Date: 09th June, 2025

National Stock Exchange	**BSE Limited**
Exchange Plaza,	Phiroze Jeejeebhoy Towers
Plot No. C/1, G Block,	Dalal Street,
Bandra (E), Mumbai-400051	Mumbai-400001
(NSE Scrip Code: SPMLINFRA)	**(BSE Scrip Code: 500402)**

Sub: Transcript of Earnings conference call for the third year ended 31st March, 2025

Dear Sir(s),

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the transcript of Earnings Conference Call organized by the Company on 02nd June, 2025 post declaration of audited financial results for the quarter and year ended 31st March, 2025.

Kindly take the same on records.

Thanking you,
For SPML Infra Limited

Swati Agarwal Digitally signed by Swati Agarwal Date: 2025.06.09 13:38:39 +05'30'

Swati Agarwal
Company Secretary

Encl.: As above

SPML Infra Limited

Q4 & FY25 Earnings Conference Call

June 2, 2025

Management:

Mr. Manoj Digga – Director Commercials & Chief Financial Officer

Mr. Vikas Sharma – VP Finance & Accounts

Moderator: Ladies and gentlemen, good day and welcome to the SPML Infra Limited's Q4 and FY'25 Earnings Conference Call.

As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touch-tone phone. I now hand the conference over to Mr. Pranay Premkumar from Adfactors PR, Investor Relations team. Thank you and over to you, Mr. Pranay Premkumar.

Pranay Premkumar: Good evening everyone. From the senior management, we have with us Mr. Manoj Digga – Executive Director and Chief Financial Officer and Mr. Vikas Sharma – Vice President, Finance and Accounts.

Before we begin the conference call, I would like to mention that some of the statements made during the course of today's call may be forward looking in nature, including those related to the future financial and operating performances, benefits and synergies of the company strategies, future opportunities and growth of the market of the company's services. Further, I would like to mention that some of the statements made in today's conference may involve risk and uncertainties.

Thank you and over to you, Mr. Manoj Digga

Manoj Digga: Thanks, Pranay. Good afternoon and thank you for joining the Conference Call of theQ4 and FY'25, Financial Results of SPML Infra Limited. I will give you a brief overview of the industry trend, business update and then I will walk you through the company's financial performance.

Regarding the global Indian economy and business momentum, while the global economic environment remains uncertain, recent political development in the country have further added to the complexity. In such a volatile situation, the importance of stable infrastructure and essential services become even more critical. India's economy continues to show underlying strengths, supported by solid fundamentals and long-term policy focus. Even amidst challenges, the government commitment to the infrastructure development remains firm, particularly in the core sectors such as water, energy, and public services. The water sector in particular is seeing sustained attention through national mission like Jal Jeevan Mission aimed at ensuring access to certain drinking water for all rural households. With over 15.64 crore homes already covered and with the extended timeline till 2028, we see this as a vital long-term opportunity for water infrastructure development companies including ours.

The power sector in parallel is witnessing a significant growth opportunity and we are expecting a sizable business in BESS segment as well as substation business, both in volume and capital expenditure, as government has set up an ambition target of achieving 500 gigawatt of renewable power generation by 2030. We see a tremendous growth prospect both in water and power sectors, which are the focus area of the company.

Business operation at SPML Infra:

We remain focused on contributing to these essential national priorities. Our expertise in developing large-scale water and energy infrastructure plays a strong position to support the government's push for universal un-viral water and energy access for all. The government proposed capital expenditure of almost Rs. 12 lakh crore through various schemes in water and power infrastructure development.

We are setting up the battery energy storage system production plant which is expected to play a pivotal role in India's transition to clean and sustainable energy. This will enhance our profitability, visibility and competitiveness in BESS manufacturing and will support government’s vision of Viksit Bharat.

India's energy storage market is set for strong growth given by the 500 GW non-fossil fuel capacity target by 2030. As per the National Electricity Plan 2023, storage demand is expected to reach 236 GW by Financial Year 2031-32, with the market size of US $57 billion, which is expected to reach an incredible level of US $443 million by 2047. Recently, SPML has entered into an exclusive agreement with Energy Vault, a US-based global leader in sustainable energy storage systems and technology. Partnership will accelerate the development of advanced battery energy storage systems in India, through technology transfer of their B-Vault-base and license of VaultOS EMS software. Localized manufacturing and deployment will strengthen Indian energy infrastructure, enhance grid stability and support greater generation of renewable energy, contributing to the availability of reliable, affordable and clean power across the country.

I am also pleased to say that the Maharashtra Industrial Development Corporation committee has decided to offer us the land for our BESS manufacturing facility in Maharashtra. Once the land is allotted, we expect the construction to begin in full swing and phase-wise commissioning of the plant by March 2026 or by early Financial Year 2026-27.

Coming to the water business, the last financial year project awards across the infrastructure space were impacted due to delay in approval and funding. The Jal Jeevan Mission was extended up to 2028 in the Union budget, but the formal fund allocation to the state government is still awaited. This delay is affecting the water sector and impacting the timing of the new project awarded which includes SPML Infra. However, from Q1 FY‘26 onwards, we are seeing the improvement in the activity at Central and State Government who have resumed the bidding process. With several water projects being awarded, we are optimistic about strengthening our order pipeline and enhancing profitability in near terms.

A notable win during the year was the Konar Irrigation Project, awarded by the Water Resources Development of Jharkhand, valued at Rs. 617.98 crore. This project aims to enhance irrigation facility across nearly 12,599 hectares of farmland in Hazaribagh, Bokaro and Giridih district contributing meaningfully to the agriculture development in the region. We are pleased to say that we have recently secured an order value of approximately Rs. 258 crore in consortium from the Chennai Metropolitan Water Supply and Sewerage Board. Our stake in that is at 26%.

As on 31st March 2025, our order book side has reached approximately Rs. 3,000 crore and orders under L1, stood at Rs. 2,571 crore. We are expecting this order in Q1 and Q2 in tranches. We are pleased to convey that our bidding tender is worth more than Rs. 9,000 crore across India. The company continues to focus on the bottom-line growth instead of topline growth and on fully funded high margin projects.

Financial Performance

We will now move towards the Q4 FY’25 performance. On a quarter-on-quarter basis, revenue remained steady at Rs. 201 crore. EBITDA was stable at Rs. 22.5 crore, with an EBITDA margin of 11%. PAT grew by 13.5% to Rs. 12 crore. For FY'25, our total turnover was reported at Rs. 824 crore versus Rs. 13.31 crore in FY'24. EBITDA grew by 26% to Rs. 98 crore from Rs. 77.6 crore in FY'24. PAT for the full year increased to Rs. 49 crore resulting in year-on-year growth of 1.5x. The EPS was reported at Rs. 7.83 versus Rs. 3.98 in FY'24.

The Financial for the year ended 31st March 2024, reflects various effects of restructuring and the gain of VSV scheme. Hence, the figures are almost non-comparable on year-on-year basis. As of 31st March 2025, we have repaid Rs. 290 crore out of the total Rs. 700 crore owed to NARCL inclusive of Interest, bringing the outstanding balance to Rs. 410 crore with an arbitration award worth Rs. 636 crore already in hand including interest up to 31st March 2025. We are confident of repaying the remaining debt well ahead of the agreed timeline. We continue to maintain a strong balance sheet with adequate liquidity due to promoter’s commitment of approximately Rs. 350 crore in last 2 years. This has given us the flexibility to pursue growth in both core segments.

As discussed in our previous call, the temporary slowdown witnessed during the year and quarter was primarily due to external factors such as general election and transitional delays in the extension of Jal Jeevan Mission which was approved in the budget. Having said that, we are encouraged by the market improvement in the business environment, momentum is clearly picking up and we are confident that a significant portion of our L1 position will convert into confirmed order during Q1 and Q2 of FY'26. This will meaningfully boost execution and drive strong revenue growth in the coming quarter.

With this, I would like to open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. The first question comes from Raman KV with Sequent Investment. Please go ahead.

Raman KV: Could you just repeat the current order book number and also how much amount of debt did we repay during this year?

Manoj Digga: The current order book is at Rs. 3,000 crore as on 31st March 2025 and for orders where we are L1, is at Rs. 2,700 crore, out of which Rs. 250 crore we have announced today. We are still L1 of Rs. 2,571 crore which we are targeting as the Jal Jeevan Mission has been renewed and individual state wise documentation has started. We are expecting orders from L1 Q1 and Q2 in tranches and the new tenders are continuously coming. We will keep announcing whenever it will be L1 and whenever it gets converted.

Raman KV: With respect to the debt, how much did we repay during the year?

Manoj Digga: This year we did the resolution with NARCL, at Rs. 700 crore. Out of which we have already paid roughly around Rs. 290 crore and rest of the debt is almost connected with the arbitration award. Whenever we will get the arbitration award, we will share one portion of the arbitration award towards the payment of this debt. The repayment of the loan is almost g from the cash flow. In the whole year, we had to pay only Rs. 4 crore.

Raman KV: Okay. How much of the arbitration award are we talking about as of now in pipeline?

Manoj Digga: With regards NARCL, the agreed amount was Rs. 700 crore, inclusive of interest. Along with the interest of Rs. 700 crore, we have the arbitration award which are at the various level at various courts. One of the arbitration award is at the Supreme Court level as well. The total arbitration award we have Rs. 622 crore where we have accumulated the interest up to 31st March 2025. This award will keep on increasing along with the interest and the proceeds of this award will be utilized for the payment of our NARCL dues. Against our balance liability of Rs. 410 crore, till date we have Rs. 622 crore award in hand and further roughly around Rs. 4,500 crore of arbitration claims.

Raman KV: My final question is with respect to the guidance. We have Rs. 3,000 crore of order book. What is the execution timeline for this order book and going forward how much margin are we expecting?

Manoj Digga: If you see, this order book is of two types. One is the order book of Rs. 3,000 crore order, of which roughly around Rs. 2,400 crore is old orders which we will execute in next 2 to 3 years and there the margin is slightly low. We have the last order of Konar of Rs. 618 crore where the margin is around 15%, so there we have a high margin order. As I have told you, going forward our focus is not on the topline, but is on the bottom line. As discussed earlier, any order which we are targeting going forward will have margins more than 10%. If that is not there, we will not take the order. All new order all will be at least 10%.

Raman KV: Basically the orders in L1 like Rs. 2,571 crore, all those orders are around 10% maximum right?

Manoj Digga: This is more than 10%.

Raman KV: For FY'26 what is your guidance on the full year basis? Like how much PAT growth or how much revenue growth are you expecting?

Manoj Digga: Basically you got the figure that we have roughly around Rs. 2,500 crore order which is slightly lower margin order where we will have a 4% to 5% margin. Konar, we will have 15%. We will get say +2%. We are expecting this order to be executed in next 3 years, so you make the calculation.

Moderator: Thank you. The next question comes from Prathamesh Dhiwar with Tiger Assets. Please go ahead.

Prathamesh Dhiwar: Just wanted to know regarding our long term vision. Let's say in coming 3 years, what sort of business mix are we looking at? How much percentage of topline can we expect from BESS and how much can we expect from other businesses like water?

Manoj Digga: If you see historically, water & power is our core sector and historically SPML has roughly around 25% in power and 75% in water. Our water volumes have gradually increased substantially in the last 2 years as government was more in water than ever. Now government focus is mainly into these two sectors. With the BESS opportunity and BESS commitment of the government, we are expecting that our power EPC business will grow up going forward. It may go to around 50%-50% going forward when we have our BESS facility fully set up, which will be by March '26 or by early FY'26-'27.

Prathamesh Dhiwar: Right now we are not participating in any BESS orders, right?

Manoj Digga: No, we are participating. The BESS is our EPC business. BESS involves transmission line, where we have our expertise. The government has made it compulsory for every renewable power source, to have 10% facility of BESS. If you see in China, they have nearly 40% of BESS facility. In India, the government has made 10% compulsory. Any transmission line at the moment have to set up 10% of BESS facility. We are the pioneer into the construction of the transmission line and BESS is a part of that, so whenever we get orders for transmission line, we will get the order of BESS also.

Prathamesh Dhiwar: Got it sir. Any numbers you'd like to give like how much order can we expect from BESS segment in the coming quarters?

Manoj Digga: We are participating in BESS, because like the water, this tender are also coming. Lot of orders keep coming. We are participating into the various tenders, and will keep informing the stock exchanges whenever we win any tenders.

Moderator: Thank you. The next question comes from Subash B with Value Investments. Please go ahead.

Subash B: Out of the Rs. 618 crore order that you won in Jharkhand, what is SPML's share in that because that is also JV?

Manoj Digga: We are doing the execution of 100%.

Subash B: I saw another name in the announcement along with SPML.

Manoj Digga: Maybe it was the JV partner but now we are executing 100% by ourselves.

Subash B: Today you announced an order right about Rs. 250 crore I guess right? In that I think 26% only belongs to SPML.

Manoj Digga: We are executing 26%.

Subash B: Okay, so when you said that you are L1 on worth of Rs. 2,700 crore of order, out of this order, how much percent is SPML share?

Manoj Digga: If you see Rs. 2,500 crore, it is consisting of 4 orders. Rs. 1,500 crore, we are 51%, Rs. 501 crore we own 100%, Rs. 385 crore we own 100% and Rs. 207 crore we are 10-90. We are 10%, one joint venture is 90%.

Subash B: Yes, so out of Rs. 2,700, how much crore will be yours?

Manoj Digga: It will be roughly around Rs. 1800 crore.

Subash B: Thank you so much. My next question is about the BESS. In the presentation, I see that 500 megawatts per hour will be executed in the next 12 months, and you are planning to execute around 30 to 40 gigawatts over 10 years. When you say next 12 months, when is it starting? When can we count as next 12 months for the 500 megawatt? Also, along with that, what is the revenue per megawatt for these BESS projects and also are you sharing any revenue with Vault because they are sharing their technology or the OS with you guys, right? How is the deal plan? Like is there any revenue sharing model?

Manoj Digga: We have purchased from Energy Vault. We do not have to share any revenue. For royalty, we have to pay certain amount for which they keep on doing the research and development and we will also get the benefit of that. US is famous for their research and development, so that is there. It's our own purchase. We don't have to share anything on the revenue side to

Energy Vault for the technology. This is number one. Number two, as I mentioned, we got the land in Maharashtra, in Pune. MIDC has earmarked land for us. We are setting up the plant and we are expecting that to be completed by March '26 or early Financial Year '26-'27. Once that will complete, then we will do our own battery pack manufacturing for BESS as an EPC player, we will continue to do that. Now the orders are floating everywhere, and we are participating in those orders. We will keep on communicating whenever we win orders. Like we are participating in water, we are going to participate into the BESS tender also. It's basically the government focus into Energy. The government is targeting to have the Renewable Energy capacity of 500 gigawatt by 2030. Storage demand is projected to reach 236 gigawatt by 2031-32 with the market size of US $57 billion, which is targeting to roughly around US $43 billion in 2047. That's the plan which have the market size of Rs. 25 lakh crore plus business exists in India which has to be developed in the battery energy storage system and all the manufacturer or EPC player into the battery will get benefited which includes us.

Subash B: Right, I agree, because they're also making it mandatory even for the renewable energy projects to have at least 10% BESS. When you said 500 megawatt hour, right, like whatever you mentioned in the presentation, is this the EPC segment that you're targeting or the battery manufacturing that you mentioned, this 500 megawatt hour, or does it include both of them when you say 500 megawatt hour?

Manoj Digga: No, this is the BESS volume. Battery pack is one component, which is roughly around 40% of the BESS cost. It is a container and then there is various other elements for the EPC player. We are manufacturing the battery pack. That is the plant we are setting up. This will be a backward component manufacturing of BESS, so even if at this moment, we have to supply the container, we can buy the battery pack from any Chinese US or Vietnam companies. With our technology, we can make and we can set up as EPC player, but when we have our own battery pack manufacturing unit, our profit margin, our visibility and our control on the quality will enhance.

Subash B: Got it. Okay, so this will be completed. I mean, you are saying that the EPC projects you already have the order pipeline, right? I mean, do you have the number?

Manoj Digga: BESS business is there as EC player, and we have bid to for NTPC, tenders for other companies.

Subash B: Do you have the value of the order pipeline?

Manoj Digga: I will update you on this later.

Subash B: Okay, sure. Under the EPC projects of BESS, what would the margins be? For water projects, it is clear you have mentioned that you will target only about 10% to 15%. For BESS, what could be the margins that we could see in the future?

Manoj Digga: As we told, it's a bottom line company. It's not a topline company. Whether it is a water or whether it is a BESS, We are not focusing on margins less than 10% and with our component manufacturing sector, we are expecting margin of 15% plus.

Moderator: Thank you. The next question comes from Arnav Shah with Lakes Capital. Please go ahead.

Arnav Shah: Thank you for this opportunity. First question would be under unexecuted order book, how much comes under the legacy book and fresh order wins? If you could just shed some light there and how much time will it take to execute them?

Manoj Digga: Basically, last year we won Konar which is of Rs. 650 crore. Rest you can consider as a legacy.

Arnav Shah: Okay, in the next 2-3 years, what would be the ratio of revenue from water business to BESS?

Manoj Digga: As I informed earlier also, historically we are 75% water and 25% power. Last few years the government's focus on power has reduced, so we reached to around 90%-95% into the water and 5% into the power. Going forward with the BESS, we may reach to 50-50 into the water and power.

Moderator: Thank you. The next question comes from Mahek from KML. Please go ahead.

Mahek: Yes, I just wanted to know which are the states in which we have ongoing projects and which are the states in which we have participated in fresh projects?

Manoj Digga: We are targeting Rajasthan. It's a water and we will keep on doing anything which is related to water. Rajasthan is our focus area. Gujarat is our focus area. Lot of tenders are coming in from MP. We are also targeting UP, Bihar, Jharkhand, Maharashtra and Orissa. These are the states which are focused into with respect to the water business. For power business is wherever there is renewable energy, NTPC we are targeting that.

Mahek: What is the current size of your O&M order book and how do we plan to grow this business?

Manoj Digga: Basically if you consider at the moment on 31st March '25, we have the Rs. 3,000 crore order book which we are executing. We have received roughly around Rs. 250 crore order today where 25% is ours. We have the L1 of roughly around Rs. 2,500 crore and every month we keep on bidding into the various tenders which are floated for the water and power. This year our target including our L1 is at least Rs. 5,000 crore. Currently we have the O&M value of roughly around Rs.200 crore.

Moderator: Thank you. The next question comes from Subash B with Value Investments. Please go ahead.

Subash B: Thanks again for giving me opportunity. You said that you purchased the software from Vault and you're not sharing any revenue, right? What was the purchase amount for this software?

Manoj Digga: We had bought at US $4 million.

Subash B: You also said Rs. 2,400 crore is the old order book and this will be executed in 2 to 3 years. For the future, I heard that you are targeting like Rs. 2,000 crore per year order, right, in water infra. How are you planning to accelerate the execution timeline and also if you could give the revenue guidance for FY'26, like in maybe percentage wise when compared to FY'25, what could be the revenue growth that we could see in the future?

Manoj Digga: As per our learning from the past 43 years we seek to focus on the limited projects and focus into the timely completion of the projects. That's our goal going forward. Depending upon the orders, like Jharkhand order is 30 months, so the few orders in which we are at L1 is going to come where the order we have to execute in 20 months-30 months. It depends from order to order, how much time it is required for the execution into the projects. That's the key factor, so whenever whatever order we take, if it is 3 years, we are targeting for 3 years, if it is 2 years we execute in 2 years. However you can assume that any project takes 3 years to complete. That's the advantage of the EPC business also because if I get the Konar order of one year, then I am securing at least 3 years turnover because this project is to be executed in 3 years and every year we are going to execute a turnover of roughly around Rs. 200 crore barring 10% here and there. The same way if I am getting the Rs. 2,500 crore new order into the current financial year in Q1 and Q2 that gives me the clarity of next 3 years of certain amount of turnover and profitability. The advantage of the EPC business is that whenever you secure the order, you are not securing the profitability and turnover of that year, rather you are securing the profitability and turnover during the course of the execution of the order. Any order which we are going to take, average of 3 years' time period can be considered, which is required to complete the project. Turnover and the profitability also shares around that time.

Subash B: Okay. What about the guidance for FY'26, the revenue guidance?

Manoj Digga: Let's get a few more orders and then we'll give you the guidance next time.

Subash B: Okay, I'm asking one thing because you already have sufficient order book, right? Like almost Rs. 3,000 crore.

Manoj Digga: If you ask me I personally feel that both the topline and bottom-line should have the growth of around 50%. That should be the target, but that depends on when the order is going to get. It would have been better last year also if the Jal Jeevan Mission have been renewed. This year we are targeting 50% topline and 50% bottom-line at growth if things remains normal.

Subash B: Okay, that's great. About the BESS project, a question that I asked before, I forgot to follow up on the question. What is the per megawatt hour revenue that you would get from the BESS project in EPC?

Manoj Digga: The battery costs and all other costs are decreasing. If you take the current thumb rule then 1 gigawatt is equal to Rs. 2,000 Cr. This is the market rate. 1 gigawatt is of Rs. 2,000 Cr.

Subash B: 1 gigawatt is Rs. 2,000 crore you mean?

Manoj Digga: Rs. 2000 Cr.

Subash B: Just Rs. 2,000?

Manoj Digga: Rs. 2000 cr.

Subash B: I asked you about the order pipeline, right, in the value terms. Along with that, if you could also give me information, megawatt hour size, like the order pipeline. Let's say that for example, you say that you have Rs. 2,000-crore order pipeline. Along with that, can you also mention the megawatt hour order pipeline as well? Let's say that you have bid for 500 megawatt this time or 1 gigawatt. If you could give that information also that could be helpful.

Manoj Digga: On the BESS side?

Subash B: Yes, on the BESS, correct.

Manoj Digga: I shall provide you all the information.

Moderator: Thank you. The next question comes from Maitri Shah with Sapphire Capital. Please go ahead.

Maitri Shah: My first question was, you mentioned that we have Rs. 2,400-crore old orders and then Rs. 650 crore new orders. What kind of blended margins are we expecting for FY'26?

Manoj Digga: You can take a minimum target of 10%. Any new order will have margins more than 10%. That is the minimum target which we take without which we won't participate. For old orders, you can take altogether around 5%.

Maitri Shah: Are these the PAT margins or the EBITDA margins?

Manoj Digga: In our case, it is EBITDA. There is no interest cost. I don't have to pay any interest. Rs. 700 crore is inclusive of interest, so I don't have to pay anything. The interest EBITDA is almost our PAT and we don't have much depreciation. The EBITDA is almost equal to our PBT.

Maitri Shah: The other income that we have what does that include?

Manoj Digga: From the total Rs. 700 crore what we have to pay, that is inclusive of interest. To make it Ind AS requirement which is the accounting standard requirement, we have to keep it recorded at discounted rate and and every year one portion comes to the Profit and Loss account as the interest cost which is coming into the finance cost and adding to loan account. If you find there is a Rs. 32 crore interest cost which is there in our books, that is mainly because of the Ind AS adjustment. In the same way if you see the other income, NARCL has given us the two option, one is Rs. 700 crore in 8 years and Rs. 967 crore in 10 years. Now we have opted for 8 years and we have also paid Rs. 300 crore. We are taking this Rs. 267 crore difference of both the options every year in our book of accounts as of IND AS, so you will find the interest cost and other income is nullified to that extent. The rest of the other income is the interest income.

Maitri Shah: The second thing I wanted to ask was you're setting up a manufacturing capacity for the battery packs. What sort of CAPEX are we looking for that?

Manoj Digga: We are setting up 2.5 gigawatts manufacturing unit of BESS battery pack unit and the total CAPEX is Rs. 175 crore. We are taking into the two phases, first phase of Rs. 125 crore will be fully funding through equity.

Maitri Shah: This manufacturing will be operational in the Q1 FY'27, right?

Manoj Digga: We are targeting in 31st March but it may slip to the first quarter next year.

Maitri Shah: How far do we think we'll reach like the optimum capacity for this manufacturing?

Manoj Digga: The full capacity, you can consider that it will take a year because the advantage we have is the technology which we have purchased because we have a very proven technology. Once that technology is available, then all other plant activities are EPC only. We are expecting that next year we may reach 60% to 75% capacity.

Maitri Shah: What sort of revenue can that manufacturing plant generate at full capacity?

Manoj Digga: It depends upon how the pricing will be, how much activity is there, what are the components we have to use, but it should be near to Rs. 1,000 to Rs. 1,500 crore.

Maitri Shah: We'll be using this capacity for our own EPC projects, or we'll be also selling them to other companies?

Manoj Digga: It is for other companies, because we don't have renewable energy. We will have to do this as an EPC business for any company which uses renewable energy which we supply by doing the

BESS facility creation. We are utilizing our battery packs for construction of the BESS facility container.

Maitri Shah: Yes, we will be using our battery packs for our EPC projects, right?

Manoj Digga: Yes, that's correct.

Moderator: Thank you. The next question comes from Ankit Soni with Sharekhan. Please go ahead.

Ankit Soni: Good evening. Thanks for giving me an opportunity. Just wanted to get an idea on what would be the order pipeline. I know you would have mentioned it. Just want you to repeat it. Second thing is how would you differentiate into the power projects and BESS and maybe a water project? The order pipeline into 3 categories.

Manoj Digga: Both are EPC business. For us, every project would be EPC, whether we take water and whether we take into the power. It can be the bulk, it can be the distribution, it can be sewerage, it can be the BESS, and it can be transmission line without BESS. Every project has one requirement, one scope and we execute the work as per that scope. Like water, our focus area is in bulk water and irrigation. We also do the distribution and sewerage as well, but our focus at this moment is bulk. BESS also, we have the battery pack which we will manufacture. It will use renewable energy in power sector, power unit, so for both the businesses, based on the order, we will manufacture as an EPC business.

Ankit Soni: Okay. Is there any chance we can quantify the order pipeline? How much is the order pipeline for BESS particularly? BESS and BESS EPC basically?

Manoj Digga: Every month approximately Rs. 10,000 crore of water business keeps coming from different states. In a year roughly more than Rs. 1 lakh crore business is from river, water bulk, water distribution, water sewerage, agriculture, then river linking, etc. keep coming. Since we are a 43 year old company, we are qualifying in almost all of these opportunities, so there is a huge water opportunity. We have taken a target of Rs. 3,000 to Rs. 5,000 crore only into the water business with selected water projects. BESS also, you will find a similar tender order roughly around Rs. 1 lakh to Rs. 1,50,000 crore. There also our target will be Rs. 1,500 to Rs. 2,000 crore. The size of business is very high in comparison to our requirement and our target. As I told you, we focus on limited projects, execute that project very efficiently and focus on the bottomline. There is no dearth or order in water and there is no dearth of order in power.

Ankit Soni: That would also be most coinciding with your guidance of around 50% from the power and 50% from the water going forward?

Manoj Digga: That is our target because once we have our BESS manufacturing unit set up, our focus and visibility and our control on our quality and cost will improve substantially. We can be bit more aggressive and bid with more confidence, so that's our target. Once that happens, our business volume in power will keep on increasing. This year, our water business will be higher in comparison to power. Next year onward, you will find that the power business will also keep on increasing along with the water business.

Ankit Soni: Understood sir. One last question. How is the competitive intensity in the BESS segment? Can you please highlight on that front?

Manoj Digga: BESS is a growing and opportunistic sector where a lot of manufacturing units are being set up for the facility. Many EPC companies are also focusing into the BESS facility, but it's a game of our technology. Here we can say that, till date we have an advantage compared to the other manufacturers because of our US technology. We are the only company which has its own technology, everyone else depends on the Chinese and various other technologies. We have lot of additional features. The B-Vault technology is giving us various additional feature of AC and DC which gives the maintenance and much higher productivity as compared to the Chinese technology. That's the advantage we have and that advantage will give some leverage and some leeway as compared to other manufacturers, but it's a competitive business. It is understood that wherever the government investment is, all the EPC companies focus there.

Moderator: Thank you. The next question comes from Prathamesh Dhiwar with Tiger Assets. Please go ahead.

Prathamesh Dhiwar: I missed it earlier. How much CAPEX are we doing in BESS and how are we going to fund it?

Manoj Digga: The total CAPEX which we are targeting is Rs. 175 crore in two phases. First phase of Rs. 125 crorecrore is being funded from our equity. As I told you, Rs. 350 crore has been raised from the promoters in last 1-1.5 years. Part of that money is going to be utilized for BESS.

Prathamesh Dhiwar: Got it. And I think the utilization can clock around Rs. 1,500 to Rs. 2,000 crore right from BESS segment.

Manoj Digga: It should be more than Rs. 1,000 crore to Rs. 2,500 crore in the next few years. You will find the ramp up of the capacity.

Moderator: Thank you. I now hand the conference over to Mr. Manoj Digga for closing comments.

Manoj Digga: Thank you all for giving us your valuable time. Despite the challenging last year, we are encouraged by the momentum seen in Q1. With fresh tenders now floating and a strong order book pipeline, we remain optimistic about the opportunities ahead. The current order book, along with the future L1 order and successful bid from our targeted tenders, provide the company with secure future profitability and turnover. This significantly reduced the uncertainty around the future financial outlook. While we remain watchful of the evolving global and economic landscape, we believe that our focus on critical sectors like water and clean energy combined with a strong execution track record and prudent financial management will support substantial growth in FY'26 and beyond. Thank you.

Moderator: Thank you. On behalf of SPML Infra Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.

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