

Black Box

13 August 2026

Operator: Ladies and gentlemen, good day and welcome to the Q1 FY27 earnings conference call of Black Box Ltd. This conference call may contain forward-looking statements about the company that are based on the beliefs, opinions, and expectations of the company as of the date of this call. These statements do not guarantee the future performance of the company 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 to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal the operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Sanjeev Verma, Whole-time Director and CEO of Black Box Ltd. Thank you, and over to you, sir.

Sanjeev Verma – Whole-time Director & CEO: Good morning, everyone, and thank you for joining us today. On behalf of Black Box Ltd., I extend a warm welcome to all of you to our Q1 FY27 earnings conference call. I will begin by sharing an overview of our business performance, the evolving industry landscape, and the strategic progress we have made during the quarter, after which our CFO, Mr. Deepak Bansal, will take you through the financial highlights in greater detail.

A couple of months ago, during our Capital Markets Day, we shared an important milestone in Black Box's journey. We spoke about how the transformation that we have embarked upon over the last several years had largely been completed and that the next phase of our journey would be centered around growth, scale, and disciplined execution.

As I reflect on the first quarter of FY27, I am pleased to say that we have made a strong start on both fronts, financially and operationally, reinforcing our confidence in the road ahead. Financially, we have delivered our highest-ever quarterly revenue, supported by improved execution of the rising order backlog and the contribution from our recently acquired Brazilian entity, TUSA. The quarter also saw order bookings of US dollar 339 million, taking our order backlog to a record high of approximately US dollar 950 million, up 83% year-on-year and providing strong visibility for future growth.

Equally important, we made significant operational progress during the quarter, adding a new global hyperscaler in the United States through a US dollar 131 million or 1,240 crores order, while continuing to deepen our relationship with our existing hyperscalers. These wins are a strong validation of the capabilities and scale we have built. I am proud to say that Black Box is the only India-origin digital infrastructure solutions company currently executing gigawatt-scale data center programs, demonstrating the scale-up capabilities it has built to participate in accelerating global AI infrastructure rollouts.

To understand in detail why we are increasingly confident about our long-term outlook, it is also useful to step back and look at the broader technology landscape, because what we are witnessing today is far bigger than a normal technology cycle. We are in the midst of one of the largest digital infrastructure investment cycles in history. This is not a short-term trend driven by a single technology; rather, it is a structural transformation powered by artificial intelligence, cloud computing, networking, cyber security, and next-generation digital infrastructure that is expected to reshape industries and economies over the coming decade.

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Industry estimates continue to move higher. According to Gartner's article published in July, global enterprise technology spending is expected to exceed US dollar 6.4 trillion, up 14.2% year-on-year, including US dollar 822 billion on data center systems alone, a 62.5% year-on-year increase. At the same time, leading hyperscalers, including Google, have increased budgets to US dollar 190–205 billion for FY26 in its current earnings release in July, double the level of last year, and other large players have followed suit.

Within this landscape, Black Box participates across nearly US dollar 250–300 billion of addressable opportunities spanning data centers, enterprise networking, connectivity infrastructure, cyber security, managed services, and digital workplace solutions. Importantly, the majority of this spending is occurring in markets where we already have strong positions, particularly in the United States, where nearly 60–70% of spending is targeted.

What makes this investment cycle particularly compelling is the convergence of multiple long-term technology trends. AI workloads are driving unprecedented demand for compute capacity, while enterprise networks are being modernized through high-speed connectivity, edge computing, private 5G, and Wi-Fi 7. At the same time, cyber security is becoming increasingly mission-critical as organizations strengthen digital resilience. These trends are creating sustained demand across the very capabilities that Black Box has been building over many years.

Today, Black Box participates across a sizeable addressable market spanning data centers, enterprise networking, connected buildings, cyber security, managed services, and digital workplace solutions. More importantly, a significant portion of this investment is taking place in markets where we already have deep customer relationships, particularly in the United States, where we continue to maintain a strong presence.

However, the size of the opportunity alone is not enough. Success in this market increasingly depends on the ability to execute at scale. As hyperscale projects become larger and more complex, customers increasingly prioritize execution capability, scale experience, and the ability to mobilize skilled resources quickly across multiple locations. Winning these engagements is no longer simply about offering the lowest price; it is about demonstrating consistent execution on mission-critical infrastructure.

This is precisely where Black Box enjoys a meaningful competitive advantage. Over the past several years, we have deliberately invested in strengthening our execution capabilities, expanding our leadership team, and building a global delivery platform that can support large-scale infrastructure programs. We continue to hire and train talent at scale, with plans to onboard nearly 2,000 professionals, ensuring that we have the resources required to support our customers' long-term growth plans. These investments create significant barriers to entry and position us favorably as customers increasingly consolidate spending with trusted partners capable of delivering at scale.

Equally important is the strength of the customer relationships we have built over the years. We work with leading hyperscalers, Fortune 500 enterprises, financial institutions, healthcare organizations, manufacturers, and global technology companies across more than 35 countries. Over the years, we have built and become deeply embedded within many of their mission-critical environments, and we believe this trust creates significant opportunity to expand wallet share as customers increase investments in AI-led infrastructure.

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Alongside strengthening customer relationships, we have also continued to improve the quality of our own business. Over the past few quarters, we have consciously rationalized several low-value long-tail customer accounts while increasing our focus on larger strategic enterprises. This approach significantly improves the quality, visibility, and profitability of our revenue base over the long term. Our objective is clear: go deeper with strategic customers rather than simply becoming broader across small accounts. This strategy is already translating into encouraging business momentum, particularly in one of our most important growth areas.

The momentum in our data center business continues to remain particularly encouraging. We continue to see healthy customer demand across AI campuses, hyperscale infrastructure, enterprise modernization, networking, and managed services. Encouragingly, supply chain conditions have also improved over the last quarter, particularly across cables and fiber, supporting faster project execution and a stronger pace of backlog conversion going forward.

Taken together, these developments reinforce our confidence in the long-term roadmap that we had shared during our Capital Markets Day.

As we highlighted during our Capital Markets Day, our aspiration is to build Black Box into an 18,000 crore or US dollar 2 billion revenue company by FY30. Around 12,000 crores of this growth is expected to come organically, supported by strong execution and conversion of our robust order backlog, sustained demand for AI-led digital infrastructure, deeper engagements with strategic customers, and improved project configuration. The balance of 6,000 crores is expected to come through inorganic growth, leveraging our proven M&A engine, successful integration track record, and a healthy acquisition pipeline. The recently completed 2S acquisition, which adds approximately US dollar 50 million in annual revenue, represents another meaningful step toward this objective.

This transition is supported by four growth pillars: hyperscale business infrastructure, {? ES&I ?} Americas, growth across India and rest-of-the-world markets, and the evolution of our technology product solution business toward recurring and platform-led revenues. These pillars are reinforced by our strong execution {? ethos ?}.

Overall, the first quarter has further strengthened our conviction that we are well-positioned to execute on this roadmap. We believe FY27 is not the beginning of our journey; it is the beginning of the scaling phase of our journey. We enter this year with a stronger business, a healthier balance sheet, expanding customer relationships, and multiple long-term growth drivers working in our favor. With that, let me now hand over the call to Deepak, who will take you through the financial performance in greater detail. Thank you.

Deepak: Thank you, Sanjeev, and good morning, everyone. Sanjeev has shared our strategic progress, the strong industry fundamentals supporting our business, and the tailwind that we have right now. Let me now take you through our financial performance for the first quarter, the operational progress we continue to make, and our outlook for the year ahead.

Over the last 3 years, our focus has been on building a business that can scale profitably and sustainably. Our transformation has centered around 5 priorities: strengthening the balance sheet, improving profitability, disciplined capital allocation, simplifying operations, and building a scalable

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operating model. Today, the quality of our business is fundamentally stronger, providing us with a solid platform to capitalize on the opportunities ahead.

A key outcome of this transformation has been the improvement in our customer portfolio. As Sanjeev highlighted, we have transitioned from a fragmented customer base to approximately 300 strategic accounts, including hyperscalers, enabling greater wallet share, stronger revenue visibility, and healthier margins. This has significantly improved both the quality and predictability of our revenues, while positioning us to execute larger multi-year engagements.

Against this backdrop, we have started FY27 on a particularly strong financial footing. Q1 FY27 was one of our strongest quarters as we reported our highest-ever revenue of 1,719 crores, representing 24% year-on-year growth. EBITDA increased to 160 crores, up 38% year-on-year, while profit after tax grew to 56 crores, an increase of 18% over the corresponding quarter last year. The quarter also includes 2 months of financial consolidation from our Brazil acquisition, 2S.

Equally encouraging was the improvement in profitability. EBITDA margin expanded by 90 basis points to 9.3%, reflecting operating leverage, a better business mix, disciplined execution, and the benefits of the structural initiatives implemented over the last few years. While we continue to invest in our sales organization, engineering capabilities, and delivery teams, operational efficiencies through our global capability center in Bengaluru, AI-led productivity initiatives, centralized delivery, procurement discipline, and stronger project controls continue to support margin improvement.

Our medium-term objective remains to consistently operate at or above a 10% EBITDA margin while maintaining healthy returns on capital.

The healthy demand environment that Sanjeev spoke about also continues to translate into a robust order pipeline. Demand across our core businesses remains healthy. We continue to see strong customer spending across AI-led digital infrastructure, data centers, enterprise networking, managed services, and cyber security, giving us confidence in the sustainability of our growth pipeline.

From an order book perspective, we continue to witness healthy customer demand. During the quarter, we secured orders worth US dollar 339 million. Our backlog continues to reflect the progress we have made. Since the beginning of our transformation journey, it has increased by 83% to over US dollar 950 million at the end of Q1 FY27, with a growing share of large multi-year and mission-critical infrastructure programs. The tenure of our data center engagements now ranges between 24 and 36 months, providing strong revenue visibility and improving the predictability of our business.

While the industry opportunity is significant, our focus remains on converting that opportunity into profitable growth, healthy margins, strong cash generation, and long-term shareholder value. Cash flow continues to remain a key management priority. For FY27, we expect our operating cash flow-to-EBITDA conversion to improve meaningfully over FY26, supported by disciplined working capital management.

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Our capital allocation philosophy also remains unchanged and continues to focus on long-term value creation. We will continue to invest across 3 priorities: strengthening our people and technology capabilities, supporting the working capital requirements of our growing business, and pursuing selective acquisitions that enhance our capabilities and geographic reach.

The acquisition of 2S reflects this disciplined approach. In addition to strengthening our presence in Brazil, it expands our capabilities across networking, cyber security, and managed services, while providing a strategic platform to participate in the broader Latin American opportunity. As with every acquisition, our focus remains on disciplined integration and realizing long-term synergies.

Based on the visibility we have today, we remain confident in our outlook for FY27. Our guidance for FY27 is as follows. Order backlog: we should end on March 31, 2027, at US dollar 1.4-1.5 billion, which is growth of 65-75%. Order bookings in the year: we should do between US dollar 1.3-1.4 billion, which is again growth of 45-50%. Revenue: we should do between 7,800 and 8,000 crores, which is growth of 23-27%. EBITDA: we should do between 700 and 725 crores, which is growth of 27-32%. EBITDA margins will range between 9.3% and 9.4%, which is again up by around 30-40 basis points. Profit after tax: we are expecting between 325 and 350 crores, a growth of 38-50%.

Historically, Q1 has been a relatively softer quarter for Black Box. We expect stronger revenue conversion and operating leverage in the second half of the fiscal year, with this momentum supporting the delivery of the FY27 guidance outlined in our presentation. Assuming normal execution timelines and no significant customer-led delays, we believe this guidance is achievable.

Going forward, we will continue to prioritize profitable growth, disciplined capital allocation, operational excellence, and balance sheet strength. Supported by a healthy order backlog, improving customer quality, and favorable industry tailwinds, we remain confident in our growth outlook. Black Box enters this next phase with a stronger financial foundation, a disciplined operating model, and a clear roadmap toward our aspiration of building a US dollar 2 billion business by FY30, while creating long-term shareholder value. Thank you, and with that, I would now like to hand the call back to the operator to open the floor for questions.

Operator: Thank you. We will now begin with the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question comes from the line of Deep Shah with 361 Capital. Please go ahead.

Deep Shah - 361 Capital: Hi. Thanks for the opportunity, and Sanjeev and Deepak, congratulations on a good set of numbers. I have a couple of bookkeeping questions first. If you could highlight the organic revenue growth, given that 2S was there from May 1, that is one question.

Second, I appreciate the comment that you made in your opening remarks about cash flow improvement. You also explained in the past that you have to make accelerating investments, leading to benign cash flow relative to EBITDA. Could you give some more color, perhaps a ballpark figure for where you expect this to be, or explain the process through which you expect this to improve, given that the order backlog suggests that we will actually have to make a lot more

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investment this year? Is that assessment correct?

Third, if I look at our order backlog and, for a moment, exclude projects that would be longer-term in nature, I still see an increase of approximately 38% in our order backlog if I look at managed services, maintenance contracts, and products, which is, of course, small. My question here is whether you think you are being slightly conservative when you guide on FY27 numbers, or whether you are expecting a lot of growth to start in Q3 and Q4, which is why the numbers will show in FY28. These are my questions. Thank you so much.

Deepak: I will address them one by one. On organic revenue, out of the total revenue of 1,719 crores that we have generated this year, the inorganic component, which is 2S, has contributed around 60 crores of revenue. All the remaining revenue is organic revenue. The 60 crores came from the 2S Brazil acquisition because it was for 2 months and the first quarter for them, which is basically the June quarter, is normally weak because they are in networking and are Cisco partners, among other things. Therefore, they contributed 60 crores.

On cash flow, one point is that I am talking about operating cash flow. When I say operating cash flow, there will be an involvement of working capital and all related items. From an investment perspective, our investment in talent, our investment in people, and all those activities to secure these types of orders and to convert the pipeline into orders, as well as hiring the best world-class people, has largely been completed. We will obviously continue to hire more people, but right now it looks like our cash flow from operations will be positive, and the cash flow cycle will automatically pick up with the growth that we are expecting this year.

On the order backlog, you are absolutely right, Deep. Most of the growth will come from the execution of these projects by the end of Q3 and Q4, and it will spill into the next year. The growth will spill into FY28 based on the order backlog that we have, because a lot of execution is also dependent on the customer.

We received the order that we announced from another hyperscaler. We had been discussing that order for many days. The actual work on the ground, including hiring and all related activities, will start, but the work on the ground will start only from November onward. It will then scale up. It is not that you receive the order and start working the next day, because these are not small orders or small contracts. They are large-sized, gigawatt-plus sites, not smaller sites. Therefore, there is a lot of deployment and related activity that takes place.

When we project growth for FY28, you will see growth over the current year. If we grow in the current year by 22-25%, or approximately 25%, then the growth in FY28 will be over and above those numbers. That is why the numbers we are projecting, between 7,800 and 8,000 crores, do not look very conservative to us.

Deep Shah – 361 Capital: This is very clear. You have actually answered my follow-up question to the extent that you have clearly suggested that the reason this year's numbers are not conservative is that some of the order backlog, or rather a large part of the order backlog, will actually flow into FY28. Is that assessment correct? I am asking for absolute clarity.

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Deepak: Correct. That is correct. When you see our order backlog and the guidance we have given for order bookings, which is US dollar 1.3–1.4 billion, that is why we will end up with that order backlog. I would say, and probably Sanjeev will add more on this, that the order backlog may be a little conservative because we will add more orders between October–November and March, when we burn the orders that we are receiving right now out of the 950 million. That number may therefore be higher. We will provide more clarity after we announce the Q2 results, and then we will be able to speak with greater clarity about it.

Deep Shah – 361 Capital: Great, Deepak. Very clear. Thank you so much, and all the best.

Deepak: Thank you.

Operator: The next question comes from the line of Vivek Choraria, an individual investor. Please go ahead.

Vivek Choraria – Individual Investor: Hi, Sanjeev and Deepak. It is nice to chat with you.

Sanjeev Verma – Whole-time Director & CEO: Hi, Vivek.

Vivek Choraria – Individual Investor: I wanted to touch on the non-data-center part of the business because most of the growth that you are talking about is coming from that space. Is the non-data-center segment simply progressing steadily, or are you expecting growth? Or is it a case of classifying some orders as data center orders? I wanted some clarity on that.

Sanjeev Verma – Whole-time Director & CEO: No, clearly the hyperscale cycle is larger at this time. The non-hyperscale enterprise business will grow at a modest double-digit rate, around 10%. Combined, we are projecting approximately 25% at this time.

The enterprise cycle will follow, Vivek. This data center infrastructure is not being built to be consumed on its own. The impact of the data center infrastructure will come through with a lag, when the infrastructure starts to dramatically change downstream airport infrastructure, hospital infrastructure, and bank infrastructure. This infrastructure has been built for them. What is this infrastructure being built for? It is being built to drive efficiency and improve the experience for end users like you and me in our workplaces.

We are expecting and building up for large-scale projects to come through in our enterprise infrastructure business as well. For example, when we do data center infrastructure for a bank, that is our banking business. It is not a hyperscale gigawatt project; it may be 10 megawatts or 20 megawatts, which is still large. Many years ago, it was 2 megawatts. The entire network infrastructure required to connect it will change.

A case in point, just to give you an example so that you understand: if the head-end changes and you want to view a 4K HD video, you need a downstream device that supports it. If the head-end changes, which in this case is the massive data center infrastructure, consumption actually happens at the end user. It passes through an airport, goes into a hospital, reaches a consumer store, or is used to order food. It is coming.

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We are bullish on that as well, but it will come through with a lag. We expect standard double-digit growth from that side, at 10–12%. We are focused on the 300 customers that Deepak called out. However, we are catching the hypercycle in the AI buildout and expect that, as we move forward, we will see our momentum in the enterprise business also catch up with a lag.

Vivek Choraria – Individual Investor: Sanjeev, could you say a word on the TPS business? Our growth and revenues have jumped, but EBITDA losses remain. Is it a matter of scale, after which we will start delivering positive numbers?

Sanjeev Verma – Whole-time Director & CEO: For the product business as well, we expect to grow in the range of approximately 20% in the current year. It is a matter of scale. We have again narrowed our focus to only mission-critical infrastructure in that space. Historically, we were doing a lot of products that we had inherited, so we are now focusing on visualization products, which we call KVM, our M-L product, and we are seeing strong momentum.

We will see a spike in that business in the coming quarters as well. We are investing in next-generation, AI-led products in that space. Therefore, to that extent, I expect growth this year to catch up to approximately 20%, which is still lagging our overall growth plans but is highly accretive. As we move forward from there, every dollar that comes in as we move into next year and the year beyond will become accretive overall.

Vivek Choraria – Individual Investor: Just one last question, Sanjeev. The growth that you are projecting means that the requirement for H2 will be almost 22–40% year-on-year growth and also quarter-on-quarter growth. Are you confident, given that we have been discussing some delays in execution? What gives us the confidence that we should start seeing the fundamentals in Q3 and Q4?

Sanjeev Verma – Whole-time Director & CEO: There are no delays in execution from that perspective. The backlog available at the beginning of Q1 will carry us forward. If you calculate the order backlog plus the booking goal and the revenue projections, the mathematics will work out. We expect to grow sequentially each quarter, as well as year-on-year, moving forward.

Vivek Choraria – Individual Investor: All right. Thank you, Sanjeev.

Operator: A reminder to all participants: you may press star and one to ask a question. The next question comes from the line of Nandan Arakat with JM Financial Limited. Please go ahead.

Nandan Arakat – JM Financial Limited: Hi, team. Congratulations on a great set of numbers. My question is on margins. We expect to end the year at a 10% EBITDA margin, and I think we have given guidance of 9.3–9.4%. Does that mean that Q2 and Q3 will see slightly depressed margins, after which we expect operating leverage to take effect? Also, what gross margins are you building into the data center orders?

Sanjeev Verma – Whole-time Director & CEO: I will take that. We aim to remain at 10% and above, as Deepak called out. As we look at the overall year and move forward, we expect Q4 to be in that range or higher.

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At the same time, as we scale this business during the current year with the order backlog, we are looking to invest in talent and training. We are entering a very large-scale buildout of a multi-billion-dollar backlog. This project expertise also requires some investment in training, so we are cautious on that.

As I said, at scale, we expect to be able to deliver at 10% or more. It is better to factor in what we are planning to invest and therefore consider the guidance that Deepak has given, at around 9.1-9.4% or 9.5% at this time. However, we remain focused on reaching 10% as quickly as possible, and at scale, exceeding 10%.

Nandan Arakat – JM Financial Limited: That is clear. On the order backlog, I believe you have currently indicated a blended average tenure of around 18 months. Based on your pipeline, what will be executed, and what you expect to come in over the next few quarters, what do you expect the average tenure to be by the end of this year?

Sanjeev Verma – Whole-time Director & CEO: The tenure for large-scale projects, as Deepak alluded to, is 24-36 months. I had earlier stated that the goal for this year for order bookings, as shown in our current forecast and guidance, is 50% more than last year, broadly in the range of US dollar 1.4-1.5 billion. That is what we are planning to book, and we are well on track to achieve or exceed that at this time.

As Deepak said earlier, some of these orders require pre-planning before they begin to convert into revenue. Therefore, if you calculate where we opened the year, add the bookings, and take approximately 8,000 crores of revenue, we will end the year with a very healthy backlog that will possibly cover next year's growth substantially from the backlog itself. It will be very evident.

From a data center margin perspective, the business remains accretive for us at this time. As I said, we continue to focus on a 10% operating margin at scale, and we believe it will be equally accretive, if not better.

Nandan Arakat – JM Financial Limited: Congratulations, and all the best.

Operator: Participants, please press star and one to ask a question. The next question comes from the line of Mohammad Munir with Echo Quantum Solutions. Please go ahead.

Mohammad Munir – Echo Quantum Solutions: Hi. Good afternoon, team. I have one bookkeeping question about the tax rate. The tax rate is currently low. Going forward, what will be our anticipated tax rate?

Deepak: The tax rate is currently lower primarily because of our past operating losses and the operating losses carried forward in our various geographies. The tax rate depends on the revenue mix across different geographies and the consumption of past operating losses, in terms of how we use them. For the next 2 years, FY27 and FY28, I expect it to be in the range of 10-15%, and after that it should normalize to around 20%.

Mohammad Munir – Echo Quantum Solutions: One more question about other income. Other income is negative. Why is that?

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Deepak: Sorry, what is negative?

Mohammad Munir – Echo Quantum Solutions: Other income. I think other income is negative.

Deepak: No, it does not look negative to me. Let me look at it. I did not see a negative number in other income. Other income is positive, at 4 crores.

Mohammad Munir – Echo Quantum Solutions: Okay. I do not know where I was reading it from.

Operator: The next question comes from the line of Vivek Seth, an individual investor. Please go ahead.

Vivek Seth – Individual Investor: Thank you for the opportunity. My query is regarding the order that you received yesterday from a hyperscaler for an AI data center. I wanted to know how much of the order relates to your integrated products and how much relates to the services component.

Sanjeev Verma – Whole-time Director & CEO: No products. It is 100% services.

Vivek Seth – Individual Investor: 100%. Okay. Thank you so much.

Operator: A reminder to all participants: you may press star and one to ask a question. The next question comes from the line of Keshav Baradia with Walfort Financial. Please go ahead.

Keshav Baradia – Walfort Financial: Hi, sir. Congratulations on a great set of numbers, and thank you for the opportunity. I have one question. Since a lot of our growth plans hinge on the hyperscaler and data center segment, if there is any moderation at the hyperscalers' end in terms of data center capex, does that put us at risk of order cancellations, or would our growth plans change in that scenario?

Sanjeev Verma – Whole-time Director & CEO: Good question. The overall scale of spending is gigantic. The overall spend on AI infrastructure over the next 4 years is about 1.6 trillion, or an average of 400 billion. Each time some of the hyperscalers announce their results, they add to their capital expenditure. We are taking a relatively small slice at this time from the addressable market available to us.

We do not see this in our current conversations or current pipeline. On the contrary, we are seeing an acceleration in new projects being announced at this time. Could something change dramatically? I would not want to predict that. However, based on our current conversations across multiple hyperscalers, co-location customers within hyperscale, multiple sites within hyperscale, and multiple geographies, we are seeing what is happening in India.

The advantage for Black Box remains that we are present with customers not only in one market but also in other markets. We have not even started to harness the markets in India, which we are planning to do. Therefore, I do not see our growth being hampered if there is a shift involving Hyperscale A or Hyperscale B, or if a site is delayed or revamped. We are talking about massive spending.

To that extent, our goals are set from that perspective. As I said earlier, we also expect hyperscale to start driving enterprise spending because everything around it will change, including the network

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and connectivity. We will possibly enter a dual-engine cycle starting in FY28 and beyond.

This is a structural shift cycle, not technology spending simply to buy compute. This is how economies will operate. It is about keeping economies ahead. When we calculate the overall opportunity, where we want to play, and our goal of becoming a US dollar 2 billion company, I believe we are well-placed and well on track.

Keshav Baradia – Walfort Financial: Great, sir. As a follow-up to that, we are seeing a lot of capex happening in India as well, with the tax holiday and many global hyperscalers also coming here. Have we explored any opportunities here? Also, is there an opportunity on the semiconductor side, because we are seeing a lot of capex happening here and in Southeast Asia as well? Is that potentially a segment we could tap into in the coming years?

Management: Yes, that is a good question. We continue to evaluate the markets and the spending. India will, of course, go through hyper-investment cycles. We are seeing that as well.

However, even if we look at the current buildout, the US currently has around 67 gigawatts that are already commissioned and in use, increasing to 233 gigawatts. India is going from 1 gigawatt to 5-6 gigawatts at this time. Naturally, from a spending perspective, 70-80% is around the US. We will continue to remain focused on the US at scale. We have built a team around the growth capabilities.

We will continue to look at other markets, and that is the advantage of Black Box. As the opportunity matures, we are in discussions in Europe. We are also looking at India's potential and are clearly interested in determining where we can add value and be accretive from a shareholder perspective. An opportunity has no meaning until you can create a profitable opportunity from it.

We are therefore developing a blueprint and repositioning ourselves to see what we can do in India in the near term and beyond. Regarding the semiconductor side, we are not looking to become a semiconductor manufacturer. Instead, we are looking at being a partner on the compute side. From the perspective of the overall technology stack, connectivity, networking, compute, and storage are natural extensions for us. We could do that for enterprise customers. Hyperscale is somewhat different.

There is an opportunity, and as a management team we continue to evaluate the adjacencies. It is adjacent to us and can open up a substantial addressable spend, or TAM, for us. We are evaluating that. However, we are currently focused on where we see hypergrowth and hyper-engagement. From a strategic standpoint, we clearly look at adjacencies across the overall continuum of what we can do. We evaluate that as well.

Keshav Baradia – Walfort Financial: Great. One last question, if I may. What could potentially be a distinctive moat between us and our competitors when it comes to bidding for new orders? What is our right to win against the others? Is there a potential risk from IT companies also providing such services? I wanted to understand this. I know that we have had this customer mix for a long time, but what differentiates us from others, and how intense is the competition in this technology sector?

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Management: We will answer this in 2–3 parts. From a growth perspective, there are 3 distinctive ways to grow. The first is participating in growth. You simply ride the bus because growth is happening and see whether you can participate at that growth level. The second is taking share, because you have to compete. If there is only 10% growth and you want to grow at 25%, you have to take somebody else's share. That is the only way to grow. The third is acquiring, right?

Keeping those 2 pieces separate, that is a separate goal. First, let us look at what we can do to participate in growth. When we talk about US dollar 400 billion of spending, 10% of that is possibly addressable from our perspective. That is about US dollar 40 billion. We are trying to do approximately US dollar 1 billion, just for argument's sake. The idea is to be considered and have the wherewithal to be considered and bid.

These are not competing bids where you can quote 5% less and win. That is not how hyperscalers operate. By that logic, everybody could quote 10% less and expect to win. You have to win because you have the capability, the ability to spend, stay invested, train, and so on.

Those are the capabilities that we have built over the last several years. Therefore, we are being considered. As we move forward, we believe that our push rate will reduce and we will have a pull rate. We are now being invited more than we were before because we have executed several hundred megawatts, close to a gigawatt by now.

The ability to execute at scale and the ability to expand and train are essential factors. This market did not exist 3, 4, or 5 years ago. Therefore, execution at scale did not exist for anybody. The market was largely operated by small and mid-market local players doing fiber work. From that perspective, the number of players who can operate at scale is limited. The number of companies that can operate at scale and globally is even more limited.

From our perspective, we have discussed that we are possibly the only Indian company with the ability to do this at scale. What is the moat? The moat is scale, capability, relationships, and execution that has already been completed. More importantly, it is participating well.

Coming to taking share, there will of course be competition. We cannot be the only one playing; that is not going to happen. However, we believe that our right to win as we move forward will continue to become stronger. It is evident from our order book and will become even more evident as we move forward.

It is a combination of the opportunity we have and our ability to scale. As I said in the earnings call, an opportunity by itself does not mean much. We believe we have built a very robust execution capability. If you look at construction in general and at the Indian market, when a very large construction project, bridge, or dam is being built, only a few people are invited to execute it. There are possibly 2,000 construction companies in India. Simply knowing construction does not mean that you can build a dam. That is more or less how it works here.

We therefore believe that our scale, ability to execute, relationships built over the last 3 years, and training position us well to participate in and win this massive once-in-a-lifetime infrastructure cycle. It is like the railroad of the 1930s. We need to be there, put our heads down, and make sure that we are able to execute it, and that is what we are doing.

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Keshav Baradia – Walfort Financial: Perfect, sir. That helps. Congratulations again, and all the best for the future.

Operator: Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for the closing remarks. Over to you, sir.

Management: Thank you, everyone. If there are any further questions, you can reach our Investor Relations contact, {? Yogesh Parekh ?}, or SGA, our investor relations partner. Thank you so much.

Operator: Thank you, sir. Thank you, ladies and gentlemen. On behalf of Black Box Ltd., that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.

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

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