisition of NOPL going forward, I mean, next year, there will be a good amount of EBITDA which we'll be generating from this particular subsidiary. So as a consolidated revenue also you can see that there will be a good EBITDA and cash flow generation from that project as well.

Paras Chheda: Right. So FY28 you continue to hold for cash flow positive operations most likely on an annual basis?

Ashish Bahety: Yes.

Paras Chheda: Okay, fine. Thank you so much.

Moderator: Thank you. We will take our next question from the line of Prem Soni, an Individual Investor. Please go ahead.

Prem Soni: Hello, am I audible?

Rakesh Markhedkar: Yes, please.

Prem Soni: Hi, thanks for the opportunity. Sir, I have a question on the same earlier participant has already, queried that. But more on an elaborative manner, like on the receivable side of last year INR605 crores and for the year INR1,000 crores for this year, like how much was the exposure for water segment in terms of the receivables only?

Ashish Bahety: Yes, so as I mentioned, it is about 30-odd percentage from the water side. Balance is from power and solar.

Prem Soni: And sir, as you have said the momentum has started from the JJM and receivables has started converting into cash, so like how much amount you have received till now from the water segment only for this year and last year as well?

Ashish Bahety: So for current year after our financial year closed, in FY27 we have got about INR17 crores- INR18 crores of receivables from Jal Jeevan Mission projects and further we are expecting to receive now. So as compared to last year, this has improved.

Prem Soni: All right. And sir, are we anticipating any order flow from the JJM side since the government has announced JJM 2.0 with the accelerated of INR8.2 lakh crores of opportunity? So are we seeing any order flow or any query in the side?

- Ashish Bahety:** So we are very cautious in selecting the projects. As of now, we see a better cash flow and better margins in solar projects, considering the government push also is more towards solar. However, in case if we get any good opportunity, we have a qualifications to bid and we can take such opportunity whenever available.
- Prem Soni:** Okay. And sir, the order book that you have highlighted on the presentation which is of around, I believe, INR600-odd crores for this year in the water segment only. So, what was the exposure of JJM only, can you elaborate?
- Ashish Bahety:** Yes, mainly these projects, I mean INR600 crores whatever the balance is water, mainly it is from JJM and some other drinking water supply projects. So we are working in UP, MP, and Chhattisgarh for drinking water supply system projects.
- Prem Soni:** Okay. And sir, the last question was on the data center. Like we have, I think, put a information that we are seeing opportunity in the data centers. Like what kind of opportunity are we seeing or what kind of offering we are providing? Can you put some details on that?
- Rakesh Markhedkar:** So very nicely seen. Now what is happening, the data center we are focusing because of the reason we have already out of four pillars of data center, we have presence in three. One is the power, captive power means solar, and for the cooling system means for the water. Since out of four we have already presence in three and we have our own designing team and we have a strong project management skill. And actually this is helping us to look into the data center because the data center has the big private players and they believe in good execution and quality the projects, which is the specialty of Vikran Engineering Limited.
- So that is the reason very precisely going a little away from the government projects, we wanted to concentrate with the good quality private project like a data center. In that connection, we started preparing, we have hired very strong consultant E&Y in this regard. They are hand-holding us for our preparation and we are approaching now, started preparing for the inquiries and we are targeting some order book in this financial year in data center.
- Prem Soni:** Okay. So, are we seeing any order flow like in this year as we haven't find any queries or receive any queries from any...
- Rakesh Markhedkar:** Yes, yes. That is going on. So, that is going on, but we have set a very small target of INR100 crores now to start with in the data center.
- Prem Soni:** And what would be the margin...
- Rakesh Markhedkar:** And margins will be -- because we are focus on the margins, so we'll be selecting projects accordingly to ensure we maintain that the margin what we are already there in our solar and power T&D segment.
- Prem Soni:** All right, sir. Thank you, thank you for answering.
- Rakesh Markhedkar:** Thank you very much.

- Moderator:** Thank you. Next question is from the line of Ashok Ajmera from Ajcon Global. Please go ahead. Ashok, your line is unmuted. You may please proceed with the question. Ashok, we are unable to hear you. Can you hear us? Hello?
- Ashok Ajmera:** Yes, can you hear me now?
- Rakesh Markhedkar:** Yes, please.
- Ashok Ajmera:** Yes, thanks for permitting me for the second round of some questions, some observations, and some information. So, you know, we have been talking about this large receivable number one. So that government stuck receivables against which you have started making provisions, what is in absolute term, absolute amount that outstanding is?
- Ashish Bahety:** So overall, as we see, I mean, there is no stuck receivables. However, as we all know, there were some delays in getting the payments from Jal Jeevan Mission projects, especially in one or two states. So those -- I mean, considering the current budget which is for FY27, we see a very good push on the government side also for JJM projects.
- So that way, we don't see any specific issues as far as receivables are concerned. The provisions as we mentioned, it is just a prudent measure of accounting. It's not about specific for a particular project we see any risk as far as receivables are concerned.
- Ashok Ajmera:** Okay, I mean, that's appreciated. Hello?
- Ashish Bahety:** Yes, yes, we can hear you.
- Ashok Ajmera:** Yes, yes. So now you see we were just talking about this data center and you already started working on that, appointed consultant and this thing. So what kind of investment are you planning over a period of two, three, five years on that data center? Have the some of the financials have been worked out already?
- Because it requires, as I believe, the data center requires huge investment. So what kind of investment we are looking at and how are we going to plan to raise that kind of investment and whether it will be prudent, when we are already in minus cash flow? So some color on that.
- Rakesh Markhedkar:** Sure. So this is Rakesh Markhedkar once again. let me tell you, we are not going for a as a developer mode or investment mode currently. Our expertise is in the EPC, so we are starting as a EPC. As I mentioned, the data center has four component. Out of those four component, we have already our having our presence in three components, like power T&D, evacuation, and then the captive power that is solar, and water.
- So using our own existing capability, we wanted to take up EPC projects to start with the data center, which is going to help us in two way. One is, that is going to help us in deploy our execution capability in the data center and the major the private sectors where we can really do a good execution and where the cash flow is better.

Number two, this is going to give us the further strengthening and the confidence to our all stakeholders, because the data center execution is very precise job, very good job in terms of the when it comes the competence in the EPC.

So this is going to help us further strengthening our EPC competences, which is going to help us the worldwide what we are looking for in the near future, the overseas project. So this is going to improve our confidence. Approximately to start with, we are looking for to start with in the range of 50 megawatt to 100 megawatt data center project on EPC mode.

Ashok Ajmera: yes, so we are taking it as a project for execution for others, not for ourselves.

Rakesh Markhedkar: Correct. Correct.

Ashok Ajmera: No, that's great. Now the one last question in this round, again the second round is, what is our total composition of revenue in the existing two-three verticals? Like we have a target of about INR2,200 crores or something, as you said, for the FY27. So what is in percentage terms the composition of say water, other activities, and power, percentage-wise?

Rakesh Markhedkar: Approximately 60% will come from solar and 30% will come from power T&D, that too very selective like this 765 kV GIS/AIS kind of projects from our customers like Power Grid and NTPC. And the balance approximately 10%, that too with our existing order book of water.

So our focus is to complete those project in the proper way and to bring all our receivables from the water. And that is the reason for last 18 months we are not quoting for the water. So answering to very precisely: 60% solar, 30% power T&D, and approximately 10% from the water.

Ashok Ajmera: Yes, because, you know, that clarity is very important because our stock also has suffered very badly, you know, and a lot of volatility there, you know, from it used to be INR120-INR130 to come down to INR80-INR85 range, to coming down to INR55-INR60 range. This all may be because of little the message has not gone right to the people and we are into so many things.

So I think a consolidation required at this stage and a clear message is needs to be given. Lot of clarity has come in today's talk and I think people will understand that the potential of Vikran. All the very best and thank you very much for answering my questions.

Rakesh Markhedkar: Thank you very much for understanding. Yes.

Moderator: Thank you. Next question is from the line of Aniket Madhwani from Steptrade Capital. Please go ahead.

Aniket Madhwani: Yes, hello, am I audible?

Rakesh Markhedkar: Yes, yes, please go ahead, Aniket ji.

Aniket Madhwani: So as I can see in this presentation, you've mentioned the outstanding order book was around INR5,700 crores as on 22nd May, right? And so here I can see there is an additional solar EPC order of INR 1,400 crores. So is it over and above INR 5,700 crores or is it included in that?

- Ashish Bahety:** Yes, so that is based on, because the company Onix which we have acquired, there is a balance EPC order which we need to give. So based on arm's length price, we can give it to either any other EPC or we can take it in Vikran also. So that depends on the price what we are getting.
- However, we are hopeful that being a subsidiary and we are already working on that particular project, we would be able to get this at a arm's length price. So around you can say about INR 1,000 crores would be additional order book which we may expect in coming days, apart from INR 5,700 crores.
- Aniket Madhwani:** And that will be executed in the same financial year, I mean in FY27?
- Ashish Bahety:** Execution will be, yes, most of the solar project we have to execute in next 12 to 15 months.
- Aniket Madhwani:** Okay. And what amount will be executed from INR 5,700 crores?
- Ashish Bahety:** So as we discussed, I mean, we are expecting a overall turnover of about INR 2,200 crores to INR 2,500 crores in FY27. So that's what we'll be executing from the order book.
- Aniket Madhwani:** And just I'm trying to understand, if you will execute INR 1,000 crores-odd from solar EPC orders, and so you are trying to say that you will be only able to execute around INR 1200 crores from Vikran order book, right? From INR 5,700 crores.
- Ashish Bahety:** This is a part of order book.
- Aniket Madhwani:** Sorry.
- Ashish Bahety:** Out of INR5,700 crores, what we are saying is we will be able to execute INR 2200 crores plus.
- Aniket Madhwani:** In FY27? And the additional INR 1,000 crores you are mentioning is about IN 2,200 crores. I am trying to understand that.
- Rakesh Markhedkar:** So that is the reason we are giving the range, INR 2,200 crores to INR 2,500 crores.
- Ashish Bahety:** That is a additional project which once it will be available with Vikran, that will be further surplus on the overall revenue for current and next year.
- Aniket Madhwani:** Okay, okay, got it. That's it.
- Ashish Bahety:** Thank you.
- Moderator:** Thank you. Next question is from the line of Pritesh Chheda from Lucky Investment. Please go ahead.
- Pritesh Chheda:** Sir, just a follow-on. I missed out how much receivables are there from water in your balance sheet now?
- Ashish Bahety:** So overall, our exposure from water is about INR 400 Crores (management erroneously mentioned as approximately INR 280 crores to INR300 crores but to read as about INR 400 Crores) which we have to receive from Jal Jeevan Mission projects.

- Pritesh Chheda:** Okay. And how much did you provide in the last year, how much provisions you took in FY26?
- Ashish Bahety:** About INR 20 crores.
- Pritesh Chheda:** Sorry?
- Ashish Bahety:** About INR 20 crores.
- Pritesh Chheda:** And that was taken in quarter four?
- Ashish Bahety:** Yes.
- Pritesh Chheda:** Or throughout the year?
- Ashish Bahety:** Mostly in quarter four.
- Pritesh Chheda:** Okay. Okay, sir. Done. Thank you.
- Ashish Bahety:** Thank you.
- Moderator:** Thank you. Next question is from the line of Ashutosh Singh, an Individual Investor. Please go ahead.
- Ashutosh Singh:** Hi, first of all, congratulations to the management. Good morning. I have few questions based on the liquidity. So firstly, I was going through the ratios, I found your working capital days, the cash conversion cycle is in minus 240. And it seems that it is a payable vendor finance working capital because do you think that 596 days will sustain because it is increasing since last 3-4 years and right now the CCC is 240 days in minus. So my question is whether it is sustainable that we will keep getting more and more credit days from the vendors or what is the target of declining these or improving these in near future?
- Ashish Bahety:** So I'm not sure how we are getting minus, but otherwise overall our net working capital if we see, I mean, we have a positive net working capital which we have invested and that's why the overall cash flow is actually going into operating activity, mainly into working capital. So though we are having a very good positive EBITDA in last two-three years, but because of the investment in working capital, our cash flow from operating activities is negative. As far as...
- Ashutosh Singh:** No, I'm not talking, sorry, let me put it in. I'm not talking about the cash flow from operating activity. My question is, first of all, the payables has been increased almost 60%. Earlier year it was INR470 crores, this year it is INR788 crores. So it seems and working capital borrowings are fairly balanced.
- So it seems that it is financed from the taking more and more credit from the vendors, so either we can take borrowing or more credit. So my question is that 596 payable days, is it sustainable in future or if we'll sustain this, okay, otherwise there might be some increase or huge increase in borrowings going to happen. So that is my observation that I was going -- I want clarification that whether it is sustainable, we will get it funded from the vendor credits or how we are going to control this?

- Nakul Markhedkar:** Apologies for the line getting disconnected.
- Ashish Bahety:** Yes, so with reference to your question about the creditors, yes, we are -- I mean, because of the last quarter, I mean Q4, we have done lot of procurements and work done in Q4 and that's where the creditors are slightly higher, same with debtors as well. And going forward, if we streamline the overall, I mean, progress of the project, which is expected in solar as compared to other infra projects, our overall receivables as well as payables both should be in normal range.
- Ashutosh Singh:** Okay, okay.
- Nakul Markhedkar:** I hope that provided clarity to you on the question.
- Ashutosh Singh:** Yes, yes, no problem, no problem. And my second question is what -- mainly what is the...
- Moderator:** I'm sorry, Mr. Ashutosh, you may please rejoin the queue for more questions. We have other participants waiting for their turn.
- Ashutosh Singh:** Okay. Thank you. Thank you.
- Moderator:** Yes. We will take our next question from the line of Aryan Bhatia from InVed Research. Please go ahead.
- Aryan Bhatia:** Hi, thanks. Thanks for the opportunity. My question is on the NOPL Solar Project. So while we are with the additional?
- Nakul Markhedkar:** Your voice is not clearly audible, will it be possible for you to get your mic a bit closer.
- Aryan Bhatia:** Yes, sir. Am I audible?
- Nakul Markhedkar:** No, not really.
- Moderator:** Aryan, can you use your handset mode, please. If you are using any external device.
- Aryan Bhatia:** My question is on the NOPL Solar Project for additional INR1,400 crores of project, why we have not included that in our order book?
- Nakul Markhedkar:** Because we've not yet given the -- we've not yet placed the order, so that's why. It is just a prospective project that we are yet to have. The documentation has not yet happened. So just being prudent, that's it, nothing else.
- Aryan Bhatia:** Got it. And second question was...
- Moderator:** I'm sorry to interrupt, Aryan, one question at a time, please. Thank you. Next question is from the line of Deeya from Sapphire Capital. Please go ahead.
- Deeya:** Hello, sir. So what sort of growth are we expecting in the next two to three years?
- Nakul Markhedkar:** Two to three years is honestly a...

Ashish Bahety: Yes, so as far as next year is concerned, as we've already mentioned that we are expecting INR2,200 crores plus and going forward also we are expecting a growth rate which will be higher. However, based on the future order book which we are going to book in current financial year, based on that we can better foresee our growth in the future.

It all depends on how the financial arrangement and how the execution will happen for the current existing order book because we have a huge order book as of now in our hand, which is very -- I mean, we are comfortable for current year as well as next year.

Nakul Markhedkar: So in short, what Bahety ji is trying to tell you is that we have visibility for next two years. Three years would be a long unrealistic expectation for us to provide actual figures on with, you know, backing from data. So you can look at around INR3,000 crores plus for FY28. But providing figures for FY29 would be a bit problematic as per the current status. I hope that answered your question.

Deeya: Okay, sir. Yes, sir. And the order pipeline apart...

Moderator: I'm sorry, Deeya, please rejoin the queue for more questions. Thank you. Next question is from the line of Vaibhav Chandak from Krijuna Research & Analytics. Please go ahead.

Vaibhav Chandak: Yes. Am I audible?

Moderator: Yes, you are audible.

Vaibhav Chandak: Yes. So good morning. First of all, congratulations on good set of numbers. My first question is regarding the project-related expenses in our P&L, which have grown to almost 2.7 times when compared to previous year. So are we expecting it to remain in the same line in terms of percentage of turnover? Please, can you please share some light on this?

Ashish Bahety: Sure. So when we look at a particular project, it is the overall direct cost what we look at because at times for, let's say, for a solar project, maybe the material cost is slightly higher as compared to labor, or maybe a particular project of power which may have a slightly higher service cost as compared to material.

So this overall direct cost, including material cost as well as subcontractor and other direct cost, we look at in total. And due to change in composition of product and service, this may keep on changing. However, we are confident that overall as far as overall direct margins and EBITDA margins are concerned, we are in a comfortable range.

Vaibhav Chandak: All right. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will take that as a last question for today. I now hand the conference over to Mr. Rakesh Markhedkar for closing comments. Over to you, sir.

Rakesh Markhedkar: Yes. Thank you very much, ladies and gentlemen. So we have meaningfully strengthened and diversified our business through our entry into solar EPC, expansion of our order book, our strategic initiatives to strengthen our existing portfolio. And apart from this, we are very keen to

strengthen our execution capability to the new area, the data center, because this is the need of hour.

If we see the requirement of the data center across the globe, is the huge demand and there is a scarcity of the good EPC companies in this segment. So we are very keen to maintain the momentum what we set of our growth. If we say the CAGR, we are able to maintain 35% to 36% for the last three years.

And FY27 will be the far better, because we have sitting on a very strong order book and our confidence level is gone up now. And because of our continuous improvement in our execution confidence and strategies, so we are moving very confidently.

So we look forward to get the all the help and support from all our stakeholders in future also. So thank you very much for joining for the discussion and we wanted to give the same confidence and our commitment what we explain you just now. Hopefully, that will going to have a very cordial understanding in the future too. Thank you very much.

Moderator:

Thank you. On behalf of Vikran Engineering Limited, that concludes this conference. Thank you all for joining us today and you may now disconnect your lines.