Operator: Thank you, Ekta. Good evening, everyone. A warm welcome to all participants joining the Q2 FY27 and H1 FY27 earnings conference call of Transformers & Rectifiers (India) Ltd. Joining us today from the management team are Mr. Satyen Mamtora, the Managing Director and CEO, and Mr. Mehul Shah, the Chief Financial Officer, who will discuss the company's operational and financial performance for the quarter and half year and address your questions thereafter. Before we begin, I would like to remind you that certain statements made during this call may constitute forward-looking statements. These statements are based on management's current expectations and are subject to risks and uncertainties that could cause actual results to differ from those expressed or implied. With that, I would like to hand over the call to Mr. Satyen Mamtora, Managing Director & CEO, for his opening remarks. Over to you, sir.

Satyen Mamtora – Managing Director & CEO: Thank you, Krishna. Good evening, everyone, and thank you for joining us today to discuss the performance of Transformers & Rectifiers (India) Ltd. for the second quarter and first half of FY27.

TARIL's Q2 FY27 performance reflects better execution, improved capacity utilization, and operating leverage across manufacturing facilities. As of September 30, 2026, our unexecuted order book stood at 7,237 crores, up 32% year-on-year, providing strong revenue visibility over the medium term. The order book is executable over the next 18 to 24 months.

During Q2 FY27, we received order inflow of 1,169 crores, representing 97% year-on-year growth over the low base of last year at this time.

Major orders received during this quarter were as follows:

We received our first-ever order from the nuclear power sector for supplying generator transformers for NPCIL's Kaiga units 5 and 6, marking our strategic entry into the high-level infrastructure and high-value infrastructure segment.

We received a large transformer order from Megha Engineering & Infrastructures Limited in August 2026, with an execution schedule over the next 35 months.

We received an LOI from APTRANSCO in August 2026 for power transformer manufacturing, with deliveries planned within the next 13 months.

We won a large order from Damodar Valley Corporation in October 2026 for manufacturing and supplying 500 MVA and 200 MVA transformers, to be executed over the next 15 to 28 months.

We secured a large order from GETCO in October 2026 for 80 MVAr reactors and 125 MVAr reactors, and 500 MVA autotransformers, with a delivery schedule of the next 24 to 36 months.

These wins demonstrate the breadth of our capabilities across large power transformers, autotransformers, and shunt reactors.

We currently have 21,000 crores of inquiries under negotiation, of which 80% is domestic orders and 20% is export orders, with an equal mix between government and private customers, including utilities and industrial customers.

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Other quarterly updates are as follows:

During the quarter, we successfully completed dynamic short-circuit tests on three transformers, a significant technical milestone that validates our products and our ability to withstand extreme electrical and mechanical stresses under fault conditions, in accordance with stringent international standards.

Our ongoing transformer manufacturing expansion at Changodar is near completion, with commercial production expected to commence near Diwali. The additional capacity will further strengthen our capability to execute our growing order book and support the next phase of revenue growth.

Backward integration projects are progressing as per the timelines.

In September 2026, we established a subsidiary in the UK to strengthen our customer support and expand our presence in the UK and European markets. Over time, we plan to develop our local assembly and sales capabilities, with the potential to evolve this operation into a manufacturing base serving the region.

Following our Q2 performance, we remain confident of achieving our FY27 guidance and continuing to build on our growth plans for the full year.

Our focus for the remainder of FY27 will be on clear priorities: accelerating execution of our existing order book and ramping up expanded manufacturing capacity; progressing our backward integration initiatives; and maintaining discipline and sustainable, profitable growth.

From an industry perspective, the underlying demand environment continues to remain supportive. India is witnessing significant investment across power generation, transmission infrastructure, renewable energy integration, and grid modernization. Emerging areas such as data centers, railway electrification, EV infrastructure, and energy transition projects are creating additional sources of electricity demand and, consequently, opportunities for the transformer industry.

With our broad product portfolio, manufacturing capabilities, established customer relationships, and presence across more than 40 countries, TARIL is well positioned to participate in the multi-year opportunity across domestic as well as international markets.

With this, I hand over to Mehul Shah, our CFO, to review our past financial performance. Thank you so much, and happy Diwali.

Mehul Shah – Chief Financial Officer: Thank you, sir. Good evening, everyone. I will take you through the financial performance of Transformers & Rectifiers (India) Ltd. for the second quarter and the first half of Financial Year 27.

Let me begin with our standalone performance for the quarter. During Q2 FY27, revenue from operations stood at 709 crores, representing 66% year-on-year growth and 27% quarter-on-quarter growth. Revenue growth during the quarter was supported by improved capacity utilization and execution. EBITDA for the quarter stood at 114 crores, representing 203% year-on-year growth and 53% quarter-on-quarter growth. EBITDA margin improved to 16.1%

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compared to 8.8% in Q2 FY26 and 13.3% in Q1 FY27. This reflects the benefit of higher operating leverage and improved utilization levels during the quarter.

Moving on to our performance for the first half of the year, in H1 FY27, revenue from operations stood at 1,268 crores, representing growth of 35% year-on-year. EBITDA stood at 185 crores, representing 47% year-on-year growth, with the EBITDA margin improving to 14.6% from 13.4% in H1 FY26.

Coming to the balance sheet, our leverage profile remains comfortable as of September 30, 2026. On a standalone basis, total debt stood at approximately 575 crores, comprising long-term borrowings of around 125 crores and short-term borrowings of around 449 crores. The debt-to-equity ratio stood at approximately 0.35x, reflecting a manageable leverage position as we scale operations and invest in future growth. Standalone cash and cash equivalents stood at approximately 77 crores as of September 30, 2026. In addition, the company continues to have access to other bank balances and unutilized QIP proceeds earmarked for its backward integration initiatives, providing funding flexibility for the planned capital expenditure program.

Working capital remains a key area of focus. As of September 30, 2026, standalone inventory stood at approximately 654 crores, while trade receivables stood at around 1,053 crores, out of which 825 is current and the rest is a non-current debtor. Net working capital days stood at around 154 days, comprising inventory days of approximately 93 days, receivable days of around 117 days, and payable days of approximately 56 days.

The working capital cycle reflects the nature of the transformer business, which involves a long manufacturing cycle, milestone-based billing, testing requirements, and project-linked customer approvals. We continue to focus on collections, inventory planning, and milestone execution to improve capital efficiency as the scale of operations increases.

To sum up, TARIL continues to operate from a position of financial strength. The growth in revenue and profitability during Q2 FY27 and H1 FY27, together with a manageable leverage profile, provides a strong foundation. Our financial priorities remain disciplined capital allocation, tighter working capital management, and the timely funding of capacity expansion and backward integration initiatives.

Thank you. I now hand it back to the moderator for the Q&A session.

Operator: Thank you very much, sir. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from the line of Harshit Sachdeva from Columbus Capital. Please go ahead.

Harshit Sachdeva – Columbus Capital: Hi, am I audible?

Operator: Yes, you are audible.

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Harshit Sachdeva – Columbus Capital: Good evening. Congratulations on a great set of numbers. They are really impressive. Could you elaborate a bit more on the Kaiga orders and the Megha Engineering order that you received? That is part one. I mean the size, what we are supplying, and who we competed against, or did they come directly to you?

Second, a new company, Kanohar, just got listed. Do we compete with them in any segment? Those are my two questions. Thank you.

Satyen Mamtora – Managing Director & CEO: Harshit, yes, hi. Regarding the NPCIL order for the Kaiga project, we were competing with Crompton and other large transformer manufacturers. These are basically generator transformers for nuclear power projects. As far as Kanohar is concerned, yes, we do compete with them in the 132 kV and 220 kV segments.

Harshit Sachdeva – Columbus Capital: On the Kaiga order, could you give any MVA or order numbers? Is it repetitive in nature now that you are qualified?

Satyen Mamtora – Managing Director & CEO: Yes, this is repetitive in nature because these are generator transformers, and NPCIL is putting up a few more nuclear power projects in India. So, yes, this will be repetitive in nature, and the rating of the transformer is 400 kV-plus.

Harshit Sachdeva – Columbus Capital: Just one last clarification. Let us say there is a 100 crore nuclear plant. I am just putting a random number there. What would be the value of the transformer component or the goods that we supply in any new greenfield nuclear project?

Satyen Mamtora – Managing Director & CEO: Greenfield nuclear projects would account for close to about 15% to 18% of the cost of the transformer.

Harshit Sachdeva – Columbus Capital: Okay. Thank you for the clarification and best wishes for Diwali.

Satyen Mamtora – Managing Director & CEO: Thank you, Harshit.

Operator: Thank you. The next question is from the line of Vignesh Iyer from Sequent Investments. Please go ahead.

Vignesh Iyer – Sequent Investments: Sir, congratulations on a great set of numbers. Just one question from my side. Could you share the mix of orders in terms of how much percentage of the total outstanding order book would be 400 kV-plus and how much would be less than 400 kV?

Satyen Mamtora – Managing Director & CEO: Mehul, please.

Mehul Shah – Chief Financial Officer: I have the number.

Satyen Mamtora – Managing Director & CEO: Mehul, please go ahead with the number.

Mehul Shah – Chief Financial Officer: Roughly, around 55% to 60% of our orders are in the high-voltage class, 400 kV and above.

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Vignesh Iyer – Sequent Investments: What would that number be for Q2 FY27 out of the total executed number?

Mehul Shah – Chief Financial Officer: Roughly, we executed around 56% of the power transformers in this quarter.

Vignesh Iyer – Sequent Investments: That is all from my side. Thank you.

Mehul Shah – Chief Financial Officer: Thank you.

Satyen Mamtora – Managing Director & CEO: Thank you.

Operator: Thank you. The next question is from the line of Mihir Vyas from Nine Rays Equiresearch. Please go ahead.

Mihir Vyas – Nine Rays Equiresearch: Hello, am I audible?

Operator: Yes.

Mihir Vyas – Nine Rays Equiresearch: Thank you for the opportunity. I wanted a quick clarification on our cash flow. Can you give some guidance on when we can expect positive free cash flow?

Management: Mehul, please.

Mehul Shah – Chief Financial Officer: Currently, since we are in the stage of capacity expansion as well as backward integration, we are targeting the end of this financial year to start reducing our working capital cycle days, and that will give us positive cash flows.

Mihir Vyas – Nine Rays Equiresearch: What is the internal target for working capital cycle days, if you could share?

Mehul Shah – Chief Financial Officer: It would be roughly {? 130 days ?}.

Management: It should be below 120 days. We are trying to reach 120 days. Once we reach that level, we would like to see close to 100, between 110 and 120 days, this year.

Mihir Vyas – Nine Rays Equiresearch: Thank you.

Management: Thank you.

Operator: Thank you. The next question is from the line of Yash Gupta from Asset Koticha Family Office. Please go ahead.

Yash Gupta – Asset Koticha Family Office: Good evening, everyone. I wanted to understand how the inventory is moving. In the last two quarters, we purchased a lot of inventory due to the pricing disruption caused by the ongoing war. How are things looking right now?

Management: Things are looking more or less similar right now. But you are aware that we are putting up our backward integration plant, and we also have enough inventory until Q3 of this year. So, we are fairly well placed in terms of manufacturing and expansion of capacity utilization.

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Yash Gupta – Asset Koticha Family Office: Have the copper wires and all those items that we purchased at a higher rate been utilized, and have the billings and everything been completed? Or do you think there may be some impact on margins in FY28 or FY29?

Management: No, I do not think there should be any impact on the margin because by FY28 and FY29, we should have our own backward integration plant fully functional. So, we will see a slight advantage there.

Yash Gupta – Asset Koticha Family Office: How is the competition?

Management: Please go on.

Yash Gupta – Asset Koticha Family Office: My next question is on competition. How intense is the competition right now? Earlier, we saw a lot of competition. How are things progressing now?

Management: We have close to 21,000 crores of orders in hand, comprising inquiries that are in the process of being finalized. So, we are fairly confident, and in terms of competition, I do not see a major price war or competitors lowering margins. Everybody has enough orders in hand.

Yash Gupta – Asset Koticha Family Office: This 21,000 crores that you are talking about—on how much of it have we placed bids?

Management: Bids have been placed on the inquiries, and these should be finalized sometime soon.

Yash Gupta – Asset Koticha Family Office: This 1,100 crores of order inflow in this quarter—is it an exceptional item, or do you think this will continue to flow in the next two quarters of this year as well?

Management: Yes, it will continue to flow. As we have said before, we are trying to limit ourselves to an unexecuted order book of not beyond 24 to 28 months. We are trying to keep that in check.

Yash Gupta – Asset Koticha Family Office: This 7,000 crores will be booked in the next 18 to 24 months. Is that correct?

Management: The 7,000 crores will be billed in the next 18 to 24 months.

Yash Gupta – Asset Koticha Family Office: Thank you, sir.

Management: Thank you.

Operator: Thank you. The next question is from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.

Anubhav Mukherjee – Prescient Capital: There was a flare-up in the prices of some key raw materials, such as transformer oil and CRGO, in the past quarters. How is the situation now?

Management: There is a lot of echo in your voice. It is not very clear. Could you please check?

Anubhav Mukherjee – Prescient Capital: Is this better?

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Management: Yes, this is better.

Anubhav Mukherjee – Prescient Capital: In the past quarter, there was a flare-up in the prices of some key raw materials such as transformer oil, CRGO, and others. How is the situation now, if you could indicate?

Management: Mehul, please answer.

Mehul Shah – Chief Financial Officer: Prices are still on the higher side, but the majority of our orders have a price variation clause. Therefore, it does not affect our margin in a significant way.

Anubhav Mukherjee – Prescient Capital: Do we have retention money for any orders, and is that part of our balance sheet? Can you quantify that?

Mehul Shah – Chief Financial Officer: Retention money is always part of the orders. Roughly, it is 5% to 10%. It varies across customers, but it can be 5% to 10%.

Anubhav Mukherjee – Prescient Capital: What is the total amount currently?

Mehul Shah – Chief Financial Officer: I need to check, but roughly it would be around 200 crores.

Anubhav Mukherjee – Prescient Capital: I will get back in the queue. Thank you.

Mehul Shah – Chief Financial Officer: Thank you.

Operator: Thank you. The next question is from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

Deepak Poddar – Sapphire Capital: Am I audible, sir?

Management: Yes, Deepak, you are audible.

Deepak Poddar – Sapphire Capital: Thank you very much for this opportunity. First, I wanted to understand the Changodar expansion, which is expected to come online next month. What is the capacity there, and what is the capex involved in this expansion?

Management: The capacity is close to 35,000 MVA. Mehul, how much was the capex?

Mehul Shah – Chief Financial Officer: Capex is around 150 odd crores.

Deepak Poddar – Sapphire Capital: This will take our total capacity to 75,000 MVA?

Mehul Shah – Chief Financial Officer: Yes.

Management: More than that.

Deepak Poddar – Sapphire Capital: What is the average realization per MVA generally? I understand it will be different for different types of transformers, but what is the average realization per MVA?

Management: Mehul?

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Mehul Shah – Chief Financial Officer: It is different for a power transformer and a distribution transformer, but on average, we will realize around 7 lakh rupees per MVA.

Deepak Poddar – Sapphire Capital: 7 lakh rupees per MVA. That is helpful. I also wanted to understand whether all of our backward integration plans are expected to be completed by the first quarter. Would that effectively mean 80% to 85% backward integration on the expanded capacity? Would that be the right understanding?

Management: Yes.

Mehul Shah – Chief Financial Officer: Yes.

Deepak Poddar – Sapphire Capital: What value addition can we have in terms of cost benefit or percentage of revenue? What sort of benefits do we expect once the backward integration plant is operational?

Mehul Shah – Chief Financial Officer: We are looking at around 200 basis points to 300 basis points of margin expansion through this backward integration.

Deepak Poddar – Sapphire Capital: Will this improvement likely come by the second half of FY28 or FY29?

Mehul Shah – Chief Financial Officer: First, it would cater to the entire need of TARIL and then to third parties. So, in FY28 and then FY29, it will gradually increase.

Deepak Poddar – Sapphire Capital: The full effect will be seen by FY29?

Mehul Shah – Chief Financial Officer: Yes.

Management: Yes.

Deepak Poddar – Sapphire Capital: On this year, we are talking about 25% growth with a PAT margin of 9% to 10%, correct? Given the growth that we have achieved, are we being conservative here? We are already at a PAT margin of more than 11% in the last two quarters, while we are still talking about a 9% to 10% PAT margin for the entire year. How should one look at this?

Management: Our target is to reach growth of 25% and beyond. We are maintaining our forecast.

Deepak Poddar – Sapphire Capital: Could you repeat that? I did not understand.

Management: Our forecast is the same.

Deepak Poddar – Sapphire Capital: So, you are maintaining the forecast that you have been giving, of a 9% to 10% PAT margin at 25% growth?

Management: Yes.

Deepak Poddar – Sapphire Capital: I understand. That is all from my side. I would like to wish you all the best. Thank you.

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Management: Thank you. Happy Diwali.

Operator: Thank you. The next question is from the line of Vinil Shah from Dalal & Broacha. Please go ahead. Mr. Vinil, we are unable to hear you.

Vinil Shah – Dalal & Broacha: Hello, am I audible?

Operator: Yes, you are audible.

Vinil Shah – Dalal & Broacha: Thank you for the opportunity, and congratulations on a great set of numbers. I had two questions. First, could you give us the proportion of exports in our order inflow and revenues for Q2 FY27? Second, could you give us some color on how much price increase we have taken in Q2 FY27?

Management: Mehul, please.

Mehul Shah – Chief Financial Officer: In Q2 FY27, exports were around 8% of total revenue. In the order book also, roughly 15% is export-related. The margin expansion and revenue growth in this quarter mainly came from the higher capacity utilization of the Moraiya plant. Margins are on similar lines to what we guided, at around 15% EBITDA.

Vinil Shah – Dalal & Broacha: Have we taken any price increase in Q2 FY27?

Management: What do you mean by price increase?

Vinil Shah – Dalal & Broacha: Since raw material costs have risen, I mean a direct increase in prices, such as whether we have passed on any cost to customers.

Mehul Shah – Chief Financial Officer: Price revision is always a quarterly phenomenon. Every quarter, whatever billing we do to the customer, we also pass on the price variation. This is not a one-time event. Every quarter, whenever we do billing, we also bill for the price variation.

Vinil Shah – Dalal & Broacha: I wanted to understand how much of the revenue growth can be attributed to the price increase.

Management: Mehul, please.

Mehul Shah – Chief Financial Officer: Roughly 7% to 8%.

Vinil Shah – Dalal & Broacha: Thank you very much, sir. All the best and happy Diwali.

Mehul Shah – Chief Financial Officer: Thank you. Same to you. Happy Diwali.

Operator: Thank you. The next question is from the line of Hiren Pandey from ICICI Securities Limited. Please go ahead.

Hiren Pandey – ICICI Securities Limited: Thank you for the opportunity. I wanted the production number for this quarter. What was the total production number?

Management: Your voice is not very clear. Mr. Pandey, you are not audible.

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Operator: Mr. Pandey, may I request you to repeat your question?

Hiren Pandey – ICICI Securities Limited: I want the production number for this quarter. What was the production in MVA for the transformers?

Mehul Shah – Chief Financial Officer: It was roughly 9,500 MVA.

Hiren Pandey – ICICI Securities Limited: For Q2?

Mehul Shah – Chief Financial Officer: Yes.

Hiren Pandey – ICICI Securities Limited: Thank you so much.

Operator: Thank you. The next question is from the line of Jaynam from Ventura Securities. Please go ahead.

Jaynam – Ventura Securities: Congratulations on a great set of numbers. My question is on the capex that we are undertaking. Could you help me understand whether the existing capacity at the Changodar plant was 12,000 MVA and we added another 15,000 MVA, taking it to 27,000 MVA, or was that at Moraiya? I am getting a little confused. Is this capacity expansion for medium-voltage and renewable energy transformers?

Management: The manufacturing capacity at Changodar was up to 12,000 MVA. Total manufacturing capacity at Changodar will be 35,000 MVA. Changodar will be producing distribution transformers, transformer IDT transformers, and transformers for renewable energy. Changodar will be producing small power transformers up to 132 kV. Changodar shall be manufacturing large power transformers up to 220 kV.

Management: The incremental—

Jaynam – Ventura Securities: Sorry to interrupt. Incrementally, we—

Jaynam – Ventura Securities: So, 25,000 MVA is being added to the 12,000 MVA that we had, taking it to 37,000 MVA of capacity. Is that correct?

Management: Yes.

Jaynam – Ventura Securities: The extra-high-voltage transformers of 22,000 MVA that we are adding will be under the Moraiya facility, and that will be for large power transformers. When will that commence?

Management: That will be for EHV transformers. Once we have finished this Changodar project, we will start working on the Moraiya plant.

Jaynam – Ventura Securities: When can we expect this to come online?

Management: In addition, once the insulation and pressboard plant becomes operational, the manufacturing facility for insulation that was at Moraiya will be added to the transformer manufacturing unit. We will be adding about 30% plus manufacturing capacity at Moraiya.

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Jaynam – Ventura Securities: When will that happen?

Management: This 30% should be added immediately once our pressboard plant is functional. Apart from that, the additional capacity will be added once the Changodar plant is completely finished.

Jaynam – Ventura Securities: The Changodar plant would be completely ready by Diwali. After that, we would look at the Moraiya facility. From FY28 onwards, is it safe to say that the EHV transformer plant would be ready for production?

Management: Yes. Am I audible?

Jaynam – Ventura Securities: Yes, understood. That is my first question. My second question is on the 1,000 crore order that we received from PGCIL. Congratulations on that large order. What is the execution timeline, and what are the milestones, given that it is one of the largest single-shot orders?

Management: The execution timeline is about 24 to 28 months, and we should start manufacturing in December next year.

Jaynam – Ventura Securities: December next year. Understood. I also wanted to get an idea of the capacity utilization that we are looking at this year and next year, FY27 and FY28, particularly in FY28 once both plants are operational.

Management: Clearly, I would want capacity utilization of about 90%, and we are constantly working and progressing towards that. Ideally, 90% capacity utilization is very good for our plant.

Jaynam – Ventura Securities: Will we achieve that in FY29, or are we confident of achieving it in FY28 itself?

Management: We are working towards it. Maybe this year or next year, we are constantly working towards it. Once our plant is ready, we should be better placed to understand how it is progressing.

Jaynam – Ventura Securities: Understood. One last question on data centers. How large is the opportunity? What orders are we seeing, particularly in the US export markets? Are we in discussions with companies or utilities there to provide our transformers? It would be helpful if you could provide some color on both India and overseas markets.

Management: Of the 21,000 crore inquiries, 20% is export-related. We are looking at supplying data centers within India and outside India. We are a registered manufacturer for a lot of large data center facilities, so we have a presence there.

Jaynam – Ventura Securities: Congratulations and all the very best. Thank you.

Management: Thank you. Happy Diwali to you.

Operator: Thank you. Ladies and gentlemen, to ensure that management is able to address questions from all participants in the conference, please limit your questions to two per participant. Should you have a follow-up question, please rejoin the queue. We will take our next question from the line of Abhijeet Singh from Systematix Group. Please go ahead.

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Abhijeet Singh – Systematix Group: Thank you for the opportunity. My first question is on the impact of the disruption in the Middle East on our business, in terms of imports, exports, raw materials, or any other impact that we are facing.

Management: Mayur, please.

Mayurbhai: Due to the disturbance in the Middle East, our raw materials are not coming through that route, so there is no major impact as such. However, the timely availability of certain critical raw materials is still an issue that we are trying to address by keeping a large inventory. As we discussed, we already have a high level of inventory until our backward integration plants are in place.

Abhijeet Singh – Systematix Group: We are guiding for 25% revenue growth for FY27, which means our H2 revenue growth run rate is 20%. That seems conservative given the order book and the plant coming online by Diwali. Is there any other factor that could impact our execution going forward? After the plant is commissioned, I think we should be able to execute because we have a large order book, a substantial part of which was already there by Q4 of last year.

Management: All the orders that we are currently receiving are for beyond 12 months. In fact, they are beyond 18 months. All those orders will be executable in FY29 and FY30.

Abhijeet Singh – Systematix Group: How much advance do you receive?

Operator: I am sorry to interrupt, Abhijeet. We are losing your voice.

Management: Mayur, please answer.

Mayurbhai: Could you explain how you calculated that 20%? Even if we go by our guidance, we still need to execute around 900 odd crores every quarter going forward.

Abhijeet Singh – Systematix Group: That is right. The same calculation gives 1,800 odd crores required for H2, while last year's H2 was about 1,500 odd crores. So, 20% growth on that is 1,800 crores.

Mayurbhai: 1,500 crores, but anyway.

Abhijeet Singh – Systematix Group: 1,500 to 1,800 crores.

Management: I think we are maintaining our {? 3,200 crore ?} guidance. So, I think we are on track with that guidance.

Abhijeet Singh – Systematix Group: Understood. My second question is on the HVDC repair order that we had. We were carrying out a repair for PGCIL on one transformer, and we were about to enter HVDC manufacturing. Could you update me on the progress?

Management: We have already started the process.

Abhijeet Singh – Systematix Group: How far along are we?

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Mayurbhai: We are currently repairing the transformer, which will take another 4 to 5 months. The successful running of that transformer will take another 6 to 7 months. Then we will qualify for manufacturing, after which we will start participating in tenders. So, at least 1 to 1.5 years away from where we are today.

Abhijeet Singh – Systematix Group: Understood. So, 5 months of operation at our end, then we give it to them, they test it for 6 to 7 months, and then we are qualified for commercial orders.

Mayurbhai: Yes.

Abhijeet Singh – Systematix Group: Lastly, on data centers, are we already supplying to data centers, or is there a plan to do so?

Management: As I said, we are already a regular supplier to a lot of large data centers in India and abroad. We are also participating in manufacturing for data centers.

Abhijeet Singh – Systematix Group: Understood. Thank you for answering the questions. I will come back.

Management: Thank you.

Operator: Thank you.

Management: Can we take the last two questions?

Operator: All right, sir. The next question is from the line of Divyam Sandeep Soorayka from Nuvama. Please go ahead.

Divyam Sandeep Soorayka – Nuvama: Good evening, team, and thank you for the opportunity. Am I audible?

Management: Yes, you are audible.

Divyam Sandeep Soorayka – Nuvama: I had one question on the short-circuit test. We completed dynamic short-circuit testing for three transformers. Can you help us with the type of these transformers and their kV rating?

Management: Could you speak a little more slowly? I could not understand your question.

Divyam Sandeep Soorayka – Nuvama: We completed dynamic short-circuit testing for three transformers. Could you help me with the type of these transformers, whether they are power transformers or autotransformers, and their kV ratings, such as 220 kV or 400 kV?

Management: These were 400 kV autotransformers and power transformers, at 400 kV and 220 kV.

Divyam Sandeep Soorayka – Nuvama: Who would be the customer? Was there any specific customer in mind when you targeted these short-circuit test certifications, or are these general certifications that we need?

Management: This was specific to particular customers, mostly electricity boards.

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Divyam Sandeep Soorayka – Nuvama: Understood. Thank you.

Operator: Thank you. The next question is from the line of Vijay Bhapith from InCred Equities. Please go ahead.

Vijay Bhapith – InCred Equities: Thank you for the opportunity. I have one quick question. If I look at slide 9 of your presentation, it mentions revenue potential of about 5,000 to 6,000 crores after the expansion. One of the previous participants mentioned a realization of 7 lakh per MVA. Our understanding from the industry dynamics is that power transformers are at 5 lakh per MVA, distribution transformers are at about 10 lakh per MVA, and within high voltage, pricing power is being created by the limited supply dynamics.

I wanted to double-check whether you are still maintaining the 1 billion dollar revenue guidance that you have been targeting for the past 3 to 4 quarters over the next 2 to 3 years. The follow-up question is whether you see any spillover not to FY29 but, let us say, FY30 or FY31, and whether that would require further capex through a QIP or an offer for debt raise. If I do the math, at about 90% capacity utilization of 75,000 MVA and a realization of 7 lakh per MVA, your top line appears to peak at 5,000 crores in a single year, so I am not able to understand that. That is my only question.

Management: You are considering only transformer sales. We are also looking at bushing sales, pressboard sales, CRGO sales, CTC sales, and our tank manufacturing unit, which is going to be one of the largest in Asia. With all these sales added together, we are confident that we will reach 1 billion dollars.

Vijay Bhapith – InCred Equities: What would be the timeline for this?

Management: Mayur, please.

Mayurbhai: It would be in the later part of FY29 or the early part of 2030.

Management: Vijay, it may be a quarter earlier or later, but we are very well placed and are aggressively moving toward that target.

Vijay Bhapith – InCred Equities: Would you also require further funding for this?

Management: No. Mayur?

Mayurbhai: No. We have already completed or are undertaking the capacity expansion and backward integration projects, and the funding is already well planned. So, there will be no additional capex.

Vijay Bhapith – InCred Equities: The reason I asked is that, given your stretched working capital days, your PAT-to-OCF conversion is somewhat subdued compared with the high-voltage peer group. That is all. Thank you.

Management: Thank you.

Operator: Thank you. The next question is from the line of Shrinarayan Mishra from Baroda BNP Paribas AMC. Please go ahead.

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Shrinarayan Mishra – Baroda BNP Paribas AMC: Thank you for the opportunity. I wanted to understand whether we are currently executing any BESS transformer orders and, if so, how the pipeline for BESS transformers is looking.

Management: We are not currently executing any BESS pipeline, but there are inquiries currently ongoing, and we are confident that we should receive some orders for BESS transformers this quarter.

Shrinarayan Mishra – Baroda BNP Paribas AMC: How large is that market? Have you made any assessment?

Management: It is a fairly new market for us, but we are trying to assess it.

Shrinarayan Mishra – Baroda BNP Paribas AMC: My second question is on the CTC backward integration plant, which was expected to be operational by the end of Q2. Is it running now, and will we see some cost savings from Q3?

Management: The plant will be—yes, {? Mayurbhai ?}, please go ahead.

Mayurbhai: The plant will be operational from next quarter onward, and it will take some time to stabilize. From the next financial year, we will start seeing some margin expansion from the backward integration project.

Shrinarayan Mishra – Baroda BNP Paribas AMC: Last quarter, you guided that CTC would be operational in Q2 FY27. Now you are delaying it by 6 months.

Management: No, we are not delaying it. Q2—we are in Q3.

Management: In Q3, before Diwali, the plant will be commissioned. Currently, the plant and machinery are being installed. By Diwali, the plant will be commissioned. During November and December, we will conduct the first trial runs. By Q4 of this year, we should be commercially manufacturing CTC. However, this CTC will initially be only for TARIL transformers. From Q1 next year, you will also see sales in the market from TARIL's CTC plant.

Shrinarayan Mishra – Baroda BNP Paribas AMC: The capacity is 3,000 MTPA. How much of that would be consumed captively?

Management: Around 60% is captive.

Shrinarayan Mishra – Baroda BNP Paribas AMC: Thank you for answering.

Management: Thank you.

Operator: Thank you. We will take the last question from the line of Sanjeev Zarbade from Antique Stock Broking Limited. Please go ahead.

Sanjeev Zarbade – Antique Stock Broking Limited: Thank you for taking my question, and congratulations on the good set of numbers. Can you share the capacities of the various backward integration initiatives that we have undertaken? You discussed CTC, but what would be the

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capacities for bushings, tanks, and radiators?

Management: It is already available in the investor presentation that we have uploaded. I can also give you the slide number.

Sanjeev Zarbade – Antique Stock Broking Limited: The other expenditure—

Operator: I am sorry to interrupt, Mr. Sanjeev. We are not able to hear you properly. If you are using an external device, may I request you to use handset mode?

Sanjeev Zarbade – Antique Stock Broking Limited: The other expenditure has been largely static on a year-on-year basis despite the significant increase in revenue. What is the nature of the other expenditure, and would it remain in the same range as a percentage of sales?

Management: It would remain in the same range because it comprises multiple ledgers under other items, mainly freight, travel, rent, and so on. Foreign exchange gains and losses are also included in other expenses. Therefore, it will mainly remain in that range.

Sanjeev Zarbade – Antique Stock Broking Limited: Regarding the HVDC transformer, we have normally seen HVDC equipment packages going to Hitachi and GE Vernova. Apart from the converter transformer, there is also a significant amount of power electronics involved. What would be our strategy? If GE receives the HVDC package, the converter transformer would also come from GE. Where do we stand so far as HVDC converter transformers are concerned?

Management: We are also in the process of obtaining approval for converter transformers. Within the next 18 months, we should be fully able to build HVDC converter transformers.

Sanjeev Zarbade – Antique Stock Broking Limited: That is all from my side. All the best. Thank you.

Management: Thank you.

Operator: Thank you. Ladies and gentlemen, that concludes our question-and-answer session. I now hand it back to management for closing comments.

Management: Thank you all for joining us today and for your active participation in the earnings conference call. We sincerely appreciate the continued trust, confidence, and support of our shareholders, investors, analysts, and other stakeholders. We hope we have been able to address your key questions and provide a clear perspective on TARIL's performance, growth plan, and outlook for FY27. Our focus remains on disciplined execution, timely delivery of commitments, and creating long-term value for all stakeholders. Should you have any further queries, please feel free to reach out to our investor relations advisor, Ernst & Young, who will be happy to coordinate with us and assist you offline. Thank you all, and happy Diwali to everyone.

Management: Thank you, everybody. Happy Diwali to all, and see you next quarter.

Operator: Thank you very much. On behalf of Transformers & Rectifiers (India) Ltd., that concludes this conference. Thank you all for joining us today. You may now disconnect your lines.

Management: Thank you.

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Transformers & Rect.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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