



# KEI Industries Limited

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**KEI/BSE/2025-26**

**Date: 29.07.2025**

**The Manager,  
BSE Limited  
Listing Operation,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001.**

**Sub: Transcript of Analysts/Investors Call pertaining to the Financial Results for the First quarter ended on 30<sup>th</sup> June, 2025.**

**Dear Sir/Madam,**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform the exchanges that the transcript of audio call recording of the Company's Analyst Call held on Wednesday, July 23, 2025 to discuss the Un-Audited Financial Results (Standalone and Consolidated) for the first quarter ended on 30<sup>th</sup> June, 2025 is attached herewith.

The transcript is also available on the website of the Company:

<https://kei-ind.com/pdf/nuvama-kei-jul23-2025.pdf>

This is for your information and record.

**Yours truly,  
For KEI INDUSTRIES LIMITED**

**(KISHORE KUNAL)  
VP (Corporate Finance) & Company Secretary**

**CC:**

**The National Stock Exchange of India Ltd.  
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“KEI Industries Limited

Q1 FY '26 Earnings Conference Call”

July 23, 2025



**MANAGEMENT:** **MR. ANIL GUPTA – CHAIRMAN AND MANAGING  
DIRECTOR –KEI INDUSTRIES LIMITED  
MR. RAJEEV GUPTA – EXECUTIVE DIRECTOR,  
FINANCE AND CHIEF FINANCIAL OFFICER – KEI  
INDUSTRIES LIMITED**

**MODERATOR:** **MR. ACHAL LOHADE – NUVAMA INSTITUTIONAL  
EQUITIES**

**Moderator:** Ladies and gentlemen, good day, and welcome to the KEI Industries Limited Q1 FY '26 Earnings Conference Call hosted by Nuvama Institutional Equities. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Achal Lohade from Nuvama Institutional Equities. Thank you, and over to you, sir.

**Achal Lohade:** Yes. Thank you, Shruti. Good afternoon, everyone. On behalf of Nuvama Institutional Equities, we are glad to host the senior management of KEI Industries Limited. We have with us Mr. Anil Gupta, Chairman and Managing Director of the company; Mr. Rajeev Gupta, Executive Director, Finance and CFO. We will start the call with the opening remarks from the management and then move to Q&A. Thank you, and over to you, sir.

**Anil Gupta:** Ya. So good morning. I'm Anil Gupta, CMD, KEI Industries Limited. I'll give a brief about Q1. You must have seen -- gone through the figures. The net sales in Q1 of FY '26 is Rs.2,590.32 crores. The growth in net sales is 25.44%. EBITDA in this quarter is Rs.297.62 crores against Rs.232 crores last year. The growth in EBITDA is 28% and EBITDA/net sales margin is 11.49% against 11.25% in the same period previous year. Profit after tax in this quarter is Rs.195.75 crores against Rs.150.25 crores in the same quarter last year. Growth in the PAT is 30.28%.

Profit after tax/net sales margin is 7.56% versus 7.28% in the previous year. Domestic institutional cable sales -- wire and cable is Rs.711 crores against Rs.574 crores last year. Growth is approximately 24%. Domestic institutional cable sale of extra high-voltage cable is Rs.116 crores against Rs.79 crores last year. The growth is approximately 47%. Export sale in this quarter is Rs.374 crores, in which cable and wires is Rs.323 crores against Rs.149 crores last year. So the overall growth in the export is 61%, but the overall growth of -- cable and wire growth in this is 122% as compared to previous year.

The decline in the export is because of the one EPC contract, which we have been doing last year in Gambia, which is not there this year. Total cable institutional sale contribution is 45% as against 39% in the previous year. And sales through distribution network that is B2C is Rs.1,326 crores against Rs.1,085 crores last year. The growth in this sales through distribution network is 22%. The B2C sale has contributed 51% in the first quarter as against 53% previous year same quarter.

Overall, Wire and Cable segment has grown in this quarter approximately 32% over previous year same quarter. EPC sale other than cable is Rs.61 crores against Rs.131 crores last year. Decline is approximately 53%. I just mentioned because of the one project which we were executing last year in Gambia is not there this year. Out of the total sale of EPC, EHV EPC sale

is Rs.18 crores against Rs.45 crores in the same quarter previous year. Sales of stainless steel wire in first quarter is Rs.51 crores against Rs.53 crores previous year. Decline is approximately 4%.

We have around total active working dealers of the company as on 30th June was approximately 2,094. Order booking as on 30th June '25 is Rs.3,921 crores, out of which Rs.540 crores are pending orders of EPC, Rs.538 crores is for extra-voltage cables and domestic cable booking is Rs.2,140 crores. Export orders spending is Rs.703 crores. So total Wire and Cable segment booking is Rs.3,381 crores and including EPC, it is Rs.3,921 crores. The company has got long-term ratings on CARE, India Rating and Research and ICRA at AA+ and that of short term is A1+.

The book value per equity share of the company is Rs.626 as against Rs.605.5 on March 31, 2025. Company has booked an expenditure of Rs.53.95 crores in quarter 1 towards CSR. I can -- total borrowings as on 30th June is Rs.203 crores. It is mostly against channel finance. And acceptance creditors as on 30th June is Rs.448 crores against Rs.246 crores on 31st March '25. So net cash is Rs.1,048 crores includes Rs.1,106 crores of QIP as on 30th June.

Now the QIP fund status, company has raised Rs.2,000 crores through QIP on 28th November 2024 to fund our Sanand project, repayment of outstanding debt and for general corporate purposes, out of which Rs.1,450 crores was for Sanand, Rs.240 crores for general corporate purposes and Rs.276 crores for repayment of term loan and working capital demand loan and Rs.34 crores was QIP expenses.

Company has utilized QIP fund of Rs.913 crores up to 30th June 2025. Now the future outlook. The company has incurred in this financial year, an expenditure of Rs.410 crores, out of which Sanand Rs.296 crores. We bought 2 lands in Salarpur and Sanand for Rs.95 crores and other plants and locations, which are existing Rs.19 crores capex. Till 30 June 2025, total capex payment incurred for Sanand is Rs.880 crores and another Rs.600 crores to Rs.700 crores will be spent in next 9 months. And balance approximately Rs.300 crores to Rs.400 crores will be spent in next financial year, first half.

Commercial production of first phase of LT and HT cable in Sanand will commence in quarter 2 of -- by September '25-'26 -- September '25 and total project will be completed in first half of FY '26-'27. Company is hopeful to achieve 18% growth in this financial year or even we will definitely try -- aim to achieve more and improve our operating margins during FY '25-'26, considering Phase 1 commercial production at Sanand and strong order book position of domestic, institutional and cable sales, export order for cable sales and extra high-voltage cable as of today.

After completing the Sanand project and strong demand in the domestic and overseas markets, we are hopeful to grow by 20% year-on-year CAGR in next 2 to 3 years. Industry demand, now the major sectors where we see strong demand in India domestically is solar and renewable sector -- solar and renewable power development and data centers, transmission and distribution projects by power companies, whether in the government sector or in the private sector, electric vehicle recharging stations, infrastructures like railways, metros and tunnel ventilation projects,

highways and also the manufacturing sector, which -- where the demand is emerging from the new manufacturing factories coming up.

So even similar scenario exists in the export sector, where we are catering to major demand in the renewable side, solar and wind power projects and also in the oil and gas industries in India as well as overseas.

So this is from my side. And thank you very much for listening. I'm available for answering your queries. Please go ahead with your queries. Thank you.

**Moderator:**

Thank you very much . We now begin the question and Answer session. Anyone who wishes to ask question may press star and one their touch-tone telephone. If you wish to remove yourself from question queue you may press star and two. Participants are requested to use a handset while asking a question. Ladies and Gentleman, we will wait for moment while question queue assembles. The first question is from the line of Natasha Jain from PhillipCapital.

**Natasha Jain:**

Thank you for the opportunity and congratulations on a good set of numbers. My first question is, sir, you had mentioned today in the TV interview that you are aiming to close this year with 11% EBITDA margin. Now if I just see the highest growth category for you in the past couple of years has been wires -- housing wires, which is a high-margin business.

Assuming that going forward, the salience will be higher for cables, as cables have more tailwinds, the margin should adjust on the downside. So from current 10%, can you just walk us in a little bit of detail how will you achieve this 11%, given that cables will increase more than wires? So first question is that.

**Anil Gupta:**

Madam, definitely, the growth in cable segment should be higher this year, but even wires will also grow reasonably. And so far as EBITDA margins are concerned, maybe the how -- we always count even the other income also in our operational margins because ultimately, the -- any income out of exchange fluctuation or etcetera, are operational profits. I'm not talking of interest earned out of QIP pennies, except that rest all is operational profits because exchange fluctuation is a part and parcel of our business.

And we -- in several years, we have seen always the earnings from exchange fluctuation by better managing our orders and export business -- export and import business. So as we are guiding, definitely, we will aim to achieve 11%, but we always say that there can be a range of 10.5% to 11% because nobody can exactly predict the margin profile because of the ups and downs of the industry.

**Natasha Jain:**

Understood, sir. So what I understand is 11% will be a mix of even your treasury, the hedging part of your numbers. And sir, you also mentioned logistics...

**Rajeev Gupta:**

So Natasha, whenever we say we always say the EBITDA margin of close to 11%. The -- Anilji has already revealed at 10.5% to 11%. So we always maintain that kind of guidelines.

- Anil Gupta:** Actually, foreign exchange fluctuations are not treasury income. We are not doing it for treasury. It is how we manage our export and import business.
- Natasha Jain:** Understood, sir. And you mentioned logistic cost savings. So can you just quantify how much of logistic cost will we save because of the Sanand plant?
- Anil Gupta:** I mean, as of now, I will not be able to quantify it. Let the project start and we will be able to say something about it by end of this year. See, it is a simple logic that if your plant is located within 350 kilometers from a port, and today, I'm exporting from my North Indian plants, which are around 1,400 kilometers so there will be a saving in logistic cost in inward and outward freight. So...
- Rajeev Gupta:** But it will be a little bit not heavy.
- Anil Gupta:** But it will take time to bring it into the margins.
- Natasha Jain:** Got it. And sir, just one last question. You said approximately Rs.1,100 crores is what remains from your QIP proceeds. So can you just quantify how much of that will be capex led?
- Rajeev Gupta:** So it -- all it will be capex.
- Anil Gupta:** It is all capex.
- Natasha Jain:** Got it, Thank you sir. I will get back in this year
- Moderator:** Thank you. The next question is from the line of Jayshree Bajaj from Trinetra Asset Managers. Please go ahead . May I request you to unmute your line and say your question.
- Jayshree Bajaj:** As you said, sir, that EBITDA margin will remain flat for the FY '26 and we can see that very new competitors are entering in the market. So how does KEI intend to sustain its current growth trajectory and defend the market share across its diverse segments and sustain the growth, which currently it has achieved?
- Rajeev Gupta:** Madam, in the past, in so many years, we were operating in EBITDA margin of 10.5% to 15% with a growth rate of 17% to 20% year after year. And every year or within 2 years with -- the small manufacturers has already come for the manufacturing of wire and cable. It is not the new case when the new players are coming. Their name are big.
- So that's why most of the investor was worried initially, but now everybody has understood that our business of the wire and cable because of the approval process going on and the industry itself is growing close to 12% to 13%. So it gets automatically adjusted. So it will not impact any kind of margin here.
- Jayshree Bajaj:** Okay. And as we can see, there is a remarkable growth in the export institutional cable. So is it sustainable in the next 3 quarters of FY '26?

**Rajeev Gupta:** Madam, ultimately, our purpose is to sell our capacity what we're having. Whether we will be selling to export market to retail market or to domestic institutional market, it does not matter to us because ultimately, we have to fully utilize our capacity because we need to take care all the markets so that we don't know which market will be -- in future, which market will go strong. So that's why our focus will be in a diversified geographical range. That's how we were maintaining in the past also.

**Jayshgoree Bajaj:** Okay, sir. Got it. Thank you.

**Moderator** Thank you. The next question is from the line of **Vidit Trivedi** from **Asian Market Securities**. Please go ahead.

**Vidit Trivedi:** Hey, hi .Thanks for the opportunity--- pretty strong set of numbers. First question is with respect to the exports. We have registered close to 122% yearly growth. So I wanted to know what's the vision for exports over the coming next 2 years down the line? And what's the spread in margins between domestic and exports?

**Rajeev Gupta:** So normally, in domestic and export, the margin difference is only 0.5%. But as Anil ji has spoken earlier also that his vision is to go with the export range of 17% to 20% in the next 2 to 3 years, mainly because of addition of the 2 new geographies like USA. and Europe. So because of that, these are the new geography and the earlier base was not there. That's why the export is growing like this way.

**Vidit Trivedi:** Sure, sir. And what's the volume growth during the quarter? And ya...

**Rajeev Gupta:** So normally, the prices are stable since last year. Even in the -- whatever the copper price and aluminum price was last year, the same was continuing in this quarter. So all the relevant volume will be close to same.

**Vidit Trivedi:** Any number on that, like 15%, 20%, anything like that?

**Anil Gupta:** I think the volume growth is close to 28% to 30%. We have not been able to quantify so far.

**Vidit Trivedi:** Got it, sir . Thank you so much

**Moderator:** Thank you. The next question is from the line of Naushad Chaudhary from Aditya Birla Mutual Funds. Please go ahead

**Naushad Chaudhary:** Yeah, hi thanks for the opportunity Congrats on a good set of numbers. Two clarifications, sir. Firstly, on Sanand plant, if I heard it correctly, this will start contributing from 2Q FY '27, right?

**Anil Gupta:** Yeah exactly actually from Q3 because the likely operationalization will be end of September '25. So the actual contribution should come from quarter -- Q3.

**Naushad Chaudhary:** Okay. And ramp-up outlook remains same, 3 years should require to reach full utilization?

**Anil Gupta:** Yeah. Correct.

- Naushad Chaudhary:** And second, on the export business, what is the mix of distributor -- the business through distributor versus direct to client? And in terms of nature of the business, are these short-term contractual business or long-term contractual business?
- Anil Gupta:** See, we are mostly targeting projects overseas. And our 90% of the business is coming directly with the EPC contracting companies or the utilities. Only 10% to 15% comes through distributors. So the -- in exports, our business through distributors is there only in USA. Otherwise, we are using agents network to target direct customers.
- Naushad Chaudhary:** And contracts are typically short-term in nature for this business or long-term?
- Anil Gupta:** Mostly short term in nature.
- Rajeev Gupta:** We are supplying the projects. So whenever the project is there, we are bidding and we are getting the contracts.
- Anil Gupta:** But now we are there in the -- as a regular vendor for very many, many large EPC companies and utilities. So they have regular requirement -- regular projects like in India. So new inquiries are being quoted on every month and every day.
- Naushad Chaudhary:** And average length of contract would be how much? 4, 5...
- Anil Gupta:** Normally, most orders are completed maximum within 4 to 5 months.
- Naushad Chaudhary:** 4 to 5 months? Okay. And the payment cycle are same as the domestic market or better?
- Rajeev Gupta:** 2.5 months only in the case of a few customer overseas where we get the letter of credit for vendor financing.
- Naushad Chaudhary:** Thanks for clarification
- Rajeev Gupta:** Thank you
- Moderator:** The next question is from the line of Shilpee Sharma from Prabhudas Lilladher Capital. Please go ahead.
- Praveen Sahay:** Praveen Sahay from PL Capital. Thank you for asking my question. The first question is related to the housing wire and winding wire segment which -- where the contribution in the last 3 years has reached to around 30% of your total number. If you can give some color on separately like housing wire and the winding wire, which has outpaced in terms of the growth in the last couple of years? Because if I look at both the businesses, it's a quite different margin profile.
- Anil Gupta:** Sir, one reason is the higher growth is -- use our base in this house wire was very low earlier. And hence, we have got substantial growth. But I think now the growth in the wires and cables will be normalized, and I think we should be growing at the similar pace.
- Praveen Sahay:** So winding wire also did very well for you, sir?



- Anil Gupta:** Winding wire is a very side business. I mean it's only related to agriculture. So it is being mixed with the house wire, but it is a very small segment.
- Praveen Sahay:** Okay. Got it, sir. And next question is related to the order book. So if I look at order book related to the extra high-voltage, which is on the sequential side, if I look at, that is a little down. So do you believe these numbers to improve in the -- latter in the quarter from here?
- Rajeev Gupta:** Sir, on a full year basis, we will achieve the top line of close to Rs.550 crores to Rs.600 crores in extra high-voltage power cable as we have the capacity.
- Praveen Sahay:** Okay. And these numbers to improve with the commissioning of the Sanand facility? Is it fair understanding?
- Anil Gupta:** That will be only next year.
- Praveen Sahay:** Yeah, right sir. Thank you, sir . All the best
- Moderator:** Thank you. The next question is from the line of from Raman KV from Sequent Investments. Please go ahead
- Raman KV:** Hello, sir . Can you hear me?
- Moderator:** Yes, you are audible .
- Raman KV:** Sir, I have two questions. One is on the export front. You said the export margin -- the difference between export margin and domestic margin is 0.5%. So as the Sanand plant operates in -- starts operating in Q3 coming to FY '27, do we expect this margin to between domestic and export to increase?
- Rajeev Gupta:** It will increase a little bit. As Anilji earlier told that it will take some time, at least for 1 year time to ramp up the capacity, utilize the capacity, to absorb the depreciation over there. So it will take time. So by '27-'28 financial year when the -- we will be utilizing almost 50%, 60% capacity or may plus, so then a little bit EBITDA margin will get improved.
- Raman KV:** Okay, sir. And my second question is with respect to the Sanand facility. What was the total capex spend on this facility? And what was the -- what is the target asset turn with respect to optimum utilization?
- Rajeev Gupta:** Total capex will be close to Rs.1,900 crores to Rs.2,000 crores in Sanand. And initially, we will be having the top line capacity of Rs.6,000 crores over there because of extra high-voltage power cable will be close to Rs.1,200 crores and Rs.4,800 crores will be for low voltage and medium voltage power cable capacity over there.
- Raman KV:** Sir, you said Rs.6,000 crores of revenue you will be able to generate. I didn't get the second part of it, Initially as in -- like in FY '26...

- Rajeev Gupta:** Out of Rs.6,000 crores, Rs.1,200 crores will be for EHV capacity and Rs.4,800 crores will be for low voltage and medium voltage capacity.
- Raman KV:** And this you will be able to generate in FY '27?
- Rajeev Gupta:** It will take 3 years to ramp up because whatever capacity we put in, it will take not for 1 year, it will take at least 3, 3.5 years. But to increase the capacity, it takes 2 years.
- Raman KV:** Hello ,Hello. Can you here me?
- Moderator:** Yes, sir you are audible
- Raman KV:** Yes. Sir, also I have noticed that in May, you put out a notice that you purchased around 74,000 square meter land in Rajasthan. Can you give any -- like any development with respect to that? Is it for the expansion capacity?
- Rajeev Gupta:** So that capex, we will start only after the completion of the Sanand. We bought the 2 land recently. One is in Rajasthan, another in Sanand also -- another land we bought in Sanand also for backward integration, but the capex will start only after the completion of the Sanand project.
- Raman KV:** And sir, you said by September 2025, Phase 1 will be started. In Phase 1, how much are you expecting to utilize the capacity?
- Rajeev Gupta:** By September -- Anilji just has spoken that by September, we will start Phase 1. So from the third quarter, the sales reflection will be there. And extra high-voltage will start only end of Q1 of the next financial year.
- Raman KV:** Ok sir Thank you
- Moderator:** Thank you. The next question is from the line of Akash Jha from KJ Belt. Please go ahead.
- Akash Jha:** Hi sir, Congratulations for a great set of numbers. So I want to know our capex plan, sir. So -- I mean, given the strong cash position, what expansion we are looking over the next 3 to 5 years? And I mean, will the majority of capex directed towards cables or wires?
- Rajeev Gupta:** Sir, we will remain in the wire and cable. But every year, we need to invest another Rs.600 crores to Rs.700 crores to increase the capacity to maintain the 20% top line. So as -- just we will be completing the Sanand project. And after that, we will be starting another project because we are buying the land for that also. And a few parcel of land we have already in the Vadodara. So we will be continuing focusing on the addition of the capacity to enable us to grow at least 19% to 20% year after year.
- Akash Jha:** Okay. And what is the revenue growth target for this year and EBITDA margins?
- Rajeev Gupta:** So this year, revenue target growth, we have already given that 18% to 19% growth will be there because the capacity is there according to the capacity. But the next year onwards, we will be growing 20% plus.

- Akash Jha:** And margins outlook, sir?
- Rajeev Gupta:** EBITDA margin will be close to 11%. We always talk of EBITDA margin.
- Akash Jha:** Okay. And last one on depreciation, sir. So I mean, as the Sanand facility begins commissioning, I think, from September. So...
- Rajeev Gupta:** Full depreciation will come only next year. And by that time, the sale will also be there.
- Akash Jha:** In FY '27?
- Rajeev Gupta:** Yes. Because the EHV project will get commissioned only in Q1 next year.
- Akash Jha:** Okay, sir. Got it. Thank you, sir.
- Rajeev Gupta:** Thank you
- Moderator:** The next question Ok the next question is from the line of Keyur Pandya from ICICI Prudential Life Insurance Corporation Limited. Please go ahead.
- Keyur Pandya:** Thank you. Sir, two questions. First, on the, say, capacity side. So till the time our Sanand facility, say, it gets commissioned and ramps up, do you see any challenge on the growth side for next 2 quarters? I'm not talking on degrowth, but the lower growth because of the capacity constraints. That is first question. And second, in your medium- to long-term target of, say, 20% revenue growth, how do you see export contribution? What would be the growth from the exports? That is second question.
- Rajeev Gupta:** Sir, last year, we have spent the amount on the brownfield capex in our Silvassa plant and Pathredi plant. So as of now, we are having our cable capacity utilized 74%, 75% only. So every quarter, we will grow. That's why we will be growing in the current year 18% to 19%. And since the Sanand capacity will be in place by September, so month after month, it will be ramping up. So in the second half, the capacity utilization will start from the Sanand also. By the next year, the whole plant will be ready. So we will be easily growing 20% from there.
- Keyur Pandya:** And on the exports?
- Anil Gupta:** Export, we have already mentioned that our aim is to reach 17% to 18% of our top sales coming through exports in next 2 years. So that as soon as we are able to create this new capacity at Sanand, we will try to ramp up that.
- Keyur Pandya:** Okay. Just one follow-up. So 30% -- I mean, upwards of 25% growth, 30% growth in cables this quarter and no capacity constraint plus new plant coming up. Despite that any reason why you are constraining your guidance to 17%, 18% this year?
- Rajeev Gupta:** First of all, quarterly number does not reflect the full year growth. Always, we say we -- neither the profit, neither the growth because sometimes the quarterly base is low in the second half. Always third quarter and fourth quarter base is very, very high. So it is in the cable industry.

Always we maintain the full year guidance. And we, as a KEI, always maintain the full year guidance...

**Anil Gupta:** But definitely, I mean our -- we are a little conservative in giving guidance. Our performance will be far better, I'm sure about it.

**Moderator:** Thank you. The next question is from the line of Achal Lohade from Nuvama Institutional Equities. Please go ahead.

**Achal Lohade:** Yes, Sir, two questions from my end as well. One, just to clarify, when you talk about the revenue growth, I presume you're talking about the overall company growth and not cable and wires. So given we are...

**Rajeev Gupta:** Yes, we're talking always company as a whole -- we're always talking company as a whole.

**Achal Lohade:** Understood. So given we are descaling in the EPC business, does that mean it's upwards of 24%, 25% growth for the full year for Cable and Wire segment because that is seeing a 30%, 40% kind of a decline.

**Rajeev Gupta:** Ultimately, we are giving the full balance sheet, so on full year balance sheet. So whatever sale we will be doing, it will be growing 18% to 19% for current year. EBITDA margin will be close to 11%. So because these 2 numbers, we are always communicating.

**Anil Gupta:** See, as a guidance -- as -- it is only a guidance. We have always -- you must have seen that we have always performed better than the guidance.

**Achal Lohade:** That's fair. That's a fair point, sir. The second question I had pertaining to the exports. I know the situation is still evolving. But as of now, if we were to ask factually, how do we stack up against the competing countries, specifically for US, given that is the new geography we have added? How do we stack up in terms of the tariff vis-a-vis, say, Mexico or China or South Korea, sir?

**Anil Gupta:** See, US is at the moment a little slow because of this uncertainty of tariffs, but our dependence on US is very small at this moment. Our exports to other countries is substantially high, especially Middle East, Australia, Africa and also Europe now, which we are doing.

So I'm -- we are not too much worried about US impact at the moment, but we will have to watch out what happens in next -- in this quarter. I think something should settle down, and that will be beneficial for the company. Our last year exports to US was only, I think, Rs.160 crores. So -- I mean, it is not that we are highly dependent on US

**Rajeev Gupta:** But Achalji, for us, more important to utilize the capacity, whether we are utilizing the capacity for export or for retail or for domestic institution.

**Achal Lohade:** Right. No, I was coming from the fact that we have the land parcels, if the massive opportunity actually comes up for exports, could there be a possibility for us to participate in that? Obviously,

I understand, given whatever capacity we have, we'll utilize that. But I was just more curious to get the tariff rate on India vis-a-vis Mexico or China or South Korea in US

**Anil Gupta:** As of today, whatever tariffs have been announced, they have not been actually operationalized or implemented. They are just on paper. I don't think that any -- even any notifications are issued by US government. These are only in the media.

**Achal Lohade:** Right, right. And how about the customers ex of US? How is the demand situation? How is the competitive pricing perspective? Have you seen anything changing out there as well? Or things remain as business as usual?

**Anil Gupta:** We are always competitive because, I mean, our production costs are in the best way as compared to our international peers. So the competition is not a problem, and it is only a matter of developing that market. The issue is not the competition. Issue is developing the market and getting the product certifications in different categories and acquisition of customers.

**Achal Lohade:** Fair point, that's great thank you, I will follow up

**Moderator:** Thank you. The next question is from the line of Shirom Kapur from Jefferies. Please go ahead.

**Shirom Kapur:** Hi thanks for the question just wanted to focus on exports again, this 17% to 20% contribution that you are referring to, if currently the US market, as you're saying, is a little slow, what is exactly the road map that you're looking at to go up to this 20%, which would be geographies that will drive this and this high 120% growth that you got in 1Q, of course, on a low base right now because of the new markets that are added. But once that base settles, what kind of growth could you be looking at in these new markets like US and Europe?

**Rajeev Gupta:** As we are continuing -- reminding you that we are not totally dependent on US or Europe, we -  
- our main object is to utilize the capacity, whether we are selling to the domestic market or to export market, but all the fronts needs to open up because we don't know which geography will be weak or which geography will be strong. Our focus to go towards the export, so that is the reason. But if that is not there, Rs.100 crores, Rs.200 crores sales will be less. It will not impact to the company. Sir, you can continue.

**Anil Gupta:** Moreover, whenever -- at the moment, there is an uncertainty in US market, but it will not remain. Just let us be patient for maybe 2, 3 months, then all these things get settled. And ultimately, customers over there need material, and there is a strong demand in US. So only thing is they are also waiting because of the uncertainty of the tariffs. So projects are slow there because of this uncertainty.

**Shirom Kapur:** Ok, Thank you sir

**Moderator:** Thank you .The next question is from the line of Charanjit Singh from DSP. Please go ahead

**Charanjit Singh:** Hello sir thanks for opportunity and congratulations on great set of numbers. Sir, my question is first on the EHV side. On the extra high-voltage, what is the kind of tender pipeline you're looking like? And in terms of the competition from the imports, how that is -- and some of the

new capacity scaling up, how you see that the time lines for those? That's my first question, especially on the EHV side.

**Anil Gupta:** Sir, there is a -- tender pipeline is good. And what was the question? I don't know.

**Rajeev Gupta:** New capacity...

**Anil Gupta:** New capacity will come up only after 1 year. So there is a good tender pipeline. I think this sector will -- segment will see a good substantial growth in the coming years. So the capacity is being created, keeping a vision of next 3 to 5 years in the Indian market as well as overseas markets.

**Charanjit Singh:** So sir, from the Indian market perspective, can you give some numbers in terms of how large is the EHV market? What is the kind of size it could become in the next 3 to 5 years, like you are envisioning and creating the capacities accordingly?

**Anil Gupta:** I think at this moment, the market size in the EHV segment is -- should be close to Rs.3,000 crores. And I think in next 3 to 5 years, it should -- in 3 years' time, I think it should reach around Rs.6,000 crores, and it should be growing faster actually in my opinion, but I don't have any real data to support it.

**Charanjit Singh:** Got it, sir. Sir, my other question is on the wiring side. If you can touch upon the...

**Anil Gupta:** One more thing I want to mention that all our EHV capacities, whatever we are creating, we always -- in case EHV orders are not enough, we always use the capacity for manufacturing HT cables. So none of the capacity is idle at any given point.

**Charanjit Singh:** Got it, sir. Sir, my second question is on the wiring side. Hello hello

**Rajeev Gupta:** Boliye charanjit ji

**Charanjit Singh:** On the house wires, in that market in terms of our market share currently and what is our aspiration going forward? And in terms of the distribution network, where we are versus where we had when we started the journey on the house wire side?

**Rajeev Gupta:** See, Mr. Charanjit, every year we are able to add 5% to 7% number of dealer-distributors. And in that also, what we do is, year after year, strengthening of the dealer-distributor team. Because those who are weak or whose focus is not on the market, we replace them with strong dealer-distributors.

That's how this growth is coming. And in the areas like Southern Belt and Eastern Belt, where there was a little less work earlier, our employment is also generating more. Our employees are also getting new dealer-distributors accordingly.

So, overall, there is focus on North, East, West, South. And the growth rate, which is on an average earlier, the focus is to grow at 22%-25% because we still have a lot of geographies to tap in the East and Southern area.

- Charanjit Singh:** Ok sir, thanks for taking my question that's all from my side
- Moderator:** Thank you. The next question is from the line of Rahul Maheshwary from Dolat Asset Management. Please go ahead.
- Rahul Maheshwary:** Hello, am I audible ?
- Moderator:** Yes you are audible
- Rahul Maheshwary:** Congratulations on the best set -- good set of numbers. Sir, one question. Can you give some highlights or insights on the solar specialty cables, which -- what kind of numbers are we clocking? And also, we had earlier told that the Sanand facility will be used also for the HVDC opportunity, which would be coming. So can you give some opportunity size, numbers or TAM that will be very helpful.
- Anil Gupta:** Sir, I'll reply this. Solar, we are already catering to all the major solar developers all over the country. And even we are exporting solar wires now. In Sanand facility, we are also creating a new process to manufacture solar wires, which is electron beam process, radiation process. So that also we are creating so that our size of sale in this segment grows up because many customers ask for that kind of process to be adopted during manufacturing.
- Secondly, regarding HVDC cables, HVDC cables is an upcoming segment in Indian transmission sector. As of -- it will take a little bit time to get a substantial growth in this segment. But what -- facilities what we are creating in Sanand, that is common for HVAC and HVDC cables. So HVAC, which we are presently manufacturing for last 15 years and selling in Indian market and also exporting. HVDC is in prevalence in many European and U.K. countries. In India also, a number of HVDC projects has been executed, but with imported cables.
- So our -- what I can say is our facility will be fully used for HVAC and HVDC extra high-voltage cables, but it is difficult to quantify because HVDC, it will take a little time, maybe around 2 years for us to develop our prequalification and type tests, etcetera, which are long-duration tests. So at this moment, it is difficult to give any projections for HVDC.
- Rahul Maheshwary:** Sure. And sir, just want to know that can you give some growth or what kind of growth rate we are growing in the solar specialty cables and etcetera? And also going forward, we will just stick with the wires and cables or we will be coming with the solar-related products also because the entire industry is growing towards -- moving towards that chain. So what's your proposition for KEI?
- Anil Gupta:** Our -- we will remain focused on wire and cables business, whether for solar or for other industries. So we don't intend to diversify in other item chains of solar industry. And I think in solar, the growth rate is very high, but I don't have the exact data that how much is the solar. But definitely, the growth rate in solar -- with the solar developers is very, very high.
- Rahul Maheshwary:** Thank you so much, sir. Best wishes

- Moderator:** Thank you . The next question is from the line of Dhruv Jain from Ambit Capital.Please go ahead
- Dhruv Jain:** Thank you for the opportunity Sir, my first question is on the domestic institutional cables business. So we've seen KEI do very well in this quarter. Just wanted some color on which sectors have contributed to growth. And even from an FY '26 perspective, from a tendering activity, which sectors are likely to drive growth for KEI? That's my first question.
- Anil Gupta:** **Sir** The major institutional sale of cables is coming from power transmission and distribution companies and related EPC contractors, secondly EPC solar power developing companies who are creating and developing solar power projects and related power evacuation infrastructure. So the major -- and also the other institutional customers who execute -- or EPC contractors who execute projects in power generation projects, whether it is thermal, hydel or projects like tunnel ventilation and other projects.
- See, cables always goes into some project. Only thing is how we are selling. Sometimes we sell it directly our B2B, I mean business to business, where we sell directly to the end customer. Sometimes same sale, we are doing through the dealers who are -- but ultimately, the user will be some project. I think I'm clear.
- Dhruv Jain:** Yes, sir. Got it. But just wanted your sense that which sectors are doing well. So obviously, power has been historically also one of the key users...
- Anil Gupta:** All sector of energy sector. All segments of energy sector, whether power transmission, generation, distribution. In power, whether it is thermal power projects, which are now again coming up in a big way. Solar power is now at the peak at this moment. And related infrastructure of solar power like battery energy storage projects.
- And I think in 1 to 2 years, we will see a substantial segment of pump storage projects, which will be in advanced stage, then data centers, which is -- consumes a good amount of. And then this building construction, commercial, hospital and other infrastructure buildings, they also consume substantial amount of wires and cable. And the new manufacturing plants, infrastructure plants like metros, rail and railways.
- Dhruv Jain:** Got it, sir. Sir, second question is on the housing wire side. So over the last few years, KEI has been outperforming the market given that you were late entrants. But now that you've become a substantially large player in the housing wire market, just wanted to get your thoughts that, say, how -- when does this growth start to normalize?
- Do you still have that -- say, in the next 2 or 3 years, you still believe that in the housing wire side, you can grow at that 24%, 25% range or it will start normalizing towards the company level 18% to 20% sort of growth in the next, say, 1 or 2 years?
- Anil Gupta:** See, I don't know what happens after 2 years. But as of today, I believe that it should grow -- be growing around 20% to 25% in this segment.



**Dhruv Jain:** Got it sir , Thank you so much and all the best.

**Moderator:** Thank you.The next question is from the line of Amit Agicha from HG Hawa. Please go ahead.

**Amit Agicha:** Good afternoon sir and Congratulations for a good set of numbers Y-o-Y. Sir, most of the questions have been answered. Like I will be asking this last question, like the strong cash position, like are there any plans for dividend buyback or M&As?

**Rajeev Gupta:** Sir, as of now, we are doing the capex expansion mode, and we need to spend another Rs.500 crores to Rs.700 crores year after year. So once we will do this completion, the expansion and then after 2, 3 years, we can think. But as of now, there is a no.

**Amit Agicha:** Sir, the second question is related to the order book -- pending order book, which is Rs.3,921 crores. Like what is the execution pipeline and visibility across the quarters?

**Rajeev Gupta:** Normally, whenever we have the institutional order, whether domestic or from export, it has to be executed within 3 to 4 months' time. Sometimes it may take 5 months also. But normally, average pending order situation is 3 to 4 months only.

**Amit Agicha:** I appreciate the answer for my question all the best for future.

**Rajeev Gupta:** Thank You

**Moderator:** The next question is from the line of Nikhil Purohit from Fident Asset Management.

**Nikhil Purohit:** I have just one question. What was the cable share inclusive of exports in the institutional business and the cable share in the distribution -- the B2C business?

**Rajeev Gupta:** See in the domestic -- in the export, we are selling mainly wire and cable only because stainless steel wire is very little amount. And in export market, major share is for cable and wire and a little bit share for EPC. One project going on in the Gambia and Nepal, but the major share is belong to cable itself.

**Nikhil Purohit:** The major share is cable in the export business?

**Rajeev Gupta:** Yes.

**Nikhil Purohit:** Okay. And just in B2C, what is the cable share?

**Rajeev Gupta:** B2B almost 50-50...

**Nikhil Purohit:** B2C, B2C...

**Rajeev Gupta:** B2C almost . Sometimes a little bit higher, a little bit lower, but almost 50-50.

**Moderator:** The next question is from the line of Balasubramanian from Arihant Capital. Please go ahead

- Balasubramanian:** Good afternoon sir i think we have a dealer and distribution channel network of more than 2,000. And so we could share the mix of South, West, North and East side. And right now, we have a channel financing coverage of 70%. And what's the -- is there any time line -- is there any target to increase? And what was the time line?
- Rajeev Gupta:** So there is no time line. Whenever we add new dealer distributor, it takes 4 to 8 months. Also, 70% has been covered . And slowly, slowly, whenever there are new dealer distributors getting added, they will be also included in the channel financing scheme.
- Balasubramanian:** Sir, on that network side, you can share like percentage terms like where we have penetrated more and where we are targeting?
- Rajeev Gupta:** Please repeat your question?
- Balasubramanian:** No, sir, like out of 2,000-plus dealer distribution channel side, like if you could share percentage terms of like South, West, North and East? Like where we have penetrated more and...
- Rajeev Gupta:** We are trying our level best to increase our dealer distributor network in the Southern and Eastern part, but long miles to go. So it will take a longer time to reach out to every market.
- Balasubramanian:** Okay,sir okay sir Thank you
- Moderator:** The next question is from the line of Vidit Trivedi from Asian Market Securities. Please go ahead .
- Vidit Trivedi:** Yeah thanks for the question You just mentioned that Middle East and the Australian geographies are a stronghold for you. But recently, I think China and Australia has entered into its zero tariff policy. So don't you think there will be a headwind for us when we compete with China and Australian markets?
- Anil Gupta:** Australia -- China is already a strong player in Australian market for many years, and they have better proximity compared to India. So in spite of that, our -- we have been exporting our cables to Australia for last more than 11 years now. So I don't -- it's not that China is there anything new. They are already there.
- Vidit Trivedi:** And sir, what are the three top destinations for us?
- Rajeev Gupta:** Middle East, Australia and Africa. Apart from this, Europe and US
- Vidit Trivedi:** And sir, second, on the EBITDA margin guidance. You have been guiding that close to 11% is quite doable. My question is that you guys are eyeing a top line -- sorry, EBITDA -- sorry, exports contribution of close to 18% in the coming few years. So don't you think that our guidance can inch up from here, let's say, 11.5% or 12%-ish kind of a number?
- Rajeev Gupta:** So when it will reach to 18%, then it is -- it will automatically come up to 11.5% or maybe more. automatically, it will come.

- Moderator:** Thank you. Ladies and gentlemen, this was the last question for today. And now I hand the conference over to the management for closing comments. Over to you, sir.
- Anil Gupta:** I thank you, our respected investors to be on this conference call. We are always available to answer any of your queries. You may feel free to reach out to us. Thank you very much.
- Rajeev Gupta:** Thank you everyone.
- Moderator:** On behalf of Nuvama Institutional Equities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.