HITACHI

November 18, 2026

The Secretary,
Listing Department,
BSE Limited,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 543187

The Manager,
Listing Department,
National Stock Exchange of India Limited,
'Exchange Plaza', 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051
Scrip Symbol: POWERINDIA

Subject: Transcript of the conference call with Analysts/ Investors held on November 12, 2026

Dear Sir / Madam,

Pursuant to Regulation 30 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the conference call that was organized with the Analysts/Investors on Thursday, November 12, 2026 and the same can be accessed at: https://www.hitachienergy.com/in/en/investor-relations/analyst-section.

Kindly take the same on your records.

Thank you,

Yours faithfully,

For Hitachi Energy India Limited

AMMATANDA CHINNAPPA POOVANNA

Digitally signed by AMMATANDA CHINNAPPA POOVANNA
Date: 2026.11.18 13:10:24 +05'30'

Poovanna Ammatanda
General Counsel and Company Secretary

Encl.: as above

Hitachi Energy India Limited
Registered and Corporate Office:
8th Floor, Brigade Opus, 70/401,
Kodigehalli Main Road, Bengaluru - 560 092
Email ID: investors@hitachienergy.com
Phone: 080 68473700
CIN: L31904KA2019PLC121597
hitachienergy.com/in

HITACHI

Hitachi Energy India Limited

"Q2 FY27 Analyst Conference Call"

November 12, 2026

MANAGEMENT:

Mr. N Venu – Managing Director & CEO, Hitachi Energy India Limited
Mr. Ajay Singh – Chief Financial Officer, Hitachi Energy India Limited
Mr. Poovanna Ammatanda - General Counsel & Company Secretary, Hitachi Energy India Limited
Ms. Priyanka Bhagat – Investor Relations, Hitachi Energy India Limited

Moderator: Ladies and gentlemen, good day and welcome to Hitachi Energy India Limited Q2 FY27 Analyst 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 this conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note, this conference is being recorded.

I now hand the conference over to Ms. Priyanka Bhagat, Investor Relations, Hitachi Energy India Limited. Thank you, and over to you.

Priyanka Bhagat: Good evening, everyone, and thank you for joining Hitachi Energy India's Q2FY27 Earnings Conference Call. We appreciate your continued interest in the company and welcome this opportunity to take you through the performance of the company. Before we begin, I would like to remind everyone that certain statements made during today's call may constitute forward-looking statements.

These are based on our current expectations and are subject to risks and uncertainties that may cause actual results to differ materially from those expressed or implied. With that, I am pleased to invite Mr. N. Venu, Managing Director and CEO of Hitachi Energy India Limited, to share his perspective on our performance.

Venu Nuguri: Thank you, Priyanka, and good evening, ladies, and gentlemen. Thank you very much for joining our Hitachi Energy India's Q2FY27 Earnings Conference Call. Let me begin by wishing all of you a belated happy Diwali. Hope this Diwali will bring to you and your families and loved ones a lot of prosperity, happiness, wealth, and health. Today, we announced our results for the second quarter and first half of FY27. I will take you through our performance and some of the key developments during this period.

You can follow the presentation through the webcast or download it from the stock exchange website. I will refer to the relevant slide numbers as we progress. I am joined today by our CFO, Ajay Singh, and Poovanna Ammatanda, General Counsel and Company Secretary. Before we turn to the numbers, let me briefly share how we see the energy landscape evolving in India.

Electrification is expanding across industry, mobility, infrastructure, and households, while the way electricity is generated and consumed is also changing. Electricity is becoming backbone of India's economic growth, and like the International Energy Agency suggests, we are in the "Age of electricity."

India's grid investment cycle is being driven by a structural transformation in how electricity is generated, transmitted, and consumed. Renewables, electrification, and digital infrastructure are reinforcing this long-term need.

We are moving from centralized and predictable generation and consumption to a much more distributed, dynamic, and electricity-intensive system. Renewables are changing where and when power is generated. Rooftop solar is creating two-way power flows. Electrification is adding new sources of demand. Data centers and AI are adding another layer of concentrated

power requirements. Electricity is becoming central to India's economic growth, and in these times, it has become critical to India's energy security too.

All this places the grid at the center of the transition. The grid now needs to do much more than transmit electricity. It needs to balance variability, manage bidirectional power flows, respond to changing demand patterns, and maintain reliability in real time. That requires continued investments in transmission, substations, grid expansions, digitalization, automation, protection, control, and energy storage. Importantly, these investments need to happen ahead of demand, not after it.

Grid infrastructure takes years to plan and build. What we are investing in today must therefore be ready for the electricity system India will need tomorrow. Energy security further strengthens this imperative. Renewable energy, electrification, and localizations are increasingly important not only from a sustainability perspective, but also for India's resilience and competitiveness. For Hitachi Energy India, this structural transformation plays directly to the breadth of our portfolio and capabilities.

Our focus remains clear: execute with discipline today while investing in the capacity, technology, talent required for the grid of tomorrow.

With that, let me take you through the performance for Q2 and H1 FY27.

Slide 3: License to operate: Safety

At Hitachi Energy, safety, integrity and quality are our license to operate and remain fundamental to how we run our businesses.

During the first half, we conducted more than 1,100 life-saving rule inspections and more than 2,000 safety observation tours, enabling us to close all high-risk hazards identified during the period. We also continued our health and safety programs and training across our facilities, keeping us firmly focused on achieving our total recordable injury frequency rate (TRIFR) target of 0.09 at Hitachi Energy. Our motto is to ensure that people who work for us directly or indirectly, they go home safely every day.

Moving to the next slide number 4

Slide 4: ESG targets and action plan

Sustainability continues to be central to our strategy, particularly the decarbonization of our operations. We expect to achieve most of our 2030 sustainability targets by the end of this financial year. Our progress is also being recognized externally.

During the quarter, our Peenya plant in Bengaluru received the “Excellence in Waste Management” Award from Federation of Karnataka Chambers of Commerce and Industry in association with the UN Global Compact Network India. At the same time, our CRISIL ESG score improved from 61 in 2025 to 69 in 2026, reflecting the progress we continue to make across our sustainability agenda.

Moving to the slide number 5

Slide 5: India's energy transition driving grid investments

As you know, India's energy transition continues to drive investments across the grid, supported by renewable generation and electrification and growing digital infrastructure.

Renewable energy capacity reached almost 300 GW, to be specific, 299.25 GW by the end of September 2026, against India's 900 GW ambition for 2035-36. As generation capacity expands, the focus is increasingly shifting towards the transmission and storage infrastructure required to connect these new sources of power with demand.

More importantly, long-term plans are now translating into approvals and investments. The recent cabinet approvals, including PM-DHARA, the Green Energy Corridor Phase-III, represent another step in this direction, with around Rs 1.86 lakh crores of investments moving forward, including investment in 50 GWh of battery energy storage.

In addition to this, to support large-scale renewable energy integration, India has approved its first-ever 1150 kV AC system to strengthen inter-regional connectivity.

This transition from planning to approval reinforces our conviction that grid investment is a multi-year structural opportunity, consistent with the outlook we have been communicating over the past several quarters. Data centers represent another opportunity. The market outlook projects operational capacity of 5- 8 GW by 2030, compared with 1.57 GW in August 2026.

Electricity demand from data centers could reach anywhere between 15- 17 GW by 2032. Please note, all these are market projections based on our various reports, CEA, and other things, rather than our company guidance. The slide also highlights developments in nuclear power, mobility, and semiconductors. Together, these areas broaden the requirements for a reliable electricity infrastructure.

Moving to slide 6

Slide 6: Solid performance driving growth and building margins

Against this market backdrop, we secured orders worth Rs 4,120.8 crores during Q2FY27, taking our H1FY27 order intake to Rs 9,217.3 crores.

To provide a more meaningful view of the underlying business momentum, we have also presented order growth excluding HVDC. On this comparable basis, Q2 FY27 order intake grew 85.9% YoY and 21.8% QoQ. For H1 FY27, order intake grew 53.1% compared with H1 FY26, reflecting strong momentum across the underlying business.

This strong order momentum was complemented by disciplined execution. During Q2 FY27, revenue reached ₹2,996.5 crores, increasing to 63.5% YoY and 20.2% QoQ. This took H1 FY27 revenue to ₹5,490.2 crores, up 65.8% compared with H1 FY26.

Despite the product mix executed during the quarter, continued supply-chain pressures and raw-

material price escalation, we maintained a healthy double-digit operational EBITDA margin of 16.5% in Q2 FY27, demonstrating the resilience of our operations and continued execution discipline.

Growth in order intake during the quarter was supported by wins across segments. Among the key orders were four TBCB orders from two leading EPC players, including a STATCOM order. In grid automation, we secured multiple orders from two leading utilities, further strengthening our portfolio of strategic wins. We also continued to see strong traction in the data center segment, with multiple orders from global hyperscalers. What makes this quarter particularly noteworthy is the breadth of our service orders, including an order from a semiconductor customer, reflecting the expanding application of our technologies across emerging, high-growth sectors.

As a result, we closed the quarter with a strong order backlog of Rs 33,335.4 crores, representing robust double-digit growth year-on-year and providing healthy revenue visibility for the coming years

Let us move to next slide.

Slide 7: Powering growth through successful project execution

Technology leadership must be matched by reliable project execution, and that has been our hallmark for several quarters. During the quarter, we delivered several notable projects across grid infrastructure.

We have delivered the first of its kind, India's first grid-forming STATCOM projects, 400 kV, 2x 550 MVAR STATCOM projects in Fatehgarh. Proud to highlight the inauguration of our major grid automation project for the country's largest power utility, covering more than 180,000 circuit kilometers of transmission line.

These projects reinforce our execution strength across industries, segments, and geographies. Our end-to-end capabilities enable us to deliver reliable solutions at scale, supporting our customers and the modernization of the power grid.

Beyond project delivery, we continue to invest in capacity building to support long-term growth, which we are going to discuss in the next slide.

Slide 8: Capex completion targets: 2026-2028

With a robust order backlog and a strong opportunity pipeline ahead of us, we have been saying this, we continue to invest ahead of demand to position the business for the next phase of growth.

We have communicated these investments to the market over time, and I would now like to give you a perspective on how they are strengthening our readiness across the portfolio. Our capex program spans several strategic projects across transformers, high voltage products, and grid automation. These investments are aim at strengthening manufacturing readiness to capture the opportunities emerging from the continued expansion and modernization of the grid.

Majority of these projects are targeted for completion by the end of next year, progressively adding capacity across our portfolio. In parallel, our new large power transformer facility, which we just announced and started, is targeted for 2028, further strengthening our long-term manufacturing capabilities.

Slide 9: Powering India's energy future through collaboration and leadership

Progress requires diverse perspectives, healthy debate, and a willingness to navigate trade-offs together, which came as the essence of these conversations.

During the quarter, we actively engaged in talent development, innovation, and industry thought leadership through several key initiatives:

- India–Japan Annual Summit in the presence of Hon'ble Prime Minister Shri Narendra Modi and Hon'ble Prime Minister of Japan, Sanae Takaichi
- As the energy transition accelerates, conversations with peers across the sector help us better understand how the grid must evolve to meet changing demands. Gatherings like #CIGRE2026 demonstrate productive discussions with customers, partners, and global energy leaders focused on long-term planning for grid connections.
- Our meeting with the Hon'ble Chief Minister of Tamil Nadu reaffirmed the importance of harnessing local talent and capabilities to accelerate the development of India's clean energy infrastructure.
- Hosted engineering students at Vadodara Energy Technology Experience Center is notable example of how companies can build future ready talents by bridging the gap between education and real time experience.

Slide 10: Order growth in transmission and industries segment fuelled Q2FY27 performance

Order growth in the domestic market excluding HVDC orders during Q2FY27 was driven by strong momentum across transmission, industries, and data center.

Looking at the order mix, products remained the largest component at 60%, while the project share increased to 34% from 19% a year earlier. Service represented approximately 7% of orders. The sectoral mix became more balanced compared with the utilities-heavy mix last year. Utilities accounted for 52%, industries for 24%, and transport and infrastructure 23%. We also saw a shift in domestic channels, with EPC and distributers accounting for higher shares of orders than in the previous year.

Overall, the quarter's order composition shows a larger contribution from projects and a broader domestic sector mix. These percentages describe the composition of orders, so changes in share should not be interpreted as changes in absolute order value.

Slide 11: Export and service orders are key levers of growth

Our Service business is demonstrating strong momentum, with order intake growing 77.1% YoY in Q2 FY27. This growth was broad-based, with wins across utilities, industries and EPC customers

for digitally enabled services and service-level agreements (SLAs), GIS augmentation, and extensions for substations.

Our export business also maintained healthy momentum. The export orders in Q2 FY27 grew 41% YoY, with wins spanning Asia, Africa, the Middle East, Europe, and the USA, (including TenneT Order). This geographic breadth reflects the growing role of our India operations in serving both domestic and global demand.

For the next two slides, I now hand over the call to our CFO, Ajay Singh, for a detailed analysis of our financial performance. Over to you.

Ajay Singh: Thank you, Venu, and good evening, everyone. I will just run through the financial performance for Q2FY27.

Slide 12: Financial performance

If you see the slide for the Q2FY27, the order booking was Rs 4,120.8 crores. Excluding HVDC, we saw strong momentum in Q2 FY27, with order intake growing 85.9% YoY and 21.8% sequentially Even if you see half-yearly basis, we reached Rs 9,217.3 crores of orders. If I compare with the last year, order book of half-yearly, there is a dip of 32%, but if you remove the HVDC order, then the growth is 53.1%.

Revenue from operations was Rs 2,996.5 crores with the robust execution of the order backlog, and we achieved 63.5% growth Y-o-Y on the revenues. Now, if I compare on a half-yearly basis, we reached Rs 5,490.2 crores, showing a huge growth of 65.8% over the same period last year.

On profitability, PBT grew by 22% YoY to Rs 430.4 crores in Q2FY27 and QoQ PBT growth was 10.5%. On a half-yearly basis, PBT grew to Rs 819.9 crores, which is 54.8% growth YoY.

PAT reached Rs 318.5 crores in Q2FY27, which is 20.5% YoY growth compared with Q2F26. On a half-yearly basis, we reached Rs 612 crores, which is 54.7% YoY growth.

On operational performance, EBITDA (in absolute terms) increased 69.5% YoY and 23.6% sequentially to Rs 494.4 crores in Q2 FY27. For H1 FY27, EBITDA reached Rs 894.3 crores, nearly double the corresponding prior year period, demonstrating the continued resilience of our underlying operations. Operational EBITDA margin, we have achieved 16.5%.

It is also important to highlight that PBT and PAT for the quarter include the impact of a Rs 88.1 crore notional forex exchange loss. As this is non-operational in nature, it is excluded from EBITDA. Accordingly, EBITDA provides a clearer view of the underlying operational performance and resilience of the business during the quarter.

Slide 13: Financial statement analysis

Let us now take a deeper look at our financial performance.

During the quarter, other income is Rs 56.8 crores, coming from the interest income on the deposits that we have put into the bank. Our material cost, if you see, is 61.7%. which is moving based on the product mix that we have executed.

Personnel expenses are 6.2% for the quarter. Operational expenses, that is other expenses, is 16.6%. In this quarter, we have exchange and commodity loss of Rs 56.1 crores, that is 1.9%. Depreciation and finance costs are in line. And overall if you see, we closed PBT of Rs 430.4 crores, that is 14.4%. PAT of Rs 318.5 crores, that is 10.6%. So operationally, I think whatever we have been talking, we have been going in that direction only.

With this, I would like to hand over to Venu for the next slide.

Venu Nuguri: Thank you, Ajay. To go to the last slide before we open for Q&A.

Slide 14: Priorities

The first half of the year demonstrates the strength of our business model and disciplined execution. We delivered robust growth in orders, revenues, and profitability, while continuing to invest in capacity, technology, and talent. Our record order backlog and healthy bidding pipeline provide strong visibility for growth. Our focus is on translating this opportunity into disciplined execution and sustainable value creation.

For FY27, our priorities remain clear: strengthen our core businesses in Utilities and HVDC, build momentum in Mobility, and enhance our Services business. We will also pursue opportunities in battery energy storage and data centers, while expanding our exports and digital businesses.

Our priority is to convert our strong backlog into profitable growth, supported by capacity expansion, operational excellence, productivity, quality, and customer satisfaction.

Alongside this, we will continue to upskill and cross-skill our workforce to build the capabilities required for the energy transition and our long-term growth.

We remain confident in our ability to create long-term value for all stakeholders while contributing to a more resilient, secure, and sustainable energy future.

With that, we would now open the floor for the Q&A. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. We will take our first question from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar: Yes, good evening.

Venu Nuguri: Good evening.

Mohit Kumar: Congratulations on an exceptionally good quarter and thanks for the opportunity.

Venu Nuguri: Thank you.

Mohit Kumar: My first question is, sir, can we just talk about the execution progress on both the HVDC contracts; Bhadla to Fatehpur and Khavda to Nagpur, and what percentage of contracts has been booked in revenue till now? If not, when do we expect the revenue bookings to start?

Venu Nuguri: So, the execution starts as soon as we get the project, because execution means we start doing the engineering and we start securing the long lead items like semiconductor, et cetera. Hence, we start placing the orders or getting those things. So Khavda is in the range of around 10% revenue, and the last one, is the name correct? Bhadla or Khavda, Ajay?

Ajay Singh: Bhadla.

Mohit Kumar: Bhadla.

Venu Nuguri: The first one is the Bhadla, which is 10% of revenue, and the last one, Khavda, is in the range of 4%-5% of revenues has come in.

Ajay Singh: Cumulatively.

Venu Nuguri: Cumulatively.

Mohit Kumar: Understood. My second question, your data center. Are you booking grid-to-rack solutions or only transformers as of now? Are you looking to manufacture the grid-to-rack modular solution in India or importing?

Venu Nuguri: Grid-to-rack solutions we have already launched. We are discussing with the customers. Whenever we have those orders, grid-to-rack will be manufactured in India. We are looking for combination of various things, including not only the transformer, GIS, automation, also the substations, and network studies, etcetera.

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

Moderator: Thank you. Next question is from the line of Rahul Gajare from Macquarie Capital. Please go ahead. Rahul?

Rahul Gajare: Hi. Thanks for the opportunity. Sir, you talked about this in your Slide 5. The government recently approved this 1150 kV transmission line. I want to understand how much of this would be imported or how much is localized for these higher transmission projects?

Venu Nuguri: Just for information, we are the first one to complete the 1150 kV transformer design, manufacture, and fully tested in India. Both the big components, 1150 kV transformer, and the switchgear, hybrid switchgear, and as well as the automation is fully localized in India.

Rahul Gajare: Okay, that is great. Sir, on the backlog, I want to understand how much of your backlog is from data center now. And if possible, if you could split that into U.S. specific order from the data center side?

Venu Nuguri: We do not give a backlog with any segment. Just for information, we do not have any orders in our backlog for US data center.

Rahul Gajare: Okay, great. Sir, the last question is on the service. Service obviously would be a high-margin business. How much of the service would be domestic and how much would be overseas? Is it more skewed towards domestic or you have started to see increase in service business for the overseas business also?

Venu Nuguri: Also, we have been saying consistently, Rahul, about our service focus; we have created a large installed base in India, and we would like to first leverage our service focus in India, and many customers in India are looking forward to that.

So today, our service focus is predominantly in India, but at the same time, we are also looking at other geographies going forward. But right now, we have an incredibly huge opportunity. That is the reason we are investing in more feet on the ground.

We are also investing in productization of our service offerings to our customers. We are investing in the digital offerings to our customers. And we see a huge amount of traction on that, Almost close to 70% increase in the orders of the service in this quarter. Which is reflecting our efforts on the ground, and the customers also feeling the same way.

Rahul Gajare: Sure, sir. This is extremely helpful. Thank you, and all the best.

Venu Nuguri: Thank you very much.

Moderator: Thank you. Next in line is Amit Anwani from PL Capital. Please go ahead.

Amit Anwani: Hi, sir. Congrats for the strong set of numbers.

Venu Nuguri: Thank you.

Amit Anwani: Thanks for the opportunity. First question, on the strong inflow, you also alluded to 9,200, and if we exclude the one large order of 1,700, still the number is quite robust. Just wanted to understand, is this a new run rate? There would be expansion to this. You also highlighted some wins from the EPC players and STATCOM as a project win. So wanted to understand the base order pipeline in domestic and export. In export, you highlighted all the data center order wins are ex-USA.

Venu Nuguri: Yes.

Amit Anwani: Which are the other geographies where we are winning this export data center orders, if you could highlight that?

Venu Nuguri: Thank you very much. We do not want to call this as a run rate for the next quarter. What we are looking at, that the tailwinds are strong, and multiple vectors are playing there. We are talking about the renewable, because as you look at our portfolio, our portfolio is a little bit broader compared to many other things.

Our portfolio is a bridge between the generation and the consumption. We have a play in every part, including the transportation segment, which many people do not have. That is the reason we get multiple focuses, multiple segments on that.

As I said, tailwinds are strong, and we try to leverage on those tailwinds. You have seen our expansion plans, and we will start booking some of the orders for our new factory soon, but we are not started on that yet. We hope that we will have a decent market share going forward, in a base business as well.

The second one, when you are talking about data center, as I said, we do not supply anything to US data centers. We supply only our power quality products to the US.

So where are we supplying this? We are supplying in India, we are supplying in the Southeast Asian markets, and we are supplying in the Asia Pacific region.

Amit Anwani: Sure. Secondly, sir, on the gross margins, with the current product mix and the order backlog as export has also increased, and the service component has also increased, can we expect gross margins mix to be favorable in coming years?

Venu Nuguri: We do not give any guidance, but directionally, we are increasing our revenue growth, so volume leverage is coming in. Exports and service orders are increasing, then those will also work in our favour over time. If you add all, then our fixed costs will even out at some point in time, which is then going to result in what you are looking forward to.

Amit Anwani: Understood, sir. Thank you, and all the best, sir. Thanks.

Venu Nuguri: Thank you.

Moderator: Thank you. Next question is from the line of Jason Soans from IDBI Capital. Please go ahead.

Jason Soans: Yes, sir. Thank you so much for taking my question. First question just pertains to, of course, order inflow growth has been extremely healthy. Now I just want to talk about revenue execution. For base orders and exports for the next one, two years, I understand we don't give guidance, but directionally, do we see a healthy growth both in terms of base orders, when I talk about base orders, of course, it's ex-HVDC, and exports as well for the next two to three years? How do you see directionally, some colour on that?

Venu Nuguri: I would say that we are not looking at the short-term fixes. We are looking widely at a long-term horizon, and that's the reason you have seen our slide, and I've given a very clear view on that, how we are investing in multiple facilities, not only one particular product line, because all of our portfolio will go into that, and that's the reason our capex spend is very strong in Indian market. We have the visibility up to 2035, based not only on the CEA guidelines, but also our interactions with the customers, authorities, and industry leaders. And then the new age things are additional. For example, data center. Energy storage is a big opportunity, and we have announced the first order last quarter.

Our portfolio will take care of these kinds of growth opportunities. With that, we believe that we will have a robust growth in the base orders going forward.

Jason Soans: Sure. And sir, I mean, of course, there is also some concern on the data center slowdown going ahead, in terms of power shortages and capex, free cash flow, problems for the investing

companies. Just, sir, what is your take? How is it going? And of course, with the midterm elections in the U.S. as well.

Just wanted to know what are you hearing on the ground in terms of data center slowdown? If that is the case, can we recoup orders from other infra segments to mitigate this risk? Just your take on that?

Venu Nuguri: My take was clear. As I said, data center has come as a positive surprise, it is only just started. We were not looking at a data center opportunity in U.S. anyway from the beginning, because that was not our mandate. We were looking at the data centers in India and APAC region,

Recently, I was attending the data center conference in Singapore and every stakeholder whom I met, they were all talking. Those plans are solid plans. They are on the ground. They are looking at commissioning schedules very clearly defined. I do not foresee any slowdown in the geography where we are targeting.

Jason Soans: Thank you so much, sir. I will get back in the queue. Thank you.

Venu Nuguri: Yes, thank you.

Moderator: Thank you. Next question is from the line of Sameer Thakur from Ambit. Please go ahead.

Sameer Thakur: Hi. Thanks. I just wanted to know what the TAM for you in the battery storage would be system.

Venu Nuguri: Yes, sure. We do not give an exact number, but every battery energy storage, the batteries are in the range of 60%. So, you remove the batteries, and the remainder is within our scope.

Sameer Thakur: Okay, the 40%. Okay, fine. That is huge. Just for modeling purpose, is it possible to give exports orders number in absolute terms?

Venu Nuguri: No, absolute terms, we do not give that, but it is always in the range bound of anywhere between 25%-30% of revenues.

Sameer Thakur: Okay, thank you. Okay, thank you. I will get back in the queue. Thank you.

Venu Nuguri: Yes.

Moderator: Thank you. Next question is from the line of Sumit Kishore from Axis Capital. Please go ahead.

Sumit Kishore: Good evening. Thanks for the opportunity. Extraordinarily strong execution, inflow, and operating leverage performance in the quarter. My question is in relation to material costs, which have gone up year-on-year in the three-month period and the six-month period in FY27 so far?

While you attributed this to mix, you also mentioned that there has been a pickup in revenue booking for the two HVDC projects. Is there any correlation? Is there a lower gross margin mix impact because of more revenue booking of HVDC projects that we should be marking in? Your thoughts on that is my first question?

Venu Nuguri: I think the first question; I will ask Ajay to answer about the metal cost. Ajay?

Ajay Singh: The metal cost is coming out of the mix of the product that we execute in a particular quarter. So that is why if you see quarter-on-quarter, in some quarter, we are at the level of 60%. In this quarter, we are 61%. It is majorly the mix that plays a significant role.

And the second question, you talked about the HVDC piece. So right now, it is difficult to explain more on the mix that is playing out.

Venu Nuguri: Thank you.

Sumit Kishore: But the mix would normalize towards the sort of material cost levels you had in FY26?

Ajay Singh: Yes. I think that it will, because exports will come in, service will come in, and many other things will come in. In our view, it will normalize it.

Sumit Kishore: Sounds good. My second question is in relation to your operating cash flows that you have reported in the BSE filing. The net cash flow from operating activities has fallen to Rs 91 crores in H1 FY27 versus Rs 874 crores in the previous period. There is clearly a working capital increase. Could you please explain that? Is it also in relation to these HVDC projects?

Ajay Singh: Yes. You are correct. We have reported Rs 91 crores vs Rs 874 crores last year. This is majorly because of the movement of the large HVDC projects. That is sitting in the contract assets. As and when the invoicing happens, it will be recouping the cash. Your observation is correct.

Sumit Kishore: Clear. Just one last point. If you could outline what are the HVDC opportunities on the annual for the next 12-24 months? That will be all from my side?

Venu Nuguri: In our view, the next 12 to 24 months, at least four to five projects are coming in. One project is already approved, NCT. The recent technology, first time is approved, 800 kV VSC technology. We are fully ready with that technology. That has been approved.

Similarly, there are other projects that are expected to be approved in the next three to six months' time.

Sumit Kishore: Thank you and wish you all the best.

Venu Nuguri: Also, just wanted to add, we always take a lot of investment ahead of the curve, and one such example was the 1150 kV AC, and we are the only company today in India fully tested transformer, design tested, and we did it seven years ago, but the projects are coming in now, which is approved just now. So, we are always ahead of the curve in terms of bringing the technology, absorbing the technology, and ensuring that the technology is ready whenever the projects come in.

Sumit Kishore: Thank you.

Venu Nuguri: Thank you.

Moderator: Next question is from the line of Abhijeet Singh from Systematix. Please go ahead.

Abhijeet Singh: Thank you for the opportunity, and good to see such impressive performance. My question is on the forex loss of Rs 88 crores. How have we accounted for that loss in the P&L?

Ajay Singh: Rs 88 crores is an unrealized forex loss. If I talk about, if you see the P&L, the overall exchange commodity loss, including realized gain and unrealized loss is Rs 56 crores. But operationally, Rs 88 crores is a notional loss. That is why you see our operational EBITDA is more compared to what we see in the PBT.

Abhijeet Singh: Right. And lastly, on the margin difference between domestic and export markets. I think in one of the previous con calls, I think we mentioned that there is about 300-500 basis points. We have more margin on the export side. Is that the case even now? Is that the difference even now?

Venu Nuguri: Overall basis, yes. Some products may vary here and there, but overall basis, yes. 3% - 4% difference will be there.

Abhijeet Singh: Right, sir. Thank you for answering my question. I will get back.

Venu Nuguri: Yes.

Moderator: Thank you. Next question is from the line of Balasubramanian from Arihant Capital. Please go ahead.

Balasubramanian: Good evening, sir. Thank you so much for the opportunity. Sir, export order has grown very strongly, but if you look at exports are typically low margin than domestic utility orders due to logistics and competitive bidding. So, I just want to understand this Rs 88 crore notional loss is majorly related to export-related revenue or it is raw material related?

Secondly, if the growing strong export orders, this currency volatility becomes a structural P&L risk rather than a timing issue. So how do you understand in the coming quarter in terms of our hedging activity side and how we are going to manage export orders, like covering logistics and other aspects?

Venu Nuguri: I think Ajay will add more on that but let me give basic colour on that. As part of the mark-to-market, we always evaluate all the contracts on fair value basis. So, it is not profit or loss. Maybe Ajay.

Ajay Singh: As per the accounting policy, at each period end close, we must evaluate the open purchase order. It is not impacting per se operationally, it is just an accounting policy that we must follow. So, we call it a notional loss.

The fluctuation in foreign exchange that is taking place is to be considered in our P/L account. We go by our hedging policy rather than speculating on the market. As and when the currency rates movement happen, this notional loss/gain gets there. Hence, it is a timing issue.

Once the contracts will get fully executed, then on actual whatever is the delta, plus, minus, then we will be able to understand the actual position. Right now, the accounting policy is what we have been following.

Venu Nuguri: Yes. From the hedging standpoint, we have a very solid hedging process and SOPs, and as soon as when we have a contract, it will be hedged, and there is no issue on that.

Balasubramanian: Got it. Sir, my next question, India data center demand is projected to reach 17 GW by 2031-32 range. Your order range nearly Rs 4,000 crores quarterly. Just want to understand our capability side, especially for data centers, whether these orders for standard grid automation or substation equipment, or is there any scope for higher value HVDC power electronics content, especially for hyperscalers? I just want to understand what our capabilities in the data center value is chain.

Venu Nuguri: Around Rs 4,000 crores are total orders for the quarter.

Balasubramanian: Yes, yes, yes, sir.

Venu Nuguri: I think we have done in the multiple times, our capabilities we have shown, and we are expanding our capabilities consistently. For example, depending upon the data center, their buying pattern, etcetera. Some customers buy first long lead items like a transformer, high voltage equipment while others may buy them together with the grid connections and the studies and automation, etcetera. We have also seen that the challenges being faced by the data center developers. We have announced the new product portfolio, what we call as a grid-to-rack solutions. Grid-to-rack solution is pre-engineered and will reduce dramatically the complete time required for powering the data center.

We have been actively discussing with many of the data center players in that. From our portfolio standpoint, we have complete offerings in that. Right from the grid connection to the rack-level plugging. We have a broader portfolio.

Balasubramanian: Got it, sir. Thank you.

Moderator: Thank you. Next question is from the line of Amit Anwani from PL Capital. Please go ahead.

Amit Anwani: Hi, sir. Thanks for the follow-up. One question, you said we are already ahead of the curve for the UHVAC orders, which recently came into in the last quarter of the year. Just wanted to understand, the recent NCT meeting has highlighted three projects, Rs 18,000 crores, Rs 18,000 crores, and some Rs 32,000 crores, so totalling about more than Rs 75,000 crores. What could be our addressable TAM, and are we considering all these projects since we are ahead of the curve whenever they come for bidding?

Venu Nuguri: We do not know the addressable market now, because we don't know in what form and what shape it comes, whether it comes as a complete solution-oriented or product orientation. But for HVDC, we have 50% market share. Many other things like a 1200 kV AC, the addressable market will be also much higher in that.

From a readiness standpoint, we are ready. As I said, from 1150 kV AC, we have done much many years back. The design is ready, tested, and is also used. We are ready from the engineering standpoint, from readiness of the manufacturing localization. We are ready right now.

Amit Anwani: These three projects will be a prospective pipeline, will be part of the prospective pipeline?

Venu Nuguri: Yes.

Amit Anwani: Thank you, sir. Thanks.

Venu Nuguri: Thank you.

Moderator: Thank you. Next question is from the line of Jason Soans from IDBI Capital. Please go ahead.

Venu Nuguri: That would be last question.

Moderator: Okay, sir. Noted.

Jason Soans: Yes. Thank you, sir, for taking my question again. My question just pertains to Slide number 10. Industries, you mentioned that the order mix industries have grown from 12% last quarter to 24%, and even transport and infra has grown from 13% to 23%. I just wanted to know, this 24% in industries, which industries are contributing to order mix?

Even transport and infra, we are strong in railway and metro, I know that, but is there any other vertical of the transport segment?

Venu Nuguri: I think all the industries; we don't have clearance to take their names. These are the very precision manufacturing industries where the reliability must be 99.99%. and, semiconductor industries, that is an extremely big play for us. That is where we bring our portfolio to our customers.

Also, on top of that, we are adding a digital service layer to ensure preventive or predictive maintenance we are offering to our customers as part of our service. Together with that, we can reliable product from the design and the technical standpoint.

The third one is the predictive maintenance suite, so that the customers can understand. Because these are all very connected machines, and if there is one issue there are several lines will stop, and that needs a huge amount of reliability in their things in that.

Jason Soans: Sure. Transport and infra, sir, will be mostly rail and metro?

Venu Nuguri: Yes. That is mostly rail and metro.

Jason Soans: Sure. Thank you so much for answering my question. Thank you so much.

Moderator: Thank you. We will take our next question from the line of Sanjeev from Antique. Please go ahead.

Sanjeev: Yes, sir. Thanks for taking my question. Sir, in recent weeks, there have been some SYNCON orders that have been awarded. So, have that come at the cost of potential STATCOM orders? How should we view it?

Venu Nuguri: SYNCON is not replacing STATCOMs. STATCOMs are with a different technology. SYNCONs are different technology. One is not at the expense of the other.

Sanjeev: Okay. Thanks, sir.

Venu Nuguri: Yes. Thank you.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. N. Venu, MD and CEO, for closing comments. Over to you, sir.

Venu Nuguri: Thank you very much. Once again, really thank you all of you and wish you and your families belated Diwali greetings. We continue to see robust market demand and a strong pipeline of opportunities while maintaining our focus on disciplined execution. At Hitachi Energy India, we are investing in our capabilities, skills, and infrastructure needed to enable the next phase of India's energy transition and strengthen energy securities much ahead of the curve.

As we pursue these opportunities, our priorities remain unchanged, delivering sustainable and profitable growth, executing on our commitments, and creating long-term value for our shareholders.

Thank you for your continued confidence in Hitachi Energy India. If you need any further information, please contact our Investor Relations team, Priyanka, and we are happy to engage with you and provide any information you may require. Thank you very much, and good evening to all of you.

Moderator: Thank you, members of the management team. On behalf of Hitachi Energy India Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.