Raksan Transformers Limited

(Formerly Known as Raksan Transformers Private Limited)

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Ref. No. RTL/BSE/26-27/21
Date: November 23, 2026

To,
The Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai, Maharashtra - 400001

BSE Symbol - **RAKSAN**
BSE Scrip Code - **544924**

Subject: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 – Transcript of H1FY27 Performance

Dear Sir/ Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the Earning Call for **H1FY27 Performance** held on Friday, November 20, 2026 is annexed herewith.

The above information is also available on the website of the Company https://www.raksantransformers.com/investor_relations.

This is for your information and record.

Thanking You,

Yours faithfully,
For **Raksan Transformers Limited**
(Formerly Known as Raksan Transformers Private Limited)

MUKESH SHARMA
Digitally signed by MUKESH SHARMA
Date: 2026.11.23 17:39:57 +05'30'

Mukesh Sharma
Company Secretary and Compliance Officer
Membership No. A67880

“Raksan Transformers Limited
H1 FY27 Earnings Conference Call”
November 20, 2026

MANAGEMENT: **MR. SANJEEV KANDA – CHAIRMAN AND MANAGING DIRECTOR – RAKSAN TRANSFORMERS LIMITED**
MR. NITESH MODI – CONSULTANT – RAKSAN TRANSFORMERS LIMITED

MODERATOR: MS. VIDHI PAREKH – STELLAR IR

Moderator: Ladies and gentlemen, good day and welcome to the H1 FY27 Conference Call hosted by Raksan Transformers Limited. As a reminder, all participant lines will be in 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. I now hand the conference over to Ms. Vidhi Parekh from Stellar IR. Thank you, and over to you.

Vidhi Parekh: Thank you. Good afternoon, everyone. I, Vidhi Parekh, on behalf of Stellar Investor Relations, welcome you all to Raksan Transformers Limited H1 FY27 Earnings Conference call. We shall be sharing the key operating and financial highlights for the half year ended 30th September 2026.

Today, we have with us Mr. Sanjeev Kanda, who is the Chairman and Managing Director, and Mr. Nitesh Modi, who is the Consultant. Before we begin, I would like to state that this call may contain some of the forward-looking statements, which are completely based upon the company's beliefs, opinions and expectations as of today. The statements made in today's call are not a guarantee of future performance and also involve unforeseen risks and uncertainties.

The company also undertakes no obligation to update any forward-looking statements to reflect development that occur after the statement is made. Documents relating to the company's financial performance have been uploaded on the stock exchange and the company's website. I now invite Mr. Sanjeev Kanda to share his initial remarks on the company's performance. Thank you, and over to you, sir.

Sanjeev Kanda: Thank you, Vidhi. Good afternoon, everyone. A very warm welcome to Raksan Transformers Limited's first Earnings Conference call following our listing on the BSE SME platform in September 2026. I would like to thank all our shareholders, investors, analysts and other participants for joining us today.

We sincerely appreciate your interest in Raksan Transformers and the confidence you have placed in our company. Today, we are pleased to share our financial and operational performance for the first half of FY27, along with the key developments in our business and the progress we have made on our growth initiatives.

I will begin with a brief introduction to our company, followed by an overview of our business performance, order book and strategic developments. To begin with, let me briefly introduce Raksan Transformers and the business we have built over the years. Raksan Transformers began its journey in 1995 and over the past three decades, we have steadily developed our capabilities in the transformer manufacturing industry.

From our initial operations, we have progressively expanded our manufacturing infrastructure, strengthened our engineering capabilities and broadened our product portfolio to address the evolving requirements of the power sector. Our listing on the BSE SME platform in September 2026 marked an important milestone in our journey and represents the beginning of our next phase of growth.

Today, we are engaged in the manufacturing of diversified range of transformers catering to applications across over generation, transmission and distribution, renewable energy, industrial infrastructure and other specialized sectors. Our product portfolio includes distribution transformers, power transformers, IDT, solar transformers and special purpose transformers along with solutions such as compact substations.

These products are designed to meet varying voltage rating, capacity requirements and application-specific needs of our customers. Our distribution transformers available in three-phase configuration cater to voltage range up to 33 kV* class in aluminium or copper conductor, while our power transformers support capacities up to 20 MVA.

Our solar transformers are designed for solar PV systems and renewable energy applications, while our special purpose transformers offer customized solutions for specialized industrial and electrical requirements.

Coming to our manufacturing infrastructure, we currently operate two manufacturing facilities at Rai, Sonipat, Haryana, spread across approximately 33,000 square feet area. Our facilities are supported by an experienced workforce and established manufacturing processes. One of our key strengths is our integrated manufacturing approach. We undertake several critical manufacturing activities in-house, including tank fabrication, radiator manufacturing, core cutting, copper and aluminium processing, wire drawing and its covering.

This enables us to maintain greater control over the manufacturing process, product quality and execution timeline. Our manufacturing capabilities are supported by quality systems and product specifications, including ISO 9001:2015 certifications, BIS certified products carrying the ISI mark and participation in the Bureau of Energy Efficiency Star Rating program.

We have also developed a strong customer and approval base with our products approved by more than 20 power utilities, public sector undertakings and distribution corporations. These approvals reflect our technical capabilities and quality standards that we have established over the years.

Our business caters to both the government and private sectors. While our government business includes supplies to power utilities and distribution corporations, our private sector business comprises EPC contractors, industrial customers and infrastructure-related projects.

Moving on to our manufacturing expansion, one of our key strategic initiatives is the development of our new manufacturing facility at Liwaspur, Sonipat, Haryana.

The proposed facility will be spread across approximately 1.07 lakhs square feet with an estimated investment of around INR72.58 crores. The investment will be directed towards factory building construction, civil work and the installation of new machinery with a significant portion of the funding supported through the proceeds raised from our recent IPO.

**Management was referring to 3150 KVA*

This expansion is expected to significantly strengthen our manufacturing capabilities. Our existing power transformer manufacturing capacities of approximately 1,350 MVA is expected to increase to around 3,250 to 4,000 MVA per annum following the expansion.

In addition to increasing capacity, the facility will enhance our technical capabilities, enabling us to manufacture high-capacity power transformers of up to 100 MVA. and expand our voltage handling capacities to the 220 kV class in the next 2 years, 3 years. This will allow us to participate in large tenders, cater to more complex power transmission and distribution requirements and purpose higher-value projects

The proposed facility will also support our expansion into the renewable energy segment through the manufacturing of inverter/converter duty transformers, further broadening our product portfolio and enabling us to address emerging opportunities in this sector

. Upon stabilization and optimum utilization, the expanded manufacturing capabilities are expected to provide incremental annual revenue potential of approximately 2-3times of existing revenue levels, subject to market demand, order inflows and execution timelines.

Coming to our financial performance for the H1 FY27, revenue from our operations stood at INR121.1 crores, impacted by a higher share of lower capacity transformers supplied under B2G orders and deferment of the certain customer orders due to funding and project readiness constraints.

EBITDA stood at INR8.2 crores with a margin of 6.8% impact by the higher price of key raw materials, including aluminium, copper, steel and transformer oil, along with the time lag in passing on these cost increases. PAT stood INR4.9 crores, translating into a margin of 4.1%, reflecting the impact of the above factors on operating profitability.

In terms of our balance sheet position, the company maintained a healthy capital structure with a debt-to-equity ratio of 0.14x and net worth of INR195 crores. Additionally, trade receivable declined by 29% during the period, reflecting an improvement in collections and working capital management.

Looking ahead, we remain optimistic about the growth opportunities ahead. Our order book stood at approximately INR427 crores as of September 2026, with 85% to 90% contribution by the private sector customers and EPC companies. With the strong order pipeline, enhanced manufacturing capabilities and a relatively low leverage balance sheet, we are well-positioned to improve execution.

Address large opportunities, and drive sustainable growth in the coming year. Coming to the utilization of IPO proceeds, as of September 30, 2026, the company has utilized INR31.72 crores out of the total fresh issue IPO proceeds of INR120.47 crores, representing approximately 26.3% utilization.

Of this, INR16.71 crores was utilized towards working capital requirements, while INR11.16 crores was utilized towards offer-related expenses. An additional INR3.6 crores was deployed

towards capital expenditure for the proposed manufacturing facility at Liwaspur, Sonipat and INR25.41 lakhs towards general corporate purposes.

As we move forward, we remain confident about the long-term growth opportunities in the Indian power sector, driven by the increasing demand across conventional power infrastructure, industrial applications and renewable energy. The upcoming manufacturing facility represents an important milestone in our growth journey as it will enable us to expand our manufacturing scale, strengthen our product capabilities and enhance our ability to address the evolving requirements of the industry

. Our focus will remain on four key priorities expanding our manufacturing capabilities, increasing our presence in higher capacity transformers, strengthening our private sector and EPC customer base and improving operational efficiencies and execution.

We believe that our continued investments in manufacturing infrastructure and product development, combined with these strategic priorities will position us well to capitalize on emerging opportunities, strengthen our market presence, and deliver sustainable, long-term growth and value for stakeholders. Thank you.

Moderator: Should we begin the question-and-answer session, sir?

Sanjeev Kanda: Yes, please.

Moderator: Ladies and gentlemen, we will now begin the question-and-answer session. We'll take our first question from the line of Ojasvi Mohta from AARTH AIF. Please go ahead.

Ojasvi Mohta: Good morning, sir. Am I audible?

Sanjeev Kanda: Yes, sir, you are audible.

Ojasvi Mohta: So, sir, can you explain us in detail what were the challenges faced by the company during H1 FY27, given that the revenue was lower than the corresponding period of the previous financial year? So was this primarily due to lower realization per MVA or was there also a decline in the number of transformers sold by the company?

Sanjeev Kanda: As I mentioned in my speech, for the first half of the year, our supply was primarily focused on B2G orders, which consisted of smaller capacity aluminium transformers. Last year, when we were operating, we were working on long-term orders it does not range from 6 months to 1 years and DISCOMs orders and EPC companies orders are from 1 year to 2 years.

Currently, we were executing government orders which involved aluminium transformers. Since the price value of these is lower, the revenue generation was slightly lower. There is no lack of work; it is just the nature of the platform. To give an example, for a 25 kVA transformer, the average cost is between INR65,000 to INR70,000.

If we manufacture 1,000 units in a month, the revenue generated is around INR7 crores. Multiplying that by 6 months gives us around INR42 crores. Because we are not just making 25 kVA units, but also 63 kVA, 100 kVA, 200 kVA and so on, the highest value for a 200 kVA

aluminium transformer remains between INR2 lakhs to INR2.50 lakhs as per the specifications of the different departments.

So, if instead of that, we suppose make a copper transformer of 250 kVA, immediately after 200 kVA, that costs around INR7.5 lakhs to INR8 lakhs. 1,000 pieces of 25 kVA will be made, almost 800 pieces of 63 kVA will be made, 700 pieces of 100 kVA will be made and 500 pieces of 250 kVA will be made. If we make 500 such pieces, around INR7 lakhs on an average price, so almost INR35 crores of revenue is generated. So, that is the reason, I feel that sir, I am able to convey my point to you, that this is the reason why the revenue generation looks lower to you, there was no decrease in the number of transformers.

Ojasvi Mohta; Understood. So, it is basically the material that you use. If it is copper, the realization is much higher than aluminium. Is that right, sir?

Sanjeev Kanda: Yes. Of course, it is right.

Ojasvi Mohta: Okay. And sir, which specific components under other expenses witnessed an increase during H1 FY27 and contributed to the deterioration in PAT margins?

Sanjeev Kanda: Yes. There was a big reason, firstly, the transformer oil. Due to this USA and Iran war, the closure of Hormuz meant there was a shortage of oil everywhere. If you see, then in the month of February, the cost was around INR68 per liter in the last financial year because this conflict started at the end of February, so it did not have much impact in March.

People had stocks, but from April onwards it had a huge immediate impact. Today, the price has increased from INR68 to INR148 per litre, which is more than double. So, in that, what happens is that since some orders are fixed rates, some are on variable rates, we were not able to pass on the 100% cost increase because it was the initial stage. It is not like that now, but earlier we were not able to, so that was also one of the biggest reasons due to which PAT margins were impacted. Similarly, the rate of copper, the rate of aluminium, if you are looking at the market, all of that had an impact in these 6 months.

Ojasvi Mohta: Okay. And transformer oil is nearly 10% of other costs. Is it right?

Sanjeev Kanda: Yes. More than 10%.

Ojasvi Mohta: Okay. And sir, last question, going forward, which regions do you expect to drive demand for distribution transformers and how do you assess the company's competitive strength in those regions? Additionally, what role does freight costs provide – do freight cost provide a competitive advantage to regional manufacturers compared to players bidding for tenders in other locations?

Sanjeev Kanda: Wait a second, your voice cut in between. Can you repeat your question, please?

Ojasvi Mohta: Am I clearly audible now?

Nitesh Modi: Yes, you are audible. Please ask.

Ojasvi Mohta: Hello?

Sanjeev Kanda: Yes, in between your voice got disconnected.

Ojasvi Mohta: Sir going forward which regions do you expect to drive demand for distribution transformers. How do you assess the company's competitive strength in these regions and do freight cost provide a competitive advantage to regional manufacturers compared to players bidding for tenders from other locations?

Sanjeev Kanda: No, it is not like that, that regional players get any advantage in such a way. In our India, whatever happens is based on open tenders and for this entire work, any person from any state, any company can go and work anywhere. And as far as we are concerned, because the orders we had in the last financial year, we completed those smaller capacities as I said before.

Now, what is running at present, within that, we are doing copper transformers majorly in the second half and the demand that is going to be there in the coming time, in the second half, what I am feeling is that it is going to be from 250 kVA onwards, up to 1,000 kVA. Majorly that will remain, for example, if we make 100 transformers, out of that we can say that around 70%-75% will be copper transformers, and 25%-30% will remain aluminium transformers, kind of. I am just giving you a very rough idea, not exactly just to understand.

Ojasvi Mohta: Okay, fine. Understood. I will join back the queue. Thank you, sir.

Sanjeev Kanda: Okay. Thank you.

Moderator: Thank you. Next in line is Pujan Shah from Molecule Ventures. Please go ahead.

Pujan Shah: Hi sir, thanks for the opportunity, sir. I have a few questions altogether. So, the first question would be, if you look at your order book, which is right now a confirmed order book of more or less INR430 crores, if you could give me a split, how much will be fixed, how much will be variable? And secondly, if you could give a tenure split of this order book. That 60% of the order will be completed in one year and the rest split will be in the second year? If I have such a break-up, it would be better?

Sanjeev Kanda: Yes. I would like to say that, as far as the order book is concerned, our order book is exactly as you described. And this order book increases regular on a day-to-day basis, so our orders are of two types. One is that there are some which we have to execute within 3 months to 4 months, 6 months and similarly there are some orders which are for long term basis which have to be executed between 1 year to 2 years.

Those orders that last 1 to 2 years are of two types. One is government orders and the other is from EPC companies. Like the RDSS scheme currently in operation, its orders span a time period of approximately 1 to 1.5 years or even 1.75 years. You just asked me, how many percent of our transformers will be delivered this year from the order book?

So, I believe that almost above 60% of the transformers which are in our current order book, which we have given you till 30th September, should be dispatched before 31st March, but this

order book is upto 31st to September, even after this we are expecting more orders till 31st March and the orders that will come in it, so, the problem is that they're not long-term, because as March approaches, the pressure increases. People need transformers immediately, so those orders are for 2, 3, or 6 months. We have to complete them immediately before March 31st. And this is a routine process. It remains the same. Sorry, what else did you ask?

Pujan Shah: No, sir, that's the same. And secondly, sir, right now we have seen so much of price increase in aluminium, copper, we are all seeing it. But lately we saw last -- specifically for this month, we have seen a lot of correction

Sanjeev Kanda: Absolutely.

Pujan Shah: In term of aluminium, copper prices. So obviously you will have inventory lying around. And secondly, you will have to give a price hike as well. So, two things need to know. Now, what are your expectations considering going forward? Obviously, you still don't know whether aluminium prices will go up or down, but given the current situation, what margin trajectory do you see? Given our pass-through is also pending and we have taken a hit on the P&L. So what margins do you see for H2, because we will also get benefits?

Sanjeev Kanda: Look, when it comes to margins, they aren't fixed. Obviously, our last half year went down because of this fluctuation. But yes, as you yourself mentioned, there have been a lot of collections, and generally, 70% or 65% of our orders are on the PV clause. So, we'll benefit from that price variation. Most of the fixed-price orders have already been completed. So, any rate fluctuations, increases, or decreases, shouldn't have a significant impact on our business and margins.

If the price decreases, we'll benefit from our remaining fixed-price orders. And if there are price variations, their impact will basically increase if they increase, and decrease if they decrease. It doesn't have any impact, really, not much. So, it will operate within those conditions.

Now, what will our profit margins be? As far as I can tell, we're perfectly on track. We're working on the same track we started our journey on and our expectations, and we're very hopeful that we'll take our journey to where we envisioned it from day one.

Pujan Shah: Understood. Sir, I'm sorry, I'm referring to the previous question. So, how much of your fixed contract is currently in the order book? And how much will be the variable? The order book shown is worth INR420 crores?

Sanjeev Kanda: Sir, within INR425 crores, you can assume that approximately 10% of the orders are fixed.

Pujan Shah: Okay. Everything else is variable. So, if the price falls, we have to pass it through, and if it rises, we can also pass it through. And that pass-through is at a one-month lag.

Sanjeev Kanda: Yes, absolutely. It's like this. It's on priority pay for one month lag, and it's passed on, if it'll decrease or increase.

Pujan Shah: Okay. Sir, this new facility that we're expanding, first of all, when do we expect it to come through? Second, how much peak revenue can we generate from our current facility? And for our new facility, we're obviously going with a higher kVA, as well as for like, let's say 220 to 400 kVA transformers. So, there will be some approval cycle that will be difficult to bring in for utilization for FY28 and FY29, those sales should start, that we have all the approvals, we can directly start and utilize the facility?

Sanjeev Kanda: As far as the facility's operations are concerned, it should be operational within the current financial year.

Pujan Shah: It will come in almost by '27. Okay.

Sanjeev Kanda: The factory should be completed and put into production within the current financial year. Meaning, the target is doing just that and we are very optimistic and hope very much that this will happen, right, in the current financial year only.

And as for moving to the next higher capacity, you see, approvals are required to move to a higher capacity. That depends on what kind of department we work on and what kind of projects we work on. The transformer business operates in two ways. One is through direct tendering for government tenders. These don't require any approvals.

They have specifications that need to be met, along with some certifications that we obtain from a third party. We quote and participate in the tender. And once we've participated, approvals are generally not required if we receive the order. Approvals are required to work on a specific project.

So, the approvals required to work on a project are made based on our credentials whenever the demand arises. So, as far as our company's credentials are concerned, they are among the top most in India, that is, we scale at the highest. So, we have no shortage of credentials and as such, by the grace of God, we have never faced any problem in getting approvals, nor do we expect that we will ever face any in the future.

Now our factory, I am just sharing, now our factory will come into production within this current financial year, while I'm just sharing with you that we have already started getting inquiries and somewhere or the other, we have also started quoting them. As such we have not received any order, but as we told you that we are going into this capacity, so inquiries have already started generating with us.

Pujan Shah: Okay. And sir, how much revenue will you be able to generate at current facility?

Sanjeev Kanda: Look, right now, whatever is our current facility, we had told everyone this even before the IPO that we are at our peak. We are working at its maximum capacity, working at almost 100%. Within the current facility, we believe that we generated a revenue of INR363 crores last year. Plus or minus around this, you can assume that we will be able to reach only 4%-5%. It can be anything.

Pujan Shah: Okay. Understand. So, the rest of the spillover will complete its order book in FY28 and whatever new order inflow will happen.

Sanjeev Kanda: Whatever major expansion we are seeing now, whether in our revenue or in everything else, will only happen after the new facility comes in. We are already 1.5 months into the second half of the current financial year. And 4.5 months are left, so even if we start our manufacturing in this current financial year, it will not have a major impact. As I mentioned, we're closing at the last financial year, plus 5% up or down. Meaning, we assume we'll get 5% or 10%. But we're on track. I can say we're on track.

Pujan Shah: And how much revenue can you expect from the new facility? What are we expecting when we can reach peak utilization? Is it FY29 or FY30 when will we be able to utilize it exactly?

Sanjeev Kanda: Sir, even before the IPO, when we were doing roadshows and all these things were happening, I had declared that the revenue generation in our new factory is going to be very high. We are targeting around INR1500 crores, but that will take around 4 to 5 years to reach up to that mark.

Pujan Shah: Okay. INR1500 crores. So basically, we can't eventually split, but we can see a contribution of INR300 crores to 400 crores for every year?

Sanjeev Kanda: Yes, you can say.

Pujan Shah: I mean, not like this, of course it is not like that but it is fine.

Sanjeev Kanda: Everything depends on market scenarios.

Pujan Shah: Yes sir. And sir, I also want to understand, regarding trade receivables, I think we have INR52 crores. Is there any trade receivable or amount that is difficult to collect, or are there delays in payment terms? Because our working capital is getting stuck. I would like to understand how you are managing your working capital. Given that we also operate in the B2G segment and likely have fixed-price contracts, which would also tie up working capital in inventory, could you explain how you manage your working capital overall? Furthermore, are there any specific trade receivables where you anticipate collection challenges?

Sanjeev Kanda: No, that is not the case at all; nothing like that happens. Regarding B2G payments, ever since the MSME law was introduced, the situation has changed. About 8 to 9 years ago, payments from government departments used to be delayed, but that is no longer the case; payments are now received on time.

For the past 8 years to 9 years, and I am not just referring to a short period like six months or a year, but rather a span of 8 years, 9 years, or even 10 years payments have consistently arrived on time. As for B2B transactions, if you look at our track record, whether over the last 2 years, 5 years, 7years, or 10 years, you will see that we conduct our business very securely.

We do not operate without payment security; we work exclusively on the basis of LCs or BGs. Consequently, we have never encountered any payment-related issues with any company, nor

do I foresee any such problems arising in the future. We have continued to operate following the same business model and system that we have used from the very beginning.

If you examine our balance sheets for instance, the balance sheet from the last financial year—you will see that out of a total revenue of INR363 crore, the interest paid to the bank for the entire year amounted to only INR1 crore. If you look at the preceding year, the figure was similar, in fact, even lower.

In short, we maintain a very safe and secure approach regarding our payments, and we conduct our operations accordingly. We never encounter any issues with payments. Regardless of how large a company may be, we do not engage in business or work with them unless we are certain that our position is secure. This same policy remains in place to this day.

Pujan Shah: Understood sir. Sir, we have observed that the demand for transformers is steadily increasing, driven by various factors. Looking ahead to FY28–29, when the full capacities of all players come online, do you anticipate intense competition, perhaps leading to significant pressure on facility utilization, or do you foresee challenges in maintaining specific margins? Furthermore, in scenarios where reaching peak utilization might prove difficult, how do you currently assess the situation?

Sanjeev Kanda: As far as competition is concerned, competition has always been there, and it should be there. When there is competition, work becomes interesting. As far as competition is concerned, it was there from the beginning. I would like to give a small example. Before COVID, our revenue was more than INR100 crores.

After COVID, when the revenue of everyone working with government departments went down drastically, we were doubling our revenue every year. Check the three-year track record: before COVID, it was more than INR100 crores; after COVID, it was INR67 crores, then INR32 crores, then again INR67 crores, then INR163 crores, then INR323 crores, then INR363 crores.

Now, it didn't grow beyond INR363 crores because we didn't have the capacity in our unit to do more work than that. Competition was there then, during COVID, after COVID, and it exists today. Beyond just the aspect of price wars, what truly matters is our level of commitment. Today, we are successfully operating across 17 states in India.

From our base in Sonipat, we supply to regions as far-flung as the borders of Bangladesh, Myanmar, and Nepal, and even as far as Leh-Ladakh, despite Sonipat being a relatively remote area within the Delhi-NCR region. This success isn't merely due to a lack of competition; it is a testament to our commitment, which has earned us the market's trust.

Our clients know that once an order is placed with Raksan, it will be executed seamlessly. This is our USP, the reason our customer base remains robust and why we are often the preferred choice for supplies. Someone asked earlier whether we, as a regional player, are given preference over local units in other states.

Consider this, we supply from Sonipat to places like West Bengal or Bihar, locations nearly 2,000 kilometres away. Furthermore, we are currently entering the Maharashtra market; our

negotiations for projects in Nashik and a few other locations there are in the final stages. It is not as if there are no manufacturing units in or around Maharashtra, Bengal, or Bihar.

Clients, specifically our EPC customers choose us because of their long-standing experience with Raksan, having worked with us for 5, 8, 9, or even 10 years. What is their level of commitment, before supply, after supply, or throughout the entire process? It's not just about the initial delivery; there is also a five-year guarantee period following the supply.

How do they stand by us during that time, and what kind of service do they provide? Even though there is a price war, this commitment ensures that we still receive preference for orders. I hope I have been able to answer your question clearly and effectively.

Pujan Shah: Yes, sir. And one last question, as expected, our margins are currently under pressure due to raw material costs. However, once our facility becomes operational and we begin to ramp up, while also moving toward higher-kVA transformers, what kind of steady-state margins should we expect for FY28 and FY29?

Sanjeev Kanda: Look sir, regarding margins, we work in two ways; the margin levels for the private sector are different, and the margin levels for the government sector are different. When we talk about distribution transformers in B2G, the margin is around 3% to 5%, which I have said from day one. When we work in the private sector, the margins are at least 15% plus. Similarly, when we go to higher capacities, because the competition is slightly lower there, the margins increase. So, in the DRHP or before the IPO, we have declared very calculated margins, and I am very hopeful that we will beat those very easily; we should.

Pujan Shah: So what is the margin scenario range?

Sanjeev Kanda: Look, regarding the margin range, for instance, if we work in the private sector, it will generally always remain above 15%.

Pujan Shah: No, I understood that. I mean, regarding the guidance you have given for FY28 and FY29, what should we expect as a mandatory check? Obviously, plus or minus 100 BPS is fine, but...

Sanjeev Kanda: It is a bit difficult to say right now what the market will be like over the next 3 years to 4 years. However, as a rough estimate, you can proceed with the assumption which we are factoring into our calculations, that the PAT margins will be around 11% or higher.

Pujan Shah: You're talking about PAT margins, right?

Sanjeev Kanda: I am talking about PAT margins, not EBITDA.

Nitesh Modi:: PAT margin would be between 10% to 11%. We are projecting for higher PAT margin. But the deliverable is around 10% to 11% of PAT margin.

Pujan Shah: The thing is, sir, as soon as the facility comes online, we will also incur depreciation. While turnover will naturally increase, there will be depreciation, and some working capital will also get tied up; consequently, our expenses will rise, partly because, in the initial phase, there will be operational utilization, along with associated costs like employee expenses and so on. That is

why I was asking. But overall, I understand your point, we are expecting a PAT margin of around 10%, 11%.

Sanjeev Kanda: Sir, our track till today -- I'm sorry, I interrupted you in between. Our track record till date has been from last 10 years, all our balance sheets are available online as of today,our capital utilization has never exceeded on an average 30% of the facilities which we have taken from the bank. So, we are working with very managed system. Your question is absolutely correct; you have asked the absolutely correct question. That depreciation will also come and other impacts will also be seen. Sir, I want to tell you that the 15% is the lowest margin which we are trying to maintain.

Pujan Shah: Got it, sir. Thank you so much, sir, explaining all my queries. That is all from my end. Thank you.

Sanjeev Kanda: Thank you, sir.

Moderator: We have the next question from the line of Prakash Pandey from Planify Capital. Please go ahead.

Prakash Pandey: Yes. Hello. Am I audible, sir?

Sanjeev Kanda: You are audible.

Prakash Pandey: Yes. Sir, actually my question was regarding your current top line. You said that you had taken low-capacity government orders, so what led you to take these kinds of orders? And before choosing any order book like before choosing any project, what are your basis? How do you decide this order?

Sanjeev Kanda: I cannot hear your voice very clearly. I am not able to understand your question, what are you asking?

Prakash Pandey: Yes, is it coming now, sir?

Sanjeev Kanda: A little bit clear. Yes. Could you speak a bit louder, please?

Prakash Pandey: Okay. Sir, my other question was regarding you said, you had taken low-capacity government orders in the first half. So my question was what led you to take this kind of order? And secondly, before choosing any kind of order, before choosing any kind of project, what are your basis? Like, how do you select whether you should take an order or not?

Sanjeev Kanda: See, the orders we choose, the ones we executed in the first half were only 1 year and 1.5-year orders. At that time, we were doing more government tendering because after COVID, there was no work in the private sector, and we immediately had to work in the government sector. If you look, in the last financial year, 2025-26, 55% was government sale and 45% was around private sale.

If you look at 2024-25, our government sale was more than 75%, around 77%, and our private sale was around 23% to 24%. In this current financial year, we are going to execute almost 30%

government sale, and 70% plus we are generating private revenue, and this was our track from the beginning. Before COVID, this used to be our track; we used to work 92% to 95% in the private sector and 5% in the government sector.

Now, the question arises as to why we chose this? Because after COVID, there was no work in the private sector for the first 2 years, so we had to do tendering, and that is why we had the remaining quantity from the tenders we had placed at the initial stage last financial year that we had to execute this year because there is a time period for it. In between, for some time, the government itself deferred their supplies last financial year; otherwise, it would have been finished last year.

So, when the government opened the deferment, we had to provide the supplies in this current financial year. And as far as choosing is concerned, like if we talk about the current financial year, we have not submitted any small capacity tender. Right now, all the orders we have are all private sectors. I said earlier that in the order book of around INR425 crores, 85% is private sector orders. So, the private sector order starts from 100 kV, almost more than 100 kV, 160 kV.

So, we have already left the smaller capacities like 25 kV, 63 kV, 100 kV. We left 25 kV 3 years-4 years ago, 63 kV we left last year, but we were executing the remaining few orders. So, in totality, we had to choose because of limited options in the last 2 years, so we did government tendering, but this year the work is not like that, so we are not choosing small capacities.

Prakash Pandey: Okay, sir. Going forward, do you have any criteria for the private orders you take? Like any check you perform, whether you will take this kind of order or not?

Sanjeev Kanda: See, generally, whenever we pick up any order in the private sector, we first see which State the work is in, what are its specs, what is the scenario of working in that State. That is the basic criteria. Look, we are manufacturers and we make transformers of every capacity, then we have to see which State will give better margins, or in which capacity we will get better margins, and it is decided accordingly.

Prakash Pandey: Yes. Got you, sir. Thank you.

Moderator: Thank you.

Prakash Pandey: I have one more question.

Moderator: Yes. Go ahead, please.

Prakash Pandey: So, in the orders you currently have, how many are old orders at old prices, where you feel you might have to sell at lower prices?

Sanjeev Kanda: No. Those are almost finished now.

Prakash Pandey: Okay. And in the future, if raw material prices increase, do you have the capacity to increase your product prices as well?

Sanjeev Kanda: Obviously. If prices increase in the future, because all the current orders you are getting are at current values, at the current market scenario. So, the order is being taken after taking care of all these things, and whatever old orders were there, they have generally been mostly executed. To be very precise, maybe there might be an order book of around INR25 crores to INR30 crores left.

Prakash Pandey: At old prices.

Sanjeev Kanda: I am talking about fixed-price orders.

Prakash Pandey: Yes. As cables have clauses for price variation, do transformers also have such clauses or do you negotiate with clients for price variation or for fixed-price orders?

Sanjeev Kanda: No. For the price variation clause, all the bulk orders that are to be priced within 1 year to 2 years are all on price variation. By chance, if there is any such order, when major fluctuations occur, as they have in the current financial year, then for one or two orders of large supply, we sit one-on-one and decide. Everybody understands. Everyone does business and everyone in the market knows that no one will work by suffering a loss.

Prakash Pandey: Okay. Sir, for the second half of this year, what is your capex? How much capex do you plan to do next year? Hello?

Sanjeev Kanda: See, as far as revenue generation is concerned, for the second half, the targets we have kept, I am 100% hopeful that we will achieve all of them. I would like to give an example that our total revenue generated in the first half was INR122.1 crores. Now, from October until today, November 19, in these 49 days, we have already generated revenue of almost INR55 crores.

Prakash Pandey: So, my question was about the capex, not revenue?

Sanjeev Kanda: I am asking about capex.

Prakash Pandey: Yes. How much capex are you planning, and how much capex are you planning for the next financial year?

Sanjeev Kanda: Sir, that to Modi ji...

Nitesh Modi: Yes. Sir, if this GRAP that is imposed is lifted, then for the production we are bringing in, the commercial run will be within this financial year only, so we will have invested almost 80% to 85% of the capex. Some will remain for machinery, which will come in the next financial year.

But if this GRAP is not lifted, because construction activity is totally stopped in the Delhi NCR, so we are hopeful that if we have completed everything or all the machinery is installed, then we will do 100% capex this year. Otherwise, some part might be more or less 50% to 60% of the funds we have raised for capex, that will be invested in this financial year only.

Prakash Pandey: Only. And sir, since your facility will be utilized, it would take around 3 years, 4 years or maybe 5 years or so? Do you mean…

Nitesh Modi: Yes.

Prakash Pandey: Right. So, I think you won't be doing any more major capex in the next 3 years, 4 years?

Nitesh Modi: Sir, not major capex until INR1,500 crores revenue. Even if there is a small capex, it will be managed through internal accruals only.

Prakash Pandey: Okay.

Nitesh Modi: No major capex is planned for the coming 3 years to 4 years.

Sanjeev Kanda: The facility we are setting up, we are keeping in mind the vision for the next 5 years, 7 years, 8 years, or 9 years. The facility we are setting up, I am talking about up to 220 kV, whereas the factory structure being prepared, the infrastructure we are building, is that we are constructing it looking into the 400 kV class.

So, if we want to start production up to the 400 kV class in the next 5 years, we will not need to do any major attachment. Maybe buy one or two small ovens or do something else, that is a separate issue. But we are looking at the vision.

Prakash Pandey: Got you, sir. Sir, thank you and best of luck.

Sanjeev Kanda: Thank you.

Sanjeev Kanda: Yes. Thank you.

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

Vinod: Hi, sir. I just want to know, I observed that there is an increase in the order book. When you came for the IPO, you said INR330 crores as of June 30. And you updated that as of September 30, it is around INR 430 crores. So, do you have any policy to declare or to update about your order book on a regular basis to the shareholders?

Sanjeev Kanda: Sir, we are planning -- we are recently planning to update our few orders on the BSE. We are in discussion. We have three orders of approximately INR41 crores, which we are declaring to our shareholders. So, we have discussed with our team to declare the same.

Vinod: So, you are going to continue that update about...

Sanjeev Kanda: Yes. If there will be any major order, we will be continuing to update the details.

Vinod: Okay.

Sanjeev Kanda: There are some things that are new to us, so it is taking time for us to understand some things, so it is possible that some things are delayed in being communicated, but it will not happen. Obviously, we have picked up orders, and the process is continuing, so it is on a daily basis.

Vinod: Okay. Just one more question.

Sanjeev Kanda: Yes.

Vinod: Okay.

Moderator: Thank you. We will take our next question from the line of Sahil Chopra from KIFS Trade Capital. Please go ahead.

Sahil Chopra: So, my question was that for the new plant that is coming up, will we need approvals, or which product lines are we introducing in the existing one? We will also manufacture existing products, and the high-voltage products will also be manufactured there, that is our plan. But will we produce the lower voltage products there as well?

Sanjeev Kanda: Regarding the new facility we are setting up, as I mentioned, we are building the infrastructure to support up to the 400 kV class; however, our immediate target for the next 3 years to 4 years is to reach the 220 kV class. As for our existing manufacturing facility, we are gradually phasing out distribution transformers -- for instance, we are discontinuing aluminum-wound transformers and shifting our focus toward higher-capacity units. Furthermore, for the current financial year, we are not submitting any bids for transformers below the 200 kV class. Consequently, our operations at the new facility will be focused exclusively on the 200 kV and above class.

First, regarding IDTs which we have been manufacturing—we have previously produced units with capacities of up to 5.5 MVA. In our new facility, we are commencing operations for units with capacities of up to 30 MVA, effective immediately. To the best of my knowledge -- though I could be mistaken -- no other manufacturer in India currently holds a type test for 30 MVA IDT transformers; we will be the first to produce them. We have already begun work on this.

So, this will be a new product with a significantly higher capacity. Currently, across all of India, the maximum capacity for which a PAN-India basis type test exists is 17 MVA -- at least to the best of my knowledge though it is possible that others have achieved higher capacities that I am not aware of. Regardless, we are targeting a capacity of 30 MVA. Similarly, regarding power transformers, while we are currently manufacturing units up to 20 MVA, our new facility will begin operations by immediately targeting 40 MVA—meaning we are already preparing to submit quotes for that capacity.

Sahil Chopra: Understood. Sir, the point here is that our current capacity utilization is already at an optimum level. Furthermore, any new plant would require approvals -- a process that typically takes 6 months to 12 months, and in some cases, up to 18 months. Given this scenario, what will our revenue trajectory look like in FY28?

Sanjeev Kanda: As far as approvals are concerned, they are not tied to a specific factory; rather, they are granted for the brand name -- in our case, 'Raksan.' Regardless of whether we operate Unit 1, 2, or 3, we do not need to obtain new approvals; our existing ones will remain valid and continue as they are. However, we would need to secure new approvals if we expand into higher capacities or, for instance, if we undertake a specific project that requires its own dedicated approval.

Otherwise, we will continue to operate based on our current approvals. Regarding the transformers we are already manufacturing, as I mentioned earlier, we will scale back on smaller-capacity units, while continuing to produce transformers in the medium range—up to 20 MVA. The key point is that by increasing our available space -- addressing the space constraints that have hindered our revenue generation -- we will be able to unlock our full potential; we already have the capacity and the orders, but were previously limited by a lack of space. Once these space constraints are resolved, revenue generation will follow automatically.

As I mentioned, for the past three years, we had been doubling our figures each year. After reaching 323 crores, we plateaued at 363 crores; we could have generated even more had we possessed the necessary space. We certainly did not lack orders. As of September 30th, our order book stood at approximately 430 crores. Furthermore -- as Modi ji just noted we have secured additional orders worth around 46 crores over the last few days, which are not yet reflected in the September 30th order book. Correct?

Regarding our total order book, we have already executed orders worth INR122 crores in the current financial year. With an additional INR430 crores, our total order book now stands at approximately INR550 crores. When securing these orders, we explicitly communicate to our clients that we can supply a specific portion of the material by March 31st, with the remainder to be supplied in the following year -- this is the basis upon which we are finalizing our order book. If we were not constrained by space, our order book could potentially grow even further.

Sahil Chopra: And sir, what will our order inflow target be for next year?

Sanjeev Kanda: Next year, we will continue our operations just as we have been doing so far. I believe the inflow should remain steady, as new schemes under the RDSS are set to be introduced in the coming financial year -- including in some new states. We can expect a significant number of orders for 10 MVA and 12.5 MVA units; we are already participating in various tendering processes, submitting quotations, and engaging in discussions with relevant stakeholders. Therefore, we anticipate that the next financial year will be quite positive, and the targets we have set should be achievable.

Sahil Chopra: Understood. Okay sir, thank you. And all the best.

Sanjeev Kanda: Thank you, sir.

Moderator: Thank you. As there are no further questions, I now hand the conference over to Mr. Sanjeev Kanda for closing comments. Over to you, sir.

Sanjeev Kanda: Yes. Thank you. Thank you everyone, for your active participation and insightful questions. We hope we have been able to address your queries and provide a better understanding of our business performance, strategic initiatives, and growth outlook. For any further questions or clarifications, please feel free to reach out to Mr. Ankit and the team at Stellar IR Advisors who will be happy to assist you.

On behalf of the entire Raksan Transformers team, I would like to thank all our shareholders, investors, and analysts for their continued interest, trust, and support. We look forward to interacting with you again in the coming quarter. Thank you, and have a great day.

Moderator: Thank you, sir. On behalf of Raksan Transformers Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.

Sanjeev Kanda: Yes. Thank you.