



April 29,2026

To,  
Compliance Department  
**BSE Limited**  
Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai- 400001

**Scrip Code** | 544291  
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**Sub:** Transcript of Half Financial year and Financial Year ended on March 31,2026 (H2FY26)  
Earnings Conference Call.

Dear Sir/ Ma'am,

We are enclosing herewith the transcript of Half Financial year and Financial Year ended on March 31,2026 (H2FY26) Earnings conference call with the Investors held on Thursday, April 23,2026 at 5:00 P.M.

You are requested to take the aforementioned information on records.

**For Rajesh Power Services Limited**



**Jyoti Dakshesh Mochi**  
**Company Secretary and Compliance Officer**  
**Membership No. A39777**



**Rajesh Power Services Ltd.  
H2FY26 Earnings Conference Call**

**Corporate Participants:**

**Mr. Utsav Panchal**  
Director and Chief Executive Officer

**Mr. Adhish Patel**  
Senior Manager Finance

**Mrs. Nikita Shah**  
Finance Head

## **Moderator**

Greetings, ladies and gentlemen. I am Karthikeyan, moderator for the Earnings Conference Call. Welcome to Rajesh Power Services Limited H2 FY'26 and FY'26 Earnings Conference Call.

We have with us today from the management, Mr. Utsav Panchal, Director and CEO; Mrs. Nikita Shah, Finance Head; and Mr. Adhish Patel, Senior Manager, Finance. As a reminder, all participants will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes.

Should you need assistance during the conference call, please signal an operator by pressing star and zero on a touch-tone telephone. Please note, this conference is recorded.

I would now like to hand over the floor to Mr. Arpit Mundra, EY Team, for the cautionary statement. Thank you and over to you, sir.

## **Arpit Mundra**

Thank you, Karthikeyan. Good evening, everyone. On the behalf of the management, I am pleased to welcome you all to Rajesh Power Services Limited earnings conference call to discuss the H2 FY'26 and FY'26 financial results.

Today from the management side, we have with us Mr. Utsav Panchal, Director and CEO' Mrs. Nikita Shah, Finance Head; and Mrs. Adhish Patel, Senior Finance Manager.

Please note, a copy of all the disclosures is available in the Investor section of the website as well as on the stock exchange. Anything said on this call which reflects the outlook for the future or which could be constructed as a forward-looking statement must be reviewed in conjunction with the risk that the company faces.

Now, I shall hand over the call to Utsav bhai for his opening remarks. Over to you, Utsav bhai. Thank you.

## Utsav Panchal

Thank you, Arpit. Good evening, everyone, and a very warm welcome to all of you to the earnings conference call of Rajesh Power Services Limited. The audited financial results along with the investor presentation for H2 and FY'26 have already been uploaded on the stock exchange.

We trust you have had the opportunity to review them and have your questions ready, which I, Mrs. Nikita, and Mr. Adhish look forward to addressing later during the Q&A session.

Before I begin with our customary briefing, I would like to share a broader perspective. At Rajesh Power, our journey is becoming increasingly exciting and meaningful. We are actively identifying and executing opportunities across new states, new customer segments, and new channels of growth.

As the power sector in India evolves rapidly, we believe the coming years hold tremendous promise, not just for Rajesh Power as an organization, but for all our stakeholders.

So, let me begin this with the operational highlights for the second half and the full financial year.

As of 31st March 2026, the company's unexecuted order book stood at INR 3,326 crores. Of this, the power distribution segment accounted for 71%, that is INR 2,365 crores, and the power transmission segment constituted the remaining 29%, that is INR 961 crores. This healthy order book gives us strong revenue visibility for the coming quarters.

During FY'26, the company recorded order inflows of INR 2,743 crores, supported by consistent wins across government, utility, and private sector projects.

During the year, Rajesh Power successfully executed and commissioned several projects underlying our strong project management and execution capabilities. Key among them include

- ▶ 132 kV gas insulated substation at Jodhpur in Rajasthan
- ▶ 66 kV substation project for JK Paper in Gujarat
- ▶ RDSS schemes Gandhinagar and Ahmedabad projects for UGVCL Gujarat
- ▶ Lalgarh Traction Substation project at Bikaner in Rajasthan
- ▶ 132 kV GIS substation project in Jaipur
- ▶ 220 kV GIS project at ATUL for Gujarat.

These projects strengthen our credentials for gas insulated substation, air insulated substation, underground cabling, and turnkey grid infrastructure.

As we look ahead, I am pleased to share that the company currently has a targeted robust bid book of approximately INR 6000 crores, 75% of which originates from Gujarat, and 25% from other states, reflecting our expanding national footprint across Rajasthan, Uttarakhand, Maharashtra, Bihar, and beyond. This diversification aligns with our strategy to reduce geographic concentration risk and pursue sustainable long-term growth.

India's power sector is entering a transformational phase under the Viksit Bharat @2047 vision. The Draft National Electricity Policy 2026 places significant emphasis on:

- ▶ The Policy targets per capita electricity consumption of 2,000 kWh by 2030 and over 4,000 kWh by 2047.
- ▶ Expansion and modernization of Transmission networks
- ▶ Achieving single-digit AT&C losses in Distribution
- ▶ Underground networks in urban areas
- ▶ Adoption of advanced grid technologies and redundancy planning

Rajesh Power is well aligned with these national priorities. Our work in RDSS projects, underground cabling, GIS substations, and high-capacity transmission infrastructure positions us as a key execution partner in India's grid modernization journey.

I would now like to highlight the tangible outcomes we are witnessing from the deployment of MVCC and underground distribution networks. Based on DISCOM feedback and on-ground performance data, MVCC and underground installation has resulted in a 70–80% improvement in the reduction of interruption duration, driven by structurally stronger networks and quicker fault management. These results underscore that undergrounding is not only a reliability-enhancing intervention but also an economically compelling solution. DISCOMs increasingly indicate that underground distribution delivers a rapid payback, with incremental revenue and efficiency gains significantly exceeding the overall cost of underground cabling over its lifecycle.

**Key operational benefits include:**

- ▶ 70–80% reduction in interruption duration due to MVCC installation
- ▶ Significant reduction in HT faults and weather-related outages

- ▶ Faster fault isolation and restoration enabled through RMU-based sectionalization
- ▶ Improved voltage stability and overall system reliability
- ▶ Enhanced public safety by eliminating exposed overhead conductors
- ▶ Removal of HT poles improves customer-premises safety and enables smoother execution of municipal infrastructure projects

In FY'26 alone, we have successfully strengthened the distribution network by installing over 350 feeders, which ultimately affect more than 15 lakh consumers. We have installed over 4,000 ring main units and we have installed over 1,200 distribution transformers, along with laying more than 1,300 kilometers of cable in a single year.

**FY26 also marked a strategic milestone for Rajesh Power with our entry into Battery Energy Storage Systems (BESS).** We signed a 65 MW / 130 MWh standalone BESS project in Gujarat, awarded by GUVNL. This project is designed to:

- ▶ Enhance grid flexibility
- ▶ Optimize peak demand management
- ▶ Enable smoother integration of renewable energy into the grid

As highlighted, Battery Energy Storage Systems are becoming central to India's energy transition, especially as renewable capacity continues to grow rapidly. With over 102 GWh of storage capacity already tendered in India, BESS is transitioning from pilot projects to mainstream grid infrastructure. We believe this marks the beginning of a new growth engine for Rajesh Power over the coming decade.

Rajesh Power operates on a clearly differentiated transmission and distribution platform that sets us apart from conventional T&D players. Our strong leadership in underground cabling significantly reduces no right-of-way risk, as these projects are primarily right-of-usage in nature, enabling smoother execution with minimal regulatory challenges. This structural advantage allows us to deliver projects faster—typically within 18 to 24 months compared to the longer timelines seen in traditional transmission EPC models. We work with high-quality customers, including top-rated DISCOMs and multilateral-backed entities, which ensures predictable cash flows and strong working-capital discipline. Coupled with our deep technical expertise across voltage levels from 1.1 kV to 400 kV—spanning transmission, distribution, GIS, underground cabling, and O&M—we believe Rajesh Power is uniquely positioned as a scalable, execution-focused, and resilient T&D platform.

**Turning to the financial performance, I am pleased to inform you that during FY26:**

- ▶ The Company recorded total revenue of ₹1628 crore
- ▶ EBITDA stood at ₹197 crore
- ▶ EBITDA margin was 12.1%
- ▶ PAT margin was 8.8%

The year witnessed robust and consistent performance, supported by disciplined execution and operational efficiencies. Historically, on an annualized basis, **our total revenue has grown at a CAGR of 99% over the last three years (FY23–FY26)**, reflecting the scalability of our business model.

At Rajesh Power, employee safety remains a top priority. During the year, we conducted multiple safety awareness initiatives, including structured programmes such as the Suraksha Kavach Safety Workshop, aimed at strengthening on-ground safety practices and reinforcing a culture of responsibility across project sites. Beyond safety, we continue to invest in training, capability building, and team engagement, ensuring our people are prepared to execute increasingly complex, next-generation power infrastructure projects.

Before concluding, I would like to express my sincere gratitude to all our stakeholders, our clients, partners, investors, and lenders—for their continued trust and support. Above all, I would like to thank our employees, whose dedication and excellence have been instrumental in delivering another strong year.

While FY26 has been a year of solid progress, we view this as just a stepping stone toward larger and more impactful milestones ahead. We remain firmly committed to profitable growth, operational excellence, and sustainable business practices, aligned with India’s evolving power ecosystem. Once again, thank you for your confidence in Rajesh Power Services Limited.

With this, I would now like to hand over the call to Mrs. Nikita Shah, Finance Head, who will take you through the detailed financial performance of the Company.

**Nikita Shah**

Thank you, Utsav bhai.

Good evening, everyone, and a warm welcome to **Rajesh Power Services Limited's H2 and Full Year FY26 Earnings Conference Call**. Thank you for joining us today. It is my pleasure to walk you through our financial performance for the second half & full year ended.

Now let me share the **key financial and balance sheet highlights for FY26 v/s FY25**.

- ▶ In FY26, revenue grew 52% to ₹1,628 Cr on the back of efficient project execution and a diversified order book, while EBITDA and PAT rose by 59% and 48% to ₹197 Cr and ₹143 Cr, respectively, resulting in margins of 12.1% and 8.8%.
- ▶ On a balance sheet front, **the Company's net worth increased by 53% YoY to ₹406 crore in FY26**, underscoring our strong capital position. **Annualized ROCE and ROE stood at 43.65% and 35.26%, respectively, in H2 FY26**, demonstrating efficient capital deployment and robust return generation.
- ▶ Our capital structure continues to remain comfortable, with the **debt-equity ratio at 0.31 as of the period end**, reflecting prudent leverage and financial discipline.

Let me begin with the **key financial highlights for H2FY26 v/s H2FY25**.

- ▶ During the second half of FY26, the Company delivered a strong performance across all key metrics. **Revenue grew by 30% YoY to ₹990 crore**, driven by disciplined project execution and the strength of our well-diversified order book.
- ▶ **EBITDA for H2FY26 increased by 31% YoY to ₹113 crore**, with a healthy EBITDA margin of **11.4%**, reflecting improved operating efficiency and effective cost management.
- ▶ **Profit after tax grew by 26% YoY to ₹84 crore**, resulting in a **PAT margin of 8.5%**, supported by higher operating leverage and stable financial costs.

Overall, these results highlight **Rajesh Power Services Limited's strong operational execution, balance sheet strength, and continued focus on sustainable, well-diversified growth**.

With that, I conclude the financial highlights. I now request the moderator to open the floor for the question-and-answer session.

Thank you.

**Moderator**

Thank you, ma'am. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press star and one on the telephone keypad and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing star and one again.

Ladies and gentlemen, to ask the question, please press star and one on the telephone keypad and wait for a moment while the question queue assembles.

The first question comes from the line of Aniket Madhwani from Steptrade Capital. Please go ahead.

**Aniket Madhwani**

So, my question was with regards to the BESS project that you have signed with GUVNL. What is the timeline that this project will be completed? Will it be completed by FY '27?

**Management**

So, this project is to be completed by September 2027, the entire execution. And then the revenue will start post that. But we will try to execute maybe a bit earlier by Q1 of '27.

**Aniket Madhwani**

And apart from this single project, are you in talks with any other projects in BESS segment?

**Management**

So, currently, our strategy for BESS is mainly to understand the entire value chain of the BESS project from sourcing till the EPC part.

Currently, we are not looking to bid for any more BESS projects. We are interested in bidding for more BESS EPC projects, where we see a lot of value addition. This is exactly what we do in Transmission at Rajesh Power.

**Aniket Madhwani**

Okay. So, you are more interested in BESS EPC. So, what would be the CapEx for 1 megawatt and for BESS infrastructure?

**Management**

So, it's broadly INR 1.5 crores to INR 2.5 crores/Mw

**Aniket Madhwani**

INR 1.5 crores to INR 2.5 crores for 1 megawatt.

**Management**

Yeah.

**Moderator**

Thank you. The next question comes from the line of Agastya Dave from CAO Capital. Please go ahead.

**Agastya Dave**

Hello. Yes. Thank you very much. Good evening. Sir, my question pertains to your balance sheet. The trade receivables have jumped quite substantially compared to even last year and also compared to the first half along with the inventory.

So, can you break this down? Is there any element of the BESS project which is getting reflected here or is there anything which you would like to point out which could be worrisome going forward?

Are there any delays from the clients in terms of payments or this is something which you were expecting and it is just a transient thing?

**Management**

The higher receivable is just a short-time phenomenon because of very high billing in the month of March. There are no BESS receivables in this project.

The only reason of this higher receivables you will see is because of very good billing in the month of March. There is no delay in any payment receivable from the client or customer. The payment terms stay as it is 45 to 60 days for all our customers.

**Agastya Dave**

But sir, the billing was not that high. If I look at last year's H2 numbers, the revenues, consolidated revenues were INR 760 crores, now, it is INR 990 crores. But the receivables have gone from INR 181 crores to INR 350 crores. So, that is a substantial jump.

I mean, it is not proportionate. The number of days has definitely increased.

**Management**

So, I'm just saying the only reason is because of higher billing in the month of March. So, that is why the receivables are showing a higher number at a year-end basis.

**Agastya Dave**

So, you expect everything to be cleared by, let us assume?

**Management**

Yes, 45 to 60 days, the standard payment terms which we have for all our customers.

**Agastya Dave**

Perfect. So, for next year, the order inflows have been excellent this year and your commentary on the bid book is also looking fairly good. How do you see the next year panning out?

Sir, the previous time we interacted, you had talked about a 4 year, 5 year opportunity of over INR 15,000 crores from just the three states of Uttarakhand, Gujarat and Rajasthan. So, how do you see that panning out? And are there any changes there, any improvements or any cuts?

**Management**

Yes. So, yes, last time what we spoke about, we are consistent with that in the sense that we are looking at opportunity size, the entire market. Just Gujarat, we are seeing an opportunity in the GETCO of around INR 10,000 crores, the annual opportunity out of which addressable market would say is more towards 45%.

So, around INR 4,000 crores to INR 4,500 crores is addressable market just from the Gujarat transmission utility. Additionally, distribution is having additional roughly INR 5,000 crores. This is just for Gujarat.

And apart from Gujarat, we have Rajasthan, Maharashtra, Uttarakhand, Orissa, Jharkhand and also we are in plans to bid for railway electrification tenders where we have to build traction substations, sectioning posts and sub-sectioning posts.

So, adding all those opportunities, yes, we are seeing around rough figure of INR 15,000 crore opportunity size.

**Agastya Dave**

Okay. So, last time you had mentioned TAM of INR 10,000 crores per year. So, you are seeing acceleration in that, like increase in the size of the price?

**Management**

Yes. Addressable market in the coming future, we are seeing roughly around INR 14,000 crore to INR 15,000 crore.

**Agastya Dave**

One final question, sir, how does next year look like to you in terms of execution timelines? The projects that you have in hand where mobilization has happened, how do you see execution planning out for next year?

**Management**

So, we are confident on the execution, like we did this year. We are confident on achieving execution, executing the projects within the timeline of 18 to 24 months, which is the ideal timeline of our majority of our projects.

We are confident that few projects will be mobilized in the next 2 months. Few have already been mobilized in the last 3 months, 4 months, the revenues of which will be realized in the coming 12 to 18 months.

**Agastya Dave**

Sir, any revision in the revenue growth guidance of, you were saying 35% to 40%. So, any revision there, sir, because the TAM has increased. Would you like to revise that?

**Management**

No, we are sticking with our previously committed guidance. No revision.

**Agastya Dave**

Perfect, sir. So, thank you very much and all the best, sir.

**Management**

Thank you.

**Moderator**

Thank you. The next question comes from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

**Deepak Poddar**

Thank you very much for this opportunity. So, just first off, I wanted to understand, you mentioned about BESS as a new growth engine also, you are looking at.

So, can you throw some light on the opportunity we are looking there? What sort of contribution from BESS we can see over the next 2 year, 3 years? And what is the margin profile in BESS?

### **Management**

So, as of now, we as a country have witnessed more of BESS projects on a developer basis. But what we are seeing, the PSUs like NTPC or GIPCL or some PSUs have been aggressively involved in announcing builds, which are BESS EPC, roughly each project in the range starting from INR 400 crores, INR 500 crores and ranging to totaling to around INR 10,000 crores.

So, we are seeing a very good opportunity in the BESS EPC space. And that was the strategy to enter the BESS segment. The EPC part of BESS is our forte.

And if you see, majority, 30% of a BESS project accounts to the AC side. AC side means the substation that is to be constructed along the BESS site. So, substation is basically Rajesh Power's expertise.

So, that is a strategic entry that we are looking at. And we will slowly be exploring a good amount of opportunities in this space.

### **Deepak Poddar**

Okay. So, I mean, in terms of orders or in terms of revenue contribution in 3 years, where do you see, I mean, can BESS contribute 15%, 20% revenue mix?

### **Management**

So, giving an accurate percentage would be difficult to give right now. But I do feel that we will move towards that pie of BESS.

### **Deepak Poddar**

Okay. And what is the margin profile here?

**Management**

Same margin profile as we have in transmission segment, because mainly it is substation and related infrastructure. Other than substation, it is just plug and play of batteries, nothing else.

**Deepak Poddar**

Okay. Understood. And you mentioned to the previous participant, we are looking for, I mean, no revision and we are looking for previous growth guidance. I mean, so is that 40% CAGR is what we are looking at over the next 3 years, 4 years?

**Management**

Yes. So, for the next FY'27, we are looking at a 40% growth.

**Deepak Poddar**

Okay. So, earlier we have mentioned, I think, over the next 3 years, 4 years, right, that this is the growth that we are looking at, right?

**Management**

Yes. Roughly.

**Deepak Poddar**

Sir, I was just trying to understand our gross margin as well as EBITDA margin were lower in second half. So, what led to this decline and how should one look at both these parameters going forward?

**Management**

Okay. So, that just could be a, what you can say, a billing mix issue. Broadly, at a project level, we look at EBITDA of around 11% to 12% and PAT margins of usually 8% to 9%.

So, that is how we broadly do it. A few percentage points spike here and there is mainly because of what sort of billings we do to the client.

**Deepak Poddar**

Okay. So, the second half reduction is only because of the billing mix changes. Otherwise, in general, we are looking at 11% to 12% EBITDA margin

Deepak Poddar

And why are the employee cost and other expenses are lower sir, in the second half?

**Management**

Employee expense is lower, because more project managers are managing more projects. It is just that now the scale of revenue has increased substantially, but our employee costs will not change in the same proportion.

So, that is the advantage which we will see going forward also.

**Deepak Poddar**

You mentioned your bid waiting result is about INR 2,200 crores and pipeline is around INR 3,500 crores. So, total is about INR 5700 crores.

So, what sort of conversion we are looking at on that pipeline of total INR 5700 crores?

**Management**

So, historically, our conversion like our winning rates are usually 40%. So, that is the same kind of number we are looking for this bids.

**Deepak Poddar**

And what is the timeline of this announcement to happen for this entire INR 6000 odd crores?

**Management**

So, for the bids which we have already bid above INR 2200 crores, we are looking by end of May, we will have all the conclusions ready. And for other projects, we will know as and when the tender opens and concludes.

**Deepak Poddar**

Okay. For INR 2,200 crores by May end, we will get the conclusion?

**Management**

Yeah. May end, maybe first week of June, that is the expected timeline. There is nothing which we have a control of, but that is what is the expected timeline for it.

**Moderator**

Thank you. Participants are requested to restrict the three questions in the initial round and join back the queue for more questions.

The next question comes in the line of Shravan Shah from Dolat Capital Market Pvt. Please go ahead.

**Shravan Shah**

Hi, sir. Thank you for the opportunity. Sir, just couple of questions, so you have mentioned in terms of the 40% revenue CAGR for next 2 years, 3 years that we are looking at. Just two, three things further to understand, one is on the margin front, the current 12% kind of a number that we are having. So, that will be the similar even for next 2 years, 3 years the EBITDA margin.

**Management**

Yes, we are confident on maintaining similar level of EBITDA and PAT margins. Roughly, EBITDA between 11% to 12% and PAT between 8% to 9%.

**Shravan Shah**

Okay. Okay. Great. And in terms of order inflow, so this year, obviously, FY '26, INR 2,700 crores, INR 2,800 crores that we have received. So, for this year, how much we are looking at to win?

**Management**

So, we are targeting at further order inflows of roughly around INR 4,000 to INR 5,000 crores at the end of the year.

**Shravan Shah**

Currently the entire order book, INR 3,326 crore, so out of that how much is in Gujarat? And now what we are looking at, INR 4,000 crores, INR 5,000 odd crores, and will Gujarat will continue to be up 70%, 75% in terms of the order inflow, the same kind of a share, or it will keep on reducing?

**Management**

So, from a order book perspective, currently Gujarat is around 85% to 90%, and the rest is outside Gujarat. We are looking at very aggressive bidding for projects outside Gujarat. So eventually this number will start moving towards 80%-20%, in the near term.

**Shravan Shah**

Okay. Not much. A 5%, 10% kind of a, but we will let's say if we bring INR 4000 crores or INR 5,000 crore orders inflow for this year, and then obviously the similar number, we will try to get in FY28, then in terms of growth, then this 40% seems to be around on the very, very conservative side. We should be then growing it given the 18, 24 months kind of execution. This number should be on, on the higher side, the execution growth, the revenue growth.

**Management**

No. This number is what we planned to execute in the way we have the project deadlines, mapped currently. So I wouldn't say it's conservative. It's in line with what we are planning to execute in the next two, three years.

**Shravan Shah**

Okay. And out of currently the entire order book, how much is the underground INR 3,326 crore order book, how much would be the underground in that?

**Management**

So we usually look at it as distribution and transmission. We don't look at it underground versus overhead. But roughly, this number might be somewhere around -- underground might be somewhere around 70%, 75%, and rest would be substations and overhead.

**Shravan Shah**

Okay. Got okay. And in the current BESS, are we putting any equity? And if yes, how much equity are we putting in?

**Management**

So we are working currently with our lenders. In the range of, we'll do 70% to 80% financing by the banks, and rest will be equity by the company.

**Shravan Shah**

So that will translate into absolute. The number would be how much, equity?

**Management**

We are determining the project size currently. As soon as we have a project size, we'll have a much better number to share.

**Moderator**

Thank you. The next question comes from the line of Kaushal Sharma from Equinox Capital Venture Private Limited. Please go ahead.

**Kaushal Sharma**

Yes. So my question on your working capital side, like, I can see on your payable side, it has increased significantly, and it's funded by your inventory and receivables, which also increased significantly. So what is the rationale on increasing the payables? Because earlier, it is in 26 days. Now it has become it has become around 58. So is it a sustainable level or what is the key reason on that?

**Management**

Sir, this year has been a good win for us at Rajesh Power, where we have been able to negotiate with our vendors for our credit terms. And that's what is getting factored in, in the increasing creditors.

**Kaushal Sharma**

So is it level sustainable? Yeah, 50 days of people need?

**Management**

These levels are sustainable. So usually, working capital cycle of 30 to 40 days is something which is sustainable. It could be two, three days here and there, but that's a number which we would -- that's how we manage our working capital cycle.

**Kaushal Sharma**

And, sir, what is the reason of spike in financial assets that were, like, INR 155 crores in financial '25, like now it is INR 305 crores, almost 96% growth. And what, what component in this?

**Management**

Sir, the retention money, is a part of that number.

**Kaushal Sharma**

So what is the percentage of retention money that we need to give

**Management**

Retention -- so at a absolute number there are three layers to it. So for a few projects we have 10%. For a few projects we would have around, what you can say, 30%. And around for a few projects we'll have 20%.

**Kaushal Sharma**

And when will we get this back? Like, what is the timeline?

**Management**

So there is a retention of 30, out of which we get 20 when we install the items, and the last 10 when we commission the project, we get that back against the issuing of BG.

**Kaushal Sharma**

Okay. So is it interest bearing? Like, you have to deposit any FD's and also you would get interest on that?

**Management**

It's just the BG, BG commission cost is what we have to pay for.

**Kaushal Sharma**

Okay. And my last question on your order book side, like, you said 85% to 90% is Gujarat link, and management also consciously avoided distribution work outside Gujarat due to weaker discount payment

cycle. So as you expand into Madhya Pradesh, Uttarakhand and Odisha, what is the exact filter for choosing projects client rating payment cycle, retention term, weekly requirement, voltage level and margin threshold, so that the company doesn't dilute ROCE while achieving non-Gujarat growth?

### **Management**

So, basically, yes. Correctly said, that distribution we are focused towards Gujarat. But in transmission we are moving pan India, in the sense that all the transmission utilities -state transmission utilities are healthy. They have good payment cycles, and yes, we do check the profile, you know every financial profile of every transmission utility that we associate with.

So till now where we have associated is Rajasthan and Uttarakhand, where we have -- we are seeing very healthy payment cycle. And further also, whatever projects we are deciding to build, we are confident that there will not be any, any compromise on the margin profiles, as well as compromise on the cash profile.

### **Kaushal Sharma**

Sir, you are also looking at INR 96,000 crore of opportunity in GETCO over the next ten years. And there is any scheme, robust infrastructure scheme in Gujarat as a clear ground 26,000. Out of which 16,000 is still left. So what kind of opportunity or tender are you expecting that that would be floating in this year and overall TAM that on a per annum basis that you are targeting in our segments?

### **Management**

So, first, I'll talk about GETCO. GETCO has around INR 96,000 crore, which is divided into 10 years. So right now, GETCO has approximate CapEx each year of around INR 10,000 crore, so INR 9,000 crore to INR 10,000 crore. Out of which we see our addressable market is which is specifically underground cable and substations to be around 40% to 50%. So INR 4,000 crore what we are seeing from GETCO, and an addressable market of roughly INR 5,000 crore from the distribution side of Gujarat, that is what we are seeing.

### **Kaushal Sharma**

And what about robust infrastructure scheme?

### **Management**

This distribution, what I said, INR 5,000 crore is a part of robust infrastructure scheme.

**Kaushal Sharma**

My last question is regarding your battery site. You recently received an order for 65 megawatts—could you please elaborate on the economics of this battery project? Is it being developed under a build-operate model, or is it an EPC project? Also, how should we understand the revenue recognition for this project?

**Management**

The BESS, we're going to develop and we're going to own the infra, and we'll be getting what you can say, tariff rentals from the government.

**Moderator**

Thank you. The next question comes from the line of Divya Goshal from Shubkam Ventures. Please go ahead.

**Divya Goshal**

Hi, sir. Thank you for the opportunity, and congratulation on a good set of number. Sir, I just wanted to ask on the previous participant's question. Sir, how will we recognize revenue from BESS and will we own the infrastructure and whether we'll be continuing these projects?

**Management**

Okay. So, first, the revenue part. the revenue, we are going to bill to the utility every monthly. This will start after September '27, 2027, or maybe Q1 of 2027, when we shall commissioned the entire project. Monthly invoice, monthly rental, which we have already stated and disclosed, that's what we're going to bill to the client every month. As far as the projects about the strategy, as we discussed, the idea of this BESS project was to understand the entire ecosystem of the BESS, so that we can bid higher and more strongly in the BESS EPC projects.

**Divya Goshal**

And what would be the cost of the project and the IRR if possible?

## **Management**

So we are targeting an IRR of 10% to 12% in this project. The cost of the project is dependent on the entire cost components. Our team will be visiting China, and we have a better quotes and idea on the cost once we finalize the vendor of batteries.

## **Moderator**

Thank you. The next question comes from the line of Andrey Purushottam from Cogito Advisors. Please go ahead.

## **Andrey Purushottam**

Yes. Hi, sir. Congratulations for a great set of numbers. I had three questions. The first question was an elaboration of what was previously asked. On your employee expenses, I can understand that you're having some scale economies and all that, but the absolute amount of your employee expenses actually went down in a year where your volumes went up. So in a half year when your volumes went up, so I didn't understand that. Could you just explain that please?

## **Management**

If you look at it, the entire cost of execution of the projects, which is the bigger part or the lower level of the part. That's a part of our cost of goods and services, so that's what it is. The employee expenses are our corporate office team, supervisors, project managers and that team. So that is, of course we will have -- will rationalize over more projects.

## **Andrey Purushottam**

How do you have a lower absolute amount of employee expenses with the higher volume?

## **Andrey Purushottam**

How do you have an absolute reduction in employee expenses with increased volume of sales?

## **Management**

No, sir, in FY '25, the employee cost is INR 43.9 CR, which has increased to INR 59 CR in FY '26.

**Andrey Purushottam**

My second question is that in terms of you talked about the revenue mix from non-Gujarat, Rajasthan, perhaps coming down, to going up to 20% from the outside of Gujarat. So can you just give us an update on what is happening on your state outside Gujarat and Rajasthan?

**Management**

Sure. So, we are trying to expand our transmission footprint, which is mainly underground cable up to 220kV and the GIS substations up to 400 kV footprint, taking our experience from Gujarat and Rajasthan to other states.

So as of now, we are actively pursuing opportunities of course in Rajasthan. We are also pursuing active opportunities in Maharashtra, where we are having huge underground cable and substation -- GIS substation projects in the next six months. We are actively pursuing the state of Orissa, where we are having huge 132 kV and 220kV cable projects as well as GIS and AIS substation projects up to 400 kV.

We are also pursuing Jharkhand, where there are very good state transmission utility is investing very heavily, the CapEx, on substation portion. So we are targeting opportunities across these states.

**Andrey Purushottam**

Sir, and what time frame do you expect to execute this

**Management**

In the next eight months, roughly eight to 10 months, we should see some action on the order book of outside Gujarat.

**Andrey Purushottam**

Okay. And my last question is that in a small fraction of your order, I think particularly in Rajasthan, there were some terms of business which was favorable to your working capital deployment and basically reduced your working capital deployment. Now, is that an increasing trend or is business still requiring the same amount of working capital?

**Management**

No, it is an increasing trend. It is actually an increasing trend in the sense that Orissa and other states have also seeing this and have also started implementing the insurance surety bond clause in the tenders.

**Andrey Purushottam**

But so currently, in your order book, what proportion of your order book comes under this insurance surety bond?

**Management**

A very minor portion, sir, whatever we are working outside Gujarat. So around, you know, 8% to 10%.

**Andrey Purushottam**

Okay. But is there any chance for it to increasing a meaningful way?

**Management**

Yes sir, It will increase. Day by day, people have been pushing the usage of insurance surety bonds, because practically locking cash of contractors is unfavorable business and insurance surety bond guarantee equal amount through a very miniscule investment.

**Andrey Purushottam**

Okay, thanks sir. That's all from my side. Thank you.

**Moderator**

Thank you. The next question comes from the line of Mohit Arora from Hem Securities. Please go ahead.

**Mohit Arora**

So, we can see that MSME table has rose from INR 5 crore to INR 87 crore. So I am asking, are these under 45 payment mandate? And the other question is, that our receivables is getting double, payable is getting up 2.5x and short term borrowing has also increased from a INR 29 Cr to INR 82 Cr, so which clearly indicates that there is a working capital stress. So how will you normalize all these things?

**Management**

So, if you ask us from a cash stress for our working capital, we don't see that stress on our books. What we were able to manage this time from creditors, is that from an advanced payment for creditors to we

have started getting credit terms from them for up to thirty days, so that has been one positive win for us while managing our business.

The only spike which you see, which is, say, the debtors getting moved to around 78 days, as we discussed, that's mainly because of a very high bullet kind of invoicing in the month of March. The more rational, the more, what you can say, the billing becomes evened out, these numbers will again fall back to the genuine around 60 days for debtors. It will be a some good improvement in creditors, where we are able to stretch them, and inventories keep in trend, it keeps moving in. So there's no stress on the working capital. We are well positioned to manage the entire business in this.

**Mohit Arora**

And on this MSME side that we are having INR 87 crores of outstanding, so are these are within 45 days payment mandate?

**Management**

Sir, we have a specific agreement with these parties, and they are okay sometimes with the payment terms of more than 45 days as an MSME.

**Mohit Arora**

How many percentages of this INR 87 crores are, like, agreed for more than 45 days of payment?

**Management**

All, sir. Whoever has not agreed, we have released their payment within 45 days only, sir.

**Mohit Arora**

Okay. And in the previous call you mentioned that you are targeting to get to close the order book, of INR 4,500 CR by the end of FY26, but now we can see that there is a shortfall in that. So what led to that shortfall?

**Management**

There is no shortfall. It's just the tender results are not out. So what we were targeting, we had bid in Q4, but the results are taking time to get out. If you consider the orderbook it's a time issue. It's not a target issue or any slowing down issue or something.

**Mohit Arora**

Okay, thanks. And could you please explain the margin profile in the transmission segment and the distribution segment as the overhead cost absorbs better in transmission. So there a better margin in transmission?

**Management**

So looking at every perspective of, you know, the bid and the project, of course, there we need more manpower to manage the distribution projects compared to transmission projects. But from what we operate currently, we are seeing a same margin profile, both for transmission and distribution projects. So we are not seeing any big change in the margin profiles of both the businesses.

**Moderator**

Thank you. The next question comes from the line of Pushkar Jain from MILI Capital. Please go ahead.

**Pushkar Jain**

Yeah. So sir, I just wanted to know out of the INR 3,600 crores order book or INR 3,300 crores order book, how much is fixed and how much is, you know, has the price escalation clause, and what will be the duration lag for the price escalation to kick in?

**Management**

So, all our projects are covered by the price escalation clause for most of the items. That's the reason that we saw a lot of aluminum, copper prices going up in Q3, Q4, but still our margins remain intact. So it completely moves back-to-back. As soon as the supply happens at a bigger price, the same time we also invoice to our customers with the new revised price. So there's no time gap, and that's how we are protected from market for any price variations.

**Pushkar Jain**

Okay. So, basically, everything is virtually back to back. There is no lag.

**Management**

Correct.

**Pushkar Jain**

Right. And, sir, you can tell me what is the attrition rate among our EHV cable jointer, not the overall headcount, just those specific or GIS commissioning engineers.

**Management**

So attrition rate, we can probably say that we have the, one of the lowest attrition rates in the, industry. The cable jointers that have been with us since 2002 and '03 are still with us and are in fact training the next generation that we hire now, to become the jointers. So hardly, probably, you know, 2% attrition or 3% attrition would be there, but not more than that, not major.

**Moderator**

Thank you. The next question comes from the line of Vishvender Singh from Prudent Equity. Please go ahead.

**Vishvender Singh**

Sir, I wanted to ask what is the current L1 position in your current order book?

**Management**

The L1 order book in the current order which we already stated would be around INR 210 crores, L1 status.

**Vishvender Singh**

Okay. And this was somewhere around INR 900 crore including taxes, like, in H1 con-call, right?

**Management**

H1 is INR 808 crores. the order which we had stated.

**Vishvender Singh**

Like, somewhere around INR 900 crores including taxes.

**Management**

We are now not using taxes to avoid confusion among anyone. So we just talk about pre-tax number only.

**Vishvender Singh**

Okay. And also, sir, I saw that there was a slight decline in the share of profit of loss of, like, associates and joint venture. So any major reason behind that?

**Management**

So basically, the billing that was scheduled to happen was shifted, because there was issues regarding site readiness by the customer. So the project that we were aiming to commission by February, March, we had to shift it to, you know, a couple of months further. So that is the reason there is a slight decline, but we are confident of it getting back over the next year.

**Vishvender Singh**

Okay, just a quick confirmation. Who holds the rest of the 75% of that enterprise, sir? The HKRP solution -- innovation?

**Management**

Yes. Another group is Harikrupa Automation Pvt Ltd family, and the remaining 25% is with the Rajesh Power Promoters only, and remaining 50% is hold by Harikrupa Group of families and their promoters.

**Vishvender Singh**

I wanted to ask about the bids that you mentioned as awaiting results. Could you provide some clarity on this category? Have we been declared L1 in any of these bids, or how should we interpret the current status?

**Management**

No. Basically, those are tenders that we have applied for, and we are awaiting results that we bid in Q4 .

**Moderator**

Thank you. The next question comes from the line of Umang from Nvest Analytics Advisory, LLC. Please go ahead.

## **Umang**

Thanks for the opportunity and congrats for a good set of numbers. Just one question on the order inflow. Last time when we interacted, I think you have highlighted that this year we will be closing around INR 4,500 Cr order book. Now we are sitting at INR 3,300 Cr. So, can you explain the reason for it, why there is a gap?

## **Utsav Panchal**

Sir, as previously explained, the INR 2,200 Cr order bid which we already made in Q4 of '26, we are just awaiting results of it. If the results would have been received, that number would have been fairly achieved.

## **Moderator**

Thank you. The next question comes from the line of Vaibhav Lohia from CFM. Please go ahead.

## **Vaibhav Lohia**

Hi. Thanks for the opportunity. I wanted to understand what is the targeted closing order book for FY27?

## **Management**

We are targeting somewhere above INR 5,000 crores of order book for FY27, closing.

## **Vaibhav Lohia**

About INR 5,000 crores. Okay, understood. And lastly you said that the subsidiary PL would be contributing back again, like, previously. So like, previous year for FY26 it was 9.75 crores. So what can we expect in FY27 for this?

## **Management**

So **HKRP** is an associate. the way the billing will happen, we'll have a much better idea when we have the H1 numbers, where we will be able to tell how the projects have progressed for the associate. And accordingly, we'll know what will come to our company.

**Vaibhav Lohia**

Okay, understood. And one more thing from my end. What is the amount collected out of the INR 348 crores of receivables till now?

**Management**

Okay. Almost, INR 150 crores has been received.

**Moderator**

The next question comes from the line of Vinay Lakhera from Ratnatraya Capital. Please go ahead.

**Vinay Lakhera**

So, I wanted to know the L one part in the order inflow. So order inflow was around INR 2,743 crores, right?

**Management**

Correct.

**Vinay Lakhera**

So, does it include the L1 as well?

**Management**

No, sir. The order book as of September 30 already includes orders that have been converted into confirmed orders, and we have already made the necessary disclosures for those. If you are referring to the INR 2,700 crore figure, only INR 200 crore currently falls under the L1 category, as I mentioned earlier. The remaining amount consists of confirmed orders.

**Vinay Lakhera**

So, in the press release, the order value that you disclose was that amount inclusive of GST? The order value mentioned is in crores, correct?

**Management**

Sir, the numbers we are talking now are all excluding GST.

**Vinay Lakhera**

What I'm asking is—when we mention the order value in the press release, is that figure inclusive of GST? The order number we disclose represents the total value including GST, correct?

**Management**

So whatever announcements we make, we specifically mention whether it's including GST or excluding GST. So because we have a back-to-back tender with GST, we usually mention that number, but we specifically disclose it, that it is including GST.

**Vinay Lakhera**

Okay. So. this INR 2,743 crore is the actual order inflow happening?

**Management**

Yeah, yeah. It's the exact number which will convert to revenue.

**Vinay Lakhera**

Yeah. So on the BESS project, I think my calculation says that we are investing around INR 100 crores to INR 120 crores in that project. How much would be the annual billing starting from September FY'27 that we expect?

**Management**

So the revenue is INR 1.89 lakh per megawatt. So now if you'll convert -- if you'll multiply with 65, that's the number you'll get for monthly invoicing. And if you multiply by 12, that's the number you have for yearly billing. So around INR 14 crores to INR 15 crores a year is what we're going to bill under the BESS project.

**Vinay Lakhera**

And what would be cost of these revenues? Would there be any cost to these revenues in terms of OPEX or is there nothing?

**Management**

OPEX will be very minor.

**Vinay Lakhera**

So this would be almost like an additional income, right, which will flow through the [inaudible 01:01:36], correct?

**Management**

Yeah. It's kind of a rental income kind of a project.

**Vinay Lakhera**

Understood. One last question—on the distribution side, you mentioned an opportunity of INR 5,000 crore from GETCO . Does this entire INR 5,000 crore fall within our addressable opportunity set, or is only a portion of it relevant to us?

**Management**

No. The entire INR 5,000 crores which we have mentioned, is the addressable size for us.

**Vinay Lakhera**

Okay. Thanks.

**Moderator**

Thank you. The next question comes from the line of Jainam Vora from Saltero Investment Advisors. Please go ahead.

**Jainam Vora**

Yeah, thank you so much for this opportunity and congratulations on a decent set of numbers. My first question is regarding the manpower. As you kind of want to stay in the business with 40% revenue growth guidance that you're looking at in the medium term, how are you going to deal with the manpower piece of it? Will it proportionally increase? And in the near term, because of the West Asia war and the

LPG impact, are you kind of seeing issues with manpower and issue in execution? So if you could talk about that.

**Management**

So basically, majority of our projects are site-based projects, in the sense that, we have labor camps that are stationed near the site. So as of now or in the near future also, we are not facing any labor shortage issue in the sense of LPG. The situation that we are seeing has normalized. And we are not facing any issues, because we have very good labor tie ups with various agencies.

**Jainam Vora**

Okay. And as you scale, more importantly like you said, this is a temporary thing which you'll manage. But as you continue to scale INR 5,000 crores of order inflow that you're looking at, let's say '27 and similar level in let's say '28, if not more, how are you planning to scale beyond a point, because it might become a challenge. So what's your sort of thinking behind that?

**Management**

So, for cable laying perspective, we are also exploring some automation techniques, like, automated cable winch machine and things like that. So we are exploring, some part of that, but obviously the rest will have to be manual. So we, don't think that there will be any challenge of labor around that, around the range that we have committed we'll be working.

**Jainam Vora**

Okay. My second question is regarding sourcing of the materials, whether it is the RMU units or whether it is transformable. Given the kind of tailwind that is there right now, the supply is very constrained and we've been hearing from multiple stakeholders that it's a seller's market. So given that issue, as you continue to stay in the business, how are you going about managing, you know, the supply chain piece of it, so that you can timely execute the order book that you have?

**Management**

Yes. Procurement is one of our strong capabilities, primarily because we procure materials in bulk. We have an established vendor base that works closely with us to ensure timely supply of materials. Currently, and even looking ahead, there is a very comfortable gap between our consumption capacity and the

overall manufacturing capacity available in the industry. As a result, we do not foresee any challenges on this front.

#### **Jainam Vora**

Okay. And in terms of competitive intensity, whether it's the orders that you see from Gujarat, whether it is transmission or relating to the distribution or it's the new state that you're targeting in transmission. If you could provide a flavor of what is the number of competitors that you have in a bid, and how intensive is it getting, probably let's say, versus FY25 versus now, given that you know, things are really picking up?

#### **Management**

So competitive intensity, yes, it does increase, but we, we should understand that we are carrying out a specialized nature of work, that is underground cabling or GIS substations. So there are very few qualified players in this segment. And yes, roughly one or two players each year, we are seeing an increase of one or two players each year in both the segments, but even after that, there are plenty of opportunities. So there is competition, but at the same time the entire addressable market has increased significantly. So we are seeing around, you know, in distribution segment there are four to five to six competitors, and in transmission segment there are three to four competitors, on an average.

#### **Jainam Vora**

Okay. And my last question is, do you have any aspirations to move beyond the 220kV class? I mean, you've got specialization in MVCC. But going forward, how 765kV is going to continue to increase? Are you planning to find out more pockets like this? For example, more pockets where it's a niche and it could be high profile margin in nature? So just a few thoughts around that. How are you kind of looking at it?

#### **Management**

Yes, certainly. We have expanded our capabilities beyond the 220 kV level and have now ventured into the 400 kV GIS segment with a private company in Gujarat. We expect to commission this project around the September–October timeframe. Once commissioned, we will be among the very few players in the country to have successfully executed a 400 kV GIS project. This achievement will serve as a significant benchmark and position us well to pursue opportunities in the 765 kV segment going forward.

Additionally, in the MVCC (Medium Voltage Covered Conductor) segment, this has been one of Gujarat's biggest success stories. We are currently executing over 51,000 kilometers of MVCC work, which is among the largest deployments in the country. Other states are now observing this model and exploring its

adoption. As a result, we see a substantial opportunity in the MVCC segment as well. While it remains a relatively niche area, it aligns well with our strategy of focusing on high-quality EPC projects in the near to medium term.

**Jainam Vora**

So shouldn't this improve margin if you're looking at niche projects and if you're looking at something that's very iterative in nature, and especially new states see that you already have a set track record. I fail to understand why the margin would be just around 11% to 12%.

**Management**

So what we are committing is not a decrease in margin, but a stabilized margin. That is what we are able to comment right now.

**Jainam Vora**

Alright, got it. Best wishes. Thank you so much.

**Management**

Thank you.

**Moderator**

Thank you. Due to time constraints, that was the last question for the day. I would now like to hand over the floor to Mr. Utsav Panchal for his closing comments.

**Management**

So, thank you, everyone. On behalf of the management of Rajesh Power Services Limited, we thank you all for joining us on our post earnings call today. We hope we have been able to address majority of your queries. You may reach out to me or our investor relation partner, Ernst & Young, for any further queries that you may have, and they would connect you with you offline.

**Moderator**

Thank you, sir. Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and for using Door Sabha's conference call service. You may disconnect your lines now. Thank you and have a pleasant day.

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