Date: 18th August 2026

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

Dear Sir/Madam,

Sub: Transcript of the Q1 FY26-27 Earnings Conference Call

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith transcript of the Q1 FY26-27 Earnings Conference Call held on 12th August 2026 at 11.30 A.M.

This is for your information and records.

Thanking You.

Yours faithfully,

FOR VIKRAN ENGINEERING LIMITED

KAJAL SAGAR RAKHOLIYA

Digitally signed by KAJAL SAGAR RAKHOLIYA
Date: 2026.08.18 17:06:13 +05'30'

Kajal Rakholiya
Company Secretary and Compliance Officer

Place: Thane

Encl.: as above

"Vikran Engineering Limited
Q1 & FY27 Earnings Conference Call"
August 12, 2026

MANAGEMENT: **MR. RAKESH MARKHEDKAR – CHAIRMAN AND MANAGING DIRECTOR – VIKRAN ENGINEERING LIMITED**
MR. NAKUL MARKHEDKAR – WHOLE-TIME DIRECTOR – VIKRAN ENGINEERING LIMITED
MR. ASHISH BAHETY – CHIEF FINANCIAL OFFICER – VIKRAN ENGINEERING LIMITED
ADFACTORS, INVESTOR RELATIONS ADVISORS – VIKRAN ENGINEERING LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Vikran Engineering Limited Q1 FY27 Earnings Conference Call. We are pleased to have with us the senior management team of Vikran Engineering Limited. Before we begin, please note that all participant lines will be in the listen-only mode during the management presentation. There will be an opportunity to ask questions during the Q&A session.

Please note, this conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. I would now like to hand the call to Mr. Rakesh Markhedkar, Chairman and Managing Director of Vikran Engineering Limited for his opening remarks. Over to you, sir.

Rakesh Markhedkar: Good morning, ladies and gentlemen. On behalf of Vikran Engineering Limited, I extend a warm welcome to all my participants joining our Q1 FY27 Earning Conference Call. I hope you had an opportunity to review our financial results, investors presentation, and earning release for the quarter ended June 30th, 2026. I am joined today by Mr. Nakul Markhedkar, our Whole-Time Director, Mr. Ashish Bahety, our CFO, along with our Investor Relation Advisors from Adfactors PR.

Let me begin with a brief overview of the quarter. Q1 FY27 performance. We have commenced FY27 on a positive note, delivering approximately 28% Y-o-Y revenue growth, while EBITDA grown up around 24% Y-o-Y on standalone basis, and the PAT grown up to 212% Y-o-Y, and that remaining very impressive.

The quarter reflects continual execution momentum across our businesses, while we remain focused on maintaining a healthy balance between growth and profitability. A key strategic priority for us continued to be strengthening our presence in renewable energy, mainly into the solar EPC. Following the acquisition of NOPL Solar Project Private Limited, we have realigned the execution framework for our 969 megawatt AC solar project in Maharashtra.

With Vikran undertaking the EPC execution through a direct control from NOPL, valued at approximately INR3,518 crores, including GST. This gives us a greater alignment between the project ownership and EPC execution and provides a significant opportunity to leverage our existing engineering and project management capability at scale. Our immediate focus is on ensuring disciplined execution and timely commissioning of the portfolio.

Strengthening our Power T&D business. While solar EPC has become a significant growth driver, our Power T&D business continued to remain a core strength. During the period, we have made meaningful progress on the NOPL solar project, while also adding fresh opportunities from leading customers such as MSEDCL and Power Grid.

At the same time, the successful commissioning of Miao-Namsai transmission line, this is a very prestigious Arunachal Pradesh, further demonstrate our execution capabilities, particularly in technically challenging projects. This project, which we have commissioned, is very, very important in the national interest, and it was highly recognized by our clients, Ministry of Power and Power Grid.

And with this line, in last six months, we have commissioned two very toughest terrain line of transmission in Arunachal Pradesh. In last six months, this is the achievement gives a clear-cut strength of execution of Vikran Engineering Limited.

Overall, these developments reinforce our ability to grow across multiple business verticals while maintaining execution and commercial discipline. We remain focused on converting our strong order book into revenue, strengthening our renewable energy platform, and continuing to build our core Power T&D capability.

Nakul, our Whole-Time Director, will take you through the specific order wins, project execution updates, and current order book in greater details. Going forward, we see opportunities across both our established and emerging businesses. Power T&D will continue to benefit from increasing power demand, renewable energy integration, and investments in transmission and grid infrastructure.

While renewable energy, our focus will remain on executing the existing solar EPC portfolio, including NOPL, while selectively evaluating opportunities in adjacent areas such as battery energy storage systems and data center infrastructure. Our approach to growth will remain disciplined. We will continue to focus on execution-ready opportunities, prudent bidding, working capital discipline, and sustainable project level returns.

With this, I would like to hand over to Mr. Nakul Markhedkar, our Whole-Time Director, to take you through the operational performance, order book, and execution progress during the quarter. Thank you.

Nakul Markhedkar: Thank you so much, sir. Good morning everyone. I would like to take you through our operational performance during Q1 FY27, with a focus on key developments during this quarter, execution progress, and our current order book.

We have entered FY27 with a strong and increasingly diversified execution pipeline. The most significant change to our order book has been scale up of our solar EPC division, which has now emerged as our largest piece of pie in our order book, while T&D continues to remain our strong core business. During the quarter, we also took a few important steps to strengthen the quality of our order books that aligns with our execution readiness.

The key development was restructuring of the 969 megawatt solar EPC project in Maharashtra following the acquisition of NOPL Solar Projects Private Limited. Vikran received a direct order from NOPL valued at approximately INR3,518crores including GST, while replacing the earlier engagement. This realignment was driven by a change in ownership and project execution structure following the acquisition of NOPL and was not related to any performance issue or disputes.

The project has now moved into execution stage. Our teams are progressing across engineering, procurement, vendor mobilization, and on-ground execution, with stipulated execution period of 12 months. Our focus is on maintaining the planned execution schedule while ensuring appropriate quality, cost, and project control.

As of now, we have already commissioned nine sites amounting to around 45 megawatt, and are ready to commission another 15 megawatt in the coming few days. We are also in advance stages for around 240 megawatt. This marks an important milestone for Vikran in building the capability to execute large-scale solar EPC projects. When we come to project Power T&D, Power T&D continues to remain strong core business for Vikran and has seen healthy order momentum since the beginning of FY27.

In April, we secured two large orders aggregating to around INR530 crores from MSEDCL for distribution infrastructure and system strengthening work across Nashik and Kolhapur zones in Maharashtra. These projects are being executed under ADB-funded power distribution enhancement programs and further strengthen our presence in large-scale power distribution infrastructures with strong funding visibility.

We subsequently secured orders of around INR120 crores from Power Grid Corporation of India for a 400 KV GIS substation extension package covering Magarwada, Vadodara, and Rajgarh substations. This order further strengthens our presence in high voltage GIS substation segment and reinforces our strong relationship with Power Grid Corporation of India.

On the execution side, like what CMD sir mentioned, we have successfully commissioned 132 KV Miao-Namsai transmission line in Arunachal Pradesh, which was the second line that we have commissioned in the last six months. The project covers around 40.6 kilometers of transmission line and 138 towers. This project was specially challenging because most of this area is covered with highly dense forest area with a lot of hilly terrain.

Together, these developments demonstrate the continued strength of our Power T&D platform across distribution, substation, and transmission line segments, with a healthy mix of new order wins and successful project execution. These developments have translated into a strong and diversified order book.

As on date, our order book stands at approximately INR6,496 crores. The current mix is led by solar EPC at 62%, followed by Power T&D which is at 28%, water infrastructure still stands at around 10%. The order book mix clearly reflects the scale up of solar EPC, while contribution from Power T&D, water continues to provide diversification and broader execution base.

Looking ahead, our focus is not just simply adding on order book size but also converting the existing order book efficiently into revenues and cash flow. Our business development pipeline remains active across solar EPC, Power T&D, water infrastructure, and any other emerging infrastructure opportunities that meets our criteria. We will continue to evaluate new projects selectively with emphasis on project readiness, execution timelines, working capital requirements, and commercial viability.

For FY27, our key operational priorities are therefore timely execution of existing order books, successful delivery of NOPL solar EPC projects, strengthening our solar EPC capabilities to maintain a disciplined order intake.

With that, I would request Mr. Ashish Bahety to take you through our financial performance of Q1. Thank you.

Ashish Bahety: Thank you, Nakul ji. And once again, good morning everyone. I'll briefly take you through the financial performance for Q1 FY27. As you all know that EPC business is a seasonal business where generally H1 remains slightly low because of the budgetary constraints at our clients. However, we have posted a good growth on a standalone basis for the quarter as well, and we are on track to achieve our budgeted revenue as well as execution targets.

For Q1 FY27, we have started with a healthy financial performance. On a standalone basis, our income from operations stood at INR204 crores for this quarter, growing by approximately 28.2% as compared to the first quarter of FY26. We have reported an EBITDA of about INR28 crores, with a growth of 23.7% year-on-year, translating into an EBITDA margin of 13.7%.

Profit after tax for the quarter stood at INR17.5 crores, a growth of substantial 209.9% year-on-year, with a PAT margin of about 8.6% compared to 3.5% in corresponding quarter last year, representing a good improvement of more than 500 basis points.

On a consolidated basis, income from operations stood at INR141.6 crores, and consolidated EBITDA at around INR11.3 crores. The EBITDA margin is about 8%. Consolidated profit stood at INR4 crores, translating into a PAT margin of about 2.8%. This NOPL project as we all know that we have already executing this project, but now in quarter one we have taken over 100% equity and hence it is, we are consolidating this.

We as an EPC company, we are maintaining our margins in EPC business. So that's why if we are considering the standalone financials which includes the EPC of NOPL, we have overall delivered a strong quarter, supported by healthy revenue growth and a resilient operating performance alongside an increasing contribution from solar EPC.

Going forward, we remain focused on scaling the business efficiently while strengthening margins and execution. As we progress through FY27, our priorities remain centered on sustainable growth efficient working capital management and strong cash flow generation enabling us to create long-term value for our stakeholders.

As in solar EPC execution, once this scales up, including the NOPL portfolio, we will continue to closely monitor project-level portfolio, receivables, and cash flow. We believe that with our taking over this NOPL portfolio of 969 megawatt and some other projects, almost 1 gigawatt of projects we are executing as a developer, this will help in reducing our dependence on government receivables and that’s where this will help us in improving our cash flow as an EPC business.

Our objective is to support the company's growth while maintaining prudent financial management. We believe Vikran has entered FY27 with a strong order pipeline and expanding renewable energy platform and an established Power T&D execution base. Thank you very much, and I believe we are now, will be happy to take any questions you have.

Moderator: Thank you, sir. We will now begin the question-and-answer session. The first question is from the line of Ankit Madhwani from Steptrade Capital. Please go ahead.

Ankit **Madhwani:** Yes, am I audible?

Nakul Markhedkar: Yes Ankit-ji, please go ahead. Very good morning.

Ankit **Madhwani:** Yes. So there are a few questions from my side. Firstly, could you just highlight the numbers, the revenue recognized from your NOPL orders in the statements, I mean, from this INR204 crores.

Nakul Markhedkar: Sir, it is around INR62 crores.

Ankit Madhwani: INR60?

Ashish Bahety: INR62 crores.

Ankit Madhwani: INR62 crores from NOPL.

Ashish Bahety: Correct.

Ankit Madhwani: Is there any reason, even considering the effect of NOPL orders, then too, we can only see 28% growth around on standalone basis. So, despite having this large amount of order book, you are unable to execute those orders. So what are the reasons behind it?

Ashish Bahety: So, as you know, this is a seasonal business, and especially on the Q1 side, mostly are, as we discussed that there are some budgetary constraints at our client level. And that's where you will see generally in the industry, H1 will always remain slightly lower.

So though we have a order book of INR6,000-plus crores, and we are targeting to execute around INR2,200 crores to INR2,500 crores of orders in current financial year. So in the same line we are going, and in the previous quarters also, in similar line, H2 will be quite heavy in terms of execution and pushing the growth.

Nakul Markhedkar: Ankit-ji, were we in a position to answer your question? Or do you need any further clarifications?

Ankit Madhwani: Okay. And secondly, the INR29 crores, the disputed amount that is currently being reviewed by the court. So, you have shown that as a I mean trade receivable, even though the customer has already invoked the project so what's the status currently?

Ashish Bahety: So, this INR29 crore is the clear receivable which is certified by the client, that is only we have kept in the books. Apart from that, our claim to the client is much higher. And we have a very strong case. And that's where you will see that I mean, we are expecting a positive result from the case. But yes, it may take some time. However, once this case is resolved, definitely we are hopeful to have some positive impact on the result, and we will have some extraordinary profit on that particular year.

Ankit Madhwani: Okay. And could you just give the revenue bifurcation for this quarter, I mean whatever the amount I mean the revenue recognized from solar EPC and power T&D, and margin as well?

Ashish Bahety: So, as we have discussed that around INR62 crores we have received from NOPL, apart from that there was about INR70 crores of total revenue we have received from the solar project which includes other solar projects which we are working for. And apart from that, the balance for the balance amount, you can say mostly it was from EHV and PD projects, water was about INR12 crores.

And margins overall are in the similar range. But it may happen that because of some provisioning or some fixed costs which are apportioned on the particular project, it is slightly different, but otherwise our overall margins remain same for all the businesses.

Ankit Madhwani: Margins have seen a significant dip in this quarter, so I just wanted to understand the reason behind it.

Ashish Bahety: Yes, so for particular, I mean this quarter if you see on a consolidated basis, yes, the cost of overall project is higher. Also, there are about, I mean in water division, though we have started getting the receivables recovery from JJM projects, but still it is slow and that's where we are continuing to having some provision of about INR6.5 crores. And because of that, you will find that the overall margins are slightly low in this quarter, but once we get those amounts, these provisions will be reversed.

Nakul Markhedkar: So, apart from the INR6 crores, INR6.5 crores provision, there is also the fact that any overheads that we are incurring on the NOPL project is also not getting, sorry the cost is again getting booked without the revenue. So because of which you will see in consolidated results, you'll find the EBITDA to be a bit lower. But on the standalone basis, you'll find the EBITDA margins are normal.

Ankit Madhwani: See, so what would be the percentage in terms of percentage I mean, the cost incurred from your NOPL acquisition?

Ashish Bahety: So, if you see around it is a difference of, so in terms of NOPL acquisition, the company has just paid about INR10 crores for the equity, that is, yes, so for the overall cost we have to go into details for each and everything. So that's where, in total we are in line with the EPC business. As we are maintaining around 14% to 17% of EBITDA margin, which is consistent from last four years.

Ankit Madhwani: And the same will be carried forward? I mean.

Ashish Bahety: Yes, yes definitely.

Ankit Madhwani: Through this financial year? And on the blended level, I mean, considering all the segments?

Ashish Bahety: Yes, that's what I'm saying. On blended level it will be remaining, the same In that range, yes..

Ankit Madhwani: Okay. Thank you. That's it.

Moderator: Thank you. The next question is from the line of Sidhaant Lodaya from Sanshi Fund. Please go ahead.

Sidhaant Lodaya: Yes, hello, sir. Just one quick question. I wanted to understand the bridge between standalone revenue and consol revenue. There is a INR 60 crores gap there. So is this INR 60 crores attributed to NOPL?

Ashish Bahety Yes, that's right.

Sidhaant Lodaya: But since NOPL, have we kept it as a subsidiary or, we've kept it as a subsidiary, right? So it should reflect in consol and not in standalone. So why is that?

Ashish Bahety: No, since in consol level your subsidiary becomes a part of the whole company as one entity, and that's where whatever work we are doing for the subsidiary will not be reflected as our revenue. It will be coming as our capex portion in our balance sheet.

Sidhaant Lodaya: Okay, understood. So it is better for us to look at standalone revenue in this case?

Ashish Bahety: Correct.

Nakul Markhedkar: Correct.

Sidhaant Lodaya: And that will continue throughout the next quarters as well, right?

Ashish Bahety: So, one point, yes, as you rightly said, one point we need to understand that this EPC business was already going on from last quarters. It's just that in this quarter this has become a 100% subsidiary and that's why this revenue is been removed. Otherwise this is continuing as a EPC business.

Sidhaant Lodaya: Understood. So now it's better to look at the standalone numbers correct.

Ashish Bahety: Correct.

Nakul Markhedkar: Correct.

Sidhaant Lodaya: Otherwise, there will be a dip every time we look at these numbers.

Nakul Markhedkar: So, Sidhant-ji, once the construction phase is over, from next year onwards or some, maybe in the next couple of quarters, once you see substantial revenue coming from power generated in the subsidiary, only then will it make sense for us to look at the consolidated balance sheet or statement, rather than looking at standalone.

Sidhaant Lodaya: Sure. Sure, understood. Thank you.

Moderator: Thank you. The next question is from the line of Mahesh Kowshik, an Individual Investor. Please go ahead.

Mahesh Kowshik: Hello, am I audible?

Moderator: Yes sir.

Ashish Bahety: Yes Mahesh-ji.

Mahesh Kowshik: Yes, okay. So, this is regarding at a high level, I just want to understand that much of your receivables are stuck at the Jal Jeevan projects of the state government.

Management: Correct.

Mahesh Kowshik: And you all have, I think, given an approximate timeline of completely receiving and absorbing this by FY28. Am I right?

Ashish Bahety: Yes, so this overall scheme is extended till FY28. Correct.

Mahesh Kowshik: But will that not result in further requirement for working capital? Would you have to raise money for that?

Ashish Bahety: So, if you understand that in Jal Jeevan Mission project, yes, there are slight delays and the overall payments are slightly lower. So what company has done as a strategy is we have fixed our working capital investment into those projects at a particular level. So whatever amount we are getting from these clients, we are only investing that much, and that's how we are trying to close and complete the projects village by village.

Mahesh Kowshik: Okay. So it won't impact your...

Ashish Bahety: But it won't impact our working capital requirement for the future because we have kept it at a particular level, which is currently, I mean, the overall debtor side, about INR120 crores of debtors is due to Jal Jeevan Mission projects.

Mahesh Kowshik: Okay. And regarding the NOPL project, it's a fantastic project, a very massive project.

Nakul Markhedkar: Thank you.

Mahesh Kowshik: But a lot depends on timely completion. So from that perspective, are you all confident that you will meet all the timelines and be able to get all the revenue on time?

Nakul Markhedkar: Yes, sure.

Nakul Markhedkar: So, we are pretty confident because it is, so the way we look at it is not a single massive project of 969 megawatt. We consider it that it is INR20 crores- INR30 crores project, 150 projects of each project being value of around INR20 crores-INR30 crores. So with this, what happens is, it purely becomes a function of money and not a function of anything else. So if money is ready to be infused, you can start all the projects at the same time, finish off the entire 969 megawatt in four months, five months' time.

Mahesh Kowshik: So that is ahead of schedule?

Nakul Markhedkar: As per our plan, we are on track. We are not ahead, we are not behind, we are on track.

Mahesh Kowshik: Okay. Being a, is that a state government project, so will that also create problems like you face in Jal Jeevan when it comes to receivables?

Nakul Markhedkar: No, So, the way this project works is that we are putting up the capex so that later on power generated can be sold to the state DISCOM. As things stand, as things have stood for the last three years, four years, Maharashtra DISCOM has not delayed a single payment when it comes to payment towards sale of power. And so that is what brings confidence to us as investors in this project, and also the lenders who are bringing in the majority portion.

So, they have also studied, they've already understood the capability and the credibility of the state government's DISCOM. And that is the reason why they are bullish on funding the project. And just to give you further information, we've already started receiving revenues or receiving payments for what power we've been selling for the last couple of months.

Mahesh Kowshik: Okay, thank you so much. And lastly on...

Nakul Markhedkar: And what makes this project beautiful. I don't have to wait, I don't have to wait for the entire 969 megawatt to get commissioned for me to start generating revenues there. So, like mentioned earlier, we've already commissioned around 45 megawatt, which is generating revenue and regular cash flows in the subsidiary.

Mahesh Kowshik: Okay, great.

Mahesh Kowshik: Just yes. Sorry, I am sorry you can continue.

Rakesh Markhedkar: Yes, yes, I just want add one line. I just wanted to tell you on the overall receivables. Since we are focusing that most of the receivables getting in this financial year itself, so good news is that even the water, the Jal Jeevan Mission, we started getting, some INR23 crores we already got it, in last quarter, this is a very, very positive.

Apart from this Jal Jeevan Mission, our mostly projects are divided in three parts. One is ADB funded state government project which we are getting from Maharashtra, payment is timely payments are there now. The Power Grid project and NTPC project what we are executing, they are also on dot timely payments are now, that's always coming.

Third, the most important, this NOPL Solar Private Limited project whatever we are commissioning, that on the dot due date we are receiving payment. And we have completed two cycle and both the times we have received the payment on the same date.

Ashish Bahety: On the committed date.

Rakesh Markhedkar: On the committed date. So this is a very positive movement and in the recovery of our receivables what we kept the target for the Q1, Q2, Q4, and we have, we are meeting and we are going exactly as per the schedule.

Nakul Markhedkar: So, Mahesh-ji, this is what CMD sir is trying to emphasize is the point that the reason for pivot was to ensure that our receivables don't get elongated any further and we, xwe're very confident that our planning, our execution is matching the planning and our receivables will surely come down, significantly.

Mahesh Kowshik: Okay, that's great. So, that means Jal Jeevan is the only little bit unpredictable on the timeline.

Nakul Markhedkar: Correct.

Mahesh Kowshik: On that front as to when we will recover?

Nakul Markhedkar: But so even that is also now clear, so just in the last month, center has released significant funds to around INR17,000 crores to UP government specifically for Jal Jeevan Mission. And we've also received north of INR10 crores in the last 30 days. So that is giving us a lot of confidence on the project, and now we've even started pushing, reinvesting the money that we've collected into the project and we are hoping that, once the rains are done, we'll be in a position to push even our water segment.

Mahesh Kowshik: Okay great. Just last question. Regarding this foreign abroad project which you all are trying to expand to. Is the Iran war going to have any effect, meaning in terms of delays or anything else?

Nakul Markhedkar: Correct.

Nakul Markhedkar: So, there was, so we had actually planned for a few... we were actually negotiating a few projects in the Middle East which has gotten delayed. But apart from that, we, we also have a lot of opportunities in Eastern Africa as well as Western Africa. So, once these opportunities materialize or, then we will of course take it up.

There's no material impact on any of our business operations as of now. And any price variation that has happened because of this West Asia conflict is getting mitigated by a pass-through mechanism of price variation claims to our client.

Mahesh Kowshik: Okay. Any chances in Europe?

Nakul Markhedkar: Europe honestly not explored. If you have any insights that we can use, we will, we'll see.

Rakesh Markhedkar: Overall commenting on our overseas business strategy, so what we are doing, though we are receiving inquiry, we are putting, we are quoting, and, but we are going very carefully for accepting the orders and all, because since domestically, we are performing very well, our execution is going on track, and confidently we are moving with the domestic. So currently our major focus is on the domestic and the conversion of our existing projects into the collection.

At the same time, if we are getting good opportunity which we are continuously exploring with a high profit margin, so that surely, we will be going to the international. So we have a team placed, everything they are working, and including the solar and Power T&D we are quoting. And then there are some things we have quoted that is in pipeline, but that all depends upon what profitability is coming. So this is our overall strategy as far as the overseas projects are concerned.

Mahesh Kowshik: Okay. Thank you so much sir. That's all from my side. Thank you very much.

Moderator: Thank you. The next question is from the line of Myra Mittal, an Individual Investor. Please go ahead.

Myra Mittal: Thank you sir for the opportunity. Sir, I would like to ask like, can you give a update on the INR3,100 crores project financing, including the status of the IREDA approval and alternate UBI led consortium financing?

Nakul Markhedkar: Okay, so you are talking about the debt portion for the NOPL project?

Myra Mittal: Yes sir.

Ashish Bahety: Correct. So for that, overall the project cost is INR4,000-odd crores for NOPL and that's where we are discussing with, I mean, we are almost in the final stage of both the agencies as you rightly mentioned. And apart from that also, we are discussing with other agencies, and they are quite positive about this project, being I mean MSEDCL as a client. So that's where, in the payment terms, in the PPA rate, since it is a non-DCR panels, so everything is quite positive and they are keen to fund it.

Since there has, I mean, IREDA has already given a sanction before, it is quite easier for them because as far as project is concerned, they have already assessed and sanctioned it. But the final sanction, I mean, the final their committee meeting has to happen and that's where we are expecting the final sanction for us. So we are expecting this in this quarter. The, I mean, we are expecting the disbursement as well.

Myra Mittal: Okay, sir. And sir, going forward, will you be like looking into such projects, like NOPL thing, or this is just one of the kind?

Nakul Markhedkar: No, no, this is, we are bullish on going for a developer mode project. Our intention is always to find good quality projects, but at the same time we will not force ourselves to bid for projects where the equity IRR or the project IRR is not in line. So we are pretty clear on what we want and we will definitely get projects in the future as well.

Myra Mittal: Okay, sir. And sir, you had also mentioned that you are exploring the data center infrastructure opportunity.

Nakul Markhedkar: Yes. Yes.

Myra Mittal: So can you elaborate like exactly what the opportunity you are targeting in that?

Nakul Markhedkar: So correct. Thank you so much. So there are a lot of data centers that are getting planned to get established in India. A few of them are in Maharashtra, a lot of them are coming up in Gujarat. So we are actively talking to these private developers to take care of their power requirement. We, we've also got inquiries to develop solar parks for these data centers. But as on date, we have not yet got any order Solid. we've not got any order. We, we've quoted for a few, but none of those quotes have been translated or converted into an order for us.

Rakesh Markhedkar: And this is what during my last conversation also we said we have started working on that. And our team is working, we have got a consultant E&Y with us, and by end of this financial year we are targeting to have at least one order. This is what we are, in the same direction we are working.

Myra Mittal: Okay, sir. And so what like revenue potential you see over the years in this, over here in the data center?

Nakul Markhedkar: It is very difficult to judge this because it is a very, volatile is not the right term, but there are a lot of changes in the market that are happening. So depending on how much or what scope the developer allots to us, the value can change significantly. But no doubt this has a potential to be a significant portion of our revenues as well as order book going forward. So that is the reason why we are taking interest in it.

Rakesh Markhedkar: A very positive note on the data center is since the data center, all the three major elements, like power and captive renewable, and water, all three we are present, so we have a natural expansion in the data center and that is the reason we are more confident and our that it has been proven our capability into Data Center. That's the reason we are discussing and with a very positive response from the developers as well.

Myra Mittal: Okay sir. Thank you sir. And all the best.

Nakul Markhedkar: Thank you.

Moderator: Thank you. The next question is from the line of Sandeep Majhi from MB Investment. Please go ahead.

Nakul Markhedkar: Hello. I was not able to get the name. Can you please repeat that?

Moderator: Sandeep Majhi, MB Investments.

Sandeep Majhi: My question is, can you explain what is the purpose of company doing business differently in the standalone and Console statements?

Ashish Bahety: So, if I understood you correctly, you are asking that in a standalone and console, there are different businesses. However, please understand that the company is working for EPC in when it comes to Vikran Engineering and at NOPL Solar, which has now become a 100% subsidiary of the company. We are, developing a solar power project, which is having a 25-year PPA signed with MSEDCL. And there will be generating the solar power and evacuating it to the grid.

Nakul Markhedkar: So, what Sandeep-ji your question is why do we have two separate companies, is that your question?

Sandeep Majhi: No, no, yes exactly. And why is your June quarter less this time?

Nakul Markhedkar: So, this was also explained in the earlier question. So because it's a consolidation of both the company's revenues. Same revenue, so I have let's say I've sold a material to a subsidiary of mine, it cannot be considered as part of my revenue when I'm consolidating it. It will be shown as asset in the balance sheet, the work done. The same can also be verified in the balance sheet that is shared with you. Okay.

So once balance sheets will be published, you'll also be able to see the impact. So at the end of the day once the entire project is constructed, around INR4,200 crores or INR3,900 crores of total revenue that Vikran will be doing for this project will reflect in Vikran's books across multiple financial years. But when consolidating, this will the revenue will shift onto the asset side. I hope I was able to answer the question.

And if your question is why do we have two separate companies, that is to ensure that tomorrow if I want to sell off these assets to a different entity or to do an InvIT or do an IPO, it becomes very easy because all the assets are already carved out into a special purpose vehicle.

Sandeep Majhi: Fair enough. Also, can you comment on your Y-o-Y June quarter, why has it gone down in the consolidation?

Nakul Markhedkar: So again, so that is where I would want you to look at the standalone balance sheet[1]. If you look at our standalone balance sheets, our Y-o-Y has rather increased by around 28.2% from INR159 crores to INR204 crores. This is the figure that I am saying on revenue from operations, but when you look at the total income, it has increased by around 34.6% from INR159 crores to INR215 crores. So it is not a dip.

So this confusion is simply because this is the first time the company has published consolidated versus standalone balance sheet. So I would request, till the time the construction for this project is happening, is ongoing, I would request all of you to refer to the standalone balance sheet or standalone financials rather than the consolidated ones.

The consolidated ones will only be impressive once the plant is fully commissioned and fully operational, when we get to see over INR500 crores of revenue coming in from that project and from sale of power and very good high EBITDAs of 80%, , 89% EBITDA next year onwards.

Sandeep Majhi: Just a follow up question, when is the completion expected for the project?

Nakul Markhedkar: So within, within the next 12 months.

Sandeep Majhi: Thank you so much.

Nakul Markhedkar: Yes, please.

Moderator: Thank you. The next question is from the line of Vishnu Agarwal from PD Wealth. Please go ahead.

Vishnu Agarwal: Hi, good afternoon, friends. Am I audible?

Nakul Markhedkar: Yes sir.

Vishnu Agarwal: Thank you for the opportunity, sir. I have a question related to the NOPL project. I think you have mentioned that NOPL project is on track and you have just mentioned that actually it will

[1] Clarification: The reference to "Balance Sheet" was inadvertent and should be read as "P&L" in the above context.

be completed in 12 months. So we are looking at the next four quarters actually for it to be completely finished.

Nakul Markhedkar: Yes.

Vishnu Agarwal: Okay, sir. And subsequent question to that, actually, on a standalone basis, I've seen that the revenue realization from NOPL was around INR62 crores, right?

Nakul Markhedkar: Correct.

Vishnu Agarwal: So, can I assume that same amount of capex is done on the console basis? Actually, so is that assumption correct?

Nakul Markhedkar: No. It will not be in a similar amount. There is also profit involved in the INR62 crores that is given. So the revenue minus profit is the investment that we have made into the project.

Vishnu Agarwal: Yes. And for the Q2, Q3, and Q4 of this financial year, what kind of a revenue we are expecting from NOPL, sir?

Nakul Markhedkar: So, so again, these are numbers that we have of course planned, but please understand, there can be slippages between one quarter to the next. We are planning to do around INR1,500-odd crores of revenue coming in from this project. And this is of course a conservative number, but yes so INR1,500 crores is what we plan to do from this project. And like already available, around, INR62 crores, INR64 crores is what we did in Q1. We are planning to do around INR100-odd crores in September. We will do the remaining INR1,400 crores in H2.

Vishnu Agarwal: Okay. So collectively for the rest, the remaining of this financial year, we are looking at another INR1,500 crores from this project. Is that a correct assumption, sir?

Nakul Markhedkar: Correct, correct, can be made.

Vishnu Agarwal: So, so until that happens, actually, I think our console will always be have some negative revenue, because we will be spending a lot of money actually in this project?

Ashish Bahety: Money, as well as other resources also. So if you see the company, as a Vikran, when we are working for an EPC, we are, though I mean, this, because of console, it is looking like we are working for a subsidiary. However, this was an existing project which we have taken over, it is a part of our order book, and we will keep on deploying our resources, our manpower, our working capital, everything for the same project as well.

Vishnu Agarwal: And how are we trying to finance this amount, sir, for NOPL? Where are we getting the funds from?

Ashish Bahety: So, we are discussing with a few agencies. It was already assessed and sanctioned by IREDA before we have taken over. So, that way we are quite confident on that. But apart from that also, we are working with some other lenders and we are expecting to close the financial closure in this quarter itself.

Vishnu Agarwal: Okay, sir. And my last question is related to the dispute amount of INR29 crores. When do you think we will have the final clarity on that, sir?

Ashish Bahety: Since it is in the court, we cannot I mean give any specific timelines. However, what we can say is yes, we have a strong case and we are quite hopeful and positive that we will get a positive outcome out of it.

Vishnu Agarwal: Thank you so much for the opportunity, sir. Thank you.

Nakul Markhedkar: Thank you so much, Vishnu-ji.

Moderator: Thank you. The next question is from the line of Ashutosh Adsare from USGI. Please go ahead.

Ashutosh Adsare: Hello, am I audible?

Moderator: Yes, sir.

Nakul Markhedkar: Yes, please.

Ashutosh Adsare: Yes. So, Nakul, I just wanted to understand this INR4,000 crores of NOPL you have taken in order book. So, rest of INR2,300 crores would be the standalone?

Nakul Markhedkar: No, no, no. So, I am sorry, Ashutosh-ji, I just want to correct you. So, INR4,000 crores is not NOPL. INR3,500 crores is NOPL including GST in our current order book.

Ashutosh Adsare: Okay. Okay.

Nakul Markhedkar: And the remaining is power T&D and water projects.

Ashutosh Adsare: Okay. And so, as you said, this INR3,500 crores order book will be executed in the next 12 months. So, that revenue will accrue as and when the sale will happen.

Nakul Markhedkar: Yes.

Ashutosh Adsare: Balance INR3,000 crores of that. How much execution you are expecting this year?

Nakul Markhedkar: So, like what CMD sir has mentioned, we are looking at around anywhere from INR2,300 crores to INR2,500 crores of revenue this year. So, if you consider INR1,500 crores comes from this, the other INR900-odd crores will come from other businesses.

Ashutosh Adsare: Okay. So, would that fair assumption that if NOPL wouldn't have happened, you would have been declining revenue marginally this year?

Nakul Markhedkar: Not really. So, please understand every company has a bandwidth to execute orders, correct? So, if at all it was not NOPL, I would have got some other project amounting to similar amounts or lesser amount or more amount that can be debated. But we would not have stopped or not have improved the benchmark of the bids that we would have done.

So, as mentioned earlier, we are now very choosy, very picky about what orders we go for. We are trying to improve our margins in the new orders that we take rather than go for aggressive bidding and take a project at 8%, 9% EBITDA margin.

Okay. So, just to answer your question in a single line, this project has given us the confidence and the opportunity to target for higher margin orders from the market rather than going to stressful situations and take low margin orders.

Ashutosh Adsare: Okay. And the project funding, you said 70-30 would be dedicated?

Nakul Markhedkar: We are looking at around 75-25 and we are expecting our disbursement to happen within this quarter.

Ashutosh Adsare: Okay. And you are confident that the INR1,000 crores of revenue the capex which will be required, that will be fully from the internal accrual?

Nakul Markhedkar: Yes. If at all any further debt is required, if at all any shortfall is observed, we already have backup plans. We have spoken to lenders. We already have a CFA which is subsidy of around INR1,017 crores coming into this project which can help us refinance the project immediately.

And alternatively, the revenue from this project has already started which also contributes to our equity portion so, yes. So, multiple backups available to ensure that the project is executed and there is no issue when it comes to equity commitments or equity visibility. And mind you please, we are talking about ensuring equity is deployed here without effecting, adversely effecting any of our other projects. So, yes.

Ashutosh Adsare: Okay. And the...

Moderator: Sorry to interrupt Ashutosh sir. Please rejoin the queue for the more question. The next question is from the line of Diptikanta Das, an Individual Investor. Please go ahead.

Diptikanta Das: Namaskar sir. Am I audible?

Nakul Markhedkar: Yes, sir. Namaskar.

Diptikanta Das: Yes sir. Sir, I have two questions from my side. I am an individual investor. So, sir, this is a question that we are taking so many debts. What will be the repayment and interest of that in the next 2-4 years? And sir, the second question is that, like we are now, here in Mumbai, in Maharashtra, the installation of solar is being done.

Now, sir, the whole season of flood is going on. And it is also possible that the flood may come in the future. So, what are the precautions for that? there is a lot of flood affected area. So, for all that, have we taken any provisions or not?

Nakul Markhedkar: So, first thing, Das sir, thank you so much for asking this question. I will answer both the questions that you had asked. Your second question was that, is there any issue due to flooding? So, all our sites, more or less all are drought-proven sites. So, there, to be honest, there is no rain there. So, which is a point of concern.

And whatever rain is there, it is completely manageable. When we have finalized the sites, we, we had checked according to the flood plains, whether there is an issue of flooding or not. So, after doing all that survey, we finalize the location. So, because of that discipline, we are sure that there will be no issue here due to any flooding.

Ashish Bahety: And, and, and these projects are also insured, covered by the insurance.

Nakul Markhedkar: Yes, that is insurance. Sir, your first question, if you can remind me again.

Ashish Bahety: Your question about debt and interest. So, these are my 25 years of PPA, which is already signed with the, with the government. So, whatever power generation is there, we will be getting for next 25 years, the sale of power. And that will be much sufficient to cover the interest and the repayment portion. And further, there will be surplus available, which can flow to the holding company and to the investors for NOPL projects. So, that way, this project is sufficiently covering all the debt repayment interest, as well as equity portion.

Nakul Markhedkar: Sir, Mr. Das, if you have to answer in a single line, then it is like this. Whatever debt we are taking today, we are very confident that this project, NOPL project's revenues, future revenues, will be fully debt serviced. Without putting any stress on to our regular EPC business.

Moderator: Thank you. The next question is from the line of Mahesh Kowshik, an Individual Investor. Please go ahead.

Mahesh Kowshik: Sir, this is regarding the debtor days. I saw that the debtor days is around 296. Can I presume that this is the peak and it will start going down from this level or it will rise further before it starts going down?

Ashish Bahety: No, this is, you can consider this as a peak, and it will go down from here. So, as we discussed, last year, there were some issues related to Jal Jeevan Mission projects. That is also easing out now, as well as the investment was done for solar project also is started coming back. So, that way, we are quite confident that these, there will be a substantial improvement in terms of debtor days by end of this financial year. And also, some improvement you can see in H1 result as well.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to Mr. Rakesh Markhedkar for closing comments. Over to you sir.

Rakesh Markhedkar: So, thank you very much, all the investors for your valuable questions. And with this, since we are progressing as per our current commitment on the executions, improvement in the top line, bottom line and reduction in the working capital cycle, whatever we have planned, quarter-on-quarter basis, we are exactly on the same line.

As we have mentioned now, till we commission this NOPL project, so kindly refer only standalone balance sheet to get a true picture of the organization, our growth plans and our, even for the Q1 standalone profitability, and that the jumping of the PAT from 212% is very remarkable.

And this is really, we are putting a lot of efforts in growth and execution momentum, two very prestigious, important transmission lines. We have commissioned, that is the pride for the nation. And our order book stands very healthy. And that is all very profitable orders we have. We have strengthened our team.

So, we are looking forward to the robust growth in the organization. So, this is in short, I need to tell and ensure all our investors. So, kindly have some patience till for the end of this financial year, as I committed by end of this financial year, we will be the cash positive. If we commission 650 megawatt of this solar NOPL, so it is all moving in a very positive direction.

And if you see the execution of two and a half months, the NOPL, so we have shown a very high growth rate of the execution. And which is clearly visible as we had 265 megawatt out of 969 megawatt, we are in a very advanced stage of execution. This shows our commitment to our order, what we take in our hands. So, thank you very much. Thank you all for your patience in listening and confidence on the Vikran Engineering Limited.

Moderator: Thank you, ladies and gentlemen. That brings us to the end of today's conference call. On behalf of Vikran Engineering Limited. I would now like to thank the management team and all the participants for joining us today. You may now disconnect your lines.