25th July, 2026

To,	To,
Listing Department	Listing Department
BSE Limited	**National Stock Exchange of India Limited**
Phiroze Jeejeebhoy Towers	Exchange Plaza, C-1, Block G
Dalal Street	Bandra Kurla Complex
Mumbai – 400 001	Bandra (E), Mumbai – 400 051
Scrip Code: 544527	**Symbol: ATLANTAELE**

Subject: Submission of Transcript of Earnings Call
Ref.: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In continuation of our intimation dated 17th July, 2026 regarding Earnings Call, Financial performance for Q1 FY27 organized by the Company, please find enclosed herewith the Transcript of the said meet held on 22nd July, 2026.

The same is also being made available on the Company's website at www.aetrafo.com

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Atlanta Electricals Limited

TEJALBEN SAUNAKKUMAR PANCHAL
Digitally signed by TEJALBEN SAUNAKKUMAR PANCHAL
Date: 2026.07.25 16:13:11 +05'30'

ATLANTA ELECTRICALS LIMITED V.U. NAGAR

Tejal S. Panchal
Company Secretary & Compliance Officer

Encl: As Above

"Atlanta Electricals Limited

Q1 FY27 Earnings Conference Call"

July 22, 2026

MANAGEMENT:	**MR. NIRAL KRUPESHBHAI PATEL – CHAIRMAN AND MANAGING DIRECTOR – ATLANTA ELECTRICALS LIMITED** **MR. AKSHAYKUMAR MATHUR– CHIEF EXECUTIVE OFFICER – ATLANTA ELECTRICALS LIMITED** **MR. MEHUL MEHTA – CHIEF FINANCIAL OFFICER – ATLANTA ELECTRICALS LIMITED** **MR. ANAND SHARMA – CHIEF OPERATING OFFICER – ATLANTA ELECTRICALS LIMITED**
MODERATOR	**MR. MOHIT UPADHYAY – ADFACTORS PR**

Moderator: Ladies and gentlemen, good day and welcome to the Atlanta Electricals Q1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Mohit Upadhyay from Adfactors PR. Thank you and over to you, sir.

Mohit Upadhyay: Thank you. Good morning and a very warm welcome to Atlanta Electricals Limited Q1 FY27 earning conference call. Joining us today are Mr. Niral Krupeshbhai Patel, Chairman and Managing Director, Mr. Anand Sharma, Chief Operating Officer, Mr. Akshaykumar Mathur, CEO, and Mr. Mehul Mehta, CFO.

Before we begin, I would like to remind participants that certain statements made during this call may be forward-looking in nature and are subject to risk, uncertainties and assumptions. These should not be relied upon as guarantees of future performance. I now invite Mr. Mehul Mehta, our Chief Financial Officer, to take you through the financial highlight for Q1 FY27. Thank you and over to you, Mehul sir.

Mehul Mehta: Thank you, Mohit. Good morning, everyone. I will now take you through our financial performance for the first quarter of FY27. We are pleased to begin FY27 on a strong note, building on momentum established during FY26. Our Q1 performance reflects the successful execution of our expansion strategy, improved manufacturing capabilities, and sustained demand across the transmission and distribution and renewable energy sectors.

During the quarter, consolidated revenue from operations grew by 48% year-on-year to INR466.33 crores compared with INR315.11 crores in Q1 FY26. This strong growth was primarily volume-driven, supported by the commissioning and ramp-up of our new manufacturing facilities, which significantly expanded our production capacity.

Healthy execution of domestic orders and improved capacity utilization across our plants also contributed to this performance. Importantly, there were no material changes in pricing or product mix, with the growth largely attributable to increased production capacity. On the profitability front, gross profit increased by 55.5% year-on-year to INR127.20 crores.

While gross margin improved by 130 basis points to 27.3% from 26% in the corresponding quarter last year. This improvement is structural in nature and reflects better operational efficiency and a gradual shift towards higher-value products, including increased production of the 220 kV class.

EBITDA for the quarter stood at INR77.10 crores, representing a 58.1% year-on-year increase, with EBITDA margin expanding to 16.5% compared with 15.5% in Q1 FY26. The margin expansion was driven by operating leverage as our higher production volumes were absorbed across the expanded manufacturing base, along with the continued improvement in product mix.

Profit after tax grew 50.4% year-on-year to INR46.84 crores, while PAT margin improved to 10%. Earnings per share increased by 40% year-on-year to 6.09 per share, reflecting the company's ability to translate revenue growth into higher shareholder earnings. Before I move ahead, let me briefly touch upon the sequential performance.

The first quarter is typically a softer quarter for our business, as most customer tenders are floated during the initial part of the financial year, while order execution and revenue recognition are generally stronger during the second half, particularly Q3 and Q4. In addition, as our products are capital goods, customers often accelerate procurement towards the end of the financial year to utilize their annual capital expenditure budgets.

Accordingly, revenue and profitability moderated from the exceptionally strong fourth quarter of FY26. Revenue declined by 37.6% quarter-on-quarter, while EBITDA margin normalized from approximately 20% in Q4 FY26 to 16.5% in Q1 FY27. Similarly, PAT margin moderated from 13.7% to 10%. Despite this seasonality, our profitability continues to remain healthy and has shown strong year-on-year improvement.

Our manufacturing operations also continued to scale up across all facilities. Against an aggregate installed manufacturing capacity of 63,060 MVA, we recorded sales-based capacity utilization of 4,381 MVA during the quarter. Employee benefit expenses increased during the quarter as we strengthened our workforce to support our expansion of manufacturing systems.

These additions were made proactively in anticipation of the future business growth as our new facilities continue to ramp up and contribute higher revenues. Employee costs are expected to normalize as a percentage of sales. Similarly, while absolute operating expenses increased alongside the growth in business, other expenses actually declined as a percentage of revenue, demonstrating improved operating leverage and enhanced cost efficiency.

On the input cost front, raw material prices continue to witness upward pressure due to the prevailing geopolitical environment. We expect this trend to persist over the coming quarters. However, given the nature of our contracts and customer relationships, we have been able to pass on a significant portion of these incremental costs, helping protect our margins.

Turning to the balance sheet, inventory levels increased during the quarter as we strategically stocked raw materials to support production ramp-up and our newly commissioned facilities and ensure timely execution of our strong order book. The inventory build-up also reflects planned procurement aligned with project execution schedules and measures taken to mitigate potential supply chain disruptions.

Our working capital profile remains stable. As of the end of the quarter, net working capital stood at 72 days, with inventory days at 105, receivable days at 88, and payable days at 110. This translates into a cash conversion cycle of approximately 83 days, which remains broadly in line with the previous quarter, reflecting disciplined working capital management despite the increase in business scale.

Overall, the first quarter demonstrates that the investments we have made over the past year are translating into sustainable growth. Our expanded manufacturing capacity is beginning to deliver meaningful operating leverage, our margin profile continues to strengthen, and demand across our key end markets remains robust. With that, I would now like to hand over the call to our Chief Operating Officer, Mr. Anand Sharma, who will take you through the operational performance and key business development during the quarter. Over to you, sir.

Anand Sharma: Thank you, Mehul. Good morning, everyone. I will now take you through the operational highlights and business developments for the quarter. We continue to witness healthy demand across our key end markets during the quarter, supported by sustained investment in transmission and distribution, renewable energy, and industrial applications.

This was reflected in our order inflow and continued execution across our manufacturing facilities. We have had a record order inflow and order book during quarter one of '27. The company recorded its highest-ever quarterly order inflow of INR972.42 crores. This strong order booking increased our outstanding order book to INR3,116.63 crores, which is 3,116 crores as on 30th June 2026.

Providing healthy revenue visibility and reinforcing the robust demand environment across transmission and distribution, renewable energy, and industrial applications. The executable portion of this order book continues to support our production planning and execution schedule.

Among the key orders secured during the quarter were a INR291.68 crores order from RVPNL, which is the Rajasthan utility, for the supply of 160 MVA, 50 MVA, and 31.5 MVA power transformers, and a - INR285.15 crores order from the Punjab State Utility, PSTCL, for the supply of 23 numbers of 160 MVA 220/66 kV power transformers.

These orders further strengthen our presence in the high-capacity transformer segment and underscore our execution capabilities in serving leading state transmission utilities. Our order book also continues to evolve towards higher capacity products. Today, transformers rated 220 kV amounts to over 55% of our total order book.

While 400 kV transformers and reactors contribute nearly INR275 crores, demonstrating the continued progress we are making in the extra high voltage, which is EHV, range of transformers. From the execution perspective, power transformers continued to remain our largest revenue contributor during the quarter, accounting to nearly 79% of the revenue.

Auto transformers, inverter duty transformers, and other products contributed the balance. From an end-market perspective, transmission and distribution contributed approximately 66% of revenue, followed by renewable energy at around 19%, with the remaining contribution coming from thermal power and other industrial applications.

This diversified mix continues to provide stability to our business while allowing us to participate across multiple growth segments. During the quarter, we also made steady progress in strengthening our manufacturing and technology capabilities. We also continued to make meaningful progress in strengthening our high-voltage transformer capabilities.

During the quarter, our Vadod facility Unit 4 received the prestigious Power Grid approval for the manufacturing and supply of 400 kV class transformers, marking an important operational milestone. We also participated in the PGCIL vendor development program for 500 MVA 400 kV transformer tender, reflecting the progress we have made in expanding our engineering and manufacturing capability.

In addition, engineering activities for the 315 MVA transformer order secured last year have been completed now. Manufacturing of the first unit is expected to commence over the next couple of months, followed by the mandatory short-circuit test, which we are planning to do in early next part of the quarter.

Subject to successful completion of these tests, we expect to execute the balance order quantity within this particular financial year only. While these developments represent important operational milestones, we expect meaningful commercial contribution from 400 kV transformers portfolio to commence from next financial year.

Our focus during the quarter remained on strengthening our manufacturing capability and ensuring timely execution of our growing order book. As we continue to scale our operation, we remain committed to enhancing operational efficiencies and preparing our facilities for the next phase of growth.

Our capacity expansion program continues to progress as planned. Construction activities at our dedicated inverter duty transformer manufacturing facility are advancing well, and we remain on track to commission the facility before the end of current calendar year. Once operational, this will add approximately 5,000 MVA of manufacturing capacity.

And further strengthen our ability to cater to the growing demand from renewable energy sector, battery energy storage systems, and EV charging infrastructure and other emerging applications. We are also making steady progress on our tank and radiator manufacturing facility as a part of our backward integration efforts, which this facility is going to come adjacent to our Vadod facility.

This initiative is expected to enhance supply chain reliability, improve product quality and consistency, while reducing the dependence on the external vendors and support our long-term cost efficiency. Overall, we remain focused on executing our healthy order book, strengthening our manufacturing ecosystem, expanding our technological capabilities, and maintaining high standards of operational excellence as we prepare for the next phase of the growth.

With that, I would now like to hand over the baton to our CMD, Mr. Niral Patel. Over to you, sir.

Niral Patel: Thank you, Anand bhai. Good morning once again, everyone. As both Mehul Bhai and Anand Bhai have highlighted, we have commenced FY27 on a strong operational and financial footing. More importantly, the quarter reinforces our confidence in long-term opportunities emerging across the Indian power infrastructure sector.

The transformer industry continues to benefit from a structural demand environment driven by sustained investments across the power value chain. We believe it is not a cyclical upturn but a multi-year investment cycle supported by expansion in transmission network, renewable energy integration, battery energy storage systems and industrial electrification, railway electrification and rapid growth of data centers.

This trend is expected to drive significant investment in grid infrastructure over coming years and create long-term opportunities for transformer manufacturers. At Atlanta Electricals, our strategy remains focused on moving up the transformer value chain, while strengthening our manufacturing and technological capabilities.

Over the last few years, we have consistently invested in expanding our product portfolio, enhancing manufacturing infrastructure, and developing capabilities in higher voltage transformer categories. These investments are gradually translating into stronger business mix, improved operating leverage, and higher quality of earnings.

A key strategic priority for us remains the development and commercialization of 400 kV and 765 kV transformer platforms. These products will significantly expand our addressable market, enable us to participate in larger transmission projects, while order sizes are substantially higher and the execution cycles provide greater revenue visibility.

With these long-term gestation opportunities, we believe they will play an important role in our next phase of growth. Alongside strengthening our domestic franchise, we continue to focus in building our international business. Our export strategy remains centered on expanding our presence across Europe and Africa, and now to a certain extent United States as well.

We continue to engage our customers in these markets and remain well-positioned to obtain necessary customer-specific approvals and certifications as projects progress. Over the medium term, we aspire for exports to contribute approximately 15% of our revenue, helping us diversify both our customer base and our geographical footprint.

With respect to the recent policy pertaining to Chinese power equipment manufacturers to participate in PSU tenders through Indian manufacturing facilities, we have not observed any material impact on pricing discipline, bidding intensity, or overall market dynamics. At this stage, we believe it is too early to assess the long-term competitive implications, and we will continue to monitor developments closely.

Based on the tenders executed so far, we do not foresee any immediate disruption in the industry. Looking ahead, our priorities remain clear. We continue to focus on executing our healthy order book, increasing capacity utilization across our facilities, expanding export footprint, strengthening backward integration.

Advancing our capabilities into EHV and ultra-high voltage transformer segments and maintaining discipline across the business cycle. At the same time, we remain committed to delivering sustainable growth, improving profitability, and creating long-term value for our stakeholders.

With that, we conclude our opening remarks, and we are now happy to open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. We take the first question from the line of Mihir Manohar from Trust Mutual Fund. Please proceed.

Mihir Manohar: Yes, hi. Thanks for giving the opportunity. Congratulations on great set of numbers, very good numbers over there. Sir, largely wanted to get a sense -- when I see two large capacities are expected to commission in coming next three to four months, almost 60,000 MVA kind of a capacity mainly on the 400 kV side.

So I mean, I understand that gross margins have expanded this quarter, EBITDA margins have also expanded. But on the incremental order inflow that we are having, do we see some moderation in gross margins over there because these capacities are expected to start? How to understand that, sir?

Niral Patel: Good morning, Mihir bhai. So as far as I understand, I mean, your voice wasn't clear, but as far as I understand, you're asking about the capacity utilization and the margin expansion coming in near term, forward term, right? Is what I understand clearly?

Mihir Manohar: No, no. So my question was -- so next three to four months, almost 60,000 MVA capacity, new capacity is expected to commission. I mean, this is from CG Power and Transformer Rectifiers. So with industry adding this capacity, do we see moderation in incremental order inflow, moderation of margins in the incremental order inflow for us, or at this stage the demand is strong enough for us to maintain the margins?

Niral Patel: So far, sir, we have witnessed the highest possible order inflow in quarter one in the first quarter in at least the last two to two and a half years. So we don't see any impacts on the order inflow, neither do we see any correction on the pricing terms when we consider Atlanta Electricals. Nothing of that sort is visible in the market.

Mihir Manohar: Sure. Second question was on the 765 kV. I mean, what is the status over there? We were looking for approval from PGCIL. What is the operational update over there?

Niral Patel: The approval process is in place. We are in very advanced talks with our technical partner. As soon as we close the agreement, I think the approvals will be a fast-track mechanism.

Mihir Manohar: Okay. So broadly, should we expect end of second quarter for us to have approval from PGCIL for 765 kV?

Niral Patel: Certainly.

Mihir Manohar: Okay. Sure. And just my last question was on this power transformers versus distribution transformers. I mean, distribution transformers are reporting moderating in margins versus power transformers across the board, that is not happening. Just your take on this would be helpful, sir, just to get a sense, why is that happening? Because the raw material is same. I agree that the end-user category is different and number of players are different, but just a broader take of your view would be quite helpful, sir?

Anand Sharma: So the distribution market is entirely different than the power transformer market. The competition profile in power transformer market is entirely different than the distribution market. Since we are not present in distribution market segment, it would not be fair on our part to make any comment, while we can reconfirm that in case of power transformers, the growth remains steady and let's say improving as we are talking. So that's the market we are present and we really are confident that the growth we are witnessing shall continue for quite some time.

Mihir Manohar: Sure. That's it from my side. Thank you very much, sir.

Moderator: Thank you. We take the next question from the line of Kunal Mehta from Incred Equities. Please proceed.

Kunal Mehta: Yes, hi, sir. Very good morning and compliments on a good set of numbers. My first question is on the gross margin. Though we have improved Y-o-Y, I think Q-o-Q the gross margins have declined, probably due to the different product mix and raw material pricing pressure. So if you can throw some light on what was the product mix executed in the quarter and the -- which product in the raw material, the BOM, are we facing the highest pressure on? And are we stocking up on inventory for the year because we see more fluctuations going ahead?

Mehul Mehta: Hi, Kunal bhai. Mehul here. I'll be able to answer your one of the question, which is mix of revenue. So we have 56% of the revenue coming from 220 kV class, and then the 25% is coming from 66 kV class and roughly around 5.5% from 132 kV class. This is the revenue mix for the first quarter. Regarding the raw material pricing and inventory, yes, we are picking up the inventory, but it is not like it is for the whole year. It is for the coming quarter, the orders which are getting executed current quarter only.

Anand Sharma: Kunal bhai, Anand Sharma here. Adding to what Mehul was suggesting, in case of inventory or building or raw material purchases, we believe in a principle that we buy the material on job-to-job basis only. We are in the business of manufacturing transformers and not speculating on the raw material price.

So that is the theory we have always been following, and that is the theory we are following now also. Because in this kind of volatile market, nobody, including us, can predict as to where commodity prices are going to travel three months later, three weeks later, maybe three days later, actually. So situation is not at all known to anybody, so it's always better that we continue to procure material on a job-to-job basis without speculating on the raw material prices.

Kunal Mehta: Okay, sir. Thanks. So once the next question is, our Atlanta Trafo facilities primarily for the 400 and 765 kV. So are we currently also manufacturing 220 kV like we did in the last quarter and in this quarter as well?

Anand Sharma: Yes, Kunal bhai, we have continued that approach and we are still manufacturing 220 kV transformers in that particular facility.

Kunal Mehta: And the INR275 crores in the order book for 400 kV will be manufactured from that facility this year?

Anand Sharma: For that, we shall be utilizing our Unit 4 Vadod facility, sir.

Kunal Mehta: Okay. And sir, the order inflow, I know this was a record quarter for order inflow. Should we probably take this as steady state going ahead, or maybe this is like Q1 and Q2 are the major order inflow quarters and then Q3 and Q4 are more focused on execution?

Anand Sharma: In our experience, Kunal bhai, we have seen that typically quarter two and till mid of quarter three is the period where the order booking peaks out, actually. So having booked a record value of order in quarter one, from here on, as expected, the quarter two and quarter three mid will certainly add good amount of orders in the coming time.

Kunal Mehta: Okay. And my last question is on the IDT mix. We are seeing lot of other players like Shilchar and Indo Tech, everyone add capacity. And how is the IDT market shaping? Are we seeing good demand there and will that increase in our mix going ahead?

Anand Sharma: Renewable energy sector as long as it's growing, and which is growing, the demand of IDTs would continue to be strong for sure. Till now, we have orders of IDT and with the new facility coming in place by end of this year, we certainly would be adding more numbers in the IDT basket.

Kunal Mehta: No, my question is, do we see any supply deficit in the IDT space, or in the market landscape is the capacity for supplying IDT, is it deficit of the demand on current basis?

Anand Sharma: Supply deficit is there across all ranges according to us, including IDT. And that is the reason we have put up a facility for exclusively for the IDT.

Kunal Mehta: Okay, sir. Thank you. I'll fall back in the queue for additional questions.

Moderator: Thank you. We take the next question from the line of Rohan from Axis Capital. Please proceed.

Rohan: Thank you for the opportunity. Firstly, congratulations on great set of numbers. So my two questions are, if you can provide the attribution in terms of MVA for this quarter and what are the contribution from the Vadod and the Anki facility?

Mehul Mehta: Rohan ji, total MVA sales-based capacity utilization for the quarter is 4,381 MVA. Out of this, 1,520 MVA was produced from Vadod facility and 320 MVA was produced from Jambusar, that is Ankhi facility.

Rohan: Okay. The second question is, in terms of backward integration, I know that you are setting up a facility for the tank and radiators. Post the completion of this, in terms of percentage of the entire manufactured product, what percent would be coming from backward integration, if you can help with that?

Niral Patel: So the tank and radiators constitute the fabrication components of the transformers. These are ranging between not more than 5 -- 4 to 5% of the total transformer cost. I hope that answers your question.

Rohan: Thank you. Thank you, sir, and all the best.

Niral Patel: Thank you.

Moderator: Thank you. We take the next question from the line of Arafat Saiyed from Dolat Capital. Please proceed.

Arafat Saiyed: Yes, hi, sir. Congrats on great set of numbers once again. My first question is on your current order bid pipeline currently from across clients and how do you expect the order inflow to convert in FY27?

Niral Patel: So we have close to about INR3,100 crores of order book that Anand bhai just mentioned, out of which we anticipate close to about INR2,400 crores which is falling due for execution in this financial year. And eventually, we would expect more orders to come in during the financial year.

Arafat Saiyed: Okay. And sir, any large order expected to finalize in next couple of quarter recently?

Niral Patel: It would not be right for us to disclose certain information, but yes there are situations where Atlanta would be L1 and eventual order conversions may take time. But again we are talking about PSUs or say private entities here and they take their own sweet time. So it would not be right to comment on order right now. [inaudible 0:30:39].

Arafat Saiyed: Sure. And sir, lastly, any guidance for growth for FY27-28 on the expanded capacity?

Niral Patel: Sir, we went public about an year ago, not more than I mean 9 months ago and we have been maintaining 40% CAGR for coming 3 years and with stable margins. When we went public, the margins were at about 16%, 16.5% and we intend to stick to that guideline and company will ensure that those guidelines are met.

Arafat Saiyed: Sure, sir. Thanks. That's it from my side.

Niral Patel: Thank you, sir.

Moderator: Thank you. We take the next question from the line of Shubhi Gupta from Trinetra Asset Managers. Please proceed.

Shubhi Gupta: Good morning, sir. Sir first of all, that we had scheduled short-circuit test for 400KV transformers for June and July, so what is the update on that? And the second question would be that last quarter we saw there was a shortage of mineral oil and we combat that with ester oil usage. So wanted to understand what is the situation now? Is it the same or is there some improvement?

Niral Patel: So the 400KV development is at a very advanced stage. We are at certain material at the ordering stage and certain material already delivered at the shop floor. This quarter end is when we expect the first transformer to get ready and go for short-circuit. This is well on time as per our schedule.

Regarding the oil shortage, it is not that we combat it, I mean, or we mitigated that risk with ester oil. We had ester oil contracts and which we, ester and natural oil contracts which we executed. However, the oil supplies have now eased out. We do not see any pressure of not getting oil at all. The prices surged and the prices are also seeing a downward correction in terms of transformer mineral oil.

Shubhi Gupta: Thank you, sir.

Moderator: Thank you. We take the next question from the line of Mayank Chaturvedi from HSBC. Please proceed.

Mayank Chaturvedi: Yes, hi, team. Congratulations on a great set of numbers. I mean to deliver a revenue growth of 48% Y-o-Y growth in such a volatile situation, I think it is pretty commendable. Sir, while you have given the volume number here, can you also give us how it has grown on Y-o-Y basis? I am just trying to assess what is the price-led growth here?

Mehul Mehta: Hi, Mayank sir. Thank you. Sir, are you talking about the per MVA realization?

Mayank Chaturvedi: Yes. So you have said the volume for the quarter is 4,381 MVA. So one piece is what is the volume growth? What was it in 1Q FY26? So I am just trying to assess what is the split between the volume growth and the price growth which you have passed on to your customers?

Mehul Mehta: So this is directly attributable to the price variation clause which we have in our purchase orders and because of that, any incremental price can be passed on to customers. Because of this and the increase in raw material prices, that is the reason in per MVA realization across the KV class, which is same for Q1.

Mayank Chaturvedi: Okay. So what was the volume number for 1Q FY'26?

Mehul Mehta: So total revenue was INR466.33 crores. And last year, Q1 FY26 that was 3,605 MVA.

Mayank Chaturvedi: Okay, got it. And sir, on these Chinese players that have been allowed to participate in public tenders now, just want to understand in current tenders that are being put out and they started participating and if so what kind of pricing actions are we seeing from them? I am not saying that, there might be crisis or anything, but just your view on it, what's happening there?

Anand Sharma: Mayank bhai, out of the four companies which have been allowed, there is only one company which is manufacturing transformers. And to the best of our knowledge, since this factory, since this guideline came from the government side in 2022, their parent company offloaded many of their export orders to the India unit. So there was a period of about 6 to 9 months according to our knowledge wherein they were facing the crisis to fill the shop with the orders.

But later on, with the support of their parent unit and after that see, only the participation in the government tenders or the PSU tenders was not allowed. But the private customers like big corporate houses, Adani, Reliance etcetera have been buying transformers from them. So in nutshell, our information, our knowledge, they have not been sitting idle.

With this information or the update coming in from Government of India side that they are allowed to participate in the PSU tenders, we have not witnessed any participation as yet. But knowing the facility they have and the kind of load they have at the moment, we possibly do not see why would they be, let's say, going to fill more orders from the Indian PSUs with lower margin. We do not see any logic in that actually.

Mayank Chaturvedi: Okay. So what you are saying is that if they do try and supply to Indian PSUs, they will end up making lower margins versus what they are making right now. I understand that what you said?

Anand Sharma: No, they would not be interested in lower margin orders because they are not sitting idle. That's what I was trying to say.

Mayank Chaturvedi: Right, got it. All right. Thank you. That was it from my side.

Moderator: Thank you. We take the next question from the line of Chandan Mishra from Finvestors. Please proceed.

Chandan Mishra: Very good morning, sir. First of all, congratulations on posting good set of number. Sir, my first question on order book from data center. Is there any order book we received?

Anand Sharma: No, sir. The current order book does not contain any order from the data centers.

Chandan Mishra: Secondly, sir, if you please provide time frame to commence Unit 6 Inverter Duty Transformer facility and by which time it will contribute to revenue?

Niral Patel: By end of third quarter this financial year, so by December end is when our targets are to commission the inverter duty transformer facility so that they can start [inaudible 0:38:23]

Chandan Mishra: Thank you, sir.

Moderator: Thank you. We take the next question from the line of Jainam from Saltoro Investment. Please proceed.

Jainam: Thank you very much for this opportunity and congratulations on great set of numbers. My question was regarding the order, big-size orders that PGCIL is giving. Recently it awarded over INR1,000 crores order to one of our peers. I just want to understand whether such orders are a recurring feature and how does Atlanta plan to win orders when it comes to orders of these size?

Niral Patel: So, sir, there is a huge backlog with Power Grid and so such kind of orders can be expected and should be expected in near future as well. I am not just talking for Atlanta Electricals, for the entire transformer industry. So it is not one-off thing. Power Grid will continue to keep ordering such kind of transformers like we see that when we talk about Atlanta's positioning and Atlanta's strategy.

When we see a record order book, again, this entire record order book that we have built in this quarter is technically 220KV and below. I would repeat once again this it the last quarter I mean Q2 would be the last quarter when our experimental stage or say product development stage would end. And we would open our bids for further 400 kV class transformers.

When we do that, Atlanta would be well-positioned in the industry to crack 400 kV class orders and which we know are certainly higher in terms of value, providing us a good amount of visibility -- a longer visibility in the market. So that's our strategy. Whenever we are able to do that, yes, Power Grid would be certainly one of the biggest customer. However, apart from that, there are a lot of other private players, state transmission companies, EPC contractors who have such order backlogs and Atlanta would be happy to address those.

Jainam: Got it. And my second question is on the capacity expansion that our peers are doing. It's massive capacity expansion. Companies are doubling their capex and companies are doing a lot of capacity expansion, so probably faster than what one would have anticipated.

So while you said in the near term you're not able to see any pricing pressure, but let's say 1 year or down the line, how are you kind of positioning and protecting the company given that we also have a huge capacity, whether it's exports or otherwise, if you could spend a minute explaining that it would be helpful?

Niral Patel: As a company whole, sir, our targets would be to protect our margins. So naturally speaking, one strategy is to enter into a newer product development and protect our overall blended margin with newer products coming in. And the second strategy is to establish a good export market, a sustainable export market which can protect our lower kV class margins.

Again, the shortage is still there in the 220 kV and the 132 kV segment as well, and we are not seeing any margin corrections in 220 and 132 kV even as of today. But however, for the longer term, this is the strategy where we are focusing on building our footprints outside India to protect our lower kV class margins. In a longer term [inaudible 0:42:17] in the next about say two years, three years down the line, till two years, three years, we would be actually focusing on 400 and 765 kV domestically.

Jainam: Got it. Those are my questions and all the best. Thank you.

Niral Patel: Thank you, sir.

Moderator: Thank you. We take the next question from the line of Pratham Modi from HPMG Shares and Securities. Please proceed.

Pratham Modi: Hello, sir. Good morning. Am I audible?

Anand Sharma: Yes, you are. Good morning.

Pratham Modi: Yes. So my question is regarding CRGO steel. The DGTR has initiated an investigation into CRGO steel imports, which could potentially lead to the imposition of provisional anti-dumping duty. Could you share your assessment of likely short-term and long-term impact on company's raw material cost?

Anand Sharma: So this inquiry has been initiated recently and the DGTR is expected to give some verdict by the end of March next year. In short term, we are not seeing any pressure on the CRGO prices or the supply because of this inquiry initiation. However, there is another angle of the issuance of the BIS licenses to few of the Chinese mills, which also is looking to be eased out in next one month's time.

So in short term, we are not expecting any shortage of the CRGO or the pressure on the CRGO prices due to CRGO prices. In long term, it would not be fair on our part to speculate as to what would be the recommendation and the outcome of this particular inquiry which has been initiated recently. So we'll get to see when we get the report.

Pratham Modi: Okay, sir. That answers my question. Thank you so much.

Anand Sharma: Thank you.

Moderator: Thank you. We take the next question from the line of Teena Virmani from Motilal Oswal Financial Services. Please proceed.

Teena Virmani: Yes, sir. Congrats for a great set of numbers. My question is related to this technology tie-up for 765 kV range of transformers. So where are we in this process and when can we start bidding for 765 related orders once we have the tech tie-ups in place? So any timelines on both these aspects?

Niral Patel: Good morning, Teena ma'am. This is Niral, So we have, we have significantly advanced level to close our technical tie-up. It would not be right for us to disclose the name of the entity as of now. These technical tie-ups do take time because there are certain government approvals also required on the counterpart where they have to share technology with an Indian entity. So that approval process is taking time.

As soon as the technical tie-up is done, our intention would be to utilize the Ankhi facility to make a first 765 kV class product, meaning a transformer, ICT, and a reactor. And once type tests are done on that particular product, I'm sure we will open the doors for 765 kV class orders as well. We expect those doors to open by end of this financial year or say in the last quarter of this financial year.

Teena Virmani: Okay. So maybe tech tie-up by Q3 and the formal production can start from quarter 4. So this facility would not need the Power Grid approval, right? Because this was already operational a couple of years back?

Niral Patel: This will require Power Grid revalidation in the new name, and that process we are thinking to initiate once the tech tie-up is done. The tech tie-up our targets are to close in this Q2, and Q3 is when what we will utilize for raw material injection and production.

Teena Virmani: Okay. So only Power Grid revalidation is required. Any kind of short-circuit test also is required for this particular facility?

Niral Patel: No.

Anand Sharma: As of now, CA has not been able to finalize their recommendation for the short-circuit test on the 765 kV transformers. Once it comes, maybe we'll have to comply with that. But as of now, there are discussions underway at Power Grid office also. We recently have participated in one such discussion wherein deliberation is going on regarding this 765 kV short-circuit test. So nothing concrete is available as of now regarding this.

Teena Virmani: I understood. Thank you, sir. That's it from my side.

Niral Patel: Thank you, ma'am.

Moderator: Thank you. We take the next question from the line of Jigar Jani from Nuvama PCG Research. Please proceed.

Jigar Jani: Yes, hi. Thanks for taking my question and congratulations on a great set of numbers. Sorry, my call dropped off in between, so if I'm repeating myself, but what would be your guidance for execution of this order book? How long will it take -- and what would it translate into the growth numbers for this year? And on margin, are we -- should we assume that most of this raw material pressure is behind us and these margins on gross or EBITDA level should sustain?

Mehul Mehta: Yes, sir. So out of the unexecuted order book of INR3,100 crores, we expect around INR2,400 crores of orders are executable in current financial year. Regarding the margin, sir, if we see for past two years also, FY '25 and FY '26, Q1 we start, for example, FY '25 we start with 13.80% of EBITDA margin and we ended annually at 15.56%. FY '26 we started with 15.48% EBITDA margin, Q4 was 20% EBITDA margin and annually it was 18.52%.

So we actually started FY '27 with highest-ever EBITDA margin since last three years, which is 16.50%. On the raw material front, yes, we expect that this price increase will continue or will sustain, but the margin will be sustainable to this level. So we expect the margin somewhere around 17 to 18% as we always convey to our investors.

Jigar Jani: Sure. And just one data-keeping question. Can you give me the Q4 MVA number in production, the last quarter numbers?

Mehul Mehta: Last quarter, I think we were able to achieve 13,000 MVA, yes, Q4. It was 13,000 MVA production.

Jigar Jani: 13,000. Okay, great. Thank you so much, sir, for answering my questions and best of luck. Thank you.

Mehul Mehta: Thank you, sir.

Moderator: Thank you. We take the next question from the line of Kunal Mehta from Incred Equities. Please proceed.

Kunal Mehta: Yes, hi, sir. I have two questions. One is, sir, we are actually seeing a lot of capacity addition in,400 kV, a lot of companies have already announced that they want to get into 400 kV, 220 kV. Sir, my question is after commissioning of the capacity, what is the tentative average time that they take to get the approval, then start getting orders? So when will they be at -- par with Atlanta? Atlanta has been in 220 kV already for a long time.

And 400 kV, I think we are already ahead of them once we get this PGCIL approval. So even though the capacity commissions, what is the competitive advantage that they will have because they will be still behind us because they don't have a history of supplying the 400 kV? So in this, how do we fare better?

Niral Patel: It's very difficult to comment on competitors, very frankly speaking. But yes, there are entry barriers in this industry, there are approval processes, it does take time. I do not, I would not like to comment on how the competitors are placed in this industry. But Yes, I mean, it'll be very difficult to comment on the competitors' front for us as we speak.

Kunal Mehta: Okay, sir. And sir, this tech tie-up, I mean, are we seeing some kind of on a commission based or are we seeing some kind of a monetary benefit that the technical partner will get? How is -- how are the terms going to shape? Any flavor on that so we can estimate how much cash that we'll be spending in this?

Niral Patel: So yes, it's a combination of both, a fixed one-time fee upon successful development and a royalty front which is going to be there for at least three to four years. But it will be only on 765 kV class products. The one-time fee ranges anywhere between USD3 to 5 million. The royalty front ranges anywhere between 4 to 2% is what the discussions are at this stage. These royalties may end up getting at least for three to four years.

Kunal Mehta: Okay, sir. And how much of capex has been done for the tank and radiator facility till now in terms of land and in terms of building the structure?

Niral Patel: Didn't get your question, Kunal Mehta. If you can repeat.

Kunal Mehta: Sir, tank and radiator facility that we are planning to get live by end of this year, how much of capex has already been done out of the INR180 crores that was mentioned in the last quarter?

Niral Patel: So close to about INR15 to 20 crores is what we've invested as of as we speak.

Kunal Mehta: Okay. And the remaining amount, we are planning to take any debt or it will be through internal accrual?

Moderator: Sorry to interrupt, Mr. Kunal.

Kunal Mehta: Yes.

Moderator: I would request you to join back the queue as there are several participants waiting for their turn.

Kunal Mehta: Okay. Thank you.

Moderator: Thank you so much. We take the next question from the line of Prathmesh Salunkhe from Nippon Life. Please proceed.

Prathmesh Salunkhe: Hello?

Niral Patel: Yes. Good morning, Prathmesh.

Prathmesh Salunkhe: Yes, hi. Thank you for the opportunity. So, sir, I wanted to understand something about your margins. You said you're expecting sustainable margins in the range of 17 to 18%. So first thing, what would be the margin differential between a 200 kV transformer versus let's say a 400 kV and a 765 kV power transformer for you guys?

Anand Sharma: Prathmesh sir, we expect that 400 kV and 765 kV class transformers would help us earn better margins as compared to 220 kV or 132 kV. But as we have been telling, as we have been speaking, that on our part it is not right to comment as to what kind of margins would we be earning from the 400 and 765 kV product since we are going to manufacture these products for the first time.

For other players who have been manufacturing the products of 400 and 765 kV, they are aware of their costs related to these products and hence they are able to put the margin figures in a concrete manner on the table, unlike us as a company who is yet to manufacture 400 and 765 kV product.

So once we manufacture a first prototype, once we get the short-circuit test done successfully and then put the jobs into commercial production, we would get to know the exact margin differential. Till such time, we can only maintain that the margins in 400 and 765 kV product as compared to 220 kV class products should be better.

Prathmesh Salunkhe: All right. So from the strategy perspective for next one or one-odd year, you are saying meaningful contribution from 400 kV would start next year, right? So for next year, from the strategy perspective, do you think our margins would benefit rather than the operational efficiencies or the volume game?

Niral Patel: We expect that we maintain that the margins should be stable you said the guidance is when we initially started, with stable margins because these margins may be better in terms of the manufacturing, but the tech tie-up and the new product development will also eat up some of the margins and hence we maintain that it will be stable.

Prathmesh Salunkhe: All right. Thank you. Thank you for answering my questions.

Niral Patel: Thank you, sir.

Moderator: Thank you. We take the next question from the line of Anuj Shah from PhillipCapital. Please proceed.

Anuj Shah: Congratulations, sir, to the entire team of Atlanta for delivering great set of numbers. Just couple of questions from my end. Was there any export contribution to revenues in Q1 FY27?

Anand Sharma: Sir, there was not.

Anuj Shah: Okay. So going forward, what is the export mix that we are targeting over the next two to three years, as Niral sir mentioned that we are also tapping the American U.S. market. So what sort of export mix should we look over the next two to three years?

Anand Sharma: Sir, we are targeting to have 15% of the revenue coming in from the export market in next three years' time. This is a target for next up till three years actually. As of now, we have got one order from one of the customers which we shall be executing in this particular year. The market in which we are looking to establish our presence in export or overseas market.

We are expecting to book some orders in this particular year, but the execution certainly would not be coming in this particular year. So revenue stream will start to open from the next financial year only. But the orders we certainly are putting efforts to book more orders from the export market in this particular year.

Anuj Shah: Okay. Just a follow-up on the same. So given that, sir, export orders typically they command, different pricing, competition, execution as compared to your domestic business, how should I perceive about the impact of a higher export share on the company's margin profile, your working capital and your return ratios?

Anand Sharma: Sir, we are trying to enter into export market just to mitigate the risk of the overcapacity situation which might come few years later. So that's the objective actually. So we are expecting better margins to come from the export market which will help us to maintain the margin profile we have been assuring, committing to the market till date.

Anuj Shah: Okay. Thank you so much, sir. That was it from my end. Thank you.

Anand Sharma: Thank you, sir.

Moderator: Thank you. We take the next question from the line of Aryan Vijan from RV Investments. Please proceed.

Aryan Vijan: Hello, sir.

Anand Sharma: Hi, sir.

Aryan Vijan: Sir, I missed few questions. I wanted to ask that what is the guidance for this year? Hello, sir.

Mehul Mehta: Sir, we maintain that 40% CAGR growth year-on-year in the revenue terms. So last year was INR1,851, and we can put a 40% year-on-year growth on that number for this year.

Aryan Vijan: Okay, sir. And you said that you have INR3,400 crores of order book. How much is to be executed this year?

Niral Patel: We have INR3,100 of unexecuted order book as of end June, and out of this, we expect that around INR2,400 crores of orders is due for execution in current financial year.

Aryan Vijan: Okay, sir. Thank you.

Niral Patel: Thank you.

Moderator: Thank you. Ladies and gentlemen, we take that as the last question for the day and would now like to hand the conference over to Mr. Niral Krupesh bhai Patel for closing comments. Over to you, sir.

Niral Patel: Thank you, everyone for joining the investor conference today. That's all.

Management: Thank you.

Moderator: Thank you. On behalf of Atlanta Electricals Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.