Operator: Ladies and gentlemen, good day and welcome to RR Kabel Ltd. Q2 and H1 FY27 earnings conference call hosted by MUFG. 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 and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Chirag Bhatia from MUFG. Thank you, and over to you, Mr. Bhatia.

Chirag Bhatia – MUFG: Thank you, {? Renzu ?}. Good afternoon, everyone, and a warm welcome to all the participants on the Q2 and H1 FY27 earnings conference call of RR Kabel Ltd. Joining us today are Mr. Mahendra Kumar Kabra, Managing Director; Mr. Rajesh Kabra, Joint Managing Director; Mr. Rajesh Jain, Chief Operating Officer; and Mr. Jigar Mehta, Chief Financial Officer. Before we begin, I would like to give you a brief disclaimer. This call may contain forward-looking statements based on our current business opinions and expectations as of today. These statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual outcomes to differ materially. With this, I would now like to hand over the call to Mr. Mahendra Kabra for his opening remarks. Over to you, sir.

Mahendra Kumar Kabra – Managing Director: Good afternoon, everyone, and thank you for joining us for RR Kabel Ltd.'s Q2 FY27 earnings call.

I have with me Mr. Rajesh Kabra, our Joint Managing Director; Mr. Rajesh Jain, our Chief Operating Officer; and Mr. Jigar Mehta, our Chief Financial Officer.

Let me begin with a brief overview of the operating environment and our performance during the quarter. The broader economic environment continues to offer encouraging opportunities, supported by India's sustained focus on infrastructure development, power and electrification, housing, and industrial investments. These structural drivers continue to support the long-term growth prospects of the wire and cable industry. While global uncertainties and evolving market dynamics remain factors to watch, we believe the industry's fundamentals remain strong, providing significant opportunity for organized players like RR Kabel.

Against this backdrop, I am pleased to share that RR Kabel has delivered its highest-ever half-yearly revenue, operating EBITDA, and profit after tax. I am also pleased to share that our board has declared an interim dividend of rupees 6.50 per equity share. Further, the board has approved an investment of rupees 200 crores towards land acquisition in Rajasthan to support our future expansion plan. This decision reflects our continued focus on rewarding shareholders while investing in the long-term growth of our business.

I would also like to highlight an important development during the quarter. On 25 September 2026, we entered into a new business transfer agreement with UM Cables Limited, a wholly owned subsidiary of Usha Martin Limited, for the proposed acquisition of UM Cables' business undertaking engaged in manufacturing and selling optical fiber and related cables. The agreed consideration is approximately 77 crores, subject to post-closing adjustments. The transaction remains subject to fulfillment of the condition precedent and has not been recognized in our results as of September 2026.

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Before I conclude, with Diwali just around the corner, I would like to extend my warm wishes to all of you and your families for a happy, healthy, and prosperous Diwali.

With this, I now invite Mr. Rajesh Kabra to share his perspective on our business performance and outlook. Over to you, Rajesh.

Rajesh Kabra – Joint Managing Director: Thank you, Mahendra, for the opening remarks.

For H1 FY27, our consolidated revenue grew by 53% year-on-year, operating EBITDA grew by 79%, and PAT increased by 87%. We also delivered an improvement in EBITDA and PAT margins, supported by higher gross profit, operating leverage, and improved cost efficiencies.

Our wires and cables business continued to lead the performance, with revenue growth of approximately 53% in Q2 and 55% in the first half. We saw strong revenue growth across domestic and international markets, with exports growing faster than domestic in Q2. Higher export growth reflects our strong competitive positioning in international markets, while the domestic business remains a key pillar of our growth strategy. Our focus is clear: to deepen market penetration, strengthen execution capabilities, and capitalize on opportunities across infrastructure, construction, and industrial segments to drive sustainable, volume-led growth.

Our improvement in operating profitability is another encouraging aspect of our performance. For H1, wires and cables segment profit grew by around 78%, with segment margin improving by approximately 124 basis points. This reflects disciplined commodity management, improved operating cost absorption, and operating leverage.

Turning to FMEG, we continued to build business scale. The segment delivered revenue growth of approximately 42% in Q2 and 35% in H1. Growth was seen across key categories, with appliances making a particularly strong contribution, including from new products. While the FMEG segment reported a loss in the second quarter, the H1 segment loss margin narrowed to 2.2% from 4.5% in the corresponding period last year. Our objective remains to achieve full-year break-even at the segment profit level in FY27. Building scale, improving cost absorption, and maintaining operating discipline remain central to this effort.

As we enter the second half, our focus is on building upon the strong performance delivered in H1. In wires and cables, we aim to sustain our growth momentum, further strengthen our international presence, and capitalize on emerging opportunities in the domestic market. In FMEG, our priority is to translate the growth in scale of operations into improved profitability. Across both businesses, we remain committed to margin improvement, operational efficiencies, and stronger cash generation to drive sustainable growth.

On that note, I would also like to wish everyone a joyous and prosperous festive season ahead. With this, I will now hand over the call to Rajesh Jain to take you through our financial and operational performance in greater detail. Over to you, Rajesh. Thank you.

Rajesh Jain – Chief Operating Officer: Thank you, Rajesh, and good afternoon, everyone.

Let me start with our consolidated performance. For the second quarter, revenue from operations stood at rupees 3,284 crores, compared with rupees 2,164 crores in Q2 of FY26, representing

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year-on-year growth of 52%. Operating EBITDA stood at approximately 286 crores, compared with rupees 176 crores last year, a growth of 63%. The EBITDA margins improved to 8.7% from 8.1% in the corresponding quarter, an expansion of approximately 60 basis points.

Profit before tax stood at approximately 242 crores, up 56% year-on-year. Profit after tax was approximately 181 crores, compared with 116 crores last year, a growth of 55%. PAT margin stood at 5.5% compared with 5.4% a year ago.

Coming to the first-half performance, consolidated revenue increased to 6,452 crores from rupees 4,222 crores in H1 FY25, representing growth of 53%. Operating EBITDA grew by 79% to approximately 571 crores, compared with rupees 319 crores last year. EBITDA margins expanded by around 130 basis points to 8.9% from 7.6%. Profit after tax increased to approximately rupees 386 crores, compared with rupees 206 crores last year, a growth of 87%. PAT margin improved to 6% from 4.9% in H1 FY25.

Now coming to segment performance, let me first cover wires and cables. During Q2, the segment recorded revenue of approximately rupees 3,010 crores, compared with rupees 1,971 crores in Q2 FY25, representing growth of 53%. Segment profit before tax and interest was approximately 282 crores, compared with rupees 180 crores last year, a growth of 57%. Segment profit margins improved to 9.4% from 9.2%.

For H1, wires and cables revenue stood at approximately 5,890 crores, growing 55% year-on-year. Segment profit grew by 78% to around rupees 568 crores, with segment margin expanding to 9.6% from 8.4% last year. Overall wires and cables volumes grew by high single digits in Q2, and for H1, volume growth stands at low teens.

We remain focused on improving volumes, supported by disciplined pricing, execution, and cost management. Within wires and cables, the overall segment profit margin improvement was driven by higher gross profits, disciplined commodity management, and operating leverage. As we move ahead, maintaining this balance between growth and profitability will remain our priority.

Turning to FMEG, revenue stood at approximately rupees 274 crores during Q2, compared with rupees 193 crores last year, a growth of 42%. For H1, the business recorded revenue of approximately 562 crores, up 35% year-on-year. The growth was broad-based. During Q2, revenue growth was seen across categories, led by robust performance in appliances and contributions from new products.

The segment reported a loss of approximately rupees 12 crores in Q2, similar to the corresponding quarter last year. However, the segment loss margin narrowed to 4.5% from 6.1% a year ago. For H1, segment losses reduced to approximately rupees 12 crores from approximately 19 crores last year. The H1 loss margin narrowed to 2.2% from 4.5%, supported by growth in scale and improved absorption of operating costs. We continue to focus on the full-year objective of break-even at the segment profit level.

Our net working capital cycle improved to 46 days as of September '24 from 49 days in March and 50 days in June.

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On the outlook, our priorities remain to strengthen volume growth in wires and cables, maintain operating cost efficiency, manage working capital closely, and continue progressing towards profitability in FMEG. We remain attentive to commodity price movements and their impact on both realizations and margins. Overall, we are encouraged by our H1 performance while recognizing the importance of sustainable volumes, cash conversion, and disciplined execution in the quarters ahead.

With this, I would now request the moderator to open the floor for questions and answers. Thank you.

Operator: Thank you. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on your 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 comes from the line of Achal Lohade with Nuvama Institutional Equities. Please go ahead.

Achal Lohade – Nuvama Institutional Equities: Good afternoon, team. Thank you for the opportunity. Congratulations on the strong quarter yet again.

Two questions. First, in terms of volume growth, if you could split it between wires and cables for the quarter? Also, if you could give us some sense of domestic volume growth and export volume growth, please?

Management: Our overall volume growth was in the high single digits [cross talk].

Sorry, can you come again?

Achal Lohade – Nuvama Institutional Equities: In terms of volume growth, if you could split it between cables and wires for Q2, and also between exports and domestic for Q2?

Management: Our overall volume [crosstalk].

It seems we are getting disturbance from the background.

Operator: Mr. Lohade, I think there is disturbance from the background. Can you move to a place where there is no disturbance in the background?

Achal Lohade – Nuvama Institutional Equities: Is this better?

Operator: Yes, please go ahead.

Management: Our overall volume growth was in the high single digits, with wires outpacing cables. If we look at it further, our wires were growing in double digits, while cables saw single-digit growth. The same applies to our exports; export growth was faster than domestic growth.

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Achal Lohade – Nuvama Institutional Equities: Understood. Is there any weakness in cable volume growth, in your opinion, given that we are adding capacities? Ideally, cables should have grown faster than wires. Could you help us understand how we should view this?

Management: In quarter-on-quarter terms, you may see some variation depending on various factors. Last quarter was also the monsoon season. However, fundamentally, nothing has changed in the growth drivers of this industry, and we are quite positive. Whatever expansion we are undertaking in our cable capacity will help us grow as per our growth plans.

Achal Lohade – Nuvama Institutional Equities: In terms of the growth expectation for the full year, how do we see the cable and wire segment? In terms of volume or value?

Management: On a yearly basis, we are expecting to achieve growth of around 14-15%.

Achal Lohade – Nuvama Institutional Equities: Which means that we are looking at high-teens growth for the second half. Is that a fair way of looking at it?

Management: I think I have already given the specific numbers: around 14-15%.

Achal Lohade – Nuvama Institutional Equities: I am just trying to understand the expectations. The second part is with respect to margins. Could you help us understand how we see the margins playing out for FY26 and FY27, or whether there is any change?

Management: If you see our earlier guidance, we had guided for an improvement of approximately 300 basis points over 3 years, which were FY25, FY26, and FY27. As per that, we have targeted achieving 9.5% EBIT margins in our wires and cables segment. Even if you look at it on a half-yearly basis, we are at 9.6%. Our margin guidance remains the same: to be specific, 9.5% for this year and approximately 10.5% for FY27.

Achal Lohade – Nuvama Institutional Equities: Understood. Great. I will fall back in the queue for follow-ups. Thank you very much, sir.

Operator: Mr. Lohade, please go ahead.

Management: Next, please.

Achal Lohade – Nuvama Institutional Equities: We can move to the next question. Thank you.

Operator: Thank you. The next question comes from the line of Praveen Sahay with PL Capital. Please go ahead.

Praveen Sahay – PL Capital: Thank you for the opportunity, and many congratulations on a good set of numbers. On the volume side of wires, you mentioned 14-15% for the full year. That means good volume growth in H2. We had seen very strong volume growth in the second half last year, with Q3 growth of around 30%, followed by double-digit growth in Q4. Even on a higher base, are you confident of delivering volume growth at the higher end of the mid-teens in the second half?

Management: Yes, Praveen. Normally, we have always seen higher year-on-year volumes in H2, based on my experience over so many previous years. I think we will still be able to achieve our

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growth plan, even based on these higher volumes. We are quite confident of achieving that.

Praveen Sahay – PL Capital: Secondly, regarding the contribution from exports, we have seen export contribution increase over the last 4–5 years from around 22–23% to 33–35% now. Where do you want to see export contribution for your business going over the next couple of years? Also, in exports, is it still skewed towards higher wire exports, or are you transitioning towards cables?

Management: If you see, exports have always represented a significant portion of our revenue, usually in the range of 25–30%, and now we are moving towards approximately 35%. At the same time, we have equal focus on the domestic wires and cables business. The growth in exports is mainly coming from the cable side. Earlier, we had limited capacities, but now, after installing new capacities, we see sufficient growth and more growth opportunities in the cable side of the business, both in exports and in the domestic market.

Praveen Sahay – PL Capital: So the mix towards cables is also improving in exports.

Management: Yes.

Praveen Sahay – PL Capital: Next question, sir, related to the balance sheet. First, on working capital, creditor days have increased in the first half. Can you give some indication of why they have increased and whether they will continue at that level?

Management: Commodity prices are also on an increasing trend. To maintain efficient control of available working capital, we have balanced more towards trade payables. In that sense, our days have increased, but overall net working capital is improving on a good trend. We are now in the range of 46 days, compared with around 49–50 days 6 months ago. It will remain on that trajectory of 45–50 days.

Praveen Sahay – PL Capital: Lastly, on capex, you had given some indication in the last quarterly call of around 600–650–odd crores of planned capex for FY25. As per the cash flow, you had already spent 280 crores, and I believe 77 crores for UM Cables is also included in that. Are you still proceeding at the same pace of 600–650–odd crores for full–year capex?

Management: First, let me clarify that the UM Cables amount is not included in the 281 crores, since the payout has not yet been made. Secondly, of course, whatever we planned at the beginning of the year, in the range of 550–600 crores, will remain in place. Our capex plan is on track, and we are executing on time.

Praveen Sahay – PL Capital: Is the 200 crores investment over and above this?

Management: Yes, that is different. That is new capex that we are working on, and the 200 crore land acquisition is the first step towards our new capex plan.

Praveen Sahay – PL Capital: Will that outflow occur this year itself?

Management: A major part may occur this year, and some part may occur in the first half of next year.

Praveen Sahay – PL Capital: Thank you, sir, and all the best.

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Management: Thank you.

Operator: Thank you.

Operator: The next question comes from the line of Sanjeev Kumar Singh with Motilal Oswal Financial Services Limited. Please go ahead.

Sanjeev Kumar Singh – Motilal Oswal Financial Services: Thank you for the opportunity, sir. My first question is on the UM Cables business. What is the revenue potential at the current capacity? What kind of margin can we expect? Is there any potential to improve the cost structure and operating margin? Apart from that, could you also highlight what kind of potential we see over the next 3-4 years from this business?

Management: As a first step, we have acquired this business, and we are now working on a detailed business plan. Of course, there are opportunities to grow that business, but it would be too early to have a detailed plan for the next 2-4 years. I think we will come with a detailed plan by next quarter.

Since this plant had very low capacity utilization, we will improve capacity utilization and revenue as an immediate step as well.

Sanjeev Kumar Singh – Motilal Oswal Financial Services: Secondly, on the FMEG business, we have again seen the business slip into losses after breaking even in the previous quarter. You said that you want to achieve break-even for the full year FY27. Which factors have affected profitability in Q2 FY27?

Management: First of all, at the beginning of this year, we guided that we would achieve EBIT margin break-even on a yearly basis. Although we achieved break-even in Q1 itself, Q2 is always affected by some seasonality, and demand is generally somewhat muted in Q2. Therefore, we could not achieve profitability in this quarter, but we are working as per our plan and will achieve break-even at the yearly level in FY27.

Sanjeev Kumar Singh – Motilal Oswal Financial Services: Lastly, in the previous question there was a question on trade payables. We have seen trade acceptances increase by around 3 times in FY26. Currently, it also seems to be increasing, which is resulting in higher interest costs. Can you give us the figure for the first half of FY27? I think FY26 was closer to 1,100 crores.

Management: We are working with LC utilization, so our utilization of limits has increased. The majority of our metal purchases are now being made through LC-backed credit facilities. Therefore, you have seen higher levels of payables. This is a normal course of business, where we are efficiently utilizing our available working capital.

Sanjeev Kumar Singh – Motilal Oswal Financial Services: Any number for trade acceptances, sir?

Management: Let me check and come back to you. Just give me a minute. [pause]

The overall amount of LC-backed facilities is 1,290 crores or something like that.

Sanjeev Kumar Singh – Motilal Oswal Financial Services: Thank you very much, sir.

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Operator: Thank you. The next question comes from the line of Sandesh Shetty with HSBC. Please go ahead.

Sandesh Shetty – HSBC: Hello. Am I audible?

Management: Yes, please.

Sandesh Shetty – HSBC: Hello?

Management: Yes, you are audible.

Sandesh Shetty – HSBC: Thank you. Good afternoon, sir. First of all, I wanted to ask about the 100 basis points contraction in gross margin. Is it because of the mix or something else?

Management: One factor is always [cut off]

Sandesh Shetty – HSBC: In the gross margin, sir.

Management: Yes. One factor is, of course, product mix. Secondly, since we are working with very high raw material base prices, there will be some impact. However, if you see overall profitability, we are moving ahead as per our business plan.

Sandesh Shetty – HSBC: Also, on finance costs, we have seen some increase. Is this the new normal, or will it normalize by the end of the year?

Management: With such high raw material prices, interest costs are part of the normal course of business.

Sandesh Shetty – HSBC: One more question. Regarding competition, there has been discussion about increased competition from September because of the entry of a new competitor. Could you share your thoughts? Our business has a larger wires component, so how do you see the intensity of the new competition, and how do you plan to mitigate its impact? Thank you.

Management: I always believe that competition has always been there, and it will always remain because competition is part of business. Players may change, or the intensity of competition may change, but it is part of business. We have our own growth plans, and we will continue to grow as per our plan by efficiently utilizing our plants and improving our sales and marketing strategy.

Sandesh Shetty – HSBC: Thank you, sir. That was all from my side. Thank you.

Operator: Thank you. The next question comes from the line of Yash Jain with Ambit Capital. Please go ahead.

Yash Jain – Ambit Capital: Thank you for the opportunity. I have a couple of questions. First, when we talk about competition increasing in the domestic market, what are we doing on the export side to offset some of the pressure? Are we trying to enter any new geographies or obtain any new approvals? If you could help us with that.

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Management: As I said earlier, we have equal focus on growth, whether in the domestic market or the export market, and whether on the wires side or the cables side of the business. We have a very high contribution from exports to our business, but at the same time, we are equally focused on the domestic market. It is not that we will have more focus just because of competition. We are normally focusing on every opportunity to grow across all product categories and all geographies. We will continue to focus on growth in the normal course.

Yash Jain – Ambit Capital: Are there any new approvals that we are trying to obtain, or are in the process of obtaining, that would open up a larger TAM for us in the export market?

Management: This is also a normal process. We already obtain 3-4 new international approvals each year, and we are currently in the process of obtaining a few approvals. This involves entering new markets and new product categories. It is a continuous process, and we keep seeing new additions to our approvals quarter-on-quarter or year-on-year.

Yash Jain – Ambit Capital: One last question. We have reduced our volume guidance for FY27. What visibility do we have right now for FY28? Could you provide some color from a volume growth perspective?

Management: In such a volatile market, I would not like to make a very specific comment on this, but we will continue focusing on our growth plan in terms of volumes.

Yash Jain – Ambit Capital: Understood. Thank you, sir.

Operator: Thank you. The next question comes from the line of Natasha Jain with PhillipCapital. Please go ahead.

Natasha Jain – PhillipCapital: Thank you for the opportunity, sir, and congratulations on a good set of numbers. My first question is on the existing plant. Apparently, some plant has shifted from one location to another. Could you throw some light on what this is, and whether it will disrupt any production?

Management: In Roorkee, we are shifting our plant, but we have planned it in such a way that there will be no disturbance. We will also increase our capacity in FMEG. It will not disturb the current production cycle.

Natasha Jain – PhillipCapital: The 200 crores acquisition of land: could you provide a little more detail on the plan? What kind of product will be manufactured on this land?

Management: As of now, we have not come up with a detailed capex plan. As we said earlier, after perhaps 1-2 quarters, we will come up with a detailed capex plan. Of course, it will be towards capex for our original wires and cables growth plan. It will enhance our capacities in that product range.

Natasha Jain – PhillipCapital: One last question. Receivables have increased very sharply. Is there any stress in terms of payments from the channel or customers, given the liquidity constraints in the channel? Or is it simply the normal course of business?

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Management: It is quite normal in the course of business because, if you see, my number of days have improved from 34 days to 32 days. Although volumes are high because my business is also growing, in terms of the number of days, we are improving quarter-on-quarter.

Natasha Jain – PhillipCapital: Understood, sir. Thank you very much, and all the best.

Management: Thank you.

Operator: Thank you. The next question comes from the line of Patanjali Srinivasan with Sundaram Mutual Fund. Please go ahead.

Patanjali Srinivasan – Sundaram Mutual Fund: Thank you for the opportunity, sir. I have a couple of questions. Firstly, I see that all the peers in the industry are reporting relatively low volumes. Given that there is so much capacity being added across the industry, how do you see the environment developing? Is it simply an industry-wide environment?

Management: We are quite confident of achieving our growth plans. Since we are putting in more capex towards enhancing our capacities, we see good growth in both the domestic and export markets. Overall, it appears that we will be able to achieve our growth plan despite whatever others are doing.

Patanjali Srinivasan – Sundaram Mutual Fund: Is there anything you could highlight in particular about the segments where there is some slowdown, or where there was some reason for weaker growth and for tapering your guidance? Could you give us some color on why you believe you will be able to deliver lower volume growth this year? What is causing this?

Management: On a quarterly basis, there may be some fluctuation, but fundamentally, I have not seen any indication that growth will taper or that there will be slower growth. Since we are performing better than the industry, we will continue performing in the same manner.

Patanjali Srinivasan – Sundaram Mutual Fund: I am asking because I think you have reduced your volume guidance by 2%. I wanted to know whether there is any segment where you are seeing a slowdown or something that is making you trim your growth outlook for the current year.

Management: We have made a correction of only a few basis points, so there is no significant change in the scenario. As you have always seen, volatility is part of business, and quarter-on-quarter we have seen many changes that affect demand in the short term. Overall, I do not find any fundamental change in industry growth or in our growth plans. I have not seen any specific factor that is reducing growth for this industry.

Patanjali Srinivasan – Sundaram Mutual Fund: Understood, sir. Thank you.

Operator: Thank you. The next question comes from the line of Vividh Trivedi with Asian Market Securities. Please go ahead.

Vividh Trivedi – Asian Market Securities: Thank you for the opportunity, sir, and congratulations on a great set of numbers. My first question is with respect to exports. I wanted to check which geographies and product categories are driving this increase.

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Secondly, in continuation of this, I remember that earlier our export mix was heavily weighted towards wires. I wanted your comment on how we see this developing over the next 12-18 months.

Management: We started our journey with wires, so naturally, wires represented a larger portion of our exports. However, with enhanced capacity on the cable side, we are now focusing more on and expecting an increase in cable exports. This ratio is slightly changing in favor of cables. At the same time, since we have a presence across many continents, we have seen growth across all continents, particularly in Europe and the Middle East, which are the biggest contributors to our export mix.

Vividh Trivedi - Asian Market Securities: Could you specify the exact mix for exports in this quarter?

Management: I do not have the exact breakdown with me, but the cable side is improving.

Vividh Trivedi - Asian Market Securities: Understood. Secondly, on the FMEG side, we reported a loss of almost 12.5 crores this quarter, whereas we achieved break-even in the earlier quarter, and the top line in the FMEG segment grew by almost 42%. I wanted to understand what exactly drove the sequential deterioration, which categories are profitable, and how you see overall segment performance going forward.

Management: If you see the overall revenue breakup in FMEG, we are a fan-heavy company in the FMEG segment. Since this is the low season for fans in Q2, the other segments were relatively light and appliances contributed more, while we are expecting more profitability and more growth from the fan business. We always say that Q2 is lower in terms of both profitability and revenue. So we are expecting [trails off]

Rajesh Jain - Chief Operating Officer: H2 at much higher levels, with improvement in profitability, and that is the reason we say that on a yearly basis we will achieve break-even at the EBIT level despite cumulative losses of around 17 crores.

Analyst1: Great, sir. Referring to Rajesh's television interview this morning, I wanted to check what led us to revisit our volume growth guidance for this particular year.

Rajesh Jain - Chief Operating Officer: Earlier, we were expecting around 16-18%, while we have now fine-tuned it to around 15% in view of the various factors and the volatility we are seeing. This is just a slight fine-tuning. I will not say that we have made a very significant or very large change. We would still like to remain at the forefront and grow at the fastest rate in the industry in H2 as well.

Analyst1: Understood, sir. That is helpful. Thank you, and all the best.

Rajesh Jain - Chief Operating Officer: Thank you.

Operator: Thank you. The next question comes from the line of Rahul Agarwal with Ikigai Asset. Please go ahead.

Rahul Agarwal - Ikigai Asset: Good afternoon to everyone on the call. I have a few clarifications. Firstly, does the capex of 600 crores include the partial payment for the Rajasthan land, or is it excluded?

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Rajesh Jain – Chief Operating Officer: No, it is separate from that. The Rajasthan land is part of the new capex plan that we have now started executing.

Rahul Agarwal – Ikigai Asset: So we should budget another 100 crores for the second half for the Rajasthan land capex?

Rajesh Jain – Chief Operating Officer: Yes, you can.

Rahul Agarwal – Ikigai Asset: Does that include the {? UN ?} Cables payout, or is that also separate?

Rajesh Jain – Chief Operating Officer: That will also be a separate part of it.

Rahul Agarwal – Ikigai Asset: Regarding the relocation of Roorkee, have you spent anything, or will you be spending?

Rajesh Jain – Chief Operating Officer: We are taking that on lease, so there will not be significant capex there.

Rahul Agarwal – Ikigai Asset: Understood. Lastly, in terms of the overall balance sheet and cash flow, what I am seeing is that capex is going to be higher because there is another 180 crores of spending above the 600 crores. Working capital will also increase because of higher raw material pricing, although the number of days will be better. We are also increasing dividends and seeing an increase in debt. From a free cash flow perspective, is debt expected to increase further from here? We are already seeing about 500 crores on the balance sheet. Should we budget for another 200–250 crores to fund this capex?

Rajesh Jain – Chief Operating Officer: There will be some increase in debt. First of all, if you see, our debt leverage is quite favorable. We are not an overleveraged company, and we are working quite efficiently. It is around 0.55%, which is quite healthy for any growing company. In value terms, you will always see an increase in debt, but it is again part of normal business. With such high raw material prices, there will be an increase in debt and in working capital requirements.

At the same time, we are managing working capital very efficiently. If you see, the number of days has reduced for receivables, while payables have increased through better utilization of LC facilities. Therefore, I would say that we are not doing anything abnormal; it is part of our original growth plan. Working capital utilization is under control. I hope this answers your question.

Rahul Agarwal – Ikigai Asset: For next year's capex, we should budget for 300 crores, correct? Is that a fair number?

Rajesh Jain – Chief Operating Officer: There may be some plus or minus, but as of now, 300 crores seems reasonable.

Rahul Agarwal – Ikigai Asset: Understood. Secondly, on exports, could you confirm the absolute rupee revenue for this quarter? Is it about 1,000 crores?

Rajesh Jain – Chief Operating Officer: We will not give any exact figures for this, but you can make your own estimates.

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Rahul Agarwal – Ikigai Asset: You said it was 32% of total sales, so I am trying to confirm that number. Export total is about [inaudible]?

Rajesh Jain – Chief Operating Officer: Yes, approximately that amount.

Rahul Agarwal – Ikigai Asset: Understood. In terms of the growth rate, it has obviously been very high compared with domestic. Is there anything you would highlight for next year? On a steady-state basis, should we expect export growth to be somewhat higher than domestic growth?

Rajesh Jain – Chief Operating Officer: As I said earlier, Rahul, we have equal focus on domestic and export markets. You can always find some variation on a quarter-on-quarter basis across product categories or geographies. At the same time, exports and domestic will grow at the same or similar rates.

Rahul Agarwal – Ikigai Asset: Understood. Lastly, on optical fiber, you said capacity utilization will increase after you take over the asset. Regarding the existing potential of the plant, how much should we budget in terms of the overall top line that could be added from {? UN ?} Cables? For the second half, should it be on an 80 crore run rate, or should it be 50-60 crores? What should we budget for each quarter?

Rajesh Jain – Chief Operating Officer: First of all, we have yet to take control of that business. Only after that will we start working on those revenues. Therefore, I would not suggest considering any significant revenue or any significant contribution to our overall revenue for at least this year. For next year, of course, we will come with detailed guidance, perhaps next quarter.

Rahul Agarwal – Ikigai Asset: Understood, sir. I will get back in the queue. Thank you very much, and all the best.

Rajesh Jain – Chief Operating Officer: Thank you.

Operator: Thank you. The next question comes from the line of Umang Mehta with Kotak Securities. Please go ahead.

Umang Mehta – Kotak Securities: Thanks for the opportunity. Just a clarification: the single-digit volume growth in cables and double-digit growth in wires are at the overall level, correct, and not in the domestic market? Is that the correct understanding?

Rajesh Jain – Chief Operating Officer: Yes.

Umang Mehta – Kotak Securities: If that is the case, you mentioned that export cables did better than wires. Does that mean cables actually declined in volume terms in the domestic market? Would that be a fair assessment?

Rajesh Jain – Chief Operating Officer: I would not say they declined. Growth was lower when compared with wires growth.

Umang Mehta – Kotak Securities: Understood. In exports, this approximately 80% growth: was there anything episodic, or do you think the strength should continue for the rest of the year? On a full-year basis, how much growth do you anticipate in exports?

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Rajesh Jain – Chief Operating Officer: Normally, due to changes in product mix, value growth may appear different on a quarter-on-quarter basis, including between domestic and exports. Overall, however, export share will remain in the range of 32-35% for the remaining half as well.

Umang Mehta – Kotak Securities: Understood. One last question: other expenses grew by 35% despite volume growth being slightly lower than last quarter. Is there any specific reason for this? Was there any one-off cost in this quarter?

Rajesh Jain – Chief Operating Officer: There was nothing like a one-off cost. It is the normal course of business, where we have a mix of variable and fixed costs. I am not seeing anything abnormal in this increase in other expenses. It is the normal course of business.

Umang Mehta – Kotak Securities: Understood, sir. Thank you very much, and all the best.

Rajesh Jain – Chief Operating Officer: Thank you.

Operator: Thank you. The next question comes from the line of Ravindranath Nayak with Nirmal Bang. Please go ahead.

Ravindranath Nayak – Nirmal Bang: Am I audible, sir?

Rajesh Jain – Chief Operating Officer: Yes, please.

Ravindranath Nayak – Nirmal Bang: Thank you for the opportunity, and good afternoon. My question is regarding {? UN ?} Cables. You acquired this company at one times sales when optical fiber prices are at an all-time high. What is the objective? Will we retain the capacity of 80,000 fiber kilometers per year as it is and also undertake DPC work, as competitors such as Polycab are doing? Or do we want to go beyond normal telecom cables and manufacture other high-end cables, such as data center cables? Your thoughts, sir. Thank you.

Rajesh Jain – Chief Operating Officer: First of all, this is a relatively small capex investment that we have entered into. Since we have identified this business as a focused growth area as well, we will come up with a detailed business plan perhaps after one quarter. As of now, I do not have a very detailed plan, but we will certainly focus on growth in that segment as well.

Ravindranath Nayak – Nirmal Bang: Can you not provide any capex plan? You do not have any plan right now? Is that correct?

Rajesh Jain – Chief Operating Officer: Not as of now.

Ravindranath Nayak – Nirmal Bang: Understood, sir. Thank you very much.

Operator: Thank you. A reminder to all participants that you may press star and one to ask a question. The next question comes from the line of Tushar with Sanghavi Family Office. Please go ahead.

Tushar – Sanghavi Family Office: Hello. Most of my questions have been answered. I wanted to check on the increase in long-term borrowings. I believe there has been an increase of around 200 crores from FY26 levels. Is this for the land acquisition in Rajasthan, or for another purpose?

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Rajesh Jain – Chief Operating Officer: This is for the current capex that we are executing. Since we have capex of around 600 crores this year, it is towards that. It was planned at the beginning of the year.

Tushar – Sanghavi Family Office: Understood. That helps. Thank you.

Rajesh Jain – Chief Operating Officer: Yes?

Tushar – Sanghavi Family Office: Yes.

Operator: Thank you. Ladies and gentlemen, that was the last question for today. We have reached the end of the question-and-answer session. I now hand the conference over to Mr. Rajesh Jain for closing comments.

Rajesh Jain – Chief Operating Officer: Thank you, everyone, for taking the time to participate in today's call and for your continued interest in RR Kabel Ltd. We appreciate your questions and feedback and remain committed to building on our strong first-half performance. For any further queries, please feel free to reach out to us. As we conclude, I would also like to wish everyone a wonderful festive season ahead. Thank you once again, and we look forward to interacting with you soon.

Operator: Thank you. On behalf of RR Kabel Ltd., that concludes this conference. Thank you for joining us. You may now disconnect your lines.

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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