



KP Green Engineering Limited

A COMPANY TO SOLVE THE DIFFICULTIES

CIN: L40100GJ2001PLC039763



KPGE/MAT/MAY/2026/128

Date: May 18, 2026

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Scrip Code: 544150

Sub.: Transcript of Investors/Analysts Earnings Conference Call held on May 13, 2026

Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”).

Dear Sir/Madam,

Further to our earlier communication dated May 08, 2026 and May 13, 2026, please find enclosed the transcript of the Earning Conference Call held on Wednesday, May 13, 2026, at 11:00 A.M. (IST) to discuss the audited financial results for the half year and year ended March 31, 2026.

The said Transcript is also available on the website of the Company at www.kpgreenengineering.com.

We request you to take the same on your record.

Thanking you,

Yours faithfully,

KP Green Engineering Limited

Muinulhaque Iqbalhusen Kadva

Whole Time Director

DIN: 07661317

Encl.: a/a



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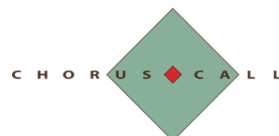
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“KP Green Engineering Limited
H2 FY26 Earnings Conference Call”
May 13, 2026



MANAGEMENT: **MR. MUINULHAQUE KADVA – WHOLE-TIME DIRECTOR**
MR. ALOK DAS – GROUP CHIEF EXECUTIVE OFFICER
MR. ASHFAK KHAN – CHIEF ACCOUNTS OFFICER
MR. SALIM YAHOO – GROUP CHIEF FINANCIAL OFFICER
MR. VINOD JAIN – PRESIDENT, INVESTOR RELATION

MODERATOR: **MR. HARSH PATEL – SHARE INDIA SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the KP Green Engineering Limited H2 FY26 Earnings Conference Call hosted by Share India Securities Limited. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask

questions after the presentation concludes. Should you need any assistance during this conference call, please signal for an operator by pressing star and then zero on your touchtone telephone.

I now hand the conference over to Mr. Harsh Patel from Share India Securities Limited. Thank you and over to you, sir.

Harsh Patel:

Thank you and good morning everyone. I would like to congratulate management on a very good set of numbers of KP Green Engineering. On behalf of Share India Securities, I welcome you all to H2 FY26 earnings conference call of KP Green Engineering.

We are pleased to have with us the management team represented by Mr. Moinul Kadva, the Whole Time Director, Dr. Alok Das, Group CEO, Mr. Ashfak Khan, Chief Accounts Officer, Mr. Salim Yahoo, Group CFO. We will have the opening remarks from the management and followed by question and answer session. Thank you and over to you, Vinod.

Vinod Jain:

Okay. Thank you, Harsh. Good morning everyone. This side Vinod Jain from Investor Relations department. On behalf of management, I would like to extend a very warm welcome to all the investors, analysts and other stakeholders for joining us today for earnings call for quarter 4 and FY25-'26 for KP Green Engineering.

Joining on the call are Whole Time Director, Group CEO, Group CFO and Chief Account Officer. Please note that our Whole Time Director, Mr. Moinul Kadva is joining from China. So there might be some disturbance. Please bear with us. FY25-'26 has been a transformational year for the company, marked by strong execution, capacity expansion and significant financial growth.

Our revenue grown by 78% to INR1,250 crores, EBITDA by 117% to INR249 crores and PAT by 85% to INR136 crores. Further, order books remain strong at approximately INR1,831 crores as on 31st March 2026, providing healthy revenue visibility going forward.

Company continues to strengthen its manufacturing ecosystem with commissioning of Asia's largest hot-dip galvanizing plant at Matar. During the year, company also received one of the prestigious certification for road crash barrier from NATRAX. The company remains committed towards sustainable manufacturing, zero accidents and technology-led operations, aligning itself with India's long-term renewable and infrastructure growth story.

With this, I would like to hand over the call to Whole Time Director, Mr. Moinul Kadva. Over to Mr. Moinul Kadva.

Moinul Kadva:

Thank you, Vinod ji. Good morning to all our investors, analysts and stakeholders. It gives me immense pleasure to address you today at a time when KP Green Engineering Limited is transforming rapidly into a diversified engineering powerhouse. Over the year, we made several commitments to our investors regarding expansion, diversification, approval and execution capabilities.

Today, I am proud to say we are delivering to those commitments. At KPGEL, every product vertical is not just a product. It is an independent industry with its own ecosystem, approval, execution cycle and market opportunity. In this business, production alone is not enough. The real growth comes when your products are accepted and approved by state utility, PSU, national authority, private companies and global organizations.

I am pleased to share that we have achieved significant progress across most verticals and continue to aggressively expand our reach. Our transmission line tower vertical is now approved and active across 16 plus states in India. While our pole and lighting structure division is rapidly expanding with approval from multiple state authority and municipal corporation.

In the solar structure vertical, we are proudly associated with almost all major renewable energy executing organizations in India and are also approved by global tracker leaders, Nextracker and GameChange Solar. In heavy engineering, our operations are progressing strongly and with the successful achievement of RDSO approval, we are now strategically positioned for larger railway and infrastructure opportunities.

In the pre-engineering building segment, our in-house design, engineering and project team have successfully executed two major industrial factory, one transformer manufacturing facility and one solar module manufacturing factory, Showcasing our end-to-end execution capability. Another proud achievement has been becoming the first company in India to successfully complete all three crash tests, car, bus and truck, for both W-beam and Thrie-beam crash barrier in the very first attempt itself. One of the biggest milestones for the company has been operationalizing Asia's largest galvanizing plant with a capacity of 90,000 metric tons per annum and with a single dip capacity of 15 metric tons.

This is a major competitive advantage that will significantly improve our execution speed, quality and production efficiency. The company is also strategically focused on strengthening its business through backward integration, in manufacturing capability and forward integration in execution business.

This forward integration strategy is already visible through our direct participation in railway crash barrier project and large-scale BSNL telecom project, enabling us to move higher into the value chain. Further, our in-house R&D and engineering team is continuously working towards expansion into new vertical, including onshore tubular tower, container manufacturing, magni fastener manufacturing, rolling mill, cable and conductor manufacturing and several other engineering products.

We remain committed to continuously expanding our product portfolio and strengthening our integrated manufacturing ecosystem. On the business front, we have secured confirmed order work more than INR1,831 crores, including a landmark INR819 plus crores BSNL order, marking our strategic re-entry into the telecommunication sector with long-term annuity income visibility through O&M services.

Today, with expanding capacity, diversified vertical, strong approval and robust order visibility, KP Green Engineering Limited is strongly positioned for sustained long-term growth. I would

like to sincerely thank our respected CMD sir, Dr. Faruk Patel sir, along with all our investors, stakeholders, customers, bankers, suppliers, partners and every member of team KPGEL for their continuous trust and support.

The foundation is strong, the execution is visible and the future opportunities are enormous. We remain fully committed towards creating sustainable growth and long-term shareholder value. Thank you. Thank you very much.

Vinod Jain:

So over to Mr. Salim Yahoo to give the overview on the financial performance of the company.

Salim Yahoo:

Thank you, Mr. Jain. Good morning everybody. Good morning esteemed investors, analysts, stakeholders, participants joining us today for the KP Green Engineering Earnings call for the half year H2 and the full year FY26. On behalf of the company, I, Salim Yahoo, Group CFO, take immense pleasure to present the financial and operational highlights for H2 and FY26 along with the insight into our strategic direction and growth trajectory going forward.

Over the past five years, the company has scaled its business and continued its growth momentum. During this period, our compounded annual growth has been remarkable with 100% CAGR in the revenue and 136% CAGR in net profit, adding consistently to shareholders' value. Speaking about the financial performance, the second half of FY26 and full current financial year has seen another landmark achievement for KP Green Engineering.

The team has once again delivered record-breaking all-time high performance in financial parameters like revenue, profitability, EPS and other parameters. Our strong resilient business model supported by focused execution strategy continued to drive the consistent growth. For FY26 full year, our total income stood at INR1,250 crores as compared to INR702 crores in FY25, registering a growth of 78% year-on-year.

This is the first time that the company has crossed four-digit mark in the income from operations. Earnings before interest, tax and depreciation increased to INR249 crores as compared to 115 crores in FY25, reflecting a strong growth of 117%. EBITDA margin also expanded from 16% last year to 20% during the current year. Profit after tax stood at INR136 crores as compared to INR73 crores in FY25, registering growth of 85% Y-o-Y.

For H2 FY26, our consolidated total income stood at INR714 crores, marking an impressive 64% year-on-year growth compared to INR436 crores in H2 FY25. Our EBITDA grew at 108% reaching INR147 crores, while our profit after tax surged 68% year-on-year to INR77 crores, backed by a strong operational efficiency and economies of scale that continue to enhance our margins.

Speaking about the business overview, on the operation front, our current manufacturing capacity has now reached 4,00,500 metric ton per annum. The company's robust order book stands at 1,800 plus for FY26. During the year, we have been empanelled with major PSUs ranging from power transmission, telecommunication, roads, highways, public infrastructure and railways.

This shows our diversification in the various sectors that we serve. The company has seen steady expansion in domestic market presence with increased activity in a number of states during the same period. So to conclude, I would like to express my heartfelt gratitude to our CMD sir, Dr. Faruk sir, for his guidance and motivation as always and also to all our investors, shareholders, employees and partners for their continued trust and confidence in the company and assure to maintain the growth trajectory in the coming years.

I now request the moderator to open the floor for question and answers.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin with the question and answer session. The first question is from the line of Vaibhav Surya from CFM. Please go ahead.

Vaibhav Surya: Hi, thanks for the opportunity. I wanted to understand what is the unexecuted order book as of now like there was another INR500 crores order which you received recently. So like it is 1800 plus 500, right?

Salim Yahoo: No, this is total including this INR500 crores orders also 1800 as on date.

Vaibhav Surya: Okay, understood. And what is the execution timeframe for the same?

Salim Yahoo: This entire FY26-27. This year will be executing the entire order book.

Vaibhav Surya: Got it. So can we expect a 100% growth this year compared to last year?

Salim Yahoo: See, I will not commit on anything, but I mean what we have committed last time, we have given more than that. So this year also I hope that we will be able to fulfil your expectation this time also.

Vaibhav Surya: Understood. And I wanted to understand when is the second phase of capex, what is the planning for the second phase of capex because as of FY27, if we consider 50% to 60% growth as well, it will be a huge revenue. Then FY28, I think almost maximum utilization will be there for the current capacity. So when is the next phase of capex starting and what is the planning for that?

Salim Yahoo: Sir, frankly speaking, we will be continuing the capex during the year for which the fruits will be visible in the next year. And it takes a little bit gestation time. So this next phase operational activity will happen in FY27. Most of the capex will be a backward integration to further improve our margins and availability of materials will help us for that. So if you see maybe rolling mills or something which will be our prompt kind of a thing, that's major capex that we will be going.

Vaibhav Surya: Okay, understood. Thank you for answering my questions.

Salim Yahoo: Yes.

Moderator: Thank you. The next question is from the line of Pankaj from Axis Capital. Please go ahead.

Pankaj: Yes, hi. Firstly, thanks for the opportunity. Secondly, lots of congratulations to the entire team for fantastic results. I think it's great to see 100% CAGR for last 5 years on all four financial key parameters. So big, big congratulations for that. My quick questions are one is on you mentioned 4 lakh MTPA capacity.

So what is the capacity utilization we had in FY26 and what is the outlook for FY27? Second, I think you answered that recently, but I'm just re-clarifying. You mentioned that INR1,800 odd crores order book is likely to get completed all in FY27. Is my understanding right? And the last question is we achieved EBITDA margin of around 20% odd in FY26. What is the guidance we have for FY27? Thank you.

Salim Yahoo: Okay. I'll answer your first question that's the capacity utilization. So out of the 4,00,500 plus metric ton that the entire capacity, this year the utilization was 1,24,500 metric tons. So whatever your second question was about?

Pankaj: Within this, what is the guidance we have for FY27?

Salim Yahoo: FY27, I mean, see, we have the capacity in hand. So, I don't think, you know, but growth trajectory we have already given that, you know, 40 to 50% year-on-year growth in all the KP Group companies we have given it. Our CMD sir has given that vision. So, we are looking towards that. That is the minimum that will be and maximum is no limit. I mean, if we are able to utilize the capacity, we will be able to do your expectation which is way beyond that 40 to 50%.

Pankaj: Okay, great. My second question was more of a confirmatory one, which I believe you answered that 1,800 odd crores book is likely to get completed all in FY27. Is that right?

Salim Yahoo: Yes. Yes, yes.

Pankaj: Okay. And the last question was about the EBITDA margins. In FY26, we achieved 20%. So, what is the guidance we have for FY' 27?

Salim Yahoo: See, EBITDA margin is somewhere depend upon a lot of other factors also, you know, material prices. Though we try to hedge them, we try to have the clauses in our, you know, agreement. But this margin will try to maintain this margin. We'll try to maintain in the range of 16 to 20%. We'll try, we always see to it that whenever we take any, you know, orders or anything, we have focus on the margins. We don't want to compromise on the margins.

Pankaj: Okay, thank you. And any impact we have seen from this Middle East crisis, whatever we are going at currently?

Salim Yahoo: Yes, see, the impact on the fuel is there because, you know, manufacturing requires a lot of fuel, which is coal, which is gas. There is a galvanizing plant and all. So, there is an impact. But this year, you know, we can say fortunately we were able to pull the thing.

Next year also we are trying to see that, you know, if there is a major disruption in the geopolitical condition, then we might, but also to highlight over here that we are powering our galvanizing plant along with LPG, we are powering with green hydrogen, which is one of its kind. So that will also help us because it gives more power. So, we are trying to see that how we can maneuver between the geopolitical hurdles and achieve our targets which we have committed.

Pankaj: Okay, thank you and congrats again.

Salim Yahoo: Thank you.

Moderator: Thank you. The next question is from the line of Sparsh Akar from Ekamya Capital. Please go ahead.

Sparsh Akar: Hi, good morning. Am I audible?

Moderator: Yes, sir. Please go ahead.

Sparsh Akar: Yes, congratulations on the great numbers. So, I have a list of two, three questions, you know, that I would like to go ahead with. The first one is with respect to the inventory days, right? They have increased sharply from around 96 days to 195 days as per some data reports. So I wanted to understand what exactly drove this increase and how should we think about normalized working capital and inventory levels going ahead?

Salim Yahoo: See, if you see the total order book that I have is 1800 and we are getting furthermore orders. So, when we have such a big order book, my inventory, you know, compared to that order book is not substantial. So, we need to have this in hand because of the geopolitical conditions, we need to stock up, pile up the inventory so that we don't have impact on the margins, we don't have impact on the availability of the raw materials. And that's the reason we have stocked up inventory this time. That's why you have seen the inventory days going a little high.

Sparsh Akar: Understood. So, it's like a hedging strategy, you can say, you know, basically back up for...

Salim Yahoo: It's a hedging strategy towards the pricing and also towards the availability because once the condition goes...

Sparsh Akar: Understood. Now the next question is with regards to cash and cash equivalents. I saw that they have declined significantly from INR162 crores to INR19 crores. Just wanted to understand that where was this cash actually deployed and how can we expect the operating cash flows to improve meaningfully? Because I also saw that the debt increased as well in the current year, you know, the past one. So just wanted to understand the deployment of cash.

Salim Yahoo: Yes, See, if you see, you know, there is a classification which has happened on the balance sheet. So, there are other financial assets which have been added on the asset side and all those things. So those are that cash and cash equivalent have been bifurcated into other financial assets and

long-term have been put into the financial assets. That's why it has just gone from up to the fixed asset kind of a thing as per the Ind AS calculation.

Sparsh Akar: Okay, okay. Got it. So, this is majorly the, you know, the book calculation.

Salim Yahoo: Classification.

Sparsh Akar: Classification, okay. And the last question from my end is that any concrete updates on the company's defense entry plans? I'd heard that, you know, the company had plans to enter into the defense sector, basically manufacturing for the defense. So, any, you know, updates on that?

Salim Yahoo: See, we have been, I mean, I cannot disclose all the things, but we have been, you know, trying to get into this defense sectors. We are looking at various tenders. We are looking at various regions where this, you know, works are there. So as soon as something comes in, we'll surely disclose it on the BSE. But at present, I mean, we are at a discussion stages at various, you know, in various tenders and various orders.

Sparsh Akar: Understood, understood. And you just mentioned something about green hydrogen powering the galvanization plant. Any, you know, I just wanted an idea how much does it power right now and what's the stage, you know, what's the scale of expansion for green hydrogen powering the plant?

Salim Yahoo: See, as per the regulations, we can blend 20 to 25% green hydrogen into the LPG. So, we are following that rules and what happens is that it reduces the cost to a small extent only, but it is a uniqueness that, you know, that gives us, you know, that utilization of green hydrogen. It, you know, to some extent it helps me on the ESG compliances also that I am utilizing green hydrogen.

So, and it also, you know, gives me a, you know, upper hand compared to all the competitors because this is one of its kind. No other company has utilized, you know, green hydrogen for powering the galvanizing plant and we are doing. And as you are aware that, you know, green hydrogen has more power compared to other gases and galvanizing plant requires a lot of heat for. So, it will help me getting the work done faster. That is also a part.

Sparsh Akar: Understood, understood. Thank you so much for your time and answering the questions. Thank you.

Salim Yahoo: Thank you.

Moderator: Thank you. The next question is from the line of Darshit Shah from Nirvana Capital. Please go ahead.

Darshit Shah: Hi sir, thanks for the opportunity. Sir, you said around INR1800 crores is the order book that we have. Can you also share what kind of orders do we expect in FY27 and what's our bidding pipeline looking like currently?

Salim Yahoo: See, as I have told in my opening remarks also, we are into various segments. We are into telecommunication, we are into power and transmission, we are into highways, public infrastructure and railways. So, you know, the company's, what we say, the profile or the product profile has been diversified substantially.

So, we bid for all kind of tenders wherever it is available. You need to understand that, you know, our company has a uniqueness that we have Asia's biggest galvanizing plant. We have biggest facility that we can execute all bigger heavy engineering kind of work. So that's the reason, you know, if you see, we might get orders from all the bigger clientele.

Like we also have, you know, order from Chennai Metro where we have built the, you know, metro bridge also. So be assured that, you know, we'll have from different and it is a very plus point of the company that if any sector has any problem, we can shift to other sectors and that is one of the plus point of the company.

At present, what we have in 1800, the biggest order is the BSNL, you know, telecommunication towers, which is all across India we are supplying. So, they might, it might come from roads, it might come from highways, it might come from public infrastructure, it might come from renewable energy, power and transmission companies also.

Darshit Shah: Sir, any ballpark figure you can say, I mean, how much we have bid or what's the bidding pipeline looking like?

Salim Yahoo: See, the bidding pipeline might go above INR3000 crores also. Now it is only depending upon the success ratio that we might see or the pricing at which the bidding closes because we don't want to compromise on our margins also. So, we are comfortable at present. We have the entire full years also and we can push the other orders also. Not an issue.

Darshit Shah: Got it. Sir, on the new products line, you mentioned probably venturing into rolling mill and cables and wires and other products. So, if you can throw some more light on what new products we are looking at and secondly, on that front, what would be the product mix? Currently, we are more of a solar vertical heavy compared to other products. So, what that ratio would look like?

Salim Yahoo: See, speaking about the new products, let me first say that rolling mill will be a kind of a backward integration. It will also be a little bit raw material for my other products. Okay. But we are moving into a lot of other products. If you have seen our quarterly presentations or half-yearly presentations, we are getting into container manufacturing, we are getting into aluminium extrusions, onshore tubular towers, fasteners, then offshore tubular towers and cables and conductors.

So, we are getting into all these different products also at the same time. And the component or the proportion -- The proportion of, you know, the ratio of different products or the mix that is there depend upon the order book. So it might be, you know, this year if I am doing INR800 crores of BSNL telecommunication towers, so my telecommunication tower component will be higher in this year. Next year, I mean, depending upon the way we get the order book because

we have diversified into different products, so the mix is something which we can tell once we get the orders in hand.

Darshit Shah: And sir, the group company exposure would be what part? How much going ahead this year and...

Salim Yahoo: This year, out of INR1800 crores, 20 to 25% is only group companies. Rest all is outside.

Darshit Shah: Got it. Even going ahead, this ratio would be relatively lower compared to what we had this year and earlier years?

Salim Yahoo: See, cautiously we keep it lower only. But sometimes what happens, the group company requirement are urgent. So, at that time, we have to change this mix for the time period. But believe me, whenever we change this thing, there is an enough order, other outside orders also. But to accommodate the group company's requirement as they have projects or CODs which are lined up, for that purpose, we might keep on changing the mix.

Darshit Shah: Sir, my last question is on the royalty front. So, are we kind of continuing to charge 2% royalty?

Salim Yahoo: Yes, I mean, see, if you look at, SEBI has given guidance for 5% of royalty as per SEBI guidelines. But we are only giving 2%. And believe me, there is no, intra-company which is reduced from this royalty portion, top line. So, any intra-company and everything has reduced from this and the top line is only taken which is pure, top line which has been done by the company. That is taken into consideration. And which is only 2% of the top line of all the companies.

I understand, let me explain also that, that this royalty is not something which is a wealth. If you see, a lot of expenses, branding expenses for the KP Group brand are directly done by Dr. Faruk Patel. Just like if you have seen Delhi Capital and all, all these expenses are directly billed to the promoter.

So promoter does these expenses, whatever payment he gets, he does expenses and everything for creating the brand, for creating value into the brand is being done directly by the promoter. And that's the reason if you see, it is justifiable that the royalty goes towards so that he can further build the brand.

Darshit Shah: Sir, I got your point. From an investor's point of view, you know, that one of the major kind of drawback if you look at, you can do all the brandings internally through the companies, that can be obviously worked out rather than taking royalties from all the companies. On 2%, that's okay, but on absolute number, that would be like tomorrow we do INR3000 crores, that would be 60 crores on that.

Salim Yahoo: There are a lot of other companies, big listed companies which have taken royalty. There are some are taking 5%, some are taking. So anything that is built over a period of time, you need to have a lot of expenses that needs to be catered to, which, you know, if I keep on building to the company...

- Darshit Shah:** Sorry sir, but most of them are B2C companies. What you are talking about.
- Salim Yahoo:** Yes, but how can, how can you build, see, the brand is in the name of Dr. Faruk Patel. He is the owner of the brand. He has created the brand. I cannot do the expenses for that brand in the companies, no? How it will look on my books that I am building the brand which is owned by -
- so it has to go through that route only.
- Darshit Shah:** Got it. No point, sir. This was just one point I wanted to make. And obviously...
- Salim Yahoo:** It's good you asked. It helped me to give clarification to all the stakeholders that any expenses that is done from the royalty, it is towards building the brand, further strong, strengthening the brand, and for that purpose, this royalty is one of the factors. And since it is owned by Dr. Faruk Patel, it is -- the expenses has to go through his books only. It cannot go through the books of the company.
- Darshit Shah:** Sure, sir. Thank you so much for the clarification.
- Salim Yahoo:** Yes.
- Moderator:** Thank you. The next question is from the line of Suraj from Punyavarta Capital Ventures. Please go ahead.
- Suraj:** Moinul bhai, good morning. Congratulations for the excellent results.
- Moinul Kadva:** Thank you, sir.
- Suraj:** Actually, I want to ask two, three questions. Now, I have seen that we are going into cable and conductor sector. Is it for KP Group only or we are going to cater revenue from other clients also?
- Salim Yahoo:** Hello, hello. I couldn't understand your question because of, operator, can you mute others so that I can...
- Moderator:** Yes, sir.
- Salim Yahoo:** Yes, can you repeat the question?
- Suraj:** Yes. Now we are going into cable and conductor sector, okay. What drives you to go into that sector and what's our revenue generation target from that sector? Okay. And we are going into cable and conductor just to cater the KP Group only or we are expecting some revenue from other clients also?
- Salim Yahoo:** See, first of all, any business that I start, it is not with the mindset that I want to cater to. See, KP Green Engineering is a standalone company. There is no cross-holding. It is owned by the promoter. It is a separate company. In fact, it was the first company which Dr. Faruk sir started his entrepreneurship. So, anything that is, we start as a product, it is looked at the broader picture where the, how big the industry is.

We do a study that what are the requirement in the industry, then we look at our capability that are we capable of executing this. And if it is related to any of the product that we do. So, for example, cable, conductors, it is related to renewable energy. It is related to power and transmission companies. It is related to a lot of factors. So, from that point of view, it is not that, you know, we keep in mind that group company needs this and we are manufacturing. So that is clear.

Secondly, cable and conductor, if you look at, as I told you, these are, you know, the same industry is requiring. Like power and transmission company requires cable and conductor. So, I want to get into similar kind of products which are there. And it has the same, if you look at cables, conductors, somewhere, it's a manufacturing capability what they require is what we have at present also.

So, to increase our product line, helps us to diversify, it helps us to mitigate the risk that if any industry goes down, how will I survive. So, all those factors are taken into consideration. A deep study is done and only after that we get into new products.

Suraj: All right. So, this cable and conductor expansion is not only for our backward integration, but we are expecting some revenue out of it.

Salim Yahoo: Yes. It will be. First idea is to get a revenue out of it. And also, if it is required by the group company, we will supply them.

Suraj: Okay. And my second question is that now KPGEL and overall KP Group are expanding aggressively. So, what's our revenue target for KPGEL in 2030, we can say?

Salim Yahoo: 2030, see, our Honorable CMD sir has already given 40% to 50% growth year-on-year till 2030. But this year we have grown substantially, almost 100% we have grown, close to that. So, year-on-year we will grow with a minimum target of 40% to 50% till 2030. If we are capable, we will do more also.

Suraj: All right. And what's the order book in pipeline for KPGEL right now? Apart from this 1831 current order book.

Salim Yahoo: See, 1831 current order book that we have, no? And other things are in pipeline where the orders are not confirmed. But as I told you, there is more than INR2000, INR3000 crores of pipeline where we are at discussion stages, various discussions.

Suraj: Okay. Thank you.

Salim Yahoo: Thank you.

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

Aniket Panda: Hello, sir. Good morning. My question is regarding like KPGEL, the top line which was reported, H1 was comparatively better year-on-year than the H2. So, was there a problem like

utilization problem or the war impact because of which it happened? And what is the company's plan to -- future plans to expand the utilization? Like is there any plans for that?

Salim Yahoo: See, there has been impact, as I told earlier in my answer that there has been fuel impact which we had to cater for this. But if you look at the overall growth for H2 is also substantial. It's not that it is. But sometimes what happens, the order book that we are executing, some are at various stages and we are able to bill only in the second quarter.

Sometimes, even the companies say that, because of trying to maintain their cash flow for GST payments and everything, so they say that, bill me in the second half or bill me in the first half or during the September or something. So that kind of, but from execution point of view, there was a little bit, hurdle because of the fuel or you can say the gas for the galvanizing and all those things that we had faced a little bit.

Aniket Panda: Okay, sir. And like the future plan to expand the capacity, is there any plan? And like will the company diluting the equity or like taking the debt? Because the debt also has -- finance cost has increased very much this year, like 400% as per I have done the research.

Salim Yahoo: Okay. See, first of all, the future plan, as I already explained, we might get into a little bit backward integration like rolling mills or something, which is still, I mean, at a discussion stage internally. As far as the debt is concerned, if you see long-term debt has not increased. It's only short-term because the top line has increased, so working capital requirements have increased. And to stock up because of the geopolitical condition, we have taken limits so that we can stock up the stock.

That was the reason because of which that, the cost to maintain that, profitability and everything, we have stocked up and we have taken working capital. But as far as the expansion is concerned, I mean, if you look at long-term debt to equity is way low compared to any other competitors in the industry.

Aniket Panda: And about the plan sir, would you like to enlighten us?

Salim Yahoo: Plan about the expansion as I told you know, we might get into rolling bills or something which is a backward integration where it will be a raw metal for the existing products and everything. So, we might get into that but still it is at a nascent stage.

Aniket Panda: Okay. Thank you so much sir.

Salim Yahoo: Thank you.

Moderator: Our next question is from the line of Sheo from Tech Funda Advisors. Please go ahead.

Sheo: Sir, my first question is that we heard that we are sponsoring the cricket team. Who is spending that money? Is the promoter Mr. Patel spending that money?

Salim Yahoo: Yes, see we are not sponsoring the team. We are -- we have taken an associate sponsorship by which our name will be on their helmets and everything that is clearly mentioned and this is

directly -- because it is a brand which is getting sponsored that KP Group is doing it. It is not any one company. So, the brand sponsorship and everything is directly expense out by the promoter himself because he is the owner of the brand. He is the owner of the KP Group.

Sheo: So, Mr. Patel is spending that money, right?

Salim Yahoo: Yes.

Sheo: Okay sir. Other question is that I know that we are a growing company but any plan to make this company as a debt-free company and by when?

Salim Yahoo: You need to understand that making it a debt-free we are at an expansion. We are at a growing phase. Now as we know that debt is very easily available and it is less costlier compared to equity. So, for becoming debt-free, I need to dilute and all. So, at present, we are not, because we are growing substantially, we have good credibility in the market, we get debt easily.

So, I would not at present do anything that is -- if there are plans of getting into that, we'll let you know as and when we decide on. At present, there is no such plan of getting debt-free. We are growing very fast and we need capital so that we can expand ourselves, take more market share in these kinds of products that we are there.

Sheo: Okay, sir. Good luck, sir. Thank you very much.

Salim Yahoo: Thank you.

Moderator: Thank you. The next question is from the line of Krishna Yoga from Family Fund. Please go ahead.

Krishna Yoga: Am I available, sir?

Moderator: Yes, please go ahead.

Krishna Yoga: Sir, first of all, congrats for the great number. Sir, just a little more clarification on the bidding pipeline. You said 3000 is a pipeline. So, what is our success winning ratio in that sense?

Salim Yahoo: You are saying the pipeline, the tenders. As I told you, success ratio depends upon a lot of factors. But at present we have around 60 to 70% of success ratio in our tender business.

Krishna Yoga: Okay. Can you give me percentage terms in which sector we have more PV or is it more solar?

Salim Yahoo: See, different sectors have different requirements. Like at present we are more inclined towards power and transmissions. And if you see, second in line will be the telecommunication this year. And then comes roads and highways and everything.

Krishna Yoga: Okay. Just to understand the margin structure. So, sir, also in the H2 you have given a very good margin. So, are we going to -- I know you mentioned that 16 to 20. So, it also depends upon the

product mix. So, the reason for asking because some products are having a higher margin and some are having a lower margin, right?

So, in this current order book, because we have more for the BSNL. So, can we expect a good amount of margin in the FY27 since we have a good margin lucrative order book?

Salim Yahoo:

Yes. As I told you, the margin depends upon the product mix. And as you are right that majority of the order this year getting executed is the BSNL which is the biggest order. We try to maintain our margin. We try to maintain. Because if you see, our margin is one of the healthiest margin in the industry.

And because of various customization, because of various economies of scale that we achieve because of various product diversification that we have done. So, all these factors help me to maintain the margin. As far as I told you, the range we will try to maintain the range of 16% to 20%. What we have been done historically also.

Krishna Yoga:

Okay. Got it, sir.

Moderator:

Next question is from the line of Sriram Shah from KPK Engineering. Please go ahead. Mr. Shah, your line is unmuted. Please ask your question. As there is no response from this line, we will move on to the next question. It's a follow-up from the line of Pankaj from Axis Capital. Please go ahead.

Pankaj:

Yes. Hi. I have just two follow-up questions. One was on the debt which largely you have answered. What I understood is that you have taken working capital limits and I assume these are all from banks and not from venture debt kind of setups.

Salim Yahoo:

Yes. I'll answer one by one. So, we don't take any high-cost debt. My average cost of borrowing will be somewhere into 8.5% to 9%. So, I don't take any high-cost debt. I don't take from any venture capitalists. We have a very good credibility. We have a rating of A category. So, all the banks are very keen to fund us, to fund our working capital. Yes. Second question.

Pankaj:

Perfect. Thank you. Can you just clarify to somebody that cash equivalents, you have done some kind of reclassification. Can you please explain that and you mentioned that as per Index you had to do that. So, can you just put little more color on that?

Salim Yahoo

So, cash equivalent, earlier we used to classify all the FDs and everything into cash and cash flow. That is the current assets. Now, what the classification has been done is that any FDs which are more than one year, it will not be part of the current asset. It goes into other financial assets in the fixed asset part. So, that's why the bifurcation that you are seeing. I hope that because it's a long-term FD. So, it has to be bifurcated into other fixed assets.

Pankaj:

Okay. If I have to look into my equivalent of FY25 numbers, so what would that number would be for FY26?

- Salim Yahoo:** See, if you look at other financial assets in my balance sheet which is around 58, right? So, the other financial asset which is at around INR59 crores, which was earlier also. The same bifurcation has been done in FY25. It is around INR52 crores. So, same amount of FDs were there earlier also. We have reassessed the classification in the previous year in the financials also.
- Pankaj:** Okay. So, effectively, the numbers which are coming as part of the outcome from cash flow is the real number. So, it's not a classification issue that we have actually generated INR9 odd crores in this financial year, right?
- Salim Yahoo:** Cash flow, just a second. Cash flow, I think we have generated more than that. Cash flow from operations is 155.
- Pankaj:** From operations, it's 155.
- Moinul Kadva:** Yes, 155. It did not have impact in the cash flow because anyway, it isn't part of an operation. See, balance sheet has a classification of more than one year and everything. Cash flow doesn't have that classification.
- Pankaj:** Okay. Got it. Thank you. Thanks for clarifying that.
- Salim Yahoo:** Yes.
- Moderator:** Thank you. The next question is from the line of Vinay from Niche Capital Management. Please go ahead.
- Vinay:** Yes. Thanks for the opportunity. Can you hear me, sir?
- Salim Yahoo:** Yes, sir. Yes.
- Vinay:** Thank you. There are other current liabilities in the balance sheet which is a big part of a balance sheet as a source of funding. Can you please comment on the broad composition of the same? And also, like your working capital days, can you please clarify on the normalized working capital in terms of inventory days, debt days, and credit days going ahead? Thank you.
- Salim Yahoo:** Okay. Other current liabilities, if you see, it's mostly discounting facilities on TReDS and everything which is included. It's a kind of working capital that we take and whereby, my creditors and everything, they go and get their bills discounted for a period and we pay that. So, the trades platform like exchange and everything are part of this. And the second question was on the...
- Vinay:** Working capital.
- Salim Yahoo:** Working capital. There is improvement in the debtors' working capital days. It's only the inventory, as I told you. The inventory has been we have stocked up inventory because of the geopolitical conditions. So, we have utilized all our working capital limits so that we can stock up inventory so that my operation should not hamper. So, that is, and my profitability should not

hamper. So, that's the reason. If you see, the inventory days have increased substantially. The others have improved compared to previous. So, in the cash conversion cycle, there are around 150 days, which is as per the industry. You know, you have some cycles, 2.3, 2.5 cycles in such cases.

Moderator: Thank you. The next question is from the line of Vaibhav Surya from CFM. Please go ahead.

Vaibhav Surya: Hi, thanks for the opportunity again. Sir, I wanted to understand certain things like what is that one thing that is unique in KPGEL that is not in other manufacturing companies? Like what is the competitive advantage we have over them?

Salim Yahoo: So, the USP of my company, KP Green Engineering, as I told you, it's the product diversification, is the different segment that we cater to. I have different products, different segments. This gives me an upper hand compared to. So, if you look at other companies, either they are into telecommunication towers or they are into evacuation towers.

They are pure player of you can say that they sell the, you know, kind of a, they go on tonnage and everything. We don't go. We do customization. We do product diversification. And that is the plus point and that is the plus point because of which we have these strong margins that we have in this financial year also.

Vaibhav Surya: Okay, understood. And sir, is there any plans to like venture into more of niche power equipment segment? Like there has been a huge demand in the -- because of data centers and all of niche power equipment. So, what are the plans going forward for that?

Salim Yahoo: See, as I told you in the future segment, we are also into containers. So, it will battery containers which are required for the data centers. So we have kept our eye on these kinds of segments which are also coming up. And we'll surely look that, any kind of product requirement over there, we'll get into that and we'll supply those kind of products also. So, we have that in plan.

Vaibhav Surya: Got it. And one more thing from my end. The INR3000 crores pipeline, so when is it expected to close? Like when can we expect orders from that?

Salim Yahoo: See, these are tenders where we are bidding all across different segments and sectors. So, this depends upon by when -- whether it's government institution, whether individual private companies, who will close the tenders. But year-on-year, if you see that whenever we come, for this year we have 1800, we'll throughout the year we'll get an order book which will be part for this year and there will be part again for the next year. So, we build up our order in hand through these pipelines. So, most of them will come this year, which will be executed partly this year and partly next year.

Vaibhav Surya: Got it. And sir, one thing is there that the debt has substantially increased compared to revenue. Like the revenue has increased around 80% and the debt has increased 4x, the interest cost. So, I assume this is due to the inventory buildup, I understand that as well. But can we expect this to like go down going forward or like is this the new normal compared to the revenue?

Salim Yahoo: See, naturally, because of the geopolitical condition, inventory has been piled up. Once we have this condition smoothened, automatically we will not start piling up. Because for me, biggest concern is the uncertainty. It is not, because we have credibility, we get debt in the market.

In absolute term, it will be very less compared to the top line growth. But I can understand in percentage term it is bigger, but that is required because this is the need of the hour that I need to stock up the inventory because I don't want any disruption in my execution or the manufacturing facility.

Vaibhav Surya: Understood. So, we can expect it to go below compared to revenue like in previous years.

Salim Yahoo: Proportionately, your stock will automatically, as the condition smoothenes, the geopolitical issues get resolved, we will surely, it lowers stock compared to what percentage at present we are at.

Vaibhav Surya: Understood. And the other income has also, like in H2, the other income has reduced from INR4 crores to zero. So, like what can we expect in the next financial year for this, like FY27?

Salim Yahoo: See, last year, if you see, we had an IPO fund and because of which had every interest of those IPO. That was utilized for the capex purpose and that's why you see the FD interest has reduced what was earlier.

Vaibhav Surya: Okay, okay, understood. Thanks for answering my questions. All the best for the future.

Salim Yahoo: Thank you.

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

Darshan Mehta: Yes, Sir, I have a question. KPGEL got listed two years ago. So, what is the next plan? I mean, when can we expect the migration from SME to the Main Board?

Salim Yahoo: Regarding the current conditions for the Main Board -- once our specific requirements are fulfilled, we will proceed to list the company on the Main Board. You have already observed our other companies, such as KP Energy and KPI Green. Subsequently, as soon as the necessary conditions -- specifically the criteria laid down by SEBI -- are met, we will move forward with listing the company on the Main Board.

Darshan Mehta: Okay sir. The criterion is two years -- and since those two years have passed, that is why. Alright, sir.

Salim Yahoo: No, no -- I think we'll have to check the criteria. I believe it's that three-year criterion.

Darshan Mehta: Okay. Thank you, thank you.

Moderator: Thank you. The next question is from the line of Harshad Jain, Individual Investor. Please go ahead.

Harshad Jain: Yes, hi. First of all, congratulations for the good set of numbers. I just want to know that since you mentioned that you have a lot of inventory piled up. So how are the things looking in the first half of the current financial year, like for two months, April and May? Is this inventory moving out or is it still stuck?

Salim Yahoo: See, inventory is not something which I can assure you. It is not an inventory which is kind of off the shelf, it might get stale or something. So, it is a steel and everything. We might utilize it this quarter, next quarter. As I told you, my major concern is the fuel. Fuel that is required to power the galvanizing plant, that is required for the machinery and everything, that is more important. Because of the geopolitical condition, as we are aware that fuel is a big concern.

So from that point of view, we will try to maintain good execution. But also, I mean, it depends upon the conditions around the factors which are impacting the manufacturing facility that are to be seen at the same time. Because also the industry which we are going to supply or the customers, they might also say that please hold on to my order for some time or something because there might be some disruption at his end also. So, all these factors have to be taken into consideration.

Harshad Jain: Okay, thank you. Thank you.

Moderator: Thank you. The next question is from the line of Manak Shah. Please go ahead.

Salim Yahoo: Hello. Yes, hi. Actually, our order book is of rupees INR1800 crores as shown in PPT uploaded by you. As on 31st March 2026. And the order we received as on 1st May 2026 is of INR500 crores. So as per me, the total order book is of INR2300 crores as on today. And you just answered one guy that our order book of INR1800 crores includes this INR500 crores. Then can you please clarify on this?

Salim Yahoo: There are various stages of orders. Like, you know, when we win the order, we might calculate that order. But after that, there is an LOA which we receive after some time, letter of award and everything. So sometimes you win the tender, sometimes you get the LOA later on. So, till we don't get the LOA, we don't mention in the BSE that we have received this order.

But in our PPT, we take that these are the orders which we have already won. It's only the process that has to be completed. From that point of view, there will be a little bit, you know, what we say, differences between what you are thinking and what it is being shown in the PPT.

Manak Shah: Okay. Yes, got, got. Thank you.

Moderator: Thank you. The next question is from the line of Sparsh Akar from Ekamya Capital. Please go ahead.

Sparsh Akar: Yes. So, my follow-up question is that how much of the INR1800 crores order book is internal versus external? Like internal as in the KP Group orders.

- Salim Yahoo:** Yes. So, 22% to 23% is internal and rest all is external. Majority is the BSNL telecommunication towers.
- Sparsh Akar:** Understood. And right now our capacity utilization is around what, 30% or something? As you mentioned, you know, the capacity...
- Salim Yahoo:** Yes, yes. 30% to 34% is my present capacity utilization.
- Sparsh Akar:** Understood. So, I mean, given the large order book we have, can I get an idea, approximate idea of what the capacity utilization is going to look like in FY27?
- Salim Yahoo:** See, if I look at this order book, we might go to 40%, 55%, 60% this year with the growth.
- Sparsh Akar:** Okay. Understood. Just a follow-up question, a curious question. I mean, in such businesses, why do we have such large, let's say capex when our utilization is low already? We can do the capex and increase the capacity utilization a little later on as well when we see the demand being forecasted in such a situation.
- Salim Yahoo:** See, you have to understand that. Yes, I understand. That's the question, right? Why we did such a big capex, okay?
- Sparsh Akar:** Yes, beforehand. I mean, definitely we are going to grow later.
- Salim Yahoo:** Yes, I understand. If you go a little back, we did capex from what? From our IPO. Okay. It was the biggest IPO in the history of entire BSE SME. Till date, it is also INR190 crores. We did IPO from the point of view that we have to go. I cannot come after two years that, again I will come up with some funds or something, I will come up with an IPO or something. So when we do equity infusion or we do capex through equity fund raising, at that time you have to take a long-term vision.
- Because even the IPO or the investors will not see that why you are taking for one or two years. After that, what you will do? So you have to keep in mind that when we look at it is at a horizon of four to five years. After that, again we'll look at it. But at the same time, small capex also if it is required, some diversification, we do that. But whenever an equity infusion is done and it is done with a long-term vision, it's not with a short-term vision. So that is the answer.
- Sparsh Akar:** Understood, understood. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Vaibhav Surya from CFM. Please go ahead.
- Vaibhav Surya:** Hi, thanks for the opportunity again. Sir, you were talking about something related to data centers. So can you please elaborate like what is the vision for KP Green in terms of data centers and all?
- Salim Yahoo:** See, data center is, I can say it's the talk of the town. Data center requires power and everything. Green power is preferential by data centers. And for that, our group companies, KPI Green

Energy Limited is also in discussion. KP Energy is also in discussion. Now, whatever the material requirement for data centers, we are getting into that also for KP Green Engineering.

Just like, you know, containers for battery cells and everything. So all those, if we get into any particular segment, we want to see that we give end-to-end solution for the segment, anything that is required. So just like if I give an example, renewable energy.

When we got into renewable energy, we provide MMS structures, we provide evacuation towers, we provide, we build substations. So, all this end-to-end solution is provided. So that's why we, whenever we look at a segment, we look at that I can give the maximum product for the segment and then only I can add value and I can demand a better margin.

Vaibhav Surya: Okay, fair enough. And sir, can you please start reporting quarterly numbers from this financial year? It will be very helpful for us to understand about the business.

Salim Yahoo: See, as per SEBI guidelines or the BSE SME guidelines, we will have to do half-yearly. But I mean, we have thought, but I think shortly we'll go into main board. So, I think we'll start getting that also. Not an issue. But half-yearly is something which is compulsory, we do that.

Vaibhav Surya: Okay, okay, right. And sir, one more thing is there. You mentioned that the utilization might range from 45% to 60% this year. So next year, I assume that that would be around 60% to 80%. So, we will require next leg of big capex like previously done from 4x capacity like from 1 lakh metric ton to 4 lakh metric ton.

Salim Yahoo: Yes, see, utilization this time was around 30 odd percent, 30 to 34. Next year, for this financial year, we will have approximately 50% to 60% max. Then next one more year. Post that, in the meantime, we are adding small, small capacities wherever we see some diversification we will also add to the capacity. So nevertheless as we go forward we will take into consideration what is the additional business that might come and accordingly we will adjust our capacity that we can.

Vaibhav Surya: Okay, understood.

Moderator: Thank you. The next question is from the line of Prateek Chaudhary from Saamarthya Capital. Please go ahead.

Prateek Chaudhary: Sir, sorry for joining the call late. But I just have one question. We have already clocked 20% EBITDA margins for FY26. Do you think this will be a sustainable number going ahead as well, despite all the cost pressure increases that we might be seeing due to war and other reasons?

Salim Yahoo: Yes, so Pratik, I already said in my answer also that the margin is in the range of 16% to 20%. So, we'll try to maintain that margin. But looking at the situations, I mean, there might be other shocks which we have to bear going forward, fuel cost availability cost and everything. So, we will try to maintain, but we cannot assure that whether the 20 will be maintained. But the range is something that we try to maintain. And this is because the diversification of the products that we do, different segments that we cater to.

Prateek Chaudhary: Right. And usually raw material costs are a complete pass-through for you, right? You completely pass them on.

Salim Yahoo: See, in bigger contracts and everything, clear cut raw material condition is that if there is any escalation more than 5%, it is passed on to the customer. In other contracts where we don't have, we already have piled up the inventories or we have taken inventory on our books so that we don't have hit on the margins. So, we take all kind of steps or we hedge from all different ways so that we don't get a hit on the margin.

Prateek Chaudhary: All right. And just a suggestion, just as the previous participant said that if from this year, this financial year itself, if we can go to quarterly financial results, that will be really helpful because six months is a long time. And that will be really nice for us to prepare investors also for our listing for main board listing. So, if that can happen by FY27, that will be really helpful, sir.

Salim Yahoo: Yes. See, we'll look at the various compliance and everything whether we can do or not. And we'll surely take your suggestion and we'll discuss this in the board also.

Prateek Chaudhary: Sure. Okay. Thank you, sir.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to the management for closing comments.

Management: I would like to thank to all the participants for their active participation in this call. We hope that our reply was to your satisfaction. And I would look forward to have your continued support and trust in the company and company's operations. Thank you very much.

Moinul Kadva: Thank you very much, sir.

Moderator: On behalf of Share India Securities Limited, that concludes this conference call. Thank you for joining and you may now disconnect your lines. Thank you.