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SEC/0411/2026 **By E-Filing** November 04, 2026

National Stock Exchange of India Limited "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051. **Scrip Symbol : APARINDS** **Kind Attn.: Listing Department**	BSE Limited Corporate Relations Department, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. **Scrip Code : 532259** **Kind Attn. : Corporate Relationship Department**

Sub. : Submission of Transcript of the conference call on Un-audited Financial Results (Standalone & Consolidated) on Q2FY27 (2026-27)

Ref.: Reg. 30 read with Schedule III & all other applicable Regulations, if any, of the SEBI (LODR) Regulations, 2015 ("Listing Regulations"), as amended from time to time

Dear Sir / Madam,

Kindy refer our letter dated October 29, 2026, under Ref. no. SEC/2910/2026, w.r.t. submission of Audio Recording link of the conference call made on the Un-audited Financial Results (Standalone & Consolidated) of the Company for Q2FY27 (2026-27).

Pursuant to the provisions of Regulation 30(6) of the Listing Regulations, we are now submitting herewith the transcript of the conference call made on October 29, 2026 on the Un-audited Financial Results (Standalone & Consolidated) of the Company for Q2FY27 (2026-27).

The aforesaid transcript is also made available at the website of the Company viz. www.apar.com.

Kindly take note of this.

Thanking you,

Yours faithfully,

For APAR Industries Limited

SANJAYA RAJU KUNDER
Digitally signed by SANJAYA RAJU KUNDER
Date: 2026.11.04 17:54:35 +05'30'

(Sanjaya Kunder)
Company Secretary

Encl. : As above

“APAR Industries Limited

Q2 FY27 Earnings Conference Call”

October 29, 2026

MANAGEMENT: **MR. KUSHAL DESAI – CHAIRMAN AND MANAGING DIRECTOR – APAR INDUSTRIES LIMITED**
MR. CHAITANYA DESAI – MANAGING DIRECTOR – APAR INDUSTRIES LIMITED
MR. RAMESH IYER – CHIEF FINANCIAL OFFICER – APAR INDUSTRIES LIMITED

MODERATOR: **MR. AMBESH TIWARI – S-ANCIAL TECHNOLOGIES**

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

I now hand the conference over to Mr. Ambesh Tiwari, S-Ancial Technologies. Thank you, and over to you, sir.

Ambesh Tiwari: Thank you. Good afternoon, everyone, and welcome you all to H1 and Q2 FY27 earnings call for APAR Industries. To discuss an outlook we have from the management side, Mr. Kushal Desai, Chairman and Managing Director; Chaitanya Desai and CFO, Ramesh Iyer.

I will now pass over to Mr. Kushal Desai for the opening remarks. Thank you, and over to you, sir.

Kushal Desai: Thank you, Ambesh, and good afternoon, everyone. We are very glad to have you all with us for the APAR Industries Q2 FY27 Earnings Call. In terms of format, I'll start off first with the consolidated performance then take you through some recent industry update and post that run through each of the individual division's performance.

At the end of this, we can open up for questions. Our consolidated revenue for second quarter FY27 came at INR6,931 crores, which is higher than the previous year same period by 21.3%. And compared to the sequential quarter, it is higher by 5.2%. Domestic revenues grew 34.3%, a and exports, however, degrew by 3.3%.

I did want to point out specifically here that we had approximately INR800 crores of conductors and cables, which are in transit and have been sold to customers on a DDP basis. Some of the product has remained in transit given the shipping time lines and the availability of containers that got pushed out to being a little bit later in the quarter. All of this product is actually scheduled to be sold in the U.S. market. As a result, the U.S. revenue shows lower by 29.7% compared to the second quarter of last year.

However, the order books remained at a very strong level at the end of this quarter. And with the realization of this DDP amount, you will find that by Q3, the situation, the picture will look a little bit different. All our businesses have delivered strong EBITDA margins year-on-year with the biggest driver coming from the oil division.

The EBITDA after open period forex adjustments rose 57.8% year-on-year to INR787 crores and the margin improved by 270 basis points to 11.4% from 8.7% a year ago. On the back of the strong EBITDA margin improvement, coupled with improved financial leverage, our overall net profit have risen year-on-year by 77.8% to INR447 crores.

PAT margins improved to 6.5%, which is an increase of 200 basis points compared to the previous year. If you now consider the first half of FY27, there has been a healthy growth with this being the highest ever half yearly revenue and profit. The revenue for H1 grew 25% to INR13,522 crores.

The domestic revenue was higher than the previous year by 35.5% and exports grew by 3.7%, excluding, of course, this INR800 crores that I spoke about earlier. The export proportion in overall revenue stands at 27.6%.

The U.S. revenue is down by 21.5% year-on-year based on whatever I explained earlier on the INR800 crores in transit. The EBITDA post open period, forex grew 60.2% to INR1,602 crores with EBITDA is of 11.8% in the first half FY27 versus 9.2% in the first half FY26. Our profit after tax for the half year grew 77.7% to reach to reach INR915 crores. The PAT margin has also improved by 200 basis points.

I will now cover some of the key industrial industry highlights. During the first half of the year, India added approximately INR8,775 circuit kilometers of transmission lines, which is up 153% year-on-year. In terms of transformation capacity, about 6,71,815 MVA got added during this period, which is up 52% year-on-year.

In September 2026, the center has approved intrastate transmission systems to evacuate up to 135 gigawatt of renewable energy by FY33, representing an addition of approximately 51,126 circuit kilometers of transmission lines and transformation capacity of 228,903 MVA. This is essentially the third green transmission corridor, which has been announced, and the investment expected is to the tune of about INR1.86 trillion.

There have also been 2 other important announcements from CEA of setting a 10% to 15% thermal margin limit -- for transmission lines versus the standard. So if a transmission line is the standard offering temperature, for example, is 70 degrees then this limit would apply to 10% to 15% on 70 degrees which keeps the upper limit at about 80 degrees on which the line can operate and mandating an N-1 reliability in terms of the architecture of the transmission network.

given these 2 important changes we expect that there will be an acceleration of reconductoring of lines taking place, especially in sections of the network where the electricity demand is growing.

When you look at some of the major programs outside India, in the U.S., there has been the announcement of the PAT program, which is the speed to power through accelerated reconductor and other key advanced technologies and upgrades, which was announced in September 2026 by the Department of Energy where they have listed specifically 31 projects in 26 states with a capital allocation of approximately USD1.9 billion of federal funding.

This is expected to unlock 23 gigawatts of transmission capacity and will cover reconducting and rebuilding of about 1,500 miles of transmission lines and grid enhancing technology of about 21,000 miles -- coming to the segmental highlights.

I'd like to now take you through each of the division's performances. So if you look at the conductor dividend, overall revenue for the quarter has grown 21.1% to INR3,753 crores. This is led largely by the increase in the prices of commodities and underlying metals. Volume for the quarter dipped by 9.2% over the same period last year.

Domestic revenue was up 22% versus Q2 FY26 and 8% versus Q1 FY27. Our exports increased by 18.3% versus last year. and 29.5% versus Q1 FY27. Overall, exports constituted 23.6% of the mix for the quarter and 24.2% in the first half. But on a sequential quarter, it has improved from 20.5% to 23.6%. The U.S. revenues of conductors grew by 12.2% in this quarter.

The premium mix stands at 39.4% in Q2 FY27 compared to about 45.3% in Q2 FY26. The EBITDA post open period forex, grew 11.3% to reach INR276 crores. The EBITDA margin improved on the back of execution of higher margin orders during the quarter where the EBITDA per metric ton comes in at INR48,241 per metric ton compared to 39,363 per metric ton a year earlier.

On a half year basis, revenue was up 20.5% to reach INR7,092 crores, whereas overall sales volume is lower by 8% compared to last year. Domestic revenue and export revenue have grown by 20.7% and 20%, respectively. The U.S. revenue was down 8.4% the EBITDA post forex is higher than the same period last year by almost 12.6%. So EBITDA per metric ton at INR50,739 per metric ton -- versus INR41,421 per metric ton a year ago.

So H1 witnessed a volume degrowth, as I mentioned, of around 9.2%. As there continues to be a delay in manufacturing clearances as well as awarding of new conductor orders from customers and especially TBCB awardees. As you can imagine that there has been a significant commodity inflation in the form of the price of both copper and aluminum on LME, a higher premium -- like MGP, for example, on aluminum is the highest it has been in the last 4 years. And there's also been a sharp increase in steel for manufacturing of the towers.

This is the second consecutive quarter in which we have seen this trend. However, it is important to keep in mind that TBCB orders have an execution period of not exceeding 36 months with extremely stringent penalties on delays. Hence, there is only a finite time line in which some of this can be postponed. It is also interesting to note that this past quarter, execution of existing contracts has been at a high.

As I mentioned in my earlier part of the opening remarks -- in exports, international freight rates had gone up very sharply in Q2, and there was also a very heavy demand and divergence of containers for China. Along the Europe and U.S. freight rate.

As we move to Q3, however, this freight rate has already started showing signs of reversal. And as a consequence, we should see a better situation in this quarter. What is also interesting to note is that the order book at the moment is at an all-time high of INR12,025 crores as of September 30th.

The order book consists of new orders received during the second quarter of FY27, the extent of INR4,725 crores, which is higher than the same period last year by 82%. The order book includes several prestigious and new type of orders from utilities in the U.K. and the U.S. of about INR3,000 crores.

This includes the first red shaped conductor order from Scandinavia, which is actually very resistant in high wind conditions. And this is on evacuation from an offshore wind farm of the

coast of Scandinavia. We've also received a new set of HTLS orders from overseas markets. which include countries in Africa, South America and Europe.

On the OPGW front, we received a single largest order and the first of its kind with the 48 fiber OPGW from KPCL, Karnataka Power and Transmission Corporation Limited of about INR960 crores. Using a new communication technology, which is IP MPLS or it stands for the Internet protocol, multi-protocol switching system -- that improves not only the speed, but also the security of data transfer.

We also received our first OPGW orders at 144 fibers in it from a customer in Central America. This is an extremely important strategic milestone because higher OPGW fiber count is going to be the order of the day with the data centers coming in and the amount of transmission of data exponentially likely to increase.

Approximately 25% of this INR12,025 crores order book will be staggered over 2 to 3 months with the rest of the order book likely to be executed in a period of less than 18 months. It is also our expectation that the second half will see much more aggressive execution in transmission lines, and we are gearing up for the higher volumes in H2. To sum up, the structural demand drivers remain intact, and it is only a matter of time when the flow order execution will take place to catch up to the final delivery schedule of the transmission projects.

Coming to the oil division. Revenue for the quarter came in at INR1,819 crores, which is up 35.6% year-on-year, 6.7% sequentially, led by higher realization on the back of higher base oil prices. The operating revenue continues to be extremely challenging and volatile characterized by record refining margin spreads. This is having an overall impact on the business, especially considering that the value of billing has almost doubled on a unit basis.

And so it is more prudent to actually limit the sales to whatever is the maximum exposure limit setup and limited by the number of daysof outstanding given the fact that clients today have to pay double the cost of what they were paying earlier and the fact that it is not easy to get double the financial limits. So considering this prudence, in terms of how much you would be willing to build to customers and what exposures we would be ready to take, we see that the overall volume is down to 128,590 KL for the quarter, which is about 20% lower than the same period previous year.

Our business out of the Hamriyah plant has substantially reduced because of the logistics of bringing product in and out. Some of that export has been transferred actually to India, and we continue to execute those orders from India. Exports a proportion in the oil business is currently at 37% compared to 43% a year ago and 36.4% last quarter. EBITDA post foreign exchange grew by 185% to reach INR299 crores.

The EBITDA margin stands at INR23,262 crores per KL in the second quarter FY27 versus 6,570 KL a year ago. Half yearly -- on a half yearly basis, revenue has reached INR3,525 crores, growing at 35.3% versus last year. Volumes in the same period have fallen by 16.9%. Export has grown 23.5% year-on-year and the export mix stands at 36.7% in the second half of FY27 -- in the first half of FY27.

Since the inception of the Middle East conflict, we have changed the operating philosophy to focus on executing higher-margin orders with customers who have been consistently buying from Apar and ensuring that they receive consistent quality with uninterrupted supply.

This has led to a reduction of spot buying of base oil and the reduction of sales to customers who are significantly more price sensitive, have an erratic purchase pattern or where we feel that there are limitations in terms of cash flow. And by following this, the margins have increased even though the volumes have dropped to some extent, but we have protected ourselves quite significantly in such a volatile environment.

Moving to the cable division. Revenues reached INR1,875 crores, which is representing a growth of 22.1%. Copper is about 30% of the overall revenue mix as compared to 20% a year ago. Copper prices are up by almost 50% and aluminum prices have gone up by almost 35% during the quarter. Consequently, the metal prices, along with volume has led to about a 35% to 40% increase in the sales value. However, our U.S. sales number degrew by 50% over last year, which brought the overall growth down to 22%.

This quarter, we, as I mentioned earlier, have an unusually high value of cables, which are amounting to over INR440 crores which are in transit, for which the sales revenue could not be recognized as the incoterms are on a DDP basis. The incremental excess transit value that is a transit value of the INR440 crores minus what existed at the beginning of the quarter represents almost 20% of the sales value.

Considering this number, it will put the entire manufacturing dispatch and the lower recognized U.S. and overall Q2 revenues in the right perspective. If you look at the domestic business, where the revenues have come -- increased by 71.4% in cables and 14.1% sequentially. Exports came down to 45.2% and it's down 29.8% compared to the first quarter. The export mix stands at 19% of Q2 FY27 compared to 42.3% in the last year. The EBITDA margins have improved by 80 basis points to 11%.

Moving to the half yearly performance. Revenue has grown 25.7% year-on-year. Domestic revenue is up 65.8%, but the export revenues are down by around 30.2%. The EBITDA post-forex stands at INR401 crores, representing a year-on-year growth of 34.2%. The EBITDA margin stands at 10.8%, which is 70 basis points higher than last year.

The cable order book also remains very strong at INR3,000 crores of orders compared to INR1,653 crores and bulk of these orders are expected to be executed before the end of the year. We have also received almost INR1,000 crores of orders from Google data center in the U.S. and Amazon's largest data center, which is coming up in India.

During the quarter, we successfully completed another round of QIP, raising INR2,500 crores. The proceeds of this will be deployed towards improving working capital and strengthening the balance sheet, thereby enhancing our financial flexibility and supporting our future growth initiatives. As a consequence of this fund raise, our rating has been improved by 1 notch from AA negative to AA, which is an important development to help us access larger finance limits and also rationalize borrowing costs.

So in conclusion, in spite of a challenging operating environment, business momentum is still strong as reflected by the order books of our conductor, cable and oil divisions. The data center capex cycle is still building up both overseas and in India, we also see freight rates, which are sharply increased to Europe and Latam starting to ease, taking exports to these geographies more feasible. The medium- to long-term trend remains intact and could, in fact, accelerate in the months to come.

At this stage, we are confident of our performance during FY27. I would like to conclude my opening remarks with this. Once again, thank you all for joining this call. Before we open the floor to questions, I'd like to extend a warm greeting to all of you and your families for the upcoming festival season. So with that, we would be happy to start taking questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Nitin Arora from Axis Mutual Fund. Please go ahead.

Nitin Arora: Hi. Thank you sir for the opportunity and very strong set of order book. Just first thing on the profitability on the aluminum side because first half itself is pretty strong, averaging 48,000 to 50,000. How we are thinking about this year profitability? Because your guidance has been around 40,000 for this year.

And also, if you can just articulate apart from your guidance thing, the premiumization because the order book which you -- the few orders which you spoke about, looks like a very premium end of the market, which is it coming from. So I know you guide every year for that particular year, your EBITDA per ton for aluminum. But directionally, if you can tell us a little bit that given if my understanding is correct, i.e., that profitability should improve or rather how we should think about it? So that's the first question.

Ramesh Iyer: Hi, Nitin. So the premium mix has been high in quarter 2 as well as it was high in quarter 1. And within premium mix, there are different categories of conductor. Each has a different margin profile depending on where we sell, whether it's domestic export type of customers, the margin profile varies. By and large, the more premium range of products we have, the margin should improve. But depending on specific cases of sales to customers, the margin profile within the premium mix also changed.

So as we have been discussing in the past in terms of exactly estimating the EBITDA margins, it may be difficult, but we can give a range, which is what we have been always talking about 35,000, 36,000-plus tailwinds and these tailwinds keep on coming depending on the product service margin and execution as well as the geography in which it has been sold.

Kushal Desai: So the -- to just add to what Ramesh says that, yes, there are some very premium orders and some of them for the first time, like the Z-shaped conductor which is going into Europe. It's manufactured so far by only 2 other manufacturers of conductors in the world. So obviously, this is tending towards more premiumization we have to complete execution of our order to get all these things installed, etcetera.

Also, for the OPGW which we got for Karnataka, it's a very big job on a complete turnkey basis, right from design to delivery. It is also going to incorporate this new technology for which APAR

has tied up with Nokia. So this is continuing to go there. My expectation is that margins from these products will continue to be better. However, the environment, as I said, there's so much volatility, you have suddenly MJP at a 4-year high. .

You have freight, on freight lanes suddenly, again, LatAm and Europe multiplied by 2x to 3x in the short-term. So I think the strategy which APAR is following is, and you will see that even as I had mentioned in the operating philosophy of the oil business that we are trying to be very selective in such a volatile environment of the quality of business which we are taking.

Because if you work with lower margins, suddenly these impacts happen and it completely can wipe out whatever profitability that you had for things which are beyond your control. So yes, we hope that this volatility starts reducing and some of these was and aggressions drop, in which case, the volatility goes down and there's an automatic cushion that's been built into the system that no longer needs to be used.

But considering all that, I think I would just summarizing that we continue to push hard and there is a lot of opportunity coming in for more premium products as we go forward. As you may have picked up from the opening remarks, these changes that CEA has made they are actually very big changes in terms of the operating quality of the network in India.

So by keeping a control on the amount -- the temperature rise, you are controlling essentially the amount of power that's being transferred across the line. And we don't want overloading of the line to take place. So a simple way of measuring it is by measuring temperature. They have also brought in the redundancy, the N-1 which I mentioned.

So accordingly, you are bound to have secondary transmission lines coming up. You are bound to have re-conductoring taking place. The US for the first time has formally announced a program which is PARC as I mentioned with specific programs in place. This fund of USD2 billion is going to help complete the capex on these wherever there's a gap funding and things involved and a higher technology to be picked up.

So there is a lot of excitement in terms of the way premiumization is happening, I think time will tell how it actually translates into finally the EBITDA per ton.

Nitin Arora: Got it.

Ramesh Iyer: That's a very long answer for short question of yours. But I wanted to give you a proper overview of what is happening.

Nitin Arora: Yes. So it's very helpful. So this year, the guidance still remains at 40% or because the first half is strong, so where we should land, how we think just…

Ramesh Iyer: Normally, Nitin, we don't give guidance for the quarter and for the year. Typically, lot of order books are MTO based. So we give a guidance from a medium to long-term perspective, because of the nature of the business and the complexity, it's not the easy cost that we give guidance for the quarter. But we expect tailwinds to come. And that's why where our margins are in line with our guidance.

Nitin Arora: Sure. Just one more question here Ramesh-ji to you. When we look at point in time, we understand because aluminum is pretty huge and we saw in some of our auto ancillary companies working with aluminium. The working capital growth was pretty high this quarter specifically. Is this going to normalize? And is it the right understanding because of high inventory of aluminum, alumina also got reversed. So that would also have impacted you, if you can throw some light on the balance sheet aspect of working capital?

Kushal Desai: So I'll answer the specifics on the -- so we've been keeping an extremely strong control on both debtors as well as inventory. And aluminum is up by 35%, 40%, copper is up by 50%, base oils are up by 100%. So there has been a huge inflation on the raw material. It's clearly not every customer actually been able to build enough financial muscle and cash flow to be able to handle this.

So that is also one of the reasons why there is a little bit of a reduced volume sales, because if you want to limit the way in which you run the business to make sure that cash flow is not coming under any form of pressure. So it's not really had an impact on the amount of inventory which we hold in. We've pretty much controlled it in terms of the number of days outstanding.

The physical value, obviously, has gone up because of the commodity value. And the customer -- the way in which you handle dispatches and supplies to customers has necessarily had to change to make sure that the company has not put at any additional risk and the cash flows has remain good.

Nitin Arora: Thank you very much team. I'll come back in the queue. Thanks a lot.

Moderator: Thank you. The next question is from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar: Yeah, good afternoon, sir. And thanks for the opportunity. My first question is on the reconducting opportunity. Personally, we used to think that reconducting is likely to grow at a very, very fast rate. But you're looking at the IMR data for FY26 and I thought it was looking more like flattish or a decline.

My question is, are you seeing improvement in the order inflow outlook in the domestic market for HTLS? And is it fair to expect that the margin which you earn on the HTLS is much, much higher than the average margin we report for the conductor segment?

Chaitanya Desai: So in the HTLS side, a lot of tenders have come out. The only thing is that some of them have taken more time to get formally processed through their utilities, board meetings, etcetera. So generally, we see a growth in this segment. There is more competition also coming in. That also is a factor. But overall, the size of the pie is growing.

So while our market share may reduce, we may still not have a reduction in our volumes and revenue on the HTLS side.

Kushal Desai : Mohit, as I mentioned in the opening remarks that the amount of basic changes in the market which is favouring HTLS is increasing. Just now the two changes I mentioned that CEA has made this very recent. It's within the quarter.

So it will take some time for it to percolate down. But it has very far-reaching consequences in terms of where it will be applied. Even as I mentioned in the US, the US was -- even though these patterns were all originally filed in the US, the market there was quite limited. Now with this and with all these data center growth happening over there, you will see increasingly more HTLS going in there as well.

So I think being the largest player in the world on HTLS, we are actually in a very good position. And where we may not be able to predict quarter-by-quarter, but the trend is looking very strong.

Mohit Kumar: Understood. My second question is, sir, on the CTC conductors. I think that CTC conductor, I think we had just brought in the capacity. This particular segment seems to be seeing a very high growth. Can you just help us with the outlook here? And are you storing the sport market for the CTC especially? And are the margins much better than the average margin you report?

Kushal Desai: Okay. So there are two questions of yours. I'll take them one by one. So A, the basic demand for CTC is continuing to grow. There has been a lot of capacity that has come on stream, both at par as well as some of the key -- some of our key competitors.

Having said that, the CEA is contemplating increasing where CTC can be used, not only where they're looking at more and more transformers, which will need CTC in it simply because of the better performance that comes from CTC versus PICC.

APAR has already started looking at exports. We got some trial orders from customers in the United States. We are at very advanced talks with customers in Europe. We have signed up a whole set of customers in the Middle East prior to the war breaking out. And we continue to ship to some of them. But obviously, their volumes also have, to some extent, been affected due to the current environment. So in short, there is a good demand for CTC. I think the new addition of CTC capacity outside India is slower than the way the demand is going to increase in those countries. So we are working towards that.

We did have a little bit of a setback in Q2 as far as CTC is concerned, because when the very heavy rains came and hit Silvassa, one-half of CTC complex that was the one that was really badly affected compared to all the rest of our cable and conductor manufacturing. So as a consequence, we were down -- the capacity was down to the extent of almost equivalent of 20-odd days around 90 days.

So that affected a little bit in terms of what could have gone out in this quarter. But otherwise, yes, the export side is something that we are looking at, and I think we will see good traction coming from it.

Chaitanya Desai: And I'd like to add that some of the transformer customers' expansions have got somewhat delayed. So when that fructifies, then again the CTC volume uptake will actually materialize to the extent that we had envisaged when we put up the capex for the expansion.

Mohit Kumar: And any color on the margin, sir, is the margin better than our average margins?

Kushal Desai: It's about similar. So you will see a little bit of falling off of domestic margins just simply because capacity -- there will be adequate capacity coming in place. The margins will improve for a very specialized product. So if you see, when you go to 400 KV, 765 KV there's more HVDC which will come forward in the next 5, 7 years.

So that's where you will get higher margins. But from a like-to-like basis, given that the capacity has increased supplies improved, the domestic side, you will see a little bit of a drop. The export side is about similar, because right now, some of this premium that you're getting is getting eaten up by freight and logistics. So when those prices fall, then obviously, your ex-factory netbacks will improve.

Mohit Kumar: Understood. Thank you and all the best. Thank you.

Moderator: Thank you. The next question is from the line of Umesh Raut from Nomura. Please go ahead.

Umesh Raut: Hi, sir. Good evening and congrats for a very good set of numbers. My first question is pertaining to book keeping. If I look at probably trade payable, I think it has increased on a year-on-year basis from about, I think if I look at for March '26, it was about close to 109 days. Now it is lower at about 81 days. So basically, this reduction is largely because of deployment of raised funds into the reduction of customer acceptances or is it pertaining to your higher payout towards vendors?

Ramesh Iyer: So we have deployed the QIP money working capital. So we have resorted to cash purchases of raw materials, and that's the way we have deployed the money. And therefore, you are seeing that trade payable number of days is lower than what it was in the past.

Umesh Raut: So could you please give me the number for acceptances as on September 26?

Ramesh Iyer: It's around INR3,500 crores.

Umesh Raut: Okay. Understood. And Second, if I look at probably our capex for first half, it was closer to INR500 crores, given that you mentioned in the last quarter that total capex that you are planning is about close to INR15 billion. And there is also a possible capex that you are exploring outside India. So how should we think about capex number for full year FY27 and '28.

Ramesh Iyer: So we are looking at the capex of around INR1,500 crores. So that was the beginning of the year that would have been spent over the 12 to 15 months or so. So now we are close to about INR500 crores have already spent on that front. And once this phase of capex is over, then probably our capex spend would be less because this is we are stepping up the capacity and therefore, we see a buildup of the capex amount.

Probably on this INR1,500 cases of capex lower than we -- on an annual basis, we expect that capex would be in the range of INR300 crores to INR400 crores or so.

Kushal Desai: It does not include any of the -- I mean, this INR1500 crores is the domestic capex. We have still to make any major -- we are still in the process of looking at closing the loop for the overseas side of the expansion. It's at a fairly advanced stage, but we still have to close on that.

Umesh Raut: Understood. So is it fair to assume for this year, probably capex could be about INR10 billion and the remaining INR5 billion kind of extending towards FY28 and then over and above this probable capacity expansion outside India?

Ramesh Iyer: So we stick to the India figures for now because that is what we have been talking. So it's about -- as I said, was INR1,500 crores towards the beginning of the year to have been spent over the next 12 to 15 months or so, sometimes the capex gets delayed by a quarter or so. So that is where it would be. But largely, it would be about INR1,500 crores for 12 to 15 months and out of which we have already spent INR500 crores as of now.

Umesh Raut: Understood. And there is also a proposal to invest up to about $100 million now into PSPL. Earlier proposal was to invest close to about $10 million. So any reason behind this change in proposal?

Ramesh Iyer: Yes. So PSPL is our wholly owned subsidiary, and it also has having all our operations under this Singapore entity. So we are funding the entity at this moment.

Kushal Desai: So it's just an enabling resolution that has been taken considering that there are -- we are looking at various options of expansion overseas. So we have just taken an enabling resolution at this stage.

Umesh Raut: But is it fair to assume that these enabling provisions are more pertaining towards probable expansion outside India or growing opportunity...

Kushal Desai: This pertaining to expansion outside India, which we are looking at the moment.

Ramesh Iyer: For the details of that, we will say as and when it is required to be done. But for now, it's an enabling resolution for investment funding the subsidiary of the company.

Umesh Raut: Understood. Last question is on strong ordering that you had in the quarter gone by for cable as well as conductor business, especially, I think cable, where your order book has now gone up to almost INR30 billion plus it was hovering always in the range of about INR16 billion to INR19 billion in the past. So what explains this because we also mentioned that there is material room for improvement from export market and cable business, which is yet to come?

So how should we think about ordering number on cable side, probably 1 year down the line or 2 years down the line when that piece of business ramps up for us. And on the conductor side, any large order that you booked in the quarter gone by because your number was against higher closer to INR50 billion for Q2.

Kushal Desai: Okay. On the cable front, we are pretty much on track to grow the business 25% year-on-year. The higher order book has come from the single largest component and there is data center products going into data centers. I specifically mentioned about Amazon's new and what is going

to be their largest data centers in India, 2 locations, for which we have received orders, execution will happen between now and the end of this financial year.

And we are expecting more orders from that same site. We also received about INR1,000 crores is between the AWS and the Google data center that I spoke about. So besides that, there are more orders that have come in for renewable energy, both solar and wind, the railway order book is up. So generally, all the sectors, which we have been talking about that APAR is focusing on, we have seen improved order book in all of those sectors.

But products going into data centers, the cable into data centers being the largest chunk of this. And you will see the U.S. side of the business picking up because the order books coming in from there have now started filling in. And the execution, as I said, is already over INR440 crores of cables, which is in transit, which will physically hit the books in Q3 and there is a good pipeline of orders that is there, including orders that have been booked as part of the INR3,000 crores. On the....

Umesh Raut: On the conductor side?

Chaitanya Desai: We have won a few big orders. And 1 has already mentioned about the OPGW from the Karnataka Power Corporation. And also some export orders also have been won. Both in the U.S. and in Europe. So that also is included in our order book and side ward delivery will take place over couple of years.

Umesh Raut: Understood. And if I look at probably EBITDA margin for cable business as well, I think it is now closer to 11% and if I look at probably, as you mentioned, incremental orders, which are from PC or from export markets, probably margins could be even higher. So is it fair to assume that our cable segment is also moving towards 11% to 12% EBITDA margin profile going forward?

Kushal Desai: So well, our target is to get to between 11% and 12%. And we are trying to move in that direction. As I said, the volatile environment is creating a set of leakages, especially with respect to freight and premiums on metals and even steel prices have suddenly shot up, etcetera. But in spite of all those challenges, you will see that in the quarter, we have delivered 11%. And clearly, the aspiration is to be between the 11% and 12%. We actually publicly stated that. So we are actively working towards that.

Umesh Raut: Got it. Thank you so much and wishing you a very happy Diwali in advance.

Moderator: Thank you. The next question is from the line of Vidit Trivedi from Asian Market Securities. Please go ahead.

Vidit Trivedi: Hi, thanks for the opportunity and congratulations on great execution. So firstly, on the cable side, you have mentioned that you have secured close to INR1,000-odd crores of orders. linked to Google's U.S. data center and Amazon's upcoming in your data center. Just wanted to take how significant could these data center-related cables become in the overall business 2, 3 years down the line? And I wanted to know, do the projects offer a better margin than the company's conventional cable portfolio?

Kushal Desai: So the -- I mean the end target segment is data centers. But as I mentioned in various public for and conferences, the construction and composition of the U.S. market is completely different than the Indian market, even if the same name is involved. So the U.S. data center cables definitely offer a better margin profile compared to a similar product being sold in India because of a much higher spec.

The Indian data center side, you are getting a very large addressable market, but the competitive intensity is much higher than -- and the margin profile is much lower than we export just simply arising from the nature of the construction of the cable and the complexity that goes into manufacturing.

But it will remain, and it will be 1 of the largest segments which are growing. So you will see increasingly our presence. Keep in mind that really in India, there are no AI data centers of any size that are operating yet. And as we come on, you will start seeing some of the US type specifications also finding the way into this market.

Time will tell whether what are the final premiums or margins that you lined up with -- but I see that over a period of time, especially GPU-based data centers, which are used for AI and training, they require a much higher spec given the amount of electricity and the utilization that the data center has relative to an enterprise data center, which is largely CPU based.

So even though data centers, there's a lot of variation and variety in that depending on the geography and depending on the type of data center. But it will be a large addressable market. And the US side will be at a premium compared to India simply because of the complexity of its construction.

Vidit Trivedi: That's very helpful, sir. Secondly, on the conductor business. You in your opening remarks mentioned that the manufacturing clearances and the fresh order awards, there's a delay, particularly from the TBCB awards as the key reason for the decline in the volumes. So, with the order book already INR12,000-odd crores, have you started seeing any improvement in clearances in the order awards? And what sort of volume growth can we expect in the second half?

Ramesh Iyer: We expect -- we are seeing revisal of the trend, and we expect that because Q3 and Q4 are the peak season for completion of various projects. and there is a time line beyond which the customers don't want to delay. So we feel that this trend should reverse. This decline should get arrested by next quarter. And we expect that quarter 3 and quarter 4 should be strong than quarter 1 and 2 in terms of the volume numbers that we talked .

Kushal Desai: I did mention when you get a TBCB award you have basically 36 months end-to-end. So there is a little bit of way, but there is a finite leeway because if you don't complete execution at the end of 36 months, the penalties are very, very severe. And you may have picked up that what also is actually available that the execution of existing orders and the delivery of transmission lines during the quarter of older contracts have been at an all-time high.

It's 153% more than it was the same period a year ago. So, it's clear that a lot of people are focused on executing and completing their existing projects. They have delayed some of the

work on new projects because of the inflation. But there is a final time line beyond which they will just have to press the button. So I think that is the way of the current situation.

Vidit Trivedi: Got it. That's pretty helpful. Lastly on the oil business. So, let's say if the base oil prices remain elevated. Could we expect volume to remain subdued for the longer and continuation of this? Are we still sticking to the growth guidance, which was given a couple of quarters back for all the 3 divisions?

Kushal Desai: So, we see clearly the conductor business, we will see a catch-up in the second half in terms of volume. The cable business, we've been guiding 25% value growth. We are quite confident that we'll meet that on -- you take factory dispatches the figure looks very different because of this INR400-odd crores of in-transit products.

On the oil side, that's the 1 area where, as I said, in terms of operating philosophy, we don't want to chase volume. We want to fundamentally chase the quality of the business, which consists of higher performance grades, good customers, focusing on making sure that they receive the right quality of product.

You see refineries are being forced to switch the crudes that they are using as well. So it's no longer that whatever you've got from a refinery for the last 10 years. In this last quarter, you're getting exactly that. Because if they've had to change some of the crude input, the base oil is coming out of them are bound to receive some variation.

So the whole focus that we have today is to preserve the quality part of the business -- we know clearly that there are a whole range of our customers who are price sensitive, we don't have the financial capability of maintaining the same payment terms and things like that, given the fact that product prices have increased.

So, our whole operating philosophy has changed to margin, ROCE and focusing on the quality of the business as opposed to the volume of the lubricant side of the business has done already, and it has grown at more than the 7% that we were targeting. So that's the industrial lubricant and the automotive group is in.

Vidit Trivedi: Thank you so much and Diwali greetings**.**

Kushal Desai: Thanks.

Moderator: The next question is from the line of Achal Lohade from Nuvama Institutional Equities. Please go ahead.

Achal Lohade: First question, if you could give us some sense in terms of the utilization of our conductors, cables and the oil division for Q2?

Kushal Desai: So, on the cable side, we -- the existing capacity has been largely utilized rather than a few areas. So overall capacity utilization is in excess of 90%-plus. With some sections, this is running at 100%, 105% capacity, especially those where we use copper products that service the data center orders. So that part of the business is running quite flat out.

Conductor business utilization, it should be about 80%. And keep in mind that capex is going in and expansion is taking place as we speak, every quarter, there will be increased capacity coming. So capacity constraint is not the main it will not be a constraint. We've made sure that we invest a little bit ahead of the curve and the capacity is there.

Today, it's the operating discipline that actually is limiting the way in which you're doing business. In some cases, on the conductor side, it's the customer having to press the button on when they want the manufacturing clearance to be given based on what they can afford.

But I wouldn't look at physical capacity as being a concern either oil business, so it's not a constraint. And even in conductor is not a constraint and cable is there in certain sections which we are putting in new expansion. And so as you end this year and move into next year, I think capacity should not really be the biggest problem.

Achal Lohade: Got it. Is it possible to get some sense in terms of the industry growth from a medium-term perspective for the conductor domestic conductors, cables and the oil division.

Ramesh Iyer: So, in general, we expect the conductor division from an industry perspective, of course, excluding some of these aberrations that you're seeing in this metal price moment. But in general, we expect the industry also to grow by about 10% excluding all these one-off effects that we are seeing.

Kushal Desai: The growth can be measured only by rupee terms. So if you look at constant metal prices, you're looking at around between 15%, 15-odd percent growth. There are some companies which have strong brands, strong distribution, good product portfolio as a percentage of growth is a bit higher and small scale and some of the other guys are very commoditized offerings are actually seeing a drop off.

So overall growth is around anywhere between 15%, 20%. And in the case of oil and lubricants transformer oil is probably in the 5%, 7% range. But the other products are under 2%, 3%. So overall, that's why we've been guiding 5% to 7%. Though in the current scenario, we are limiting the business based on whatever operating discipline we want to employ.

Achal Lohade: In terms of the export markets, if you could talk a little bit about the competition, particularly from the Chinese competitors, how scenario is playing out there?

Kushal Desai: So, there is still a significant arbitrage between the Shanghai Metal Exchange and LME which gives the fundamental benefit to Chinese conductor exporter for that matter or even a cable exporter. So, that competition is quite severe. I mentioned that in our opening remarks as well. But having said that, there are these other pockets from where, you know, we are concentrating on.

Customers in the US, customers in Europe, Latin America, where the level of -- either the type of product or the type of the transaction is something that's not so suitable to do with the Chinese beer. Like, for example, we have these contracts, INR3,000 crores worth of contracts from utilities in the US and Europe that are like on a rate contract literally spread over 2 years to 3 years.

So, those sort of deals are, you know, something where APAR has been a very high level of credibility relative to some of the other international suppliers. And therefore, it puts us in a better position to sign such type of contracts. So, otherwise, if you look, you know, meaning standard products, shorter delivery cycles, things being quite simple. The Chinese competition is definitely very aggressive.

Achal Lohade: Got it. And just last question, if I may, with respect to the Oil division. You know, this quarter also, we have had a substantial margin a little lower than Q1, but substantially higher than the past average. So, could you please clarify? And how do we see it going forward?

Kushal Desai: So, there is definitely a positive spin, you know, that there in terms of unit margins because, you know, what we have done is we've largely been concentrating on buying on contract versus buying on spot. So, these spot prices are fluctuating all over the place. And as a consequence, as I mentioned, we changed our operating philosophy.

We've been taking the contracted volumes and the best quality ingredients that we have and focusing on the highest quality of customers and business that we have. So, going forward, you know, we are -- I mean, there is clearly a premium that's there on the margins in the shorter term. It's really -- I can't really tell what will happen, you know, if the war gets over. Having said that, it doesn't look like anything is slowing down right now.

So, the same operating philosophy will continue. You know, we will limit the amount of purchase which we have, and we'll focus on the quality of the business. Because the lower end of the business, in terms of lower quality applications, lower quality customers and lower quality, I mean by, you know, the price they're ready to pay and payment terms, etcetera, it's quite dangerous to put too much emphasis on that segment according to us, given that this volatility is not likely to change. To answer your question. So, we are not looking at a volume item at all.

Achal Lohade: Got it. Everything that -- sir, what I wanted to kind of understand a bit more clearer is that is there -- like Q1 had the inventory gains, right? Is there an element of Q2? Or we should assume this is a new normal margin for the time focus on the watch.

Kushal Desai: There is a some amount of gain that has happened in Q2. But there was also, you know, a massive -- if you see the oil had dropped very substantially just before the quarter, like in the second half of June, it had fallen very dramatically and then after that, it has really bounced bounce back.

When you buy on contract, you have a more steady supply and a steady price. When you buy on spot, you end up buying cheap for a few days and then right now, you're buying very expensive. So, there is a little bit of benefit that's coming from the way in which APAR has been conducting its business. So, by no means, these are normal margins, which are there.

Achal Lohade: Got it. Thank you. Wish you all the best. Thank you.

Kushal Desai: Yeah.

Moderator: Thank you. Ladies and gentlemen, in order to ensure that the management is able to address questions from all participants in the conference, please limit your questions to two per participant. Should you have a follow up question, we would request you to rejoin the queue.

The next question is from the line of Amit Anwani from PL Capital. Please go ahead.

Amit Anwani: Hi, sir. Thank you for taking my question. First question on the volumes. So, despite volumes decline and in terms of value also the premium coming down, we are still able to maintain a very strong EBITDA per ton. So, at least on the volume side, I wanted to understand, is the volume contribution from premium continues to grow and non-premium is kind of moderating despite the volume decline, which we have reported in H1 and you also highlighted winning few contracts of HTLS in the overseas market, which I believe is premium.

And premium not -- was not used to be the big part of exports. So, can we expect in H2 and maybe next year, the volume-wise premium portion will continue to increase in the volumes.

Ramesh Iyer: Yes, Amit. So, as we have been saying that, you know, this trend, we expect it should get reversed because utilities will have a finite time at which they can postpone. So, clearly, as you have been seeing or hearing us, we have a very strong order book. And it's very clear that these are temporary phenomenon in which because of high metal prices, the volumes are low. It's not -- there's no change in the structure or the demand per se, but it's just about timing as everyone is expecting the war to get over and prices to come down, customers are evaluating whether they should complete the project now at a higher metal price or wait for a few months by which the price will come down.

So, they do evaluate between the prices of metal and the damages that they need to pay for delayed completion. So, these are temporary phenomenons, clearly. And the strong order book is a reflection that there is good demand in the market. We do hope that second half of the year should be better than the first half of the year.

From the point of view of customers wanting to complete their various projects. Otherwise, they would be saddled with a huge LD. And therefore, we expect this execution to turn, but we expect this trend to reverse in the second half, but we'll have to wait and see how exactly it will happen and how the order of, you know, lifting will start from the customer's point of view.

Regarding the premium product and margins, yes, we have been saying that there is a volume decline and a large part of volume is also relating to, you know, on premium products because the premium products have a little bit of service element also. But we are seeing both the decline happening in the first half of the year. And despite that decline, whatever the remaining volume is available, that gets split into various premium categories. And as you know, there are multiple premium products, you know, that we have in our basket.

We are able to deliver a good mix during this particular quarter, that has helped to compensate the drop in the overall volume numbers in quarter two. So, that at an EBITDA level, we are still able to be above what we reported last year.

Amit Anwani: All right. And in terms of the overseas pipeline in premium, you mentioned HTLS win in Africa. So, how one should look at the overseas pipeline now for the premium conductors?

Ramesh Iyer: Yes. It is also increasing. We are increasing, you know, product lines in overseas market. And you'll see growth coming in, in the future as we make more inroads into the overseas market with the premium offerings. As you saw that this lot of focus in the US on this park program, it's all about reconducting line and improving the current carrying capacity limiting losses. So, we see that trend will increase in the market place in times to come.

And our expansion of product offerings in these developed countries will also increase over time to come.

Amit Anwani: Right. And second, on cables, we have won this Google and AWS orders. So, in terms of capability and capacity, are these orders going to be met from the current capacity expansion, which we are doing this year? Or will there be any capacity capability addition which is going to be required? And since the pipeline of these order is going to further increase. So, any thoughts there?

Kushal Desai: So, we have adequate capacity currently for, you know, the orders which have been taken. And then, you know, for executing this order book between the capacity we have now and the new equipments, which are under commissioning, we should be able to handle this. And in fact, if we handle this, larger and larger orders is also increasing because you see some of these AI data centers, a single package coming from the US would be in between INR400 crores and INR1,000 crores single package.

So, we are slowly gearing up the Google piece was, you know, over INR500 crores single order. So, you know, as our credibility starts getting established on delivery of these, we'll see more and more of our participation in these sort of RFQs and capacity is being built up. So, as we speak, there's equipment, you know, under installation, commissioning, etcetera. So, we are pretty much on plan plus/minus 1 quarter on the capex program.

Amit Anwani: Right. And this INR1,000 crores enabling in the Singapore entity. So any like clarity as to -- I think you have mentioned that maybe it will be equity pref or debt. So are we not funding through internal accruals? And second, what exactly this relates to any expansion, any particular division, if you could give more clarity on this?

Ramesh Iyer: So we will reveal the details at the appropriate time, probably once we intimate the stock exchange for us, obviously, and then we would prevail the details. Currently, as we said, it's an enabling resolution to infuse that. And as and when we intimate to stock exchange then we can have more discussion on that.

Amit Anwani: Understood. Lastly, on the cables business, earlier we use to guide in terms of the growth in elastomeric E-beam and B2C. So how has that shaped up in HI? And second, in terms of like power cable, we were kind of trying to improve our capability and product profile to 132 kV and higher, so any sense there? That's it. Thank you.

Kushal Desai: So the elastomeric side of the business is growing. The data center market in the US is predominantly elastomeric cable, where they use EPR, which is ethylene-based polymer. So that part of the business is continuing to grow. On the power voltage front currently we are at 66kV, but some of the new equipment going in will enable us to go to 132 and finally up to even 220.

So that's in the pipeline, but I don't think you will see any business coming in the Financial Year 2027. It's really more of a Financial Year 2028 play when that equipment gets installed and we start executing.Otherwise, 66 kV business is -- we are regularly doing business up to 66kV.

Amit Anwani: Thank you. Thank you so much.

Moderator: Thank you. The next question is from the line of Natasha Jain from PhillipCapital. Please go ahead.

Natasha Jain: Just one question on the global, rather macro side. If domestically, we see the power and transmission spend driven by the government that comprises both copper, aluminum buyer cable on value terms, and copper is definitely increasing. I know we do not do a lot of wire or copper. But then the overall budget is indexed in that. The geopolitical side, the macro side does not seem to be easing on the war front.

So my question to you is, has it happened historically? Can it happen that the entire T&D budget, there could be a de-prioritization in that spending? And what risk do you see? I mean, we all know the strong tailwinds in cable, but from a very medium-term structural point of view, what is the risk that can fructify in the segment?

Kushal Desai: So first of all, for us, also the copper portfolio is continuously growing, both in the cable side as well as even on the conductor segment. So in that sense, copper is becoming as a physical percentage of the total metal levy process is increasing. We really don't see any major impact on the T&D side at all? There's, in fact, shortage of power. We've had a horrid time when suddenly the temperature went up in the month of September. So in fact -- and again, there were a lot of stability issues in the grid and in the system.

So as a consequence, and we don't see any slowdown. We actually see, as I mentioned to you, new legislation coming in, which is going to actually grow demand. The same thing is there overseas. You see that more and more products are going in, more and more systems are coming in, HTLS starting to go in. That whole program of SPARK is looking at unlocking 23 gigawatts of power delivery on by reconducting and upgrading the technologies on existing transmission corridors.

So I don't really see anything. There may be little bit plus, minus. But if you look at the trend, there is no indication of the trend going down. There's a lot of noise about data center spending in the US. It may not be 50 gigawatts in a year, but even if it's 15, 20 gigawatts in a year, it's really big. And the total value is also going to be very, very big.

Natasha Jain So at least there is no risk that you see on deprioritization in terms of spending on power T&D?

Kushal Desai: Yes. I mean I think that's quite remote from our standpoint. .

Natasha Jain Understood. And sir, just one last question on cables, your margins have improved despite the support higher margin exposure significantly reduced. So is it a contribution because of premium products? And if that, can you please call out what was the mix last quarter versus mix this quarter from premium products?

Kushal Desai: So, the product portfolio on cables, we have constantly been looking at all the elastomeric cables, which go into all these premium segments together. So there's -- I mean, it's at the upper end of what we've seen in the last few quarters, but there's nothing unusually that major that's come in.

As we continue to push for higher and higher applications and things, our target is to actually settle between 10% and 12% in terms of EBITDA margin on a 25% year-on-year growth with stable metal prices. So you'll continue. I mean, we are still pushing for higher margins than what our existing today.

Natasha Jain: Got it. Understood sir. Thank you so much.

Moderator: The next question is from the line of Sanjeev Zarbade from Antique Institutional Equity. Please go ahead.

Kushal Desai: Yes. Hello, Sanjeev. Can you -- we can't hear you yet. Can you hear us?

Sanjeev Zarbade: Yes, sir. Congratulations on good set of numbers.

Kushal Desai: Thank you.

Sanjeev Zarbade: I just wanted to take your -- how do you read the emerging demand supply situation in the conductor side, because smaller players are also adding capacity. While in the first half, the volumes have contracted for you also. So how do you read the situation maybe in the medium term?

Chaitanya Desai: Yes. So the situation for conductors, on the conventional conductors, there are few players who have come in who are having their own EPC or they are already in the downstream. So in those cases, there's a certain part of the market, which is kind of now count out, which is not that accessible to us in the domestic market. And on the HTLS side or the other premium type of products, there are new entrants who have come in.

But there, again, the challenge is not just on manufacturing, but also in terms of meeting the quality specs and also end-to-end completing the project, which requires engineering design as well as on the performance of the product and meeting the tough requirements of an HTLS product.

So while there may be new entrants and some market may be taken by either the new players for HTLS or some of the KPC players who have done the backward integration by making the conductors. The overall pie is growing, and we don't see that we will have a reduction in our volumes.

The other thing is that, APAR is always having a lot of more innovative products. So with that, we always will be a leader in the marketplace, and we'll be able to drive these innovative solutions, and we'll be able to maintain our volume and leadership as well as maintain our profits.

Kushal Desai: So for example, I mentioned specifically that we got our first Z type conductor order from a large Scandinavian utility that evacuating power from an offshore windmill. Now those sort of products over a period of time will also find it to India. The East Coast of India has a cyclone. There's another citron building up as we speak in the next few weeks.

So these type of products are ideal. The Z-type conductor allows the flow-through of air to take place within the conductor itself. It flows right through it. So as a consequence, it doesn't move as much as would move with a conventional product. So there'll be more and more players coming in, but that's fine.

They are trying to premiumize their portfolio, but we are trying to further premiumize our portfolio with these sort of solution-based products. So I don't think we are really worried about competition and stuff in that sense. You'll find we find the green grass either in locality A, B or C.

Moderator: Thank you. The next question is from the line of Mahesh Patil from ICICI Securities. Please go ahead.

Mahesh Patil: My question is on the DC thing, right, data centers. Out of the current order book, how much would be pertaining to these data centers?

Kushal Desai: So we have about 1,000 out of the 3,000 approximately. They are from the 2 large ones. There may be a few hundred crores more from other data centers. But it's a constant flow. I mean, I specifically mentioned these 2 because the order which we got from a contractor that is flowing into a Google data center in the Midwest and the U.S. is the largest single order that we've got from the U.S., it's over INR500 crores, and it will be fully executed by -- around the value time. In the case of Amazon, it's the largest Amazon award, which is there.

So that -- but the orders are being issued piece by piece depending on the availability of the infrastructure on the ground, we expect all of that also to be done by March. So these are 2 very large ones. -- there'll still be a couple of hundred malls coming in from smaller data centers right now in the order book, and there's a big pipeline of discussions going on.

Mahesh Patil: Okay. And sorry, in Q2, I think we have recognized some U.S. tariff refund, right, around I think 30 million -- so is that it? Or are we expecting some more in the...

Kushal Desai: We've kind of closed the book on that most of the refunds have come in prior to 30 September, there's a little bit that's coming in post that. The bulk of these refunds have actually been passed on to clients based on the contractual obligations that were there. Whatever we are recognizing today is because we have taken the hit previously and is getting reversed in today's situation. So it's more like a one-off thing-- against those suppliers. We won't see anything recurring coming from that.

Mahesh Patil: Okay sir. Got it. And sir, lastly, see, on the premium side, right, in conductors, I think we do not consider AL-59 as a -- in this premium is that we give -- so can we get the AL-59 mix or let's say, premium plus AL-59 mix, what would be the share?

Ramesh Iyer: We generally share consistently the premium and nonpremium, so that is consistent across the quarter.

Kushal Desai: So AL-59 is -- I mean, we don't track that separately in the premium bucket. But there has been some amount of toggling going on between AL-59 and standard ACSR because simply, when the war broke out, the price of aluminum shot up, but steel hasn't reacted -- but now steel has reacted.

So again, AL-59 is a much better option than your conventional ACSR. So there's a little bit of a flip drop that's been happening depending on the relative price of aluminum versus steel. But we don't see or we just consider that in the bucket of conventional products. And the premium that was there on AL-59 is no longer that huge premium.

What has significantly happened is that the number of players who can produce AL-59 versus ACSR is a fraction. And as time will tell, a lot of the newcomers producing AL-59 are actually not able to produce the right quality of product. Which may result in higher line losses and things like that. So whereas we have a very established AL-59 technology we've been making this for decades. So we don't track it separately.

But I think that AL-59 story will still remain in terms of it being significantly better than just having ACSR and all these sort of products.

Mahesh Patil: Got it sir. Thank you and all the best.

Ramesh Iyer: Operator, I think that's the last question, I think we have. So we'll close the call for now.

Kushal Desai: Hello just some closing comments -- is the line. Yes. I'd like to close by first just wishing everybody for a festive season. And as I signed off last in terms of my opening comments that we see that the business trends remain strong. And even though there may have been some volume degrowth, 2 things. One is we expect the second half from conductors volume to be stronger than the first half.

There is an unusually high amount of conductors and cables that are in transit currently to the U.S. on a DDP basis. So actually, our manufacturing data and dispatch data looks very different than the sales realised data. That should catch-up pretty much in Q3. And considering the strong order books, which we have, I think the rest of FY27, FY 20 looks quite bullish. So with that, I'd like to close my remarks. Thank you, everyone, for attending our call.

Moderator: On behalf of APAR Industries Limited, that concludes this conference call. Thank you for joining us. You may now disconnect your lines.