DICABS

August 21, 2026

Corporate Relations Department
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Dalal Street,
Mumbai – 400 001
Scrip Code: 522163

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G- Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
Scrip Symbol: DIACABS

Sub.: Transcript of Earnings Call held on August 14, 2026

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the **transcript of the Earnings Call held on Friday, August 14, 2026**, to discuss the financial performance and results of the Company for the quarter ended June 30, 2026 (Q1 FY2027).

The transcript of the said Earnings Call is enclosed herewith and is also available on the website of the Company at https://dicabs.com/investor/quarterly-results/.

This is for your information and records.

Thanking you,

Yours sincerely,
For, Diamond Power Infrastructure Limited

JAYESH RAVJIBHAI PATEL
Digitally signed by JAYESH RAVJIBHAI PATEL
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"Diamond Power Infrastructure Limited

Q1 FY27 Earnings Conference Call"

August 14, 2026

MANAGEMENT:	**MR. PAWAN LOHIYA – CHIEF FINANCIAL OFFICER – DIAMOND POWER INFRASTRUCTURE LIMITED** **MR. UMESH CHHAYA – WHOLE-TIME DIRECTOR – DIAMOND POWER INFRASTRUCTURE LIMITED** **MR. AMIT BHATNAGAR – HEAD CORPORATE STRATEGY – DIAMOND POWER INFRASTRUCTURE LIMITED**
MODERATOR:	**MR. MOHIT SURANA -- MONARCH NETWORTH CAPITAL.**

Moderator: Ladies and gentlemen, good day and welcome to the Diamond Power Infrastructure Limited Q1 FY27 earnings conference call, hosted by Monarch Networth Capital. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

Before we begin, a brief disclaimer. This conference call may contain forward-looking statements about the company which are based on beliefs, opinions, and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and may involve risks and uncertainties that are difficult to predict.

I would now like to hand the conference over to Mr. Mohit Surana from Monarch Networth Capital. Thank you, and over to you, sir.

Mohit Surana: Good morning, everyone. Welcome to Diamond Power's Q1 FY27 earnings call. Joining us today are Mr. Amit Bhatnagar, Head Corporate Strategy; Mr. Pawan Lohiya, Chief Financial Officer; and Mr. Umesh Chhaya, Whole-Time Director.

With that, I will hand over the call to Mr. Bhatnagar for his opening remarks. Over to you, sir.

Amit Bhatnagar: Good morning, everyone, and thank you for joining us. I am Amit Bhatnagar, Head of Corporate Strategy at Diamond Power. On behalf of our Directors and the entire leadership team, it is a pleasure to welcome you and to do so at what is genuinely an inflection point in our story.

For those of you meeting Diamond Power for the first time, let me place us in a single sentence. We are one of India's truly integrated manufacturers of power transmission and distribution products in the cable and conductor segment, spanning the full voltage game from low voltage to the extra high voltage. All produced at a single eminent 10-acre integrated complex in Vadodara in the state of Gujarat. From wire rod through to finished extra high voltage cable, the entire value chain sits under one roof.

Very few companies in our industry anywhere in the world carry that degree of integration, and it is the foundation of everything I will describe this morning to you.

Let me begin where it matters the most, with the quarter's results and with the conditions in which we have earned them. This year, India's monsoon arrived early and arrived hard. From this very first week of June, Gujarat saw heavy and sustained rainfall and a large number of our customer's installation sites were flooded.

For a business where so much medium voltage cable is laid, it is arguably the most disruptive weather imaginable. Trenching and cabling simply cannot proceed when the ground is under water. It impacts our product and also impacts our product mix as conductor and LV cables are not impacted much.

Our first quarter is always the most seasonally demanding of the year. This year it was more demanding than most. However, we have met our internal target of INR700 crores. And against this backdrop, we more than doubled our top line. For the quarter ended 30th June 2026, on a consolidated basis, revenue was INR690 crores. That is roughly $83 million, up 129% year-on-year.

EBITDA was INR85 crores, up 172% on a margin of 12.3%, and an expansion of nearly 200 basis points. Profit after tax was INR58.5 crores, up 191%, at a net margin of 8.5%. Earning per share for the quarter was INR1.11 on a face value of INR1.

I would ask you to hold these three growth figures together. Revenue up 129%, EBITDA up 172%, profit up 191% because the pattern within these is the real message. Our profit is growing considerably faster than our revenue. That is operating leverage doing precisely what it should.

As our newer and higher value production lines mature and carry most of the load, to have delivered growth of this magnitude through a flood-affected monsoon quarter is not a seasonal accident. It is the evidence of the structural momentum now the Diamond Power business is gathering.

Let me say a word specifically about margins, because there is an important story beneath the headline. Raw materials, aluminum and copper both stood firm through the quarter and a portion of our order book is executed at prices agreed before this input moved, so the pass-through as per percentage of our sales reaches us with a lag.

Neither of these is structural. Mix normalizes as the high voltage lines fill throughout the year and metal cost base over any reasonable horizon, a pass-through in the way our contracts are written. We are completely back-to-back on passing the increases in metal and polymers to all our customers.

What I would draw your attention to is despite these gross margin pressures, our EBITDA margin still expanded by close to 200 basis points to 12.3%. That is precisely the operating leverage I described earlier.

As revenue more than doubled our fixed cost base, people, plant, overheads, power was spread on a far larger top line and the gain in absorption more than offset the compression higher on the P&L. Put plainly, we absorbed a weaker gross margin and still delivered a materially stronger operating margin.

As mix and utilization both improve from here, we expect the gross margin headwind to ease and the operating leverage to compound on the top of it. You will certainly see its impact in the next three quarters.

One brief note on the accounts, so nothing surprises you. Our tax charge for this quarter is negligible as we continue to carry forward accumulated losses from the period preceding our resolution plan. A benefit that will taper over time as profitability continues, but is there with us at least for the next two years.

A second note on the comparative. In our prior accounts, you would see an exceptional item, a provision for depreciation related to earlier periods, which had not been charged in the years surrounding our resolution plan and was recognized as a one-time catch-up once the plan was implemented.

I flag it to you for a simple reason. It is a non-cash, prior period accounting adjustment that sits below our operating line. It does not touch our EBITDA. It does not reflect the earning power of the business as it runs today. It does not reoccur. When you compare this quarter with prior periods, the cleanest read of the underlying business is the operating level where none of that noise is present.

More importantly, the auditor qualification which was on the books till now stands resolved and the numbers are without any qualification. I would also remiss not to record a milestone reached during this quarter. We completed a QIP placement raising INR1,640 crores, close to $195 million, achieving full minimum public shareholding compliance and welcoming marquee institutions into our register.

To every investor who participated, thank you so much. You placed your confidence in Diamond Power at a formative moment in its journey and we are acutely conscious of the responsibility your capital carries…

Moderator: Sorry to interrupt you. Yes. Your voice was breaking.

Amit Bhatnagar: Okay.

Moderator: Can you just repeat the last 10 seconds?

Amit Bhatnagar: You placed your confidence in Diamond Power at a formative moment in its journey. We are acutely conscious of the responsibility your capital carries. We intend to honor it through our performance. Our last two years' performance shows how quarter by quarter we have delivered, and we strongly believe in delivering rather than giving any forward-looking strong assurance.

Let me be precise about the timing of that capital, because it shapes how these results should be read. The quarter you have just heard, INR690 crores of revenue, profit up by 191%, delivered before a single rupee of the QIP proceed was put to work.

Q1 was earned on the balance sheet as it stood without the benefit of that fresh capital. Those funds are now being deployed into the capacity I am about to describe, and the impact on our numbers is not a first or second quarter event. It converts into P&L as the new lines commission and load, which means it will land squarely on the third and fourth quarter. Put simply, the clearest evidence of what this business can do is still ahead of us in the second half.

Let me now come to the strategy behind these numbers, because the results you have just heard are the visible surface of a very deliberate shift the company is going through. Diamond Power is moving decisively towards a leadership position in the medium voltage and extra high voltage segment of India's cable and conductor market.

If you take one thing from this call, I would like it to be that. The logic is straightforward. A very large share of our industry volume sits at the commoditized end, low voltage cables, where competitors are many and differentiation is thin.

The enduring value sits higher up the voltage ladder, medium voltage from 11 to 66 and extra high voltage above it, where qualification is difficult, the field of credible suppliers is narrowed, and the realizations are materially better.

That is where Diamond Power has chosen to build, and where we intend to lead. This is not an aspiration. It is being financed, engineered, and installed on the ground. Let me be specific about the capacities coming into place. First and foremost, we have just approved in the board two aluminum corrugation lines that will materially expand our 66 kV cable capacity and 132 kV cable capacity. This let us convert capacity from 33 kV up to 66 and 132, where margins are lower, moving our cable mix decisively up the value curve.

It is important to understand that with the same CCV lines, by adding two more aluminum corrugation lines with a minimal capex of INR17 crores, we have opened up 66 and 132 capacity substantially by compromising one line of 33 kV and added more value-added products, so our return on investment becomes stronger.

Secondly, I am very happy to share that we are in the final stages of ordering our sixth CCV line, and this is purely based on the demand which we are seeing and also the inputs and questions from our investors as to what are your plans on increasing the capacity. We order one more line and that should be commissioned before December 2027.

The most important part here is we are not going to do any additional civil capex or utility capex because our existing infrastructure has a scope and provision to add one CCV line. Only the equipment will come in. There are no additional utility and infrastructure costs involved. It triples our capability at precisely the end of the market where we intend to lead.

And third, our two additional medium voltage cable lines are under installation, and I am happy to tell you they are on schedule. This is the workhorse capacity for 11 to 220 kV segment that forms the largest single block of our order book, and its timely commissioning is central to our execution plan for the year.

Taken together, these are not incremental additions. They are the physical build-out of a company positioning itself to lead in the medium and extra high voltage. Capacity coming online in step with the order book already concentrated at the end of the product.

There is a further engine that I want to highlight, our new LV cable project. We are converting our old rod mill and legacy conductor plant into a modern low voltage and control cable facility for both aluminum and copper, a brownfield upgrade with no civil construction cost. At full utilization, it adds around 42,000 kilometers of LV capacity with revenue potential approaching INR1,880 crores.

Two things make it strategically important. First, it is deliberately built for copper LV cables to suit data centers. Diamond is on the forefront of getting data center orders in the country. We are concentrated more on medium voltage cable, so we do not want the LV part of the business to go from us.

More importantly, not only at medium voltage. Secondly, it broadens our base. A high volume LV engine sitting beneath our medium voltage and extra high voltage franchisee and a meaningful contributor to the top line. Commercial production is expected from financial year '27-'28. We will commission it before March.

The order book is the foundation of our confidence. As on August 11, 2026, it stood at INR3,688 crores, roughly $445 million, and about 2 times of last year's revenue across 12 product lines, and it continues to grow with over INR1,000 crores of fresh wins since April.

I am also very happy to tell you that in the last six to seven days itself, we have taken orders worth INR400 crores. We report orders above INR50 crores to the market. Therefore, you have seen that we have reported two major orders, one from Rajesh Power for disaster management, and second order coming in from the electricity board. Other miscellaneous orders, in last 7 days itself, we have added INR400 crores.

The medium voltage band is its largest single component. Our INR435 crores data center order sits within it, and roughly INR845 crores out of this INR3,688 crores is to be executed in the next year. So for the current year, we are holding an order book of around INR2,800 crores to be delivered before March, along with the fact that we are adding between INR275 crores to INR325 crores of order every month.

So we are confident that when we begin the next year, we would have got the next year targets more than 50% to 60% order book in place. So let me direct about the full year. We delivered INR690 crores in the toughest, most flood-affected quarter of our calendar. The new capacity comes on stream through the year and the order book underwrites the ramp-up.

On that basis, we are firmly on track to deliver a full year top line in the range of INR4,300 crores to INR4,500 crores. And to do so while holding the margin profile you have seen this quarter, not sacrificing it for the volume.

Let me put some structure under this range, because I know it implies a meaningful step from INR690 crores first quarter. Three things bridge the gap. One of them asks for heroics. The first is seasonality, simply reversing. Our first quarter is every year our weakest, and this year the early monsoon made it weaker still. If the rain would have come on time, you could have seen an incremental INR70 crores to INR80 crores top line and the corresponding EBITDA on the books. Our second half is consistently our strongest, so the base is built from it. It is the first quarter that was by design and by weather, the low point of the year.

The second is utilization. We entered the year running the plant well below its capacity, with several lines only partially loaded and the newest ones still in ramp. As the 2 aluminum corrugation lines and the 2 medium voltage lines commission, and the load as per existing lines fill up against a growing order book supported by the large fundraise which we have, our utilization rises materially. And because so much of our cost base is fixed, each incremental point of utilization converts to revenue and margin very efficiently.

To reach INR4,300 crores to INR4,500 crores range, the balance sheet of the year needs to run at close to twice the pace of the first quarter, measured against the capacity we already have installed and commissioning. That is a step up in the utilization, not a stretch of our capacity.

And the third is the order book. I have described a moment ago. Between 6 to 8 years close already in hand. The great majority of it scheduled for the execution within the financia…

Moderator: Sir, sorry to interrupt you

Amit Bhatnagar: Yes.

Moderator: Yes, now your line is clear.

Amit Bhatnagar: Capacity coming on stream, utilization climbing off a low base, and a funded order book converting into dispatch. That is what underwrites INR4,300 crores to INR4,500 crores, and why we hold it to confidence.

Let me place all of these in a wider context, because we are operating a genuinely power durable cycle, a leading share across our listed peers. India is in a structural capital and expansion of its power infrastructure, and several independent engines are pulling demand at once.

The RE buildup is adding new lines at scale to evacuate renewable power from the great generation parks, RE being foremost among them, which require extra voltage, cable and conductor. Aging distribution grids are being reinforced and moved underground. Squarely, medium voltage demand is coming.

Smart city mandates require underground urban cabling. Climate resilience has become a procurement driver in its own utilities, as utilities in flood and cyclone exposed regions convert overhead networks to the underground systems to keep lights on through exactly the weather we saw this quarter and the data centers sit on the top of it all.

India's installed capacity base is set to expand several fold and every megawatt carries a substantial cable requirement. Most importantly, these are not abstractions. Let me give you two very recent concrete proofs that demand is converting into orders. The first is a 1,370-kilometer medium voltage order from Gujarat Distribution Utility through Rajesh Power, supplying underground cable for disaster management and urban scheme across the coastal belt. Precisely the climate resilience demand I have described and a firm order we are already executing.

The second is a letter of intent from a distribution company in the UP Electricity Board for a high tension cable across multiple utilities, a win that opens one of India's largest distribution markets to us at the higher voltage end. Coastal Gujarat and Uttar Pradesh, exactly the medium voltage, high voltage business our strategy is to build to win.

None of this is delivered by capacity and order alone. It is delivered by people, and we have been building our team with the same deliberation. This quarter, we welcome Mr. Umesh Chhaya to our leadership team as an industry veteran and retail specialist with more than three decades in the cabling industry and a recognized authority on costing, pricing, and distribution that sells. His mandate is to build our distribution reach and our retail franchising with a particular focus on MV and EHV categories where we intend to lead.

Behind him, the company has more than 15 leaders at AVP and VP levels across our functions, and we are now assembling a dedicated, sizable export team to take our products to U.S., Middle East, and Africa as our certifications come through. Several further appointments will join the company over the next two quarters and strengthen our team.

For a company not long ago was working its way through a resolution plan, this quarter says something simple. The turnaround is not merely complete, it is compounding and it is deliberate. We are deeply grateful for your confidence in Diamond Power, and we are determined to reward it.

Thank you. I will now hand back the mic to the moderator.

Moderator: Thank you very much, sir. We will now begin the question-and-answer session. We have our first question from the line of Rohan Kalle from InCred. Please go ahead.

Rohan Kalle: Yes. Hi, team. Congrats on a strong set of numbers. I just have a couple of questions. We currently have three rod mills, four CCV lines and four MV silane lines, which are operational. By when will the fourth rod mill start production and the incremental one silane line and one CCV line underway, when will these start production?

Management: So, the rod mill should start by 15th of October. The incremental MV silane line should start somewhere by 15th of September, and the CCV line will start in March 2027.

Rohan Kalle: Okay. And sir, in general, this sixth CCV line that has received an in-principle approval, with the purchase order being targeted this month, is that order placed? Or rather, if it is placed in this month, by when can the delivery come for this line?

Management: We are getting delivery assurances for August next year. There is one line which is available in the market. We should place the order within this month. We have arrived at a price already for the line, and once it is delivered, it shall take us four to five months to commission it. We are confident that it will get commissioned by December 2027.

Rohan Kalle: Okay. Last one for now, and then I will come back with you. On the export side, what is maybe the timeline for the first export sale that we can expect and which geographies would we be targeting first, and maybe what kind of products can we target here? What are we building maybe in terms of exports over the next few years, if any guidance you can share.

Management: **So, the export at present is very negligible, and we are building a team for exports.**

Moderator: Sorry to interrupt you, sir, but we are unable to hear you.

Management: he export at present is very negligible, and we are building a team for exports. We have got some key people who have joined us and are joining us in the next 90 days. On the other end, our certification process for various markets, especially targeting Europe and the U.S., are on track.

So we are confident that quarter three and quarter four, we will see a good export inflow of orders. For this year, we have targeted that we will get an order book of at least INR500 crores before we end the year, and this shall be our first year. We will target conductor business and medium voltage business in the current year.

Rohan Kalle: Understood. Sir, just quick one on talent. You have been hiring top executives from the industry. Your latest addition, Mr. Chhaya, would be a big addition in terms of, at least within your senior leadership team. What gaps do you see are still left, maybe across functions like sales, marketing, production, and so on?

Management: I will not use the word gap because we are appropriately manned today. But when we say that we will grow from INR1,900 crores to INR4,500 crores and the year next to INR7,500 crores, we need to build a team. We need to strengthen the team at every stage. So most of the hires are going to be in the higher part of the lower middle management, and one or two areas we will get leaders also. So the major focus will be on higher side of the middle management so that we are able to deliver the quantum increase which we are planning.

Moderator: We have our next question from the line of Mahesh Patil from ICICI Securities. Please go ahead.

Mahesh Patil: Yes. Hi, sir. Congrats on a very good set of numbers. So my first question is on the HTLS side. You have mentioned in one of the slides that HTLS is one of the products for data centers, right? So just want to understand where does it go exactly, because from what I understand, HTLS is largely used for reconducting, right?

Management: Correct. So HTLS is used for reconducting, that is where the answer is, because the data centers are being put up in urban areas, cities like Hyderabad, New Bombay, where the existing transmission lines have to be upgraded, or the current carrying capacity has to be increased where data center comes in.

So to give you an example of the New Bombay data center coming of Adani, they are upgrading a line with an HTLS conductor. Same way is the case in Hyderabad data center of Microsoft, that the incoming transmission line has to be upgraded. It cannot be recreated because of the geographical condition. So one of the important uses of HTLS is going to be to power data centers.

Mahesh Patil: Okay. And sir, my second question is more on the industry side for AL-59. We have seen AL-59 production has gone up significantly over last couple of years, right? So just want to understand in terms of split, roughly how much of it is coming from new line versus just kind of upgrading their existing line. If you can just roughly give us the split.

Management: Yes. AL-59 demand is not coming from upgradation projects. It is majorly coming from new transmission lines in the PbCB segment and by the state distribution of utilities. To the extent that Diamond has stopped producing ACSR conductor, which is a traditional conductor, because most of the customers who were buying ACSR have now shifted to AL-59. Earlier, traditionally, ACSR used to be the main product of the conductor industry. Now, AL-59 is almost 70% of the market.

Mahesh Patil: Okay, sir. Got it. Thank you.

Moderator: Thank you. We have our next question from the line of Ajit Sethi from Eiko Quantum solutions. Please go.

Ajit Sethi: Yes. Thank you for the opportunity. Sir, with a net worth still negative and having now raised around INR1,600 crores through QIP, will this infusion be enough to make DICABS net worth positive? And if yes, by when? And out of this INR1,600 crores raised, how much is going towards clearing promoter debt legacy liability versus funding new capacity?.....

Management: Okay. So, on net worth, Pawan, why don't you share?

Management: So, as on 30th June '26, our net worth is negative by INR922 crores. But after this QIP proceed from QIP, which is INR1,614 crores, our as on today, our net worth is positive by INR691 crores.

Management: So yes. Now coming to the usage of the funds from QIP, it is very clearly mentioned that we will be spending INR130 crores on our LV cable expansion, INR74 crores on our present balancing equipment part, INR325 crores for general corporate purposes. We would be returning back INR350 crores to the -- of the unsecured loan to the promoters and the remaining will go towards long-term funding of the working capital. So around INR750 crores will go towards infusion towards working capital.

Ajeet Sethi: Great, sir. And sir, on May 2026, PMLA discharge or released INR10 billion plus of fixed assets and INR9.78 billion of the NCLT receivable. Has the company started using or monetizing this? And how much of this receivable do you realistically expect to recover in cash?

Management: See, the asset was already under use since last four years because under PMLA possession was not taken. It was given to the new management. What has happened is now legally, it has got discharged and under IBC's clean fleet theory, it is basically the right of the new management to take over the assets. So whatever little legal hurdle was there got settled in May.

Coming to the receivables, there are INR957 crores of legacy receivables on the books. Post this order, we have put a special team in place, comprising of senior legal hand, one senior guy from accounts and three juniors. And we are doing a first stage evaluation on how much can be recovered. At this stage, it seems around INR300 crores can be recovered over a period of next 1 year to 18 months. And that is where we will focus and we feel we'll be able to get it.

Ajeet Sethi: Okay. And sir, regarding the audit qualification on depreciation of PPE and the company has indicated that the issue is resolved. So how should we think about the depreciation expense going forward?

Management: So, the depreciation which you are seeing in the first quarter will be the depreciation going forward. Save whatever additions we are going to do pro rata the depreciation will be there in books.

Ajeet Sethi: Okay. And sir, in our previous presentation, we have indicated that our existing capacity at peak would generate around INR1,400 crores of revenue. Is the upcoming new capacity already factored into this estimate or it will be incremental to this INR14,000 crores revenue potential?

Management: No, it is factored. And accordingly, we have said additions. It will be factored in.

Ajeet Sethi: Okay. And sir, just a clarification from the call before. So we expect INR7,500 crores in FY28. Have you mentioned that?

Management: Yes. Yes.

Ajeet Sethi: And can we expect to do a INR14,000 crores in FY29, full utilization?

Management: No.

Ajeet Sethi: Okay. And so we were expecting somewhere around 75% utilization in next three years. So, is the guidance intact?

Management: So we are targeting INR1,000 crores. We are a growing company. The market is growing. We are now getting financially stronger. We have zero -- virtually zero debt on the books. So if we see some opportunities going forward, organic, inorganic, some products doing better, three years is a long time. We are open in terms of how we can ramp up and scale up. We are always on the lookout..

Moderator: Thank you, sir. Ajeet, we request you to re-join for any follow-up questions. We have our next question from the line of Nishant Bagrecha from InCred Research. Sir, please go ahead.

Nishant Bagrecha: Yes. Thank you for the opportunity, and for taking us through the business strategy in detail. Sir, I have specific questions regarding your guidance, the order book execution and also a few questions around the broader industry opportunity. So firstly, regarding your near-term guidance for FY27 of around INR4,500 crores, which implies the remaining three quarters need to average roughly around INR1,200 crores to INR1,250 crores per quarter versus INR690 crores in 1Q.

So you have explained that seasonality, utilization ramp-up and order book execution breach this gap. So could you help us understand the phasing a little better? Should we expect a more gradual ramp-up through Q2 and a sharper acceleration in second half of current financial year? Or should Q2 itself see a meaningful step-up?

Management: No, no, it is always gradual. If you see last year also, every quarter, we grew almost 50%. And seasonality in our industry is very clearly that the first quarter is rain affected. Second quarter is partially affected. The third and the fourth quarter is always the strongest. In fact, the fourth one is always the biggest quarter because the projects have to be commissioned before March. The customers are willing to lift the material faster. Infrastructure projects have the deadlines. Capacity we already have on our side. So it is going to be a gradual ramp-up, but we clearly see that we'll be able to meet the target.

Nishant Bagrecha: Sure. And just a follow-up on this question. So FY26 utilization was, let's say, 34% for cables and 20% for conductors. So with the current order book and also the additional lines coming on stream, where do you see the utilization ending for FY27 and FY28, particularly for cables and conductors?

Management: So, conductors should be around 40%, and cables should be around 50%, 52%.

Nishant Bagrecha: This is for FY27?

Management: '27.

Nishant Bagrecha: Okay. And for '28?

Management: So '28, our LV cable around INR2,000 crores of capacity will come into picture. Our additional CCV line, which can make around INR600 crores will come into picture. So we will see going up in conductor to 60% and the cable also will be around 60%..

Nishant Bagrecha: Okay. Okay. And my next question is on margins. So, you have indicated that you expect to hold the 1Q margin profile while delivering the FY27 revenue guidance. So, should we think of 11%, 12% as the floor for FY'27? Or could the mix improvement towards…

Management: Our guidance

Nishant Bagrecha: Yes.

Management: Our guidance is between 11% to 13%. This again depends upon the metal price. If you see in the month of May, aluminum was $3,800. And by the end of June, it came down to $3,000. So 22% or 23% margin went down, and it went up from 1st April to 22nd May by 20%. So EBITDA is always a product of the sale price versus the COGS and the expense.

So the absolute contribution becomes constant when you have a price escalation contract with you. So that's why we put in a range of 11% to 13%. And the quarter 1, the sale of LV cable and conductor as a percentage to the total sales is higher because of the reasons I've explained to you. Medium voltage cable and extra voltage cables are always delivered at the project site.

They cannot be stored in warehouses at the customers because they will not have the ability to then move them. So as you go to quarter 2, quarter 3, quarter 4, the product mix will change a little bit medium and high voltage product offtake will increase as a percentage to sales. So EBITDA will be stronger.

Nishant Bagrecha: Okay. So the mix improvement towards 66 or 132 kV or EHV cables and higher value conductors will take margins further from current levels, right? Understanding correct?

Management: Yes.

Nishant Bagrecha: Yes. And I have one question on the data center cable orders. So you have already won INR435 crores of data center cable orders and you are setting up the next copper LV facility partly with the data center in mind. So how large do you see this opportunity becoming for tiecabs over the next 2 to 3 years? And what proportion of your future cable revenue could potentially come from data centers?

Management: So because we have this large order, so any pre-qualifications, any questions regarding our ability to execute will -- so we have edge going to the other data center projects and talking about ourselves. So internally, we have given the team a target of getting at least INR1,000 crores of data center orders before 31st March 2027.

And in the current year, we are expecting that our data center sales will contribute around INR750 crores before the month of March. And next year, we will give them a target of getting around INR1,500 crores. So 20% is what we want to get from data center business current and next year.

Nishant Bagrecha: Okay. Okay. And my last question is on the industry. As you mentioned that the 1,370 kilometers underground MB cables order in the opening remarks, could you give us the approximate value of this order and the execution time line and whether you see similar climate resilience or undergrounding cabling opportunities emerging from the other states as well?

Management: **So, Gujarat has come out with a project which is called Robust. The project cost is INR22,000 crores…**

Moderator: Hello. Sorry to interrupt, sir, your line was not clear. We weren't able to hear you.

Management: Is it clear now?

Moderator: Yes, sir, it's clear.

Management: Yes. So Gujarat is expected to flow INR22,000 crores of disaster management orders in the next 3 years. Out of this INR16,000 crores is going to be the cost of 11 kV and 33 kV medium voltage cables. Presently, 43 tenders got finalized to around 19 contractors. And this order from Rajesh Power for 1,370 kilometers related to Paschim Gujarat, which company is the first order from it. So now we are expecting that by the end of the year, the first INR4,000 crores INR5,000 crores worth of orders will get finalized in Gujarat.

Now Gujarat is one example. There are at least 9 to 10 states in India, which are on the sea coast, which have initiated this process. Tenders in Orissa have come out, tenders in West Bengal have come out. Tenders in Karnataka are under the process of coming out. Telangana and Andhra Pradesh. Andhra Pradesh, very aggressively, the tenders are coming out.

So I'm confident that, as I always tell investors that whatever was the traditional demand of medium voltage cable till 2022, equal and five new markets have come into the picture. One is disaster management, vertical urbanization, Indian railways, smart city projects and renewable energy. So this is one of the most important part.

Nishant Bagrecha: Sure, sir. Thank you. That's very helpful. So, I have a couple of other questions, but I'll fall in back in the queue.

Management: Thank you.

Moderator: Thank you. We have our next question from the line of Raman KV from Sequent Investments. Please go ahead.

Raman KV: Hello, sir. Can you hear me?

Management: Yes, I can.

Raman KV: Sir, I have a couple of questions. One with respect to capex per line. Currently, how many lines are operational? One is that? And what's our capex per -- capex cost per line? And how much revenue per line on an average can we do?

Management: So we have four CCV lines operational. We have four silane-based lines operational. One CCV line installed, but will be commissioned by March. One silane-based line will get commissioned by 15th of September. One line which we are ordering at present will get commissioned by December 2027. The cost of a silane-based line is between INR15 crores to INR20 crores. A cost of a CCV line is -- line cost is around INR50 crores. Again, it depends on what size denominator rating you are going to do.

The one I'm ordering will cost me around INR50 crores only for the line. The utilities civil construction, other things cost equal around INR50 crores. So a CCV line is broadly INR100 crores, where you can make up to 6 and 132. If you go for a bigger line of 220 and 400, the cost would go to around INR150 crores. The expected revenue from one CCV line, it again depends on what product you are making.

If you are making 66 kV cable, you can make around 150 kilometers. It is a single core cable per month, and 1 kilometer would, again, depending on copper, aluminum, type of corrugation, but would be broadly INR30 lakh is a reasonable price you can consider. So, around INR45 crores to INR50 crores is the revenue from one line.

Raman K.V.: Understood, sir. Thank you for that. My second question is with respect to our debt, what will be our peak debt going forward in 2028?

Management: Yes, Yes. So, at present we have INR75 crores LC, INR5 crores CC limit from one bank. We are not utilizing it at this point of time because you are aware we have a lot of QIP funds with us. Whatever money is required to achieve the target for the current year, we will not need any borrowing. Yes, we are looking at how we can get vendor financing, how we can get dealer financing, because there are two parts of the business. If we can efficiently finance, support our vendors, support our dealers, we will improve our cash flow, and in process, we will improve our margins.

Next year, INR7,500 crores. We are estimating that in the current year, if we own around INR500 crores plus. For the next year, the incremental cash is already available with us. So, up to 2027, 2028, we don’t expect to have any substantial debt on the books of the company unless we get some good opportunity or we look for some other additional plans, then I cannot tell you. As of now, I think mentally, the management and the professionals here are very clear that up to March 2028, our strategy, our capacity, and our route is very clear as on date.

Raman K.V.: Sir, but if my understanding is right, as of March 2026, in your balance sheet, we have around long-term borrowing of INR2,400 crores.

Management: So, basically, that was INR1,900 crores of bonds, 0.01% bonds payable after 30 years. These bonds are owned by the promoter. The next part was a INR400 crores unsecured loan from the promoter, which has been paid back post-QIP. There is no debt as such other than the residual value of those bonds if discounted on a net present value, they stood at INR47 crores in March 2026.

Raman K.V.: In 0.01% coupon rate bonds, right?

Management: Yes. Payable after 30 years. This was the unsustainable debt of the company in the NCLT plan, which was converted to bonds payable after 30 years, and the bonds are now acquired by the promoter from the lenders. These are unsecured promoter-held bonds. If discounted on net present value, their value is INR47 crores.

Raman K.V.: Understood, sir. Thank you.

Moderator: Sorry to interrupt you.

Raman K.V.: Yes. My question is done. Thank you. Thank you so much.

Moderator: Thank you. Next question is from the line of Sanjaya Satapathy from Ampersand. Please go ahead.

Sanjaya Satapathy: Hi, sir. Thanks a lot for the opportunity. I just wanted to confirm the guidance that you have given. So, you have given about INR4,300 crores to INR4,500 crores revenue current year and INR7,500 crores next year, is that correct, sir?

Management: Correct.

Sanjaya Satapathy: Okay. And we noticed that most other wire and cable companies, they reported significant quarter-on-quarter growth in this quarter one, and you said that it is because of rain and couple of other things, but you did not grow. Can you just give some more color in this context of how your peers are doing versus what you are doing?

Management: So, you have to understand our product mix. Most of the listed companies in India are 85% low voltage, 15% is medium or other products. Diamond Power is the other way around. We are 70%, 80% of our capacity is medium and extra high voltage. Our products are not used during rain. We deliver the product on the project site. If you compare us with other companies which are making copper wires, industrial flexibles, the inside wiring work continues during the rains in real infrastructure projects. That is one point.

Second point is, on a Q-to-Q basis, I don't think any peer has grown so much. And if you see our growth in terms of Q1 last year and this year, we've almost doubled, done 129%. So, I think we are doing as the industry is doing, even the best of the companies in the lot, one or two of them in fact have grown negatively. So, this is a cyclic thing which is more predominantly impacting medium voltage, but impacting all other manufacturers.

Moderator: Thank you, sir. Sanjaya, we request you to rejoin the queue for any follow-up questions. We have our next question from the line of Manik Mahajan from Balyasny Asset Management. Please go ahead.

Manik Mahajan: Hi. Thank you so much for the opportunity, and congrats on a great set of quarter. I just wanted to understand from a customer mix or a customer concentration perspective, how much would you say roughly is Adani Group versus non-Adani?

Management: I think we told our…

Moderator: Sorry to interrupt, sir.

Management: The present order book from Adani is around 40% plus. Our Board mandate is to bring it down to 20% in the end of the year. Presently, we are engaging with around 670 active customers across various verticals. And out of my outstanding order book position, there are around 200 plus customers. So, this is the spread of our customer.

Manik Mahajan: That's helpful. The margin guidance that you've given, 11% to 13%, is that the same for FY 2028? There's no operating lever as you increase your utilization?

Management: If you see our cost, which was earlier 9%, has come down to 6.5% operations cost. As you compare this with any other cable company in the country, it is extremely low because what we make is per kilometer high-value product. Our internal target is to bring it down to 6%. I think that would be a very good number, compare it with any other listed peer. The EBITDA guidance for the next year, we are confident we will maintain it between what I am telling you today, but we will work on how to improve upon it.

Manik Mahajan: Okay, thank you. I will go back to the queue. Thank you so much.

Moderator: Thank you. We have our next question from the line of Rajesh Vora from Jainmay Ventures. Please go ahead.

Rajesh Vora: Good morning, Amit, and the team. Congrats on terrific turnaround and super set of numbers. As you have given the guidance at the peak revenue potential of INR14,000 crores over the next few years, how would the revenue mix look like in terms of voltage, EHV, LV, exports, and data center, if you can give an idea? At that level, what margins one can expect?

Management: You would expect the conductor business to do between 30% to 35%, the low voltage cable business to do between 10% to 15%, and the remaining 55% to 50% will continue to be in medium and extra high voltage. We -- rating-wise, if I bifurcate, the LV cable, 1.1 kV EBITDA is anytime between 8% to 9%. Conductor is between 9% to 10%. Conductor is the HTLS business we can grow, would see one or two notch above what we are targeting today.

The medium voltage 11 kV should be around 14% to 15%, 33 should be around 16% EBITDA, and 66 and above will depend upon the nature of the configuration of the product, but will be between 18% to 22%. Considering this, we are seeing an average of 11% to 13%. Rajesh, you have been tracking the company very aggressively. So, I think you are one person who can tell all of the other audience that we have delivered whatever we have promised you for last two years.

Rajesh Vora: No, it's your team and efforts. But what would be the percentage revenue from exports and data center when you get to INR14,000 crores revenue mark?

Management: Data center, I told you, we are targeting 20% and for export, it is too early for me to put a number, because we have to test the waters properly. That's why I put a number of INR500 crores in the current year to get as an order, right? Once we are at the end of the year, I will give you a guideline for the next year.

Rajesh Vora: Sure. If I may ask, Amitbhai, the challenges -- the rate at which you are growing, almost doubling, what are the two, three big challenges in terms of handling such a high growth, and what can go wrong?

Management: Every industry has its challenges, and some are macro and some are micro, right? The macro challenges are not in our control. Things like the Iran war suddenly resulted in increase in polymer prices. The metal prices went up. You need to suddenly have 20%, 30% more of incremental working capital.

So, the macro challenges are not in our control, but fortunately, we have very strong promoters, right? When a promoter can put in INR500 crores in working capital in an NCLT turnaround company, you can understand his confidence and stomach on putting money. So, that -- such parameters are macro, we are fortunately insulated with the two promoters we have.

In terms of micro, that is where we are diligently working, and that is where we have not said that we can go from -- now we are INR1,600 crores, the logical thing would be please use up your entire capacity in one year and become INR8,000 crores. We are not saying that. Because when you produce more, you dispatch more.

When you dispatch more, you have more challenges on the ground. So, we are realistically growing the team, we are realistically growing the infrastructure. We are working on automation. This Board has given me a special mandate this time, how to use AI, and how are we going to now increase the output with the same number of people.

So, our technology team is working on SOP, machinery. We are capturing the production at every stage in our production cycle. A customer can come to our factory and figure out from which batch of raw material the cable has been manufactured. We are dealing with extra high voltage cable, where the customer is interested to know how I produce. But he is equally interested to know what quality of input has gone in. So, considering these things, we are focusing on systems, processes, automation, AI, and you will see that the operation efficiency numbers going forward will show that.

Rajesh Vora: Great, Amitbhai. Thank you so much, and wish you all the very best.

Management: Thank you.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, that will be the last question of the day. I now hand the conference over to the management for closing comments.

Management: I would like to thank the investors for remaining present in very large numbers. We have been welcoming a lot of investors to the factory, and we would again be happy to have you guys back. Your support in the QIP has really motivated our team, and we are confident that whatever confidence has been reposed on us, we would all strive to work hard. Our promoters also are very confident, and we are working towards the targets we have promised to you. Thank you very much, and see you back again the next quarter.

Moderator: Thank you, sir. On behalf of Monarch Networth Capital, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.