

Powerica

10 August 2026

Operator: Ladies and gentlemen, good day and welcome to Powerica Ltd Q1 FY27 Earnings Conference Call, hosted by Dolat Capital Market Private Limited. Before we begin the conference, a brief disclaimer: this conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as of the date of this call. These statements are not guarantees of future performance and may involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during this conference call, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Mr. Arfat Sayed from Dolat Capital Market Private Limited. Thank you, and over to you, sir.

Arfat Sayed – Dolat Capital: Thank you, Manoj. Good day and a warm welcome to everyone. On behalf of Dolat Capital, I am pleased to welcome you all to the earnings call of Powerica Ltd. We have with us today Mr. Jay Ram Oberoi, Whole-time Director; Mr. Pradeep Gupta, Whole-time Director; and Mr. Ritesh Kumar Agarwal, Group CFO at Powerica Ltd. At this time, I will hand over the call to Mr. Jay for his opening remarks, after which we will open the floor for the Q&A. Thank you, and over to you, sir.

Jay Ram Oberoi – Whole-time Director: Thank you. Good morning, everyone. Welcome, and thank you so much for joining Powerica Ltd's Q1 FY27 earnings call. I am joined today by our Whole-time Director, Mr. Pradeep Gupta; our Group CFO, Mr. Ritesh Agarwal; and SGA, our Investor Relations advisor. The results and the investor presentation have both been uploaded on the stock exchange and the company website. I hope everyone has had a chance to go through them.

Let me begin by taking you through the financial highlights for the quarter. Q1 FY27 was marked by a strong financial performance, with revenue recorded at INR 780 crores, reflecting 26.7% year-on-year growth. EBITDA was INR 106 crores, delivering a margin of 13.6%, and PAT was INR 64 crores, resulting in a margin of 8.3%.

As flagged on our last call, geopolitical uncertainties and energy prices have had an impact on our performance. Commodity price inflation weighed on our margins this quarter, as there is typically a certain time lag before we can pass rising input costs through to our customers. That said, margins are likely to improve over the longer term through operating leverage, product mix improvement, and continued growth in our engineering-led solutions. Our Group CFO will provide a detailed review of the quarter's financial performance.

Within our DG set business powered by Cummins, the order book as of July 31, 2026, stood at INR 1,700 crores, providing strong visibility for future growth. Out of this, data center-specific orders within this business stood at INR 900 crores. These orders are expected to be executed over the next 12 to 18 months. The contribution continues to increase, supported by the expansion of digital services in India.

I am proud to share that Powerica Ltd's support in critical data center infrastructure was recognized by the Excellence in Power Backup Solutions for Data Centers Award at the 25th edition of the Data

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Center Summit and Award 2026. The recognition reinforces our position and the trust placed in us for providing reliable backup power infrastructure for mission-critical applications and supports our focus on building robust, future-ready solutions for this segment.

Looking beyond data centers, the rental end-user industry is also witnessing strong demand, while our core segments continue to remain steady and offer numerous growth opportunities. With robust prospects on the DG side, along with a strong pipeline on the wind side, which Mr. Gupta will update you about shortly, we have immense confidence in the longer-term opportunities that lie ahead of us. For FY27, we reiterate our double-digit revenue growth guidance. With that, I will hand over the call to Mr. Gupta, who will walk you through our wind portfolio in greater detail.

Pradeep Gupta – Whole-time Director: Thank you, Jay. Good morning, everyone. Building on Jay's comments, let me provide an update on the progress of our wind power business. Last month, we executed a PPA, or power purchase agreement, for a 100-megawatt wind project with GUVNL. The wind power project is located in Gujarat and has a tariff of 3.435 per KWH for a period of 25 years.

Recently, we emerged as the successful bidder for a 50-megawatt wind power project under the GUVNL Wind Farm tender and another 100-megawatt wind project under the SECI wind power tender. We have received the LOA, or letter of award, for the SECI project, while for GUVNL, the LOA is awaited. Including the above projects, we have clear visibility to take our IPP portfolio to 634 megawatts, or, to be more precise, 633.55 megawatts.

We continue to follow a disciplined approach while participating in new tenders, evaluating each opportunity based on site feasibility, transmission connectivity, land availability, and overall project economics.

As part of strengthening our project execution capabilities, we incorporated two wholly owned subsidiaries, Windfusion Renewable Private Limited and Whisper Wind Renewable Private Limited, by acquiring 100% ownership in both entities. These subsidiaries have been established to facilitate transmission connectivity and support the expansion of our wind power portfolio.

Additionally, we have acquired a 49% stake in Fuji Kailas Energy Private Limited, a company engaged in the generation and distribution of renewable power across solar and bioenergy solutions. This strategic investment will further strengthen our renewable energy platform and broaden our presence across multiple clean energy technologies.

I am also delighted to share that Powerica Renewable Infra Private Limited was honored with the Developer of the Year: Solar and Wind Award at the MahaUrja Expo 2026. This recognition reflects our execution excellence across wind turbine foundations, transmission infrastructure, substations, and power evacuation systems such as BOP. With that, I hand over to our CFO, Mr. Ritesh Agarwal, for the financials.

Ritesh Kumar Agarwal – Group CFO: Thank you, Mr. Gupta. A warm welcome to everyone. To begin with, revenue from operations was recorded at INR 780 crores, representing 26.7% year-on-year growth. During the quarter, the revenue mix witnessed some changes vis-à-vis the same period last year. Overall, the DG set business grew by 26.2% year-on-year despite a marginal contribution from MSLD revenues, while the wind power business increased primarily on account of the

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installation of 51.3 megawatts in February 2026 and better wind conditions during the quarter.

Gross profit margin was primarily impacted due to elevated commodity prices and a changing revenue mix. EBITDA stood at INR 106 crores at a margin of 13.6%. Depreciation and amortization increased in line with the recent addition to wind power assets in February 2026. PAT stood at INR 64 crores, with a margin of 8.3%.

On the segmental performance, the generator set business contributed 81.4% of total revenue in Q1 FY27, with an EBITDA margin of 5.6%. Within the DG set business, DG sets powered by Cummins engines contributed 72% in Q1 FY27. The allied business, which includes EMI shelters and containers for defense applications, acoustic enclosures, Schneider Electric's Prisma control panels, and large project-related work, contributed 9% of total revenue in Q1 FY27.

Wind power contributed 18.6% of total revenue in Q1 FY27, registering growth of 28.8% year-on-year, with an EBITDA margin of 48.6%. Within this segment, the IPP business contributed approximately 11.5% to Q1 FY27 revenues, while EPC and O&M for BOP contributed approximately 7.1%. With that, I open the floor for questions and answers.

Operator: Thank you very much, sir. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. A reminder to all participants: if you wish to ask any question, you may press star and one on your touchtone telephone. We have our first question from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar – ICICI Securities: Good morning, sir, and thank you for the opportunity. My first question is: what was the order inflow during the quarter? Also, is it possible to share the order inflow during the quarter and the order book at the end of March 2026 and March 2025? That would be very helpful for us to compare the growth.

Jay Ram Oberoi – Whole-time Director: Yes, absolutely, we can share that data as well. However, we can consider a 15–19% increase in the order book vis-à-vis the same quarter last year, as of July 31 itself. Depending on the product mix, 15–19% growth would be the figure to note in terms of year-on-year growth.

Mohit Kumar – ICICI Securities: Understood. My second question is, in this quarter, the EBITDA margin for the genset business has declined meaningfully. How should we think about the EBITDA margin for the genset business going forward?

Jay Ram Oberoi – Whole-time Director: Mohit, as we mentioned in our earlier call as well, due to the West Asia crisis, the margin will be impacted in Q1 and part of Q2. This is the period during which the margin will remain subdued, but we believe that from Q3 onwards, it is going to improve.

Mohit Kumar – ICICI Securities: Are these contracts or order books largely comprised of components that are fixed-price in nature? Is that the right understanding?

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Ritesh Kumar Agarwal – Group CFO: When you take a new order, it is basically an order booking. There is no escalation mechanism, although due to force majeure clauses, you might enter into some price negotiations in certain contracts, but not all. The new contracts that we are entering into, or the new orders that are coming in, are at new prices. However, there were some old orders that have been executed. We received a price hike on some of them, but not on all.

Mohit Kumar – ICICI Securities: Have we taken any price hike in Q2 for the new orders?

Ritesh Kumar Agarwal – Group CFO: Any new order that is coming in will have new pricing.

Mohit Kumar – ICICI Securities: Understood. My third question is, can you help us with the MSLD order book? What is it currently?

Ritesh Kumar Agarwal – Group CFO: Regarding MSLD, we have already mentioned that there are a couple of large orders in the pipeline that are under discussion. These are mainly works for large organizations, which take time. Recently, we won one tender worth INR 41 crores, which is to be executed over 12 to 15 months. The others are in the pipeline. As soon as they materialize, we will pass on the information to all of you.

Mohit Kumar – ICICI Securities: Understood, sir. Last question—

Jay Ram Oberoi – Whole-time Director: Just to add to that, we had a few international inquiries for MSLD that were put on hold again because of the crisis and are now restarting in terms of technical discussions. The large PSU for which we just took the order also has a second phase, which is again under technical discussion. The pipeline for MSLD is looking strong.

Mohit Kumar – ICICI Securities: Understood, sir. Thank you for that.

Mohit Kumar – ICICI Securities: My last question is, of course, you have won a very significant amount of new bids for RE. Can you help us with the status of the PPAs? Has there been any development regarding the signing of the PPAs for this pipeline of wind power plants? When do we expect all these LOAs to get converted into PPAs?

Management: We won three projects: the first is a 100-megawatt GUVNL project, the second is a 50-megawatt GUVNL project, and the third is a 100-megawatt SECI project. For the first 100-megawatt GUVNL project, we have signed the power purchase agreement, and the project is under construction. Work has started at the site.

For the other 50-megawatt project, we are yet to receive the LOA. Once the LOA arrives, it generally takes 90 days for board approval and GERC approval for the tariff and other matters. Generally, after the LOA, it takes 90 days for GUVNL to sign the PPA. I think the PPA for the 50-megawatt project will be signed by November or December, before December.

For the third project, the 100-megawatt SECI project, we have received the LOA, and soon after the LOA, we will sign the power purchase agreement. However, we have not yet received a call from SECI regarding the power purchase agreement. This is the current status of the 250 megawatts that we won recently.

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Mohit Kumar – ICICI Securities: Understood, sir. Thank you, and all the best. Thank you.

Management: Thank you.

Operator: Thank you. A reminder to all participants: if you wish to ask any question, you may press star and one. The next question is from the line of Aniket Gandhe from InoQuest Advisors. Please go ahead.

Aniket Gandhe – InoQuest Advisors: Hi, thank you for taking my question. Due to the taxation impact last year, this quarter we are back to 25%, and this is likely to continue for the current year. Does this mean that PAT will be lower than last year?

Management: Taxation for the current year is at an average rate of 25%. You need to consider the mix. Last year, there was an impact because we received a depreciation benefit or a reversal of deferred tax, which was a one-time item. Now, you can consider taxation at a flat average rate of approximately 25%, or, to be precise, 25.168%.

Aniket Gandhe – InoQuest Advisors: That is true. So PAT will be much lower because last year we had an insignificant tax expense. Anyway, thank you.

Operator: Thank you. A reminder to all participants: if you wish to ask any question, you may press star and one on your touchtone telephone. Anyone who wishes to ask a question may press star and one on their touchtone telephone. We have our next question from the line of Divyam Surekha from Nuwama Wealth. Please go ahead.

Divyam Surekha – Nuwama Wealth: Good morning, team, and thank you for the opportunity. I hope I am audible to you. My first question is regarding the average period of execution for the data center order book. Would it be entirely executed in the current fiscal year, FY27?

Management: No. The data center order book is expected to be executed over the next 12 to 18 months. This is due to site readiness and the time at which the customers require the solution. The average period is 12 to 18 months.

Divyam Surekha – Nuwama Wealth: Great. While you did touch upon this in your opening remarks, how are we viewing the demand scenario excluding data centers? How are other end markets, such as commercial, residential real estate, and Q-commerce, performing?

Management: Data centers are, of course, our fastest-growing segment, but manufacturing continues to be our largest market segment in terms of percentage, followed by real estate. The second-fastest-growing segment is rentals.

Divyam Surekha – Nuwama Wealth: Understood. Is there any supply constraint because of which you are unable to cater to the entire demand and have to turn away some of the demand that you are receiving?

Management: We are not losing any orders because of supply constraints. This is a phenomenon that every engine maker or every DG supplier is facing, not because of supply constraints, but because demand in data centers has increased so quickly. Capacity increases are underway on all

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fronts, but all players are facing the same situation.

Divyam Surekha – Nuwama Wealth: Understood. My last question is regarding the price hikes you mentioned. Could you share the quantum of the price hike and how the market is accepting it? Yes, that would be my last question. Thank you.

Management: We cannot share the exact quantum at the moment, but we took a two-phase approach. Based on market conditions, acceptance, and feedback from our sales team, we took a small price increase in the middle of Q1 and the balance at the beginning of Q2. That is why margins are expected to recover from Q2 and Q3.

Divyam Surekha – Nuwama Wealth: How is the market acceptance in terms of your price hike?

Management: Demand continues to be strong, and acceptance will be evaluated over the short term since we have only just rolled it out. The conditions are quite unpredictable, but we are confident that we will be able to pass on this price increase because we did something similar when CPCB IV came into effect. We passed on approximately a 33% price increase to the market over a period of 9 months. Therefore, 1 or 2 quarters should be a reasonable timeline estimate for passing on the rising prices caused by raw materials and commodities.

Divyam Surekha – Nuwama Wealth: Great, sir. Thank you so much for answering my questions. Thank you.

Management: Thank you, sir. Thank you.

Operator: Thank you. A reminder to all participants: if you wish to ask any question, you may press star and one. We have our next question from the line of Driпти Gandhi from HFS Investment. Please go ahead.

Driпти Gandhi – HFS Investment: Thank you for the opportunity. As the renewable business scales, how do you see this evolving between owned wind assets and third-party EPC or BOT work? What should this imply for the overall EBITDA margin?

Management: Currently, we have 330 megawatts of owned IPP assets in operation, and we have a clear roadmap to reach 633 megawatts because we recently won bids for 250 megawatts, which we are executing. As of today, the roadmap is clearly to move from 330 to 633 megawatts.

As far as EPC is concerned, we have almost 450 megawatts of projects that we are currently executing. On a year-on-year basis, we will be executing approximately 250 to 300 megawatts every year in the EPC business. That will be a constant figure, while we will be executing 100 to 150 megawatts under the IPP model over a period of 2 years. That is the IPP business.

Regarding your next question about total revenue, approximately 20% is from wind, while 78–80% is from other DG revenue.

Driпти Gandhi – HFS Investment: Understood. Thank you so much for the opportunity. That was very helpful.

Management: Thank you, thank you.

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Operator: Thank you. A reminder to all participants: if you wish to ask any question, you may press star and one. Anyone who has questions may press star and one on their touchtone telephone. We have our next question from the line of Devanshi Shah from HDF Capital. Please go ahead.

Devanshi Shah – HDF Capital: Thank you for the opportunity. I hope I am audible.

Management: Yes.

Devanshi Shah – HDF Capital: Can you help me understand the data center order book execution cycle and the probable margins in this segment?

Management: The data center execution period spans 12 to 18 months. Regarding margins, it is very difficult to comment specifically for data centers because these are order-to-order discussions. This depends on multiple factors, including the volume of the orders, the delivery timeline, the specific engine requirements, and any customization involved in the order. It also depends on the initial conditions of the site and the level of project or BOP work that we would have to undertake there.

Devanshi Shah – HDF Capital: Understood, sir. Thank you.

Operator: Thank you. We have our next question from the line of Devanshu Seth from ICICI Prudential. Please go ahead.

Devanshu Seth – ICICI Prudential: Thank you for the opportunity. I have just one question. Regarding the order book, you highlighted that there was 15–19% growth this time, presumably versus March. Specifically, for the data center order book, which you have stated at INR 900 crores, can you help us understand what the order book growth would have been? Given that data centers currently contribute 20% of revenue and the data center order book is INR 900 crores, how are you thinking about data centers as a proportion of overall revenue going forward versus 20% today?

Management: Ritesh, you can go ahead.

Management {? Ritesh ?}: Regarding the data center revenue mix, last year's mix was less than 20%. In the current year, it is above 20% in Q1 itself. The order book has grown significantly compared to last year. We mentioned earlier that the data center order book used to be approximately INR 400–500 crores, and we are now at INR 900 crores of data center orders. That is the kind of order book and demand build-up that we are seeing from the data center segment.

Regarding execution, as Ajay mentioned, the timeline is 12 to 18 months. We need to assess the readiness of the site, and based on that, the contribution will come through. However, we definitely expect the contribution to remain above 20% on an annualized basis.

Management: To give you an idea of how rapidly things are moving in the data center space, as of July 31, the data center order book stood at INR 900 crores. However, literally within the past week, if you take August 7 as the timestamp, that number would be INR 1,100 crores. It is moving monthly, one could say.

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Devanshu Seth – ICICI Prudential: The other point is regarding MSLD. We have seen revenues for this segment decline, and it is more order-book driven. Over the medium term, what sort of visibility do you have, both domestically and in terms of follow-on export contracts for MSLD?

Management: There was a slowdown in MSLD order booking solely due to the geopolitical situation because many international inquiries were put on hold and have only recently resumed in terms of technical discussions. We do have an order from a large PSU to be executed by Q1 FY28. The pipeline is also looking strong, although there is nothing to update at this stage. We will update you as things gradually materialize.

Devanshu Seth – ICICI Prudential: That was helpful. All the best.

Management: Thank you.

Operator: Thank you. We have our next question from the line of Harsh Shah from Edelweiss Capital. Please go ahead.

Harsh Shah – Edelweiss Capital: Thank you for the opportunity. Could you quantify the contribution of data center-related balance-of-plant orders to your current order book and revenue mix? What is the contribution of the balance of plant that you undertake in the execution?

Management: Just a second. It is difficult to quantify. Ritesh, go ahead.

Management {? Ritesh ?}: It is approximately 30% for balance of plant.

Harsh Shah – Edelweiss Capital: That is equipment value, am I right? It is equipment—

Management: It is execution value. We are not talking about the genset value. It is the execution value. When we undertake BOP, it also includes some of the parts that we supply, but it is difficult to quantify the split between parts and services. That is the project work, which we say is approximately 30%.

Harsh Shah – Edelweiss Capital: The reason—

Harsh Shah – Edelweiss Capital: In India, there are elevated floors, and the systems are such that generators need to be installed on the eighth, sixth, or seventh floor. Does that help you increase your margin?

Management: It is blended. If today we are talking about 30–40%, tomorrow it might be 50%, and it can also be approximately 10%. It depends on the site. What we are talking about in the Q1 numbers is approximately 30%, but it can be higher or lower depending on the project site and the related dependencies.

Management: It can be a meaningful revenue contributor. As space becomes more and more valuable and we see more vertical installations taking place, that gives us more scope to improve. These are more challenging installations, and as the installation becomes more challenging, we can expect margins to be higher.

Harsh Shah – Edelweiss Capital: Understood, sir. Thank you.

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Operator: Thank you. We have our next question from the line of Analyst from Growwtec Capital. Please go ahead.

Analyst2 – Growwtec Capital: Hi, sir. Thank you for the opportunity. Am I audible?

Management: Yes, you are.

Analyst2 – Growwtec Capital: Thank you, sir. I have a question about capacity utilization. Can you share the capacity utilization for the DG set business during the quarter?

Management: The baseline capacity utilization is approximately 75–80%.

Analyst2 – Growwtec Capital: As you said, capacity utilization was 75–80%, whereas earlier it was approximately 80%. Are there any capacity expansion plans for the DG set business?

Management: The capacity we are discussing is based on one shift of operations. We can plan anything that is required, but right now we have sufficient capacity to cater to the demand we are seeing.

Analyst2 – Growwtec Capital: My next question is regarding the RECD business. Can you share its contribution during the quarter?

Management: I am not able to understand your question. Please repeat it.

Analyst2 – Growwtec Capital: Regarding the retrofit emission control devices business, what was its contribution during the quarter in terms of revenue and profitability?

Management: Regarding RECD, or the retrofit emission control devices business, it remains strong. However, this time we had approximately {? 16 to 17 crores ?} of revenue during the quarter, primarily because of the crisis and the implementation of GRAP in the National Capital Region. That was one of the reasons demand was postponed. We believe that the revenue will return in the coming quarter.

Analyst2 – Growwtec Capital: Thank you, sir. Another question: can you share the timeline for the IPP business to reach the 630–640 megawatt capacity from the current level?

Management: Your voice is breaking up. Can you please repeat your question? Timeline for what?

Analyst2 – Growwtec Capital: The timeline for the IPP business, for which you are planning approximately 630 megawatts of capacity. What is the timeline to reach that capacity from the current level?

Management: Fifty megawatts will be added during the current financial year, 150 megawatts will be added next year, and another 100 megawatts will be added in the following financial year.

Analyst2 – Growwtec Capital: The last question is regarding the EPC business. You mentioned capacity additions of 250 to 300 megawatts annually. What would be the potential revenue each year from this segment?

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Management: In EPC, we are undertaking only the Balance of Plant. Balance of Plant means construction of foundations, transmission lines, substations, SCADA, land, and rights of way. Generally, this is the type of BOP work we undertake. The top line from this EPC business would be approximately INR 400 crores.

Analyst2 – Growwtec Capital: Thank you for the answer. Those are my questions.

Management: You are welcome. Thank you.

Operator: I remind all participants that if you wish to ask any question, please press star and one. We have a follow-up question from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar – ICICI Securities: Thank you for the opportunity once again. My first question is regarding the Allied business revenue growth. The Allied business was growing sharply until FY25, but it appears to have slowed down in FY26 and Q1 FY27. Could you provide some outlook on this?

Management: There is no slowdown as such. The Allied business has a majority portion that comes from project-related work. For any project-related work, revenue recognition occurs on the basis of milestones. Revenue is recognized only when the milestone is achieved, and that is where we are currently.

The second point relates to defense orders. Defense orders work on the basis of the orders received, after which we complete the order. This involves an approval cycle that generally ranges from 1 year to 3 years.

Management: That is the cycle under which we operate. From the FY25 perspective, we were completing the majority of the approved defense orders. Currently, some products are under approval, and a couple of orders are also under approval. Once they are approved, they will be taken up. Apart from that, project work is growing. You may see some quarter-wise deferment due to milestone completion, but on an overall yearly basis, you should see growth.

Mohit Kumar – ICICI Securities: Understood. My second question is regarding the data center order book. Can you please confirm that the order book as of August 7 was INR 1,100 crores? I also have one question regarding data centers: are we seeing individual inquiries or large individual inquiries becoming larger in megawatt terms, and does that help margins?

Management: The total data center order book as of today is INR 1,100 crores. You heard correctly that on August 7, we secured more than INR 200 crores of revenue from a single order. Therefore, the order size has been increasing. The order size is increasing for the larger orders, but we are also receiving smaller orders. You may see a mix of Edge, CoLo, and Hyperscaler data centers, across all the data centers for which we are working. Margins will definitely not be the same across all orders because data centers involve bulk orders, whereas in other cases we may be working on one or two individual transactions.

Management: Margins vary from order to order. As I mentioned earlier, one factor is the volume of the order, but you also have to consider when delivery is expected, the specific engineering requirements, and any customization required for that specific DG set and all the DG sets for that particular order. Margins will vary based on these factors, with customization being the largest

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factor.

Mohit Kumar – ICICI Securities: Understood, sir. Thank you, and all the best. Thank you.

Management: Thank you.

Operator: Thank you. We have our next question from the line of Abhiram from Prabhudas Lilladher. Please go ahead.

Abhiram – Prabhudas Lilladher: Good afternoon, sir. My question is regarding the price hike on DG sets. If we take a price hike, is it on the complete DG set, or only on the value-added components manufactured by us? How much of the price increase is actually retained by us versus passed on to our suppliers?

Management: We map all price increases at the genset level and then gradually pass them on to customers.

Abhiram – Prabhudas Lilladher: Also, for data center orders, do we typically receive the order directly from the data center operator or EPC player, or does it come through Cummins as the OEM?

Management: The complete customer engagement scope is with Powerica Ltd, so we interact directly with the data center to receive the order.

Abhiram – Prabhudas Lilladher: I understand that the addressable market in data centers has increased over the last 2 years, but I also wanted to understand the competitive scenario. Are we seeing more players entering this domain, or has the number of players remained the same as it was over the last 2 or 3 years?

Management: Competition continues to increase. However, we are confident in our product and not just in the product, but also in the reputation and trust that Powerica Ltd has built in executing these orders. There may be many players that can supply a DG set, but successful data center product execution requires that reputation and trust, and we remain very confident in our own capabilities.

Abhiram – Prabhudas Lilladher: What is our current market share in Cummins DG sets and Cummins power engines?

Management: We do not have any syndicated reports or data points for market share, so we will not be able to disclose any reliable numbers in that regard.

Abhiram – Prabhudas Lilladher: Fine, sir. Thank you. That is all from my side. All the best.

Management: Thank you.

Operator: Thank you. We have our next question from the line of Arafat Sayed from Dolat Capital Market. Please go ahead.

Arafat Sayed – Dolat Capital: My question is regarding the MSME business. Is it possible to share the margin for genset exports in the MSME business?

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Management: Arafat, this also works on a project-to-project basis. Some projects will have higher margins and some will have lower margins, depending on the mix. If something is overseas, it would definitely have a higher margin compared with work in India. Quantifying that separately is difficult at the moment because in one year you might see 30%, while in another year you might see 15%.

Arafat Sayed – Dolat Capital: Understood, sir. What is the steady-state revenue growth? You mentioned that double-digit growth is possible from the DG set business. Is it possible to provide the revenue growth outlook for the wind business as well?

Management: Sorry, the wind business?

Arafat Sayed – Dolat Capital: Yes.

Management: We discussed the wind business earlier. The wind business does not operate like a product business where we sell products. It is based on the completion of a project. As Mr. Gupta mentioned, we currently have a pipeline of 300 megawatts. Fifty megawatts is under construction and is expected to go live this year, around Q4. The next 100–150 megawatts is expected to be completed in FY28. Another 100 megawatts will be completed in the following year.

Management: Generally, new projects come with EBITDA levels of 82%–83% of total revenue, while our older projects of 330 megawatts generally generate EBITDA of 62%–63%. In the EPC business, we generally achieve an EBITDA margin of 10–11%.

Arafat Sayed – Dolat Capital: Understood. My next question is regarding the data center segment. I believe data center revenue has moved from 15% to 20%. Apart from data centers, which other segments are growing faster?

Management: Manufacturing is—

Hitesh – [Role Unstated]: Manufacturing has always been the largest growth driver, along with rental and commercial real estate. These are the three largest growth drivers. Apart from that, the other segments are also growing, but these three are growing significantly faster.

Arafat Sayed – Dolat Capital: Understood. My last question is regarding your cash position. You have net cash of almost INR 193 crores. Assuming there are no near-term debt requirements for capex, as you mentioned, and no dividend has been finalized, will the capital remain earmarked for wind expansion, or are you looking to expand any other business in this space?

Management: We already mentioned the 300 megawatts under construction, including the 50 megawatts that will go live this year, as well as the 250 new projects that we won. One use of the capital will be allocation toward these projects. Further, we are always open to any idea that comes into our sphere. As soon as an opportunity arises, we will look to deploy capital.

Arafat Sayed – Dolat Capital: Understood. I also have a few questions regarding Cummins. Cummins has performed very well over the last couple of years, especially in FY26. However, last time I think we missed 2 data center projects that came directly from the Cummins parent. Is there any other pipeline that we could miss in the same way?

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Management: (Unclear audio response starts.)

Management: We cannot comment on the Cummins side. What we can say is that when a project comes in as an inquiry, it comes as a direct inquiry and we take it up. That is why it is difficult for us to answer on behalf of Cummins.

Arafat Sayed – Dolat Capital: Understood. Lastly, regarding {? Plexteno ?}, which showed very good growth in FY26, are there any growth plans? How does the revenue structure and market look, and are we looking at exports from the {? Plexteno ?} business? If so, which countries are you focusing on?

Management: Right now, the focus is on India because demand is very strong in India. As we discussed earlier, export possibilities do exist, and we will look into them. However, right now the focus is on India, as demand is present across the states and we see very strong growth coming through.

Arafat Sayed – Dolat Capital: Understood. Lastly, regarding your margin profile, do you have any guidance for margins in the DG set business?

Management: This is an impacted year, so providing guidance will be difficult. We need to wait for Q2 and then we can discuss it.

Arafat Sayed – Dolat Capital: Fine, sir.

Operator: Thank you. A reminder to all participants: if you wish to ask any question, you may press star and one. Anyone who wishes to ask a question may press star and one on their touchtone telephone. We have our next question from the line of Sagar Parekh from Resonance Asset Management. Please go ahead.

Sagar Parekh – Resonance Asset Management: Am I audible?

Management: Yes.

Sagar Parekh – Resonance Asset Management: Regarding the INR 900 crore data center order book that you mentioned, I believe that would also include orders received earlier at lower pricing. Therefore, those orders should also be at lower margins, while the incremental INR 200 crores that you won in August would be at new pricing. Is that the correct understanding?

Management: It is a mix. At the moment, it is difficult to identify which orders were at the old price and which were at the new price. The August order was definitely at the new price, but the overall order book is a mix because the price hike took place during the quarter. Some orders are from before the price hike, while others are from after the price hike.

Management: As mentioned, pricing is always an order-to-order discussion; it is never blanket pricing.

Sagar Parekh – Resonance Asset Management: What was the quantum of the price hike taken in the DG sets?

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Management: It depends on the size. It depends on whether it is a smaller or larger size, and it also depends on the customer and the negotiation through which the price is passed on. The price increase has been passed on during the current period. When we refer to the price hike, the new-price gensets coming in are now being quoted at the new price. The quantum has been implemented over a period of time. Therefore, it would not be accurate to say that it is 10% or 15%.

Management: It is always implemented gradually based on market conditions and the anticipated acceptance in the market.

Sagar Parekh – Resonance Asset Management: Understood. So, should we expect this DG genset business to return to its original FY23 margins after Q3 or Q4?

Management: That is what we expect, while we will of course continue to evaluate the unpredictable geopolitical situation that we are all facing.

Sagar Parekh – Resonance Asset Management: Understood. That is all from my side, and all the best.

Management: Thank you.

Operator: Thank you. That will be the last question of the day. I now hand the conference over to Mr. {? Arasad Syed ?} from Dolat Capital Market for closing remarks. Over to you.

{? Arasad Syed ?} – Dolat Capital Market: Thank you, everyone, for being on the call, particularly the management, for giving us the opportunity to host the call. Thank you very much, and I wish you all the best. Are there any closing remarks from your end?

Management: We would like to thank everyone for joining us today and really appreciate all the interest in Powerica Ltd. If you have any further queries, please contact SGA, our Investor Relations advisor. Thank you.

Operator: Thank you very much. Thank you, everyone.

Management: Thank you.

Operator: Thank you. On behalf of Dolat Capital Market Private Limited, that concludes the conference. Thank you for joining us, and you may now disconnect your line.

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

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