



# Power & Instrumentation (Guj.) Limited

AN ISO 9001 : 2008 COMPANY

CIN : L32201G1983PLC006456

**Date:** August 22, 2025

To, <b>The National Stock Exchange of India Limited,</b> Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai-400051  Scrip Symbol: PIGL	To, <b>BSE Limited</b> Floor 25, P. J. Towers Dalal Street, Mumbai - 400 001  Scrip Code: 543912
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Dear Sir/ Madam,

**Sub: Transcript of the Earnings Conference Call for the First Quarter ended on June 30, 2025.**

In furtherance to our Intimation of Earnings Conference Call dated August 13, 2025 and pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Transcript of the Earnings Conference Call held in connection with the Unaudited Financial Results (Standalone and Consolidated) of the Company for the First Quarter ended on June 30, 2025 held on Wednesday, August 20, 2025, is enclosed and is also available on the website of the Company.

We request you to take the same on record.

Thanking You,

Yours truly,

**For, Power and Instrumentation (Gujarat)Limited**



**Maunishkumar Gandhi**

**Company Secretary & Compliance officer**

**Mem. No. A48832**



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“Power & Instrumentation (Gujarat) Limited

Q1 FY '26 Earnings Conference Call”

August 20, 2025



**MANAGEMENT:** **MR. PADMARAJ PILLAI – MANAGING DIRECTOR –  
POWER & INSTRUMENTATION (GUJARAT) LIMITED  
MR. ROHIT MAHESHWARI – CHIEF FINANCIAL OFFICER  
– POWER & INSTRUMENTATION (GUJARAT) LIMITED**

**MODERATOR:** **MR. ASHVATH RAJAN – ARIHANT CAPITAL MARKETS  
LIMITED**



**Moderator:** Ladies and gentlemen, good day and welcome to the Power & Instrumentation (Gujarat) Limited Q1 FY '26 Earnings Conference Call hosted by Arihant Capital Markets Limited. 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, 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. Ashvath Rajan from Arihant Capital Markets. Thank you and over to you, sir.

**Ashvath Rajan:** Good afternoon, participants. I on behalf of Arihant Capital is delighted to host Power & Instrumentation (Gujarat) Limited for the Q1 FY '26 conference call. Today from the management's end, we have Mr. Padmaraj Pillai, Managing Director, Mr. Rohit Maheshwari, Chief Financial Officer. And without any further ado, I would like to hand over the call to Mr. Padmaraj Pillai for opening remarks. Over to you, sir.

**Padmaraj Pillai:** Thank you, Mr. Ashvath Rajan. Greetings to everyone. Thank you for joining us on this earning call to discuss the performance of Power & Instrumentation (Gujarat) Limited for the first quarter of FY '26. It gives me great pleasure to present our performance for the first quarter of FY '26.

We have begun this year on a very strong note, recording a 14.18% year-on-year growth in the net profit. This performance reflects the continuous resilience of our business model, the strength of our execution capabilities, and the trust we build in our clients across diverse sectors. This quarter also is special as it coincides with the celebration of 50 years of Power & Instrumentation (Gujarat) Limited.

Since our inception in 1975, we have evolved into a trusted name in the EPC industry with a proven track record in delivering turnkey projects for substation power distribution systems, industrial electrification, and specialized infrastructure projects. Five decades of consistent performance and technical excellence have laid a very strong foundation for the next phase of our growth journey.

During the first quarter, we secured several significant contracts that highlight our technical capabilities and our successful strategy of diversifying into high-impact sectors. We secured an 80.24 lakh contract from Godrej & Boyce Manufacturing Company for a specialized work at Khavda Project. Most notably, we secured six contracts worth about INR57.89 crores from Nyati Engineers & Consultants Private Limited for Udaipur Airport Project. This prestigious assignment, which involves the supply installation and testing of critical electrical systems for airports, is a major step in diversifying our portfolio into aviation-linked infrastructure segment, which is rapidly in growing demand.

Building on this momentum, we are also delighted to announce a significant new order worth INR70.55 crores from Ajmer Vidyut Vitran Nigam Limited under the Revamped Distribution Sector Scheme RDSS in Rajasthan. This project involves critical upgrades to power distribution



infrastructure and positions to play an important role in the national identification efforts under the key central government schemes.

Together, these recent wins for the Udaipur Airport and RDSS project demonstrate our ability to secure and execute large-scale time-bound projects in both aviation-linked and government-backed infrastructure. These are two of the fastest-growing and highest-impact sectors in India's ongoing infrastructure build-out. We are operating at a time when India's energy and infrastructure landscape is undergoing rapid and historic transformation.

India currently stands at the third-largest producer and consumer of electricity globally with an installed capacity of over 466 gigawatts. While this is a significant achievement, demand continues to outpace supply due to rising urbanization, industrialization, and increased per capita electricity consumption. Looking ahead, the sector presents a multi-decade investment opportunity.

Over INR40 lakh crores is to be invested in the power sector over the next 10 years, supported by expanding aviation infrastructure with airports set to invest over INR60,000 crores by FY '27, including multiple new terminal projects, Revamped Central Distribution Scheme programs such as RDSS, which are transforming the power distribution networks to enhance efficiency and reliability, integrated power distribution scheme with an outlay of around INR30,000 crores, focused on strengthening urban distribution infrastructure, underground cabling, and IT enablement.

Deendayal Upadhyaya Gram Jyoti Yojana with INR43,033 crores allocation targeting feeder separation, rural electrification, and metering to ensure 24x7 power in the villages. The need for robust extra high-voltage transmission network to support the integration of renewable energy and meet the rising demand across the country.

The shift from the conventional to renewable and hybrid power system, including large-scale projects such as (Gujarat) Hybrid Renewable Energy Park. We believe PIGL is uniquely positioned to contribute meaningfully to this transformation given our strong execution record in electrification, transmission, and specialized EPC projects.

Consulted in Financial Performance Highlights, Q1 Financial FY '26, our consolidated total income stood at INR41.55 crores, raising a robust year-on-growth of 59.83%, EBITDA grew by 17.36%, to INR4.28 crores, while the net profit surged by 40.18 to INR2.62 crores.

The strategy priorities for FY '26 deepen the presence in central electrification programs like RDSS, which provide multi-year visibility and scale, strengthen our presence in aviation electrification by leveraging timely execution at Udaipur airport and actively pursuing upcoming airport opportunities, advance capabilities in extra high-voltage transmission projects following our debut in the 400 kV segment, invest in the digital project management tools, R&D, strategic partnership with OEMs to deliver integrated EPC solutions, expand selectively into high-potential geographies such as eastern and northeastern India.

As we celebrate 50 years of operations, we are using this milestone as a springboard to scale further and create lasting value for all the stakeholders. Power & Instrumentation (Gujarat)



Limited is ready to play a central role in India's evolving power sector and infrastructure build-out, contributing real value where it matters the most. On behalf of my entire management team, I want to thank all my employees, clients, partners, shareholders, for your continuous support and trust.

I especially wish to thank, as on-date, Arihant for arranging this call. With now, I leave the floor open for any questions. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of Paras Chheda from Purpleone Vertex Ventures LLP. Please go ahead.

**Paras Chheda:** Thank you, sir, for this opportunity and congratulations for the strong set of results for Q1. Now, for this year, you know, I mean, probably in terms of guidance, we are looking at, if I'm not wrong, about 50% growth compared to last year. My question was with regards to EBITDA margins.

For the Q1, the margins have been a little bit somber compared to the last year corresponding quarter. But on an average, for the full year, should we expect about 10% double-digit margin that is there, at least for the last couple of years? That's question one on the margins.

And in terms of our acquisition of a majority stake in Peaton, what kind of value can that generate in terms of manufacturing products, electrical products that we are targeting? That's one. And any further progress on the solar EPC contracts or EHV contracts for now?

**Padmaraj Pillai:** Okay, I'll start one by one. The first question I think that you asked me was regarding the EBITDA and the PAT, if I'm not wrong. So, I would put it this way that, yes, definitely the quarter one had a certain impact. Actually, see, the ratio of our work, it is against supply and installation. There are two portions to it, basically.

So, when we do the supply, there's a certain portion of the profit that gets, I mean, released, and then there's a certain portion of it which is against the installation part. Normally, the installation part has a higher margin as compared to the supply portion, which is a very normal trend in the industry. So, based on that, because that is when, you know, when you look at the consol figures at the end of the year, you will see that, you know, the first quarter, the second quarter may have, because these are the quarters when there are a lot of supplies that will keep on happening. And then the installation starts.

Like, for example, this quarter that we're talking about, probably because of the rain, I mean, a lot of installation would have gone slow. I mean, across the country, I mean, the rains are going on for the last two months. So the outdoor jobs would actually slow down a little. And these kind of things do happen. But then you would look at the consol numbers at the end of the year, you will see that we will be improving it as far as the last year was concerned. And we'll remain consistent and the performance you will see at the end of the year. Coming to question number two.

**Paras Chheda:** And just on the revenue, 50% is what we're targeting. Is that correct?

**Padmaraj Pillai:** Yes, absolutely. That's what...



**Paras Chheda:** And that's achievable now...

**Padmaraj Pillai:** Absolutely. Absolutely. No, no, no. Absolutely. Absolutely. We are absolutely in line for it. We've absolutely planned everything. Where is it going to come from? Which project is going to give us what? Everything is there. I mean, the plan is absolutely in line. And we had already anticipated this two months of slowdown because of the rains and everything. Because this happens every year, year-on-year. Yes, so this has been a trend in the industry.

And we're very, very sure and very comfortably placed to execute the numbers what we are anticipating. And we see that at the end of the year. So that is not going to be any kind of a hurdle that I see as far as things are moving, I mean.

Coming back to the next question. I think it was regarding the acquisition of Peaton. So coming to the acquisition of Peaton, see Peaton basically is a manufacturing company which is into manufacturing of all kinds of low voltage, high voltage panels, compact substations, and also into the last developmental phase of the compact busway systems.

So basically, the acquisition got a little delayed, but the paperwork is going on, I think, should be done very soon, should be completed very soon. And what we envisage with acquiring Peaton is that we will be able to provide certain clients, like our aviation industry with a full solution. Because, like, last year, we took the license from Siemens for manufacturing the co-branded panels.

We've tied up with Rittal Germany. And I said, my bus ducts are right in place. So I think all this together, we can offer as a complete solution. Like if you see, like, particularly if I'm talking about the aviation industry, I mean, the new recent list of approved makes which have come out, they've approved us in all categories of panels. They've approved us in the hybrid APFC. They've approved us in the bus ducts.

So, you know, already that approval and everything that has been already worked out. So it's just a matter of time. Once this is over, you will see a lot of contribution coming in from Peaton. I mean, and see, the manufacturing sector is also growing. And more so ever, in the electrical field right now, I mean, if you look across the sector, I mean, all of the manufacturers are placing, I mean, like they're facing the problem of expansion. So we've already planned those things.

I mean, we have our infra in place. So, we think it is a beautiful thing of acquiring. And we think that we'll be able to deliver much better. So just give us some more time. You will see what is going to happen.

**Paras Chheda:** So, on the commencement of operation, sorry, because I'm new to this company in general, we have fully acquired Peaton, is it? And how much have we acquired Peaton for now?

**Padmaraj Pillai:** 60%.

**Paras Chheda:** Oh, okay. So 60% for now. So we're consolidating our results. And in general, the orders for Peaton will, so I mean, obviously it will be already operational, but the order flow will increase or how are we looking at it, I mean?



**Padmaraj Pillai:** Yes, the order flow will increase because if you will look at the order flow right now also, I mean, post the license from Siemens, we've got a couple of orders, we are banging on now, a couple of orders from the other airports also. So Peaton is basically has been approved in almost all the government organizations. And so we're looking at it like, the way the infrastructure is growing and the space is growing and we are adding to products.

We are also in discussion with a couple of companies for tie-ups and everything. So all those things are lined up. So we are keeping, I mean, while the paperwork is going on, we are already working on the things where we'll be, by the time the paperwork will be over, we'll be in a position to straight away, take advantage of the situation.

**Paras Chheda:** And when do you anticipate the paperwork will be done for Peaton?

**Padmaraj Pillai:** I think maybe in a month's time or so.

**Paras Chheda:** Okay. About a month or so. Yes. I guess on the EHV space, any interesting...

**Padmaraj Pillai:** Yes. Again, on the EHV space, I mean, we have bid for a couple of tenders. In fact, I was just, in fact, I just finished off one of my meetings and I'm just out of that meeting. So, I mean, we are very keen to enter this space. So one of the small projects that we sold, we successfully executed the same. And now we're looking at a larger size of the system.

So, we are already quoting for a couple of private entities. We are also in discussion with PowerGrid. And there are a couple of tenders which have already been quoted. So let us be hopeful that this quarter sees some kind of attraction. I mean, like a positioning in that sector too.

**Paras Chheda:** And just for now, as of now, our un-executed order book would be about, what? Un-executed would be about INR300 crores- INR400 crores?

**Padmaraj Pillai:** Yes, it's about INR400 crores.

**Paras Chheda:** Okay. And the bid value has gone up to 500 or?

**Padmaraj Pillai:** Yes, it's about approximately bid value. I think it's about 390 to 415 or something. Something in that range. About INR400 crores.

**Paras Chheda:** Right. Understood. I mean, just this last query from our side, going forward, I mean, and there are various verticals that we are operating. Where do you see the maximum growth coming from? I mean, here too, I am personally bullish. But, I mean, in general, your thoughts on where the maximum growth for our company to come from?

**Padmaraj Pillai:** No, I'll tell you, I'll tell you. This is a very simplified answer to this question. Is that basically, see, EPC business thrives on credentials of the company, basically. Now, see, right now, as you see, the entire infra is bullish right now. I mean, every place there is work that is happening. But what happens is that, after a certain time certain sectors still remain growing. Certain sectors have a slowdown.

So, we have always strategically invested in the point where we have always said that all the



segments are equally important. We have been growing every year into a different sector but we have not left any of the sectors. Like, for example, if you would look at the portfolio that I have got, I mean, against that, if you look at the portfolio of a lot of my peers or my competitors, you will realize one thing that probably they are doing EHV, they are doing only EHV.

If they are doing, I mean, like, the RDSS, they are doing only RDSS. If they are in the building segment, they are only doing building segment. We are not stopping ourselves. What we are doing is that internally we are creating verticals, we are creating people, we are putting people responsible for each of the verticals and trying to add on new verticals every year.

Because we don't want that when certain space slow down, we don't want our pace to be slowed down. So, that is the only reason why I am looking at all the sectors as equally important. So, if I am entering one sector...

**Paras Chheda:** That means you are diversifying, basically...

**Padmaraj Pillai:** Yes, but it remains in the same space of electricity. We are not moving anywhere away from it, like, I am not getting into a building construction.

**Paras Chheda:** Yes, in a domain itself.

**Padmaraj Pillai:** Yes, the domain remains the same, but the vertical is like, okay, I was doing the building, from there I moved into the 33 KV segment, then I moved into the 63 KV segment, now we have done a 400 KV job, now we are looking at 130 KV to 220 KV switch yard. So, you know, that will be an additional thing.

Then, you know, what we try to do is that once we have that four verticals in order, then we look at, which is the most beneficial. So, then, you know, we balance our thing. Because every five years, the credentials are going to die. So, every five years, you need to have your credentials in order. Otherwise, one of the segments will be left out.

Like, I know a lot of my competitors who entered another segment and now they are not available in the first segment. So, tomorrow morning, if that segment goes a little down, you will not be there in the first segment at all.

**Paras Chheda:** Right. So, the idea is to stay diversified within the current domain.

**Padmaraj Pillai:** Same domain. And, explore the full possibility of encashing whatever is happening in the market right now.

**Paras Chheda:** Right. Yes. And generally now we are targeting, INR300 crores to INR350 crores kind of size of tenders, it seems. But for now, what is the largest tender size that we have bid for?

**Padmaraj Pillai:** 163.

**Paras Chheda:** Okay. Understood. Fair enough. I'll come back in a few.

**Moderator:** Thank you. Our next question comes from the line of Mayank Saraf, an individual investor. Please





go ahead.

**Mayank Saraf:** First of all, congratulations for a great set of numbers and delivering above your guidance I see.

**Padmaraj Pillai:** Thank you so much.

**Mayank Saraf:** I have a couple of questions. First is, like, what is the visibility of the order book, like, going ahead for the next year? And if I talk about, like, March 26th, what is the visibility?

**Padmaraj Pillai:** So, what I presume is what we're trying to do is that, we should have double the amount of whatever closing we're doing. So what we're looking at is that, let's say, if you're closing at 100, the order in hand should be about 200. So we are in a comfortable position, to keep on bidding. So that the pressure of the work not being there with us should not come to any stage.

So I think by March 26th, whatever figures we are going to achieve, I think we'll have double the amount of the order with us in hand by that time. So that's what we're planning.

**Mayank Saraf:** Yes, nice. And when will we be eligible for the INR300 crore, like, bidding?

**Padmaraj Pillai:** See, I have, I'm almost there. I'm almost there. Maybe, like, even if something like, because we have done a couple of tie-ups in the last couple of months, wherein, we can use the credentials of somebody in JV and we can quote for those kind of tenders. So that eligibility thing, which I was wanting to achieve in terms of my own, would come in another six months' time. But then if there is any opportunity available, I'm quite ready to bid for it because I've already got my tie-ups in order.

**Mayank Saraf:** That's great. And, like, the tenders right now that we have bid in, what is the timeline? Like, when will these orders get finalized?

**Padmaraj Pillai:** So, see, what has happened is, basically, there is, I mean, like, due to, I mean, elections, due to all these things now, there is a tendency of tenders to be, I mean, the late opening of the tenders. Then again, March, April, you see a lot of transfers happening and all that. So this is the quarter, I think, probably we're looking at the opening of the tenders.

So probably by this quarter, I mean, a couple of them should be opening up. And the balance should be in the next quarter. Because the first three months, four months, normally in government, what happens is, post-March, there are a lot of transfers, there are a lot of promotions and a lot of moving here and there. And then this time, the Gram Panchayat elections were there in a couple of states and everything.

So once that happens, the achar sanhita, what we call and they have to, I mean, like, they cannot open any tenders or anything like that. So I think probably all these things should start in this quarter.

**Mayank Saraf:** Okay. Thank you so much and wishing you all the best and looking forward to seeing you in one of the bigger tenders soon.

**Padmaraj Pillai:** Absolutely. Thank you, Mayank ji. Thank you so much.



- Moderator:** Thank you. We have a follow-up question from the line of Paras Chheda with Purpleone Vertex Ventures LLP. Please go ahead.
- Paras Chheda:** Yes. Thank you, sir. Sir, currently, what are our receivable dates? I mean, so last year, they went up to, it seems, four months. What would we normally assume on an average for, let's say, this year or the way it is panning out?
- Padmaraj Pillai:** I think it's about, if I'm not wrong, it's about 80 days or something odd, which we are really thriving hard to, reduce it to, I mean, maybe about...
- Paras Chheda:** This is on an average, you're saying, is it?
- Padmaraj Pillai:** Yes, on average.
- Paras Chheda:** Receivables? Because that will be a substantial decline from the last couple of years that we've seen. So far, we've not seen 80 days, I mean.
- Padmaraj Pillai:** Yes, but then we, I think right now, just a second. Rohit, what is the receivable right now, average?
- Rohit Maheshwari:** Sir, as on 30th June 2025, the receivable days is coming to, days are coming to 87 days. And for the last quarter, previous quarter, that is ending on March 2025, the receivable days was approximately of 90 days only.
- Paras Chheda:** Okay. So, at the moment, we are sort of slightly lower than the last quarter that we saw.
- Padmaraj Pillai:** Yes, yes.
- Rohit Maheshwari:** And by 2, 3, 5 days. If you see the numbers, sir. Actually what happens, you see the closing balance of receivables with the sales figure. But if you see on a quarter to quarter basis, it will be coming to 90 days or below 90 days only. Because if you see the last quarter sales, and if you see the returns figure, so it is almost lesser than that amount.
- Paras Chheda:** Right. Right. Understood. And also, sir, wanted to understand, because, the good thing is you've got a quite a solid order book and there will be further wins also. So, the way we progress, I think at some point we will need working capital. Right? So, are we looking to explore raising fresh prep money or this would be mostly debt-driven then?
- Padmaraj Pillai:** No, right now -- see, right now, we're not focusing on that part of it because I think the accruals that we have, or the last fundraising that we did, and plus, I mean, the way we are trying to improve our numbers, I mean, like in terms of like reducing the receivable time, I think I would be positioned right now to do what I'm expecting this year. Let's see what's for the next year. And if we have something that builds up on it or something that we come up with, or an Ace up a sleeve, a new one, let's see if we need something. But otherwise, I think the internal accruals would be enough.
- Paras Chheda:** So, this year at least is done maybe and some part of next year also will be managed from internal accruals?



- Padmaraj Pillai:** Yes, I think so.
- Paras Chheda:** Okay. And sir, currently, what is the debt on our balance sheet? I mean, broadly, there is limited debt, but just for the sake of it, numbers, I mean.
- Management:** So, as far as dates are concerned, sir, we have only debt of around INR15 crores as on date on our books. Rest has been in form of non-fund facilities, like bank guarantees and letter of credit.
- Paras Chheda:** Right. So, that's within this INR15 crores includes long term and short term, both?
- Management:** Yes, both.
- Moderator:** Our next question comes from the line of Ashvath Rajan from Arihant Capital Markets Limited.
- Ashvath Rajan:** Congratulations on good results. My question was specifically on our margins. We saw some decline on it. I just wanted to understand the forward trajectory. What do we see in the coming quarters? And if you could also elaborate for the entire year?
- Padmaraj Pillai:** I mean, as you're comparing to -- your comparison to is what? I mean, the quarter 1 of '25 to quarter 1 of '26 or you're talking about the closing of '26 or '25?
- Ashvath Rajan:** It's both. I'm looking -- I'm going through your presentation for quarter 1. So, if you could just give me on the quarterly basis, next few quarters, do we see the margins remaining at similar levels or how do we see the trajectory going forward?
- Padmaraj Pillai:** Ashvathji, as I told -- I was just telling Mr. Chheda also. See, what happens is that the first two quarters, normally, it is a lot of supply that happens. And then the last, the third and the fourth quarter normally gets into the full-fledged execution part of it or the execution billing starts from that. So, what happens is that when the execution happens, that is when the major margin gets released because on the supply portion, normally the margins are lesser as compared to the execution part.
- And as you know that the orders are also split into two parts, supply and erection are two different orders. So, that is where you will see that the overall part of the overall EBITDA at the end of the year will be much -- will be better than the last year. As you've seen in the last year also, we've improved. So, this year also we're expected to improve. And what we're aiming at is that -- I mean, to achieve something that we really are looking forward to. I mean, maybe 7 to 8-odd plus, 8 plus part, maybe a 14% to 13%, 14%, 15% of EBITDA. That's what we're looking at.
- Ashvath Rajan:** And do we have a blended execution timeline for our entire order book right now?
- Padmaraj Pillai:** Yes. So, we have our PMRs, we have our DTRs and we have the targets that have been given. I mean, they're all linked to a lot of incentives and stuff like that to the core teams also. So, it all works out in a fashion where it is completely planned, like what is going to be supplied in the month of March, what is supplied in the month of April and how that is going to be turned around by the month of maybe June, July? And what we are planning for this quarter, what will be executed in the next quarter and how we're going to achieve the figure which we're looking at?



I mean, the growth that we've seen last year and what we are aiming at for next three years. That's what the roadmap that we made for ourselves. So, definitely, I mean, everything. And every day there is a daily monitoring that happens. There's a like evening and -- morning and evening, there is a monitoring of what is right now executed. I mean, let's say that in the morning we decided that we're going to execute 10 kilometers. So, by the evening, has it been 10? It has been 9. So, if there is a 1 kilometer lapse that has happened, are we going to cover it up the next day?

And then overall in a week, has there been any lapse or have we achieved what we have planned or we've done more? So, because the execution timelines are to be very stringent because without that, we will not be able to achieve those numbers. I mean, just by supplying and not completing, I mean, it's going to lead into any kind of thing because these are all time-bound projects. I mean, the timelines are like anything between 24 months to 12 months.

Like, let's say for the example, we're looking at Udaipur Airport. So, Udaipur Airport happens like, the target is to be finishing it by March 2026 because they need to start operational activities by somewhere in the end of September 26. You know, the inauguration is already planned and things are already there. So, these are all time-bound projects. So, we also plan accordingly and we have our systems in order.

- Moderator:** Our next question comes from the line of Paras Chheda from Purpleone Vertex Ventures LLP.
- Paras Chheda:** In general, what would be our medium-term goal? I mean, the way this entire power sector is poised and the way our company is poised, tentatively what kind of targets do you look at in terms of revenue goals for the medium-term, let's say, three to five years?
- Padmaraj Pillai:** So, practically, I'm looking at bare minimum growth of 50% year-on-year. I mean, for the next three years, we've already targeted that. And once we complete this FY '26, then we make a new roadmap for ourselves for the next three years. So, as on date, we planned up to '27, where we are looking at a 50% growth year-on-year, minimum. That's bare minimum.
- Paras Chheda:** Right. Understood. And, sir, at some point, when Peaton comes in, so what kind of revenue can Peaton contribute here? I mean, let's say, two, three years down the line in general, the potential on Peaton for that acquisition?
- Padmaraj Pillai:** So, I think if whatever we're planning goes all well and with the products that are lined up, we would be looking on at least Peaton to also grow by the same speed as what Power is doing right now. So, the numbers, I would not be able to dilute right now. But, yes, we are looking at the same potential growth what we are looking at for Power.
- Paras Chheda:** Understood. I just missed that, what would be the last year turnover for Peaton?
- Management:** Last year turnover for Peaton is of INR34 crores.
- Paras Chheda:** And what kind of EBITDA margins they have done?
- Management:** EBITDA margin figures yet to be finalized, but it would be approximately of in between 7 percentage to 8 percentage.



- Paras Chheda:** Okay. And is there a scope for improvement here?
- Management:** Yes, sir. We are continuously in process to improve the same. So, we will see good numbers.
- Padmaraj Pillai:** Yes, we will be seeing very good numbers. I mean, post the tie-up with the Siemens and Rittal Germany, we hope to have very good figures coming out. Absolutely.
- Moderator:** We have our next question from the line of Ankit Mota, an Individual Investor.
- Ankit Mota:** Talking about Peaton, particularly because you are planning to scale up here, what is the human resource hiring plan also? Because this would be a kind of marketing business wherein you have to establish distribution also. So, we would like to know as the company grows 40%-50%, even more than that, how do you really look at human resource scaling up team, etcetera?
- And also, we would like to know as to how really do you see this RDSS scheme opportunity coming up? Because you spoke about airports and other electrification projects. But when it comes to state government projects also, are you looking at more traction in tenders and ordering coming from them?
- Padmaraj Pillai:** So, I will start with your first question. As you asked me regarding Peaton, what I would like to put across is that, as I said that Peaton was on self-manufacturing, I mean, under their own brand. But now that we have tied up with Siemens, we have tied up, as I told you, with Rital, we ourselves have seen a lot of, I mean, the change in the entire scenario, I mean, of the number of inquiries that we are receiving and the way because Siemens itself acts as a marketing arm for us, you know, so that anyway.
- Point number two, we have -- in last six months, we have had our own HR department and full fledge for the HR and admin. And we have a retired commander from the naval forces who's taking care of the administration and the HR right now in all. And plus, he has a team of three people below him. So, we are in the process of hiring.
- In fact, in last four months or three months, we have actually added about 12 professionals to the system in terms of Peaton and Power together. And the continuous, I mean, recruitment is going on because as rightly you pointed out that when you look at this kind of a growth, the most important part becomes the manpower.
- So, to tackle that, we've already taken the right steps and we are putting in systems and we've already updated our software. We have our HR software in order. I mean, we are very well planning and as I told you, as far as the marketing is concerned, we are taking our senior people on the marketing side also.
- And plus as I told you the beauty of it is that once you've tied up with Siemens, Siemens' office is all across the country and that acts as an additional arm to us. I mean, but then the new product that we're launching and the future product that we're adding, I mean, we will be needing our own marketing team definitely.
- So, we are expanding the marketing team and I think you'll see somebody very senior join very



soon, maybe in a month or two. I mean, the discussions are on. We've finalized a couple of people. So, we're just keeping it fingers crossed. And, okay, coming back to the thing about the Peaton expansion and in terms of RDSs or in terms of the state schemes.

See, RDSs right now, the first phase is getting over, which was the reduction of the losses. Now, the second phase that is going to come in is the modernization where you will be seeing all the cities. I mean, there whatever overhead lines are Tier 2 cities apart from Bombay or maybe Calcutta or the Taiwan cities, the rest of the cities like you'll see Udaipur, you'll see Bhopal, you will see Baroda.

Wherever the overhead lines are there, they're all going to be converted into underground to again reduce the losses. So, this is the scheme called the modernization. And then again, the power revamping which is coming up under the IPDS, which is the increasing number of distribution substations because we've increased the generation.

But then for the distribution, we still require a lot of substations to come up. Like, for example, Ajmer itself is looking at floating tenders for about close to 1,200 substations in next 4 years, 5 years because that's the kind of generation that's going to happen in Rajasthan. So, to facilitate that you need a distribution network. So, definitely, I mean, like, you know, so this modernization is coming. IPDS is again coming.

So, all these things, we are definitely very closely placed. And as I told in, I mean, today in the earlier thing, that we did not wait for our completion certificates to come in. We've already done a couple of tie-ups in last few months wherein any size of INR300 crores, INR350 crores or INR400 crores project comes in. We'll be able to bid and we can take it up on the back-to-back basis.

So, we've already planned our journey and we're already planning as to how to build it up so that whatever aims we have or whatever targets we're looking at can be achieved as fast as possible.

**Ankit Mota:** So, sir, recently you won the INR70 crores order which came up earlier this month. Are you saying that now our qualification is as large saying that we can now bid very high value orders also?

**Padmaraj Pillai:** So, we've bidden already for INR163 crores, single work.

**Ankit Mota:** So, can it move up to like INR200 crores, INR300, INR400 crores?

**Padmaraj Pillai:** Yes, very easily.

**Ankit Mota:** So, do we have the resources and the capability meaning to bid or we would need some partners for such large orders?

**Padmaraj Pillai:** Sir, it depends on both the things. It would depend upon the sector that you're aiming at. It would also depend upon the kind of job. Like, let's say, if it's a traction substation, for example, for the railways. So, probably you will be, I will be needing somebody because 25k DC job is a very peculiar and very this thing, but in that case, if it is a modernization job, let's say, if it's an underground cabling or somebody, I probably would not need anybody.



Why I said is that we've already tied hands with a couple of people is because we are keeping our things very ready that in case if something comes, the opportunity, we should not be in the loss of opportunity, but otherwise, if you talk about RDSS, underground cabling or the overhead cabling or the loss reduction or anything, I think we are capable enough to, I mean, bid INR200 crores, INR250 crores and if we require some kind of financial JV, that's very easily available. It would not be technical requirement, but maybe on the financial requirement.

**Ankit Mota:**

Sir, what I could make of this Peaton electrical also is that you said that acquisition will be closed very shortly. But I would like to know as to what exactly products are you developing, what stage are the certifications in because when you talk about bus bars they are used in very high-rise buildings. We also have your products, which are certified by Siemens, which are used in data centers.

So, you think this year onwards, you could also start supplies to data centers, very high-rise buildings, because real estate is also moving higher. So, if you could talk about the products and the portfolio that Peaton has currently and what kind of new things can we probably can see here?

**Padmaraj Pillai:**

So, I would say that Peaton was making low-voltage panels, basically for a certain segment, which we would specify to be in the partially type-tested. So, there are two kinds of panels, which are partly type-tested and totally type-tested. Now, the totally type-tested assemblies are normally manufactured or tested by the manufacturers of the switchgears, like Larsen & Toubro or Siemens or ABB or Schneider.

So, this year what we did is that we were inclined to move the business up. So, what we did is that we tied up with Siemens. We took a license from them for manufacturing, as well as we tied up with Rittal Germany, again, for manufacturing of the type-tested panels. The peculiarity of both is different. The applications are different. So, we needed both the licenses in order.

So, we got both the licenses done. Coming back to what we are developing in-house, we are developing the low-voltage compact bus way system, which is definitely for the data centers, which is there for the airports, which is there for the high-rise buildings. Now, as we all know that with the advent of the high-rise, that is, I mean, like earlier, it was in Bombay, which used to have high-rise or maybe Gurgaon, which used to have high-rise.

But now, if you look at Tier 2 cities, I mean, like Ahmadabad, like you go to Jaipur, you go to all these places, you would see that everybody started building 30 floors, 40 floors. So, government, the Central Electric Authority has themselves come out with a mandate, which says that any building which is more than 10 stories high, it is mandatory that they cannot use cables. They have to go for the bus bar for the distribution, so that it doesn't become hazardous and, I mean, the fire hazard is taken care of.

So, this product, basically, as I said, like see the easier way would be you find somebody's design, and then you take it over. But we put in a lot of sweat and money into this and we've been doing the R&D for the last about three years. The product was already developed about 1.5 years, 2 years back, which was installed in one of the data centers of Vodafone.

It has been running very successfully for the last two years. but then we had to make certain



changes in the design, not due to the expect of the design fault or something, but just to make it more cost competitive, because at the end of the day, any of the segment that you cater to, the cost definitely matters.

So, we have already completed that entire thing and we are probably in a mood, I mean, like, in a set mood to start the final testing in one of the government-authorized labs by maybe September. And this year, we will definitely being the 50th year, we also want to launch something that will be of remembrance. And, particularly, if I'm talking about Bus Bar.

So, I have been personally associated with this product for the last, almost, like from the time it was launched in India for different applications. So, I'm very well-versed with the system and I am almost in touch with all the distributors or almost all the people who are working in this segment. So, what I look forward to is only completion of my testing, and then, I mean, the launch and then probably we can take it forward.

**Ankit Mota:** So, do you think Peaton can scale up from INR35 crores turnover, as CFO is mentioning, to maybe INR100 crores in the next 1.5 years, 2 years?

**Management:** Very easily. Very, very easily.

**Ankit Mota:** And, sir, you said probably you will be working two times the order book. It is already two times your revenues. So, year-end do you see with the traction that you are looking at right now, probably we can have INR700 crores worth of order book?

**Padmaraj Pillai:** I said minimum two times. I did not say that I stop at two times. I said what I envisaged is to minimum two times and let's see what the, how it takes it. See, again, because see what has to be very carefully thought about is that there have been a lot of failures and debacles because the order booking has to be in conscious effort to the execution part.

Simply by taking the order, sitting over the order is not going to help, I mean, neither the country, neither the company. So, what I look forward is that the moment we increase our execution capabilities, which, as I told you, we have already done it. I mean, in fact, I mean, we, first thing we did in last year was that we had our own HR because we were dependent on the HR agency outside and we were not able to track the right talent.

So, we thought that the best thing to do would be having a complete setup in-house, which we already did last year and we're doing a good amount of recruitment in last quarter and we look forward to doing it, I mean and take up more professionals from this field and then like once that execution capability comes in, I mean, definitely it's not stopping at the 50% or 100% growth. It will definitely be as big as you can be. And then the opportunities are, ample opportunities are available. It's just about, you need to just select it and move forward in the right direction.

**Ankit Mota:** Thank you, sir, and all the best for the coming quarter.

**Padmaraj Pillai:** Thank you so much, Mr. Mota. Thank you so much.

**Moderator:** Thank you. Our next question comes from the line of Paras Chheda from Purpleone Vertex





Ventures LLP. Please go ahead.

**Paras Chheda:** Sorry, sir. What is your current team size at PIGL and Peaton?

**Padmaraj Pillai:** The PIGL and Peaton put together would be around close to 100, 110.

**Paras Chheda:** Okay, both put together. And sorry, sir, I just forgot this 60% stake you got Peaton is for INR100 crores, is it?

**Padmaraj Pillai:** For?

**Paras Chheda:** The acquisition price you paid Peaton for the 60% stake is for how much?

**Management:** Yes, underlying valuation to be derived and the same will be derived at the time of acquisition. However, preliminary we had some valuation reports. So in case if you need those reports, we will share it to you.

**Paras Chheda:** No, we don't need. Just a broader sense what level are we buying it?

**Management:** Broader sense, right now it is difficult to comment, but yes we will be going with two or three valuation. Whichever lower valuation will be there, we will opt for the same.

**Paras Chheda:** But what can be the range?

**Management:** Like it will be in between like going by valuation, what we think is in between INR20 crores to INR30 crores.

**Paras Chheda:** That is for the company valuation itself and then our valuation whatever based on that 60% for that.

**Management:** Yes based on that 45%, 15% already we have, additional 45% we will acquire.

**Paras Chheda:** Okay, so the company valuation could be between 20 to 30 full company valuation and 45% whatever we will pay for that. And this will be mostly paid out cash for them?

**Management:** Yes, that will be paid out by the cash.

**Paras Chheda:** Understood. Okay. Thank you, sir.

**Moderator:** Thank you. Ladies and gentlemen, we have no further questions at this time. I would now like to hand the conference over to the management for closing comments.

**Padmaraj Pillai:** I sincerely thank all of you for joining in for this call and I am open to any kind of replies or queries that you people may have or something that must be left out I mean, I am extremely thankful to Arihant Capital for arranging for this call and I think in case if anybody wants to get in touch with me, I mean, you can just call up Arihant and they can arrange for a call.

I mean, and any kind of further questions or discussions or anything that is required on whatever basis, I mean, we are open to that. So I would thank all of you and I would thank all the best



wishes that you people have given me and I am looking forward to closing the next quarter and the year as committed as we have discussed. So thank you all and Om Namah Shivaya.

**Moderator:**

Thank you. On behalf of Arihant Capital Markets Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.