KILBURN ENGINEERING LTD.
Corporate office : 501, 5th floor, I-Think Techno Campus, Jolly Board Tower No.1, Kanjurmarg (East), Mumbai 400 042, Maharashtra, INDIA.
Tel No. : +91 22 6551 0300 Website : www.kilburnengg.com Email : marketing@kilburnengg.com

16th November, 2026

To
The Corporate Relationship Department
BSE Limited
P.J. Towers
Dalal Street, Fort
Mumbai – 400 001

Scrip Code: 522101

Sub: Transcript of Earnings Conference Call on the Unaudited Financial Results for the Second Quarter and Half Year Ended 30th September 2026

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the transcript of the Earnings Conference Call held on 13th November, 2026, to discuss the unaudited financial results of the Company for the second quarter and half year ended 30th September 2026.

The same is enclosed herewith for your information and records.

Thanking you,

Yours faithfully,

For **Kilburn Engineering Limited**

Abhijit Shevantilal Mehta
Digitally signed by Abhijit Shevantilal Mehta
Date: 2026.11.16 11:06:18 +05'30'

Abhijit Mehta
Company Secretary & Compliance Officer

Encl.: As above

"Kilburn Engineering Limited

Q2 FY27 Earnings Conference Call"

November 13, 2026

MANAGEMENT: **MR. AMRITANSHU KHAITAN – CHAIRMAN – KILBURN ENGINEERING LIMITED**
MR. RANJIT LALA – MANAGING DIRECTOR – KILBURN ENGINEERING LIMITED
MR. SACHIN VIJAYAKAR – CHIEF FINANCIAL OFFICER – KILBURN ENGINEERING LIMITED
MR. K. VIJAYSANKER KARTHA – MANAGING DIRECTOR – M.E. ENERGY PRIVATE LIMITED
MR. AMOL MONGA – WHOLE-TIME DIRECTOR – MONGA STRAYFIELD PRIVATE LIMITED

MODERATOR: **MR. NAVIN AGRAWAL – HEAD, INSTITUTIONAL EQUITIES – SKP SECURITIES LIMITED**

Moderator: Good day, ladies and gentlemen. Welcome to Kilburn Engineering Limited's Q2 FY '27 Earnings Conference Call. As a reminder, all participant lines will be in listen-only mode. You will have an opportunity to ask questions after management's opening remarks. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Navin Agrawal, Head, Institutional Equities, SKP Securities Limited. Thank you, and over to you, sir.

Navin Agrawal: Good afternoon, ladies and gentlemen. I'm pleased to welcome you to this financial results conference call on behalf of Kilburn Engineering and SKP Securities. We have with us Mr. Amritanshu Khaitan, Chairman; Mr. Ranjit Lala, Managing Director; Mr. Sachin Vijayakar, Chief Financial Officer; Mr. K. Vijaysanker Kartha, Managing Director, ME Energy Private Limited; and Mr. Amol Monga, Whole-Time Director, Monga Strayfield Private Limited.

We'll have the opening remarks from Mr. Ranjit Lala followed by a Q&A session. Thank you, and over to you, Mr. Lala.

Ranjit Lala: Thank you, Navin. Good afternoon to all. Thank you for joining our earnings call and for your continued conviction in Kilburn Engineering. I would like to share a summary of our performance for the quarter and half year ended 30th September 2026, explain what drove it and set out what we are doing to strengthen the business.

Let me start with the group performance. At the consol level, revenue from the operations for Q2 was INR153.1 crores, almost unchanged from INR153.6 crores in the same quarter last year. It was also 30.9% higher than Q1. For the half year, consol revenue was INR270.1 crores against INR282.8 crores last year, a decline of 4.5%. Consol profit after tax was INR16.5 crores for the quarter and INR29.6 crores for the half year.

Our subsidiaries made the difference this half year. Revenue from the subsidiaries roughly doubled from INR73.4 crores in H1 last year to around INR141.7 crores this year, and they now contribute more than half of the group revenue. Their contribution grew by 21% and the profit contribution grew by 21% over the same period.

This is a result of integrated group, which we have deliberately built over the last few years with Kilburn, ME Energy and Monga Strayfield, bringing together the process drying, the energy efficiency and the RF technology and precision engineering. When one part of business faced headwinds, the others carried the group forward.

Let me come to the stand-alone performance. I would like to start saying that the stand-alone performance was more of a timing issue than a structural one. We want to be open about the stand-alone business. The stand-alone revenue for Q2 was INR69.5 crores against INR114.8 crores last year, and profit after tax was INR5.7 crores as against INR18 crores. The decline came from slower decision-making by customers and not from loss of any competitiveness.

Many of our customers, especially in the export and capital goods markets have postponed the finalization and dispatch schedules because of the current geopolitical uncertainty.

There has been no structural change in our business. Our products, technology and customer relationships and market positions are fine and intact. Several signs support this view. The stand-alone revenue recovered by 18.1% over the last quarter; group revenue by 30.9%, which shows the execution is picking up. Our consol order book stood at INR471 crores as on 30th September, broadly in line with INR485 crores at the start of the quarter, even after executing INR151 crores during the quarter.

We won new orders worth INR136 crores in Q2 across various sectors, led by fertilizers, carbon black and AI data centers. The order book is well spread. The largest are fertilizers, carbon black, iron and steel and nuclear power. We continue to have a strong opportunity pipeline. This includes our entry into the global fertilizer EPC vendor ecosystem, where we are already seeing multiple inquiries. Having said that, this year's revenue may hover around INR600 crores to INR650 crores, the delayed orders we are banking upon will contribute to revenue early next financial year.

Let me come to the plans of building capacity for the next phase of growth. We are using this period to build resources across the group, mainly through brownfield expansion at our existing plants. Expansion at Kilburn Saravali plant and Phase 2 of ME Energy's Pune plant are underway and expected to be completed by Q3, early Q4. Together with the planned expansion of Monga Strayfield's Pune plant, we are building the group manufacturing infrastructure to support more than INR1,000 crores annual revenue capacity. Brownfield expansion lets us add capacity quickly, keeping the capital cost low and reducing the execution risk.

I would now like to touch upon data center and precision engineering. The Board has approved an investment of INR25 crores primarily at Monga Strayfield's Pune facility to be implemented over the next 6 to 9 months. It will expand our capacity for enclosures, cabinets and engineered assemblies used in data centers, transformers, battery energy storage and critical power infrastructure. On current capacity, we expect revenue of INR50 crores to INR60 crores from this business in FY '27. Vertiv with whom Monga Strayfield has had a long-standing relationship has indicated a requirement of INR90 crores in the current financial year.

Based on this, we expect the enclosure business with Vertiv to generate approximately INR100 crores in annual revenue in FY '27-'28. Once fully utilized, the expanded capacity supports annual revenue of -- revenue potential of INR120 crores to INR130 crores. All of this is subject to customer orders, capacity ramp-up and execution. Our enclosure designs already in service with the U.S. customers give us a strong base in this market.

On our outlook, we expect order in the stand-alone business to improve as customer decisions move forward. Meanwhile, our subsidiaries and new growth verticals will give the group a broader and more resilient base. Our priorities are clear: scale process equipment and higher engineering content projects, accelerate cross-selling across the 3 business platforms, protect margins through a better mix and operating leverage and pursue selective technology

acquisitions that will strengthen the platform. We will continue to invest in a phased and a disciplined way guided by customer demand. Whilst we have experienced a bit of decline in our overall order intake, we remain focused on our target of CAGR of 20% to 25% over the next 2 to 3 years.

I thank you for your continued support. And with this, I would hand over to Mr. Navin.

Amritanshu Khaitan: Navin, Amritanshu here, if I could add a few more points. So with whatever Mr. Lala has just highlighted, I would like to also add that we remain committed to achieving our guidance of a 20% to 25% CAGR growth on the base numbers of FY '26 by FY '28. We are fairly confident of achieving this due to certain large orders reaching finalization stage. We believe in the next 2 to 3 months, these orders, one in the Middle East, one in Far East and 1 or 2 domestic orders in the nuclear space should reach a completion in terms of order intake. And these will all help in a substantial ramp-up in numbers for the stand-alone entity going into next year.

What is heartening for the group is our entry into the ferrous alloy space using ME Energy Limited. The ferro-alloy sector is seeing a lot of capex and especially with the waste heat recovery systems provided by ME Energy, we believe our entry into the sector through our Bhutan order has opened up opportunities for many more orders in the sector to come through.

Secondly, ME Energy is also focused on the rapid expansion taking place in the steel sector. We expect some large orders in the steel sector to come through in the waste heat recovery platform. We continue to pursue our entry into the cement space, and we are hopeful that we soon would even get a waste heat recovery boiler order in the cement space.

The heartening step for us is that we have qualified in quoting for a waste heat recovery boiler system for a reputed cement plant. We don't know whether we will win it, but at least we have reached the stage of qualification. That itself is a milestone for ME Energy Limited.

Regarding Monga Strayfield, the RF Dryers machines have seen a sluggish demand last year in the textile space, but our entry into the food processing space has helped get some high-margin orders in Europe and North America. We believe that segment should continue seeing positive growth in the coming year. The data center opportunity, which the Board has approved would be a substantial growth platform for the company.

Our long-term relationship with certain customers gives us the confidence of not only supplying enclosures, but we would be working closely with them to leverage the overall group expertise in heavy fabrication, precision engineering as well as light fabrication to further add value and competence in what we can provide for them.

FY '27-'28 will be the first year of operations in terms of getting some economies of scale regarding enclosure manufacturing. And the Board of Kilburn is committed to invest further as and when demand and customer indication comes through for further scale up. The first half has been challenging due to geopolitical reasons and due to the operations being suffered as 1 or 2 large orders were kept on hold, but we believe that this year would now look more like a

transition year, a year of consolidation. And a lot of the work being put in by the management will reap fruit in FY '28.

With that, I would like to hand over for questions.

Management: Thank you. Amritanshu.

Moderator: Thank you very much. We take our first question from the line of Tejas Thakkar from T&J Investment. Please go ahead.

Tejas Thakkar: Sir, a couple of questions. One is we're talking about the enclosures that we've got for the data centers. Can you throw some more light what exactly are we making there? And who are the competitors in this space in the listed players, if any? And the precision engineering that you're doing over here, does it include any kind of defense or aerospace work? Or is it currently limited to data centers and which are the industries? If you can just help me understand -- that's the first question.

Ranjit Lala: Amol, can you take that?

Amol Monga: Yes, sure. To answer your first -- second question first, the work that we are doing in the enclosure space is for now limited to the power transformer sections -- sector and then to the data center sector. We are not at the moment connected with the aerospace industry or defense industry. Major clients are based in power enclosures, battery enclosures as well as now in the data center sector. And sorry, could you repeat your first point? I kind of didn't hear clearly.

Tejas Thakkar: Yes. So what encloses -- when you say enclosures, if you can just throw some light what exactly it is? And who are listed competitors currently in this space?

Amol Monga: Right, right. So by enclosures, we mean these are sheet metal cabinets, which are used in the data center industry to house whether server racks or batteries or any other networking IT equipment, which are designed to a certain customized version that our customers present to us. Of course, they come with other sort of certifications and qualifications that we have to match and meet. But their primary use case is to house and enclose any sort of networking and or power-related hardware that might be present in a data center. So we provide the outer enclosure.

In terms of competition, I'm not aware of any -- all these companies are fairly large global players, and they do source from -- based on their qualified vendor pool. I'm not directly aware of the names of all these competitors, but it's a very large market space. The reason we are able to compete in it at a fairly good price point as well as premium is because of the quality and certifications and design requirements that we are able to fulfill, which are not very easily done by anyone else.

Tejas Thakkar: So we have already received the certification and qualification or is it still in the process?

Amol Monga: The certifications we have been designing to and supplying to customer spec certifications and qualifications for a while the idea behind what was being presented earlier by Mr. Lala and Mr.

Amritanshu was that we are, in fact, looking to ramp up that capacity. So there is, in fact, investment being done to ramp up the capacity of our existing setup and no certifications or qualifications are due as such from any foreign customer.

Tejas Thakkar: Sir, my second question was regarding the pledge. So we have created some 5 lakh shares of pledge in this, I think, September or October month. What is it pertaining to? And what is the need for that? If you can just share some insights on that?

Amol Monga: I guess that part of it will be handed over to Mr. Lala again.

Ranjit Lala: Mr. Khaitan?

Amritanshu Khaitan: The pledge is less than 1% of the promoter holding, and it was required for certain corporate requirements at that entity.

Tejas Thakkar: Okay. So this continues to be there? Or are we planning to get it anytime soon trying to revert?

Amritanshu Khaitan: At anytime there's any change, it will be informed.

Moderator: Next question is from the line of Ansul Agrawal from V. Singhi & Associates. Sorry, we've lost the current participant. Next question is from the line of Sameer Chheda from Prince Polyplast.

Sameer Chheda: Just wanted to understand the order book. So current what is the order pipeline we have bid for?

Ranjit Lala: So our current order pipeline is close to INR471 crores.

Sameer Chheda: INR471 crores.

Ranjit Lala: Yes.

Sameer Chheda: So overall, I think you have guided for INR800 crores of order book for FY '27. And current, I think order book is just at INR271 crores.

Ranjit Lala: Sorry, can you come again?

Moderator: Sameer, can you use your handset mode, please? Your audio is not very clear.

Sameer Chheda: Hello. Is it clear now?

Ranjit Lala: Yes, it's better.

Sameer Chheda: Yes. So what I want to understand is our order inflow was expected to be INR800 crores in FY '27.

Ranjit Lala: Right.

Sameer Chheda: Whereas right now, our -- I think, order book stands at INR470 crores, right?

Ranjit Lala: Yes.

Amritanshu Khaitan: No, I think you are comparing 2 different things. Order book is still date. The INR800 crores was the order booking for the year. We have booked over INR300 crores till date. And we believe there are some large orders which would be getting converted in the next 1 or 2, 3 months. So we believe we should get close to the targeted number by the end of the year.

Sameer Chheda: Okay. So the closing order book would be roughly INR800 crores. Should we assume that?

Ranjit Lala: Right now, it is INR471 crores. Are you referring to...

Amritanshu Khaitan: Closing order book will be higher than where we are today.

Ranjit Lala: Yes.

Sameer Chheda: Okay. Got it.

Amritanshu Khaitan: On the INR800 crores, INR800 crores is the order intake, then you have the execution also for the year.

Sameer Chheda: Correct. Okay. Got it. Yes.

Moderator: Next question is from the line of Tejas Thakkar from T&J Investment.

Tejas Thakkar: So now you've already said that the consol top line has been revised downwards from about INR700 crores, INR750 crores to INR600 crores, INR650 crores. What is our likely stand-alone top line going likely to be at the end of this year?

Amritanshu Khaitan: We are not giving a guidance for the current year. Earlier, we had indicated INR700 crores. What Mr. Lala has highlighted is that we are maintaining our guidance of a 20%, 25% growth over till FY '28. With the kind of business we are in at the moment, depending on when certain orders get finalized, these revenue numbers can change substantially, especially in Q4.

So this is more an indicative range because there are a lot of orders which are pending to be finalized in the next 45 to 60 days. So we are looking at more a 20%, 25% CAGR growth over the INR620 crores mark by FY '28.

Tejas Thakkar: So what is the indicative for this year then, if not a guidance? So are we going to meet last year's number? Or are we going to let off...

Amritanshu Khaitan: This is what I just mentioned that Mr. Lala indicated it will be around between INR600 crores to INR650 crores, but these numbers can see a change because depending on when these orders get finalized, part of it will come into revenue recognition in Q4.

Tejas Thakkar: Yes. So we're looking at a change more towards downside? Are we seeing -- in the last call, you already indicated to us that H1 would be weak. So we were well aware of that. But do we see that by H2, we'll still be able to maintain last year's top line? I'm just trying to get a flavor of

that? Or we think we might even slide down further? I mean just basis your insights of the business that you have?

Amritanshu Khaitan: Seeing the way things are, we should be able to maintain last year overall top line, but there could be a shift due to the growth coming in the subsidiaries. So you will see a much higher number in the subsidiaries because there, the order intake has been higher in the past few months.

Tejas Thakkar: Okay. And would we be able to -- sorry, please continue.

Amritanshu Khaitan: And we always maintain that we have to look at Kilburn now more in a consolidated basis because there could be situations where ME Energy wins some orders, but it's executed by Kilburn as well.

Tejas Thakkar: Okay. About the EBITDA would be -- what are we looking at the range for EBITDA maybe this year?

Amritanshu Khaitan: Again, we are refraining from giving any quarterly or 2 quarter ending guidance. We are looking at maintaining -- we have always maintained that for our business, we should be around the 20% EBITDA mark. And we still stick to that, that long term, we should remain in the averages of around 20%.

Moderator: Next question is from the line of Harshit Sachdeva from Columbus Capital.

Harshit Sachdeva: Sir, in this data center space, currently, as per the PPT, it says that you've received orders of about INR12 crores. And currently, the capacity in your business is INR25 crores which you want to ramp up to INR100 crores, INR120 crores is what I gather from the opening remarks. So any time lines? And what sort of customer conversations have you had? And what size are the orders are of like is it -- how many customers have you spoken to?

And what's the average order size that we're looking at in the next 2 years? I mean, not for FY '27, but FY '28 when you receive full ramp-up and, sir, any color? And then a specific question on margins as well in this space. But yes, sir.

Amritanshu Khaitan: We don't want to comment on margins. Overall, we believe we will maintain a 20% kind of margin in the overall business. Regarding the data center opportunity, we have highlighted through our press release and through the presentation that we have a long-standing relationship with one of the world's largest data center companies, which is Vertiv.

They have given us an indication and their requirements are something which we want to meet to the maximum we can. For that, the INR25 crores capex has been done. And with that, we should be able to scale up our precision engineering business to cross INR100 crores in terms of revenue in the coming quarters.

We believe the capex should get completed in the next 6 to 9 months. And as the capex is completed, we will have -- you will see the ramp-up in revenues happening. We are today supplying max out to all our customers. So the demand is much higher than what we are

supplying. So as and when our capacity gets added and we are able to supply more enclosures, you will see the revenues increasing from this segment in the next 4 to 8 quarters.

Harshit Sachdeva: So sir, hypothetically, if I'm just playing with the numbers, FY '28, INR850 crores to INR900 crores basis the 20%, 25% CAGR that you've given from the '26 numbers, INR100 crores will be from the data center precision component space. Is that a correct understanding?

Amritanshu Khaitan: It should be close to that.

Harshit Sachdeva: Okay. So sir, just one last thing on this. Are we talking to any people like STD, Controllers, SCTL, anyone else in the domestic data center space because the requirement here also would be huge for these enclosures, right?

Amritanshu Khaitan: We don't want to disclose further information on this. It's a competitive market. So as and when more customers are added on and when we can give information, we will provide that.

Moderator: We have a follow-up question from Tejas Thakkar from T&J Investment.

Tejas Thakkar: I'm glad I'm getting the opportunity again. So regarding the -- you mentioned that the ramp-up happens in 6 to 9 months. So currently, if you can share what is the -- like if I look at consol level, maybe stand-alone separate, but if you put ME and Monga together, so what is our current output that we can generate as of now in terms of the top line from both these existing capacities? And if there is something, if you can share what is the utilization kind of stuff? I'm trying to understand on a company basis level.

And as we ramp up in the next 6 to 9 months, would we start seeing some revenue each quarter? Will it be phase-wise or will be all together at the post of 9 months that we mentioned?

Amritanshu Khaitan: So on Monga Strayfield, the capacity addition would start kicking in from January. So you will have additional capacity in the last quarter of this year and full capacity increase in the first 6 months of FY '28. With that, Monga Strayfield as a company will have a revenue potential of scaling up to over INR200 crores from a INR100 crores base, including the RF dryers.

Regarding ME Energy Limited, we are already completing the capex program where 2 bays have been added in the Pune plant. And their theoretical capacity could also be upwards of INR300 crores. So together, the 2 subsidiaries can comfortably deliver over INR500 crores, subject to getting the orders in FY '28.

The main thing which you need to remember and which investors need to realize is capacity is basically what it is capacity to fabricate. Now it really depends on what type of order we get. There are times when you get a lower value order, but it takes a lot of space and time. There are times when you get a high-value order with exotic metals which could be less space, high value like the type of order we got from Morocco the year before. So in terms of capacity and value, it is very, very subjective depending on what type of orders we get.

So that can keep changing. But the way we look at it today, the 2 subsidiaries can comfortably deliver over INR500 crores of revenue subject to getting the orders.

Tejas Thakkar: So as of now, post September of '27, would we look -- so theoretically, INR500 crores is from September '27? Or will it -- or as of now, is it like apart from Monga, ME is already...

Amritanshu Khaitan: No, I'm talking about INR500 crores revenue capacity available in FY '28.

Tejas Thakkar: Okay. So right now, the ME new capacity is just kicking in.

Amritanshu Khaitan: It's still under process. It's getting commissioned. So all this will be completed by March .

Tejas Thakkar: Okay. So FY '27 is when we should actually see some jump in the output and with some operating leverage kicking in. Is that a fair assumption, sir?

Amritanshu Khaitan: We are already seeing a jump in the output. If you see the subsidiaries have already scaled up this year. With whatever capex being provided, you will see further leverage in terms of operations in the coming year. When we acquired these companies, the revenue was INR70 crores for ME Energy and INR70 crores or INR80 crores for Monga Strayfield. We are now talking about these 2 acquired companies scaling over INR500 crores subject to orders flowing in. So that's a substantial operating leverage you're talking about in a short period of 3 years.

Tejas Thakkar: Agreed. But with the new capacity that you're commissioning, I'm saying in terms of margin improvement would be seen in FY '27 or '28?

Amritanshu Khaitan: Tejash, as I mentioned earlier, we are guiding for a blended margin of around 20% for the company. In our line of business, you can get sometimes orders at a high margin, sometimes you get it at a lower margin. So operating leverage obviously will kick in, but it also depends on what type of margins we are making on the orders. So the management's endeavor is to maintain a 20% kind of EBITDA margin blended across the group.

Tejas Thakkar: Okay. And what about Kilburn, sir? Currently, what is the capacity like stand-alone Kilburn, like where are we in terms of the capacity? Are we like complete days maxed out is like 70%, 80% rough estimates?

Amritanshu Khaitan: Ranjit, if you can answer that?

Ranjit Lala: Yes. When it comes to Kilburn, both our plants at Ambernath as well as Saravali, given if the order book is strong, I think we can easily touch INR750 crores to INR800 crores. This also includes leveraging our vendors because a lot of components are also bought out, a lot of systems are bought out. So I'm keeping all that in mind. So when we look at a top level, like our engineering, our manufacturing, project management, et cetera, and the workspace in the factories, I think INR750 crores is not a difficult target.

Tejas Thakkar: And any plans of capex for -- in Kilburn stand-alone in the next 12 months, anything planned yet, anything on the horizon?

Ranjit Lala: Well, we had earmarked the capex for this quarter, last quarter and this quarter, which we will complete by December. That's well on track. Nothing additional as of now.

Tejas Thakkar: Okay. And that will be commissioned by Q4 of...

Ranjit Lala: December. It will be commissioned by December. It's at a very advanced stage, and we'll commission it by December.

Tejas Thakkar: What's the total investment in this capex round, the latest one that you did, total investment?

Ranjit Lala: The one for Kilburn or one for Monga Strayfield?

Tejas Thakkar: Sir, Kilburn.

Ranjit Lala: Kilburn around INR25 crores.

Moderator: Next question is from the line of Sagar Shah from Spark PWM.

Sagar Shah: Sir, my first question was -- sorry, I joined late in the queue. So my first question was related to our consolidated revenue actually. The consolidated revenue, we saw a sharp sequential uptick actually of 31% sequential uptick, but still our margins were quite down. So I just wanted to understand that is it just because of the product mix that -- because that the margins are down sharply at around 16.5% on the EBITDA? Or is there some cost escalation due to the rising metal prices? That is my first question.

Ranjit Lala: So it's a combination of both. So I would say partially because of the mix of the products, yes. And second one, there has been a increase in cost for a number of reasons. One is the employee cost has gone up. Secondly, when you talk about the cost of raw materials, it is not the escalation in the cost of raw material, but more of the value of the raw materials consumed. I mean the percentage is higher as a percentage of the overall order value. So it's a combination of both.

Sagar Shah: Okay. Fine, sir. Now with this -- my second question is with regards to our expansion at ME Energy Phase 2 as well as this at our Saravali plant actually. So about -- you highlighted that about INR2,500 crores worth of inquiries that you have on hand and some sort of -- actually one of the carbon black order also got little deferred by the customer. So how confident are you for at least for FY '28?

And for remainder of FY '27, I wanted some outlook that how is the mood regarding the clients actually coming for its own something like deferment to the following quarters. And for FY '28, are you confident that the expansion that you are taking over that you will be able to convert the inquiries into the orders actually in which Kilburn fits in actually?

Ranjit Lala: Right. So first, I'll address on the Kilburn side. Then for ME Energy, maybe Mr. Vijay Kartha can address. See, as far as Kilburn is concerned, I said very clearly that there's no structural issue as such.

It is the delay in the decision-making of the customers. Like we are sitting on more than INR250 crores of opportunities, which we are about to close any time. I mean, we've been -- it's got deferred by a couple of quarters. And a couple of them are from outside the country and one of them is a domestic one. One in the Middle East, one in Far East and one is, of course, we are working on a nuclear project as well.

So these 3 we expect to close soon. Once that's done, then I think we should have sufficient order intake in the coming days, next 45 to 60 days. As far as our expansion at Saravali is concerned, I think that is independent of how the order status is today. I mean this is something which we have planned for next 2 to 3 years because finally, our target is to be a INR1,000 crores company at the group level.

So whether it is at Saravali or ME Energy or Monga Strayfield, our -- we are very confident of what we are implementing in terms of factory infrastructure. About ME Energy, you may kindly ask your question again. Vijay, are you there?

Moderator: Vijay sir, I think you have muted your connection.

Ranjit Lala: Yes. So yes, you can please ask your question on ME Energy, sir.

Sagar Shah: So on the ME Energy front, means with this expansion, I wanted to understand that what kind of additional new orders that we have at ME Energy is willing to -- I know it doesn't something like differ from quarter-to-quarter. But still what are we aiming to be ME Energy -- just on ME Energy on a stand-alone level actually that how much large orders that ME Energy will be able to take incrementally after the Phase 2 capex and how much revenue actually on a consolidated level ME Energy will be able to actually clock in FY '28 and beyond?

K. Vijaysanker Kartha: As far as the expansion is concerned, civil work is more or less complete and the equipments are coming in place, and it is being commissioned then coming into operations. And these additions are for catering to larger capabilities for building bigger equipments and stuff like this. And until now, the expansion of factory capacity has not been a constraint for us to book orders. We are ramping up pretty fast, and we are taking in orders much, much larger 3x, 4x size orders than what we have been taking. So this will continue and the growth indications have been already given at the consolidated level by industry already.

So as a group, we will continue to deliver what we had projected for this year. And the inquiry pipeline or booking of orders until now is not constrained by capacities. Many at times, there are opportunities for us to outsource certain part of the nontechnical items, so much nontechnical items.

So capacity, this expansion -- at the end of the expansion, ME Energy can go with -- maybe go beyond INR350 crores, INR400 crores with more and more EPC orders coming, where factory capacities alone does not decide the turnover level for turnover. So what we need is people to execute EPC orders and many of the EPC orders come with a lot of bought-outs and other things as part of the scope. So factory capacity or expansion is not a real constraint for conversion. So

as we go ahead with creating larger past track record in executing larger and larger orders, we keep growing at a very fast pace.

Sagar Shah: Okay. Fine. And my sir, last question was related to Ranjit sir. On your Kilburn stand-alone level, you highlighted on the presentation that Kilburn is struggling on a stand-alone level actually for the order escalation by some few customers. So I just wanted to understand that for FY '27, some sort of a guidance on revenue and margin specifically?

And secondly, on the Kilburn stand-alone level, if FY '28 holds to be actually much better than FY '27, so Kilburn plus Ambernath, along with together, how much Kilburn will be able to actually deliver at least in FY '28.

Ranjit Lala: So let me again give you an indication at the group level for the current financial year. So I mentioned in the initial remarks that the revenue would be in the range of INR600 crores to INR650 crores. And as far as the margins are concerned, we stand by the 20% margin, which we had mentioned in the past. Of course, there can be some deviations, some surprises here and there. But by and large, we seem to be on track.

This does not mean that we are deviating in a big way from what was planned earlier. Now some of the orders are coming in later and the fact that we realize our revenue on a POC basis, there could be a spillover to the next year. Now when you look at FY '26 to FY '28, we are committing ourselves to a CAGR of 20% to 25%. So if FY '26 was INR620-odd crores, you can very well calculate what we are targeting at FY '28. Right now, I would like to stick at the group level because we have seen that when one company has kind of underperformed, the others have caught up and done well. So I would definitely like to take the benefit of that fact.

Moderator: Next question is from the line of Dhirendra Kumar Patro from Spark PMS.

Dhirendra Kumar Patro: I had 2 questions. First is on the order book. Like you said, we have an order book of INR471 crores. Can you let us know what is the percentage of the order book having price escalation clause? And how much of the order book is on a fixed contract basis?

And secondly, about the margin aspiration of 20%, the 20% aspiration of the margin includes other income or that 20% is excluding other income? Those are my questions.

Amritanshu Khaitan: Our other income is mostly operating other income. You need -- so when we -- in our earnings release or in our press release, we calculate and provide the EBITDA margin, adding any other income, which is operating in nature. Regarding your question -- what was your first question, sorry?

Dhirendra Kumar Patro: My first question is on the order book. What portion of the order book has price escalation?

Amritanshu Khaitan: Yes, I remember your question. So basically, typically, when we take orders across our group, we normally book our raw material in the next few days itself. Typically, we do not have any price escalation in any of our orders, but we try to protect our margins by ordering the key raw materials ASAP once we get the order.

Moderator: Dhirendra you're through with your question, right?

Dhirendra Kumar Patro: Yes.

Moderator: We have a follow-up question from the line of Tejas Thakkar from T&J Investment.

Tejas Thakkar: So what is our CFO -- cash flow from operations looking like at the end of this year? Would you be negative again like -- or supposed to be positive?

Ranjit Lala: No, it will be -- the negative will reduce, but it will remain negative. With the year-end activity increases, there are higher sales at the end of the year. So naturally, there's a buildup of debtors and unbilled revenue. So unless we get higher number of orders and advances against that, otherwise, it will remain more or less in the same level.

Tejas Thakkar: And do we have any outstanding above 120 days? Or is there a percentage you can assign to that?

Ranjit Lala: No, there are outstanding. Exact percentage, I cannot assign because a lot of our receivables are against commissioning of the project of the customer. So definitely, it remains -- it depends on the completion of commissioning of the customers. So there are always outstanding in our type of business over 120 days.

Tejas Thakkar: Okay. So is it also stretching out to 180 days or more? Or is that the range of what max is about 120 to 140 days.

Ranjit Lala: Yes, there are some over 180 days. There are some over 180 days.

Tejas Thakkar: Okay. Sir, second question, and pardon me if I'm again drilling a bit on the margin bit. So since we have ended the H1 at around 17%, if we were to be around 19%, 20% for the entire year, that means the H2, we'll have to do somewhere around -- the EBITDA has to be close to consol level has to be around 22%, 23%. So are we confident that we'll be able to achieve 20% or around 20%, if not 20% indicator, 19% to 20% are we...

Amritanshu Khaitan: Tejas, again, our request is that we have highlighted the company's long-term averages would be around the 20% mark. It is not possible for the management to predict and tell you what would be the margin, EBITDA margin, PAT margin for quarter or second quarter. Our kind of business we have, a lot of orders which comes through depending when these orders are converted, how it is executed, these things can change. For example, last year, we had a very large order from Morocco. In earlier calls as well when investors like you have asked us, you are guiding for 20% to 22%, but you're achieving 26%.

We always highlighted that we are going to give you long-term averages, which we believe the company and the line of business we are in will sustain. Whether it is going to be 18%, 19%, 20% or 21%, it's not possible for us to predict and guide you. So the way we are looking at it is that we are guiding for a 20% to 25% growth CAGR from FY '26 to '28.

If we achieve that, our revenue should be in the range of INR900 crores to INR1,000 crores with an EBITDA margin of 20%. That is our official guidance given by the management. We refrain from giving guidance on 1 quarter or second quarter because our line of business doesn't allow us to do so.

Tejas Thakkar: No, I completely appreciate that, and I also understand that. And I've been an investor for the last 3 years with the company. I've always taken the -- even it was 20%, I've never touched the margin questions before. The only time I'm -- only reason why I'm asking this time today is because since we had some downtick, I just wanted to understand looking at the overall end year, since you're guiding 20%, I understand will be -- won't be exact 20% or will be 19% or 21%. But if it's going to be 15%, 16% for us, it becomes -- we have to capture that when we are doing our bookings.

So if that is an indication to us, at least tells us the foresight, okay, this is what you're looking at, there could be some -- there's some kind of weakness or softness we are seeing and maybe it will come up again as you've already guided that the future looks strong. That was the only point I was trying to understand. I was not trying to commit you for a margin. I was just trying to understand which we -- how we should...

Amritanshu Khaitan: I can tell you that I think the next 2 months is very critical for the company. As Mr. Lala mentioned, there's over INR200 crores of orders, which are virtually ready to be finalized. We hope in the next 60 to 60, 65, 70 days, these orders all get converted. The minute those orders come into the stand-alone entity, a lot of uncertainty, which is in the mind of the investors also will gain clarity because one of those orders is a high-margin order based out of the Middle East, which hopefully should now get finalized as the JV, which is -- there was a JV which was to be formed that's been just formed last week, and that JV would be placing this order.

So we are very hopeful that in the coming weeks, these steps will happen. But to answer your question, bluntly, I mean, 20% is what our aim is. Now whether we achieve that or we miss it by 1% or 2% is very difficult to predict. But we are not seeing a very major loss on that.

Tejas Thakkar: No worries. Sir, just one request I had. I know in the past, we've already given the intimation to the investors when we had big orders. But if possible, for the next 6, 8 months, we can keep on intimating even for any kind of orders that would just help us if that's possible from your end, all the orders, whether irrespective of the sizes, if that's possible.

Amritanshu Khaitan: We will do that.

Moderator: As there are no further questions, I would now like to hand the conference over to Mr. Lala for closing remarks. Over to you, sir.

Ranjit Lala: Thank you, ma'am. I would like to summarize my remarks with a 3-pronged message. One is that I would like to reiterate that the group business model is working well on track. Although on a stand-alone basis, customers may have delayed the decisions, but our subsidiaries have doubled the revenue and carried the group forward. That reflects the strength at the group level.

I mean the 3 organizations are well integrated by now. So that's one positive message I want to give. The delays that we are talking about, they are temporary and the opportunities are waiting to be converted. I mentioned about these INR200 crores to INR250 crores of opportunities. Hopefully, we'll close them in the next 45 to 60 days.

And as a group, we are getting stronger through our brownfield expansion. We remain focused on that to be a INR1,000 crores company in a couple of years. With this, I would like to thank all of you for your trust in Kilburn, and we look forward to a stronger second half. Thank you.

Moderator: Thank you, management team. On behalf of SKP Securities Limited, that concludes the conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines. Thank you.

Ranjit Lala: Thank you.