

Date: 23rd February, 2026

National Stock Exchange

Exchange Plaza,
Plot No. C/1, G Block,
Bandra (E), Mumbai-400051

(NSE Scrip Code: SPMLINFRA)

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400001

(BSE Scrip Code: 500402)

Sub: Transcript of Earnings call for the 3rd Quarter ended 31st December, 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 Call organized by the Company on 17th February, 2026 post declaration of Unaudited financial results for the quarter ended 31st December, 2025.

Kindly take the same on records.

**Thanking you,
For SPML Infra Limited**

Swati Digitally signed
by Swati Agarwal
Agarwal Date: 2026.02.23
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**Swati Agarwal
Company Secretary**

Encl.: As above



“SPML Infra Limited
Q3 FY26 Earnings Conference Call
February 17, 2026



MANAGEMENT: **MR. MANOJ DIGGA – EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER – SPML INFRA LIMITED**
MR. ARUN AGARWAL – VICE PRESIDENT FINANCE & ACCOUNTS – SPML INFRA LIMITED
MR. SAMIR PATEL – CHIEF OF TECHNOLOGY & OPERATIONS, BESS OPERATIONS – SPML INFRA LIMITED
MR. KAPIL JOSHI – INVESTOR RELATIONS OFFICER – SPML INFRA LIMITED

MODERATOR: **MS. SELINA SHEIKH – GO INDIA ADVISORS LLP**

Moderator: Ladies and gentlemen, good day and welcome to the SPML Infra Limited Q3 FY26 Earnings Conference Call hosted by Go India Advisors LLP. 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Selina Sheikh from Go India Advisors LLP. Thank you and over to you, ma'am."

Selina Sheikh: Hello everyone. A very good afternoon and welcome to SPML Infra Limited's quarter three and nine-month FY'26 earnings conference call hosted by Go India Advisors. From the Senior Management we have with us on the call today Mr. Manoj Digga, Executive Director and Chief Financial Officer, Mr. Samir Patel, Chief of Technology and Operations of BESS segment, Mr. Arun Agarwal, Vice President, Finance and Accounts and Mr. Kapil Joshi, Investor Relations Officer. Before we begin the earnings call, we must remind you that the discussion on today's call may include certain forward-looking statements and must be therefore moved in conjunction with the risk that the company faces.

I would now like to hand over the call to Mr. Arun Agarwal for his opening remarks. Thank you and over to you, sir."

Arun Agarwal: Good afternoon ladies and gentlemen. I welcome you all to the quarter three and nine months of FY'26 conference call for SPML Infra Limited to discuss the operational and financial performance of the company. Our results and investor presentation have already been posted on the Stock Exchange website and I hope everyone had a chance to go through them. Over the last 45 years, SPML Infra has built strong capabilities by delivering 700 plus milestone infrastructure projects across various states and earned valuable qualifications across the water and power businesses.

Rebuilding on strength and reshaping for future, we are transitioning to SPML 2.0 focused on disciplined growth, selective bidding and higher margin opportunities. The current fiscal has been pivotal with strong order inflows and steady execution across water, power and the emerging BESS segment. We remain focused on profitable and sustainable growth in these long-term growth-oriented sectors.

Now moving on to some updates on the infrastructure sector. As India advances towards its Viksit Bharat Mission, infrastructure continues to act as a key engine for economic growth, employment generation and long-term financial stability. The Union Budget of FY'26 reinforces infrastructure-led growth with a capital outlay of INR12.2 lakh crores with substantial allocation of INR85,222 crores for urban development supporting India's Viksit Bharat vision. Continued emphasis on water infrastructure with INR67,670 crores for Jal Jeevan Mission, INR8,000 crores for AMRUT 2.0, INR5,226 crores for irrigation and river interlinking and INR3,100 crores for Namami Gange is structurally positive.

The water supply projects under the overall allocation of INR17 lakh crores for the Jal Jeevan Mission, AMRUT 2.0 and Namami Gange river linking programs and others will be implemented on a long-term basis. These priorities align strongly with SPML Infra's core strength in water sanitation and reuse projects. We are well positioned to leverage on the opportunities to drive quality order inflows through selective bidding while maintaining margins and returns.

India's energy transition targets of 500 gigawatts of non-fossil capacity by 2030 with installed capacity of already at around 263 gigawatts. The battery energy storage capacity is projected at 236 gigawatts by FY '32 translating into a US\$57 billion market by 2032. And the Union Budget FY'26 reinforces this with INR1,09,000 crores for energy infrastructure, around INR1,000 crores of viability gap funding for BESS, incentive for lithium-ion manufacturing and financing reforms via PFC and REC.

SPML Infra has strategically entered into BESS with end-to-end EPC capabilities and a 2.5 gigawatt phase one manufacturing facility at Supa MIDC Pune which is expected to come up in Q1 FY '27, scalable beyond 10 gigawatts, supported by a technology partner with Energy Vault USA.

We are actively and aggressively bidding for BESS opportunities supported by strong policy guidelines, improving project economics and catering to grid scale demand. The opportunities are over and above current opportunities of approximately INR50,000 crores in power substations, which is also a core strength of the company.

Coming to our operational performance, we are pleased to inform that for most of our recently awarded projects where design and drawing approval typically take 6 to 12 months, the required approvals have now been secured. Project execution has commenced providing us with clear visibility on revenue recognition and profitability from these projects going forward.

During the 9 month of FY '26, SPML Infra witnessed strong order momentum securing fresh order inflows of INR4,324 crores across water projects in Jharkhand, Madhya Pradesh and Rajasthan besides Tamil Nadu. This figure represents the total project value including order awarded through joint ventures. **Our current order book stands at INR4,358 crores** including the taxes which reflects SPML's proportionate share in JV projects.

The order book comprises approximately INR1,540 crores of legacy orders and around INR2,800 crores of newly secured projects providing healthy execution visibility for the coming quarters.

We have also bid for tenders worth approximately INR8,000 crores in Q3, Q4 of the current year across the water, BESS and power segments which are active in nature. Our overall exposure in Jal Jeevan Mission is substantial and for the JJM projects billing and fund receipt or receipt from the government is strictly in line with the execution progress, ensuring working capital discipline.

We follow a highly selective bidding approach aligned with our pre-qualification strengths, focusing only on fully funded projects, DPR approved and higher margin projects with robust

contractual structures. We are well positioned to achieve our targeted business volume for the current fiscal with potential upside next year while maintaining our focus on assured funding, timely execution and margin-led sustainable growth.

We continue to explore opportunities across water and power EPC tenders currently under various stages of bidding across Maharashtra, Madhya Pradesh, Jharkhand, Bihar, Kerala and other states. The total estimated opportunity size across these markets is approximately INR5.7 lakh crores.

Given our strong pre-qualification status, execution track record and regional presence, we expect a meaningful conversion of these opportunities into order inflow during FY '27. In parallel, we are strengthening our presence in the Battery Energy Storage System segment. We are actively participating in various tenders floated by NTPC and other agencies with a clear focus on maintaining our targeted margin profile.

Over the next 6 to 12 months, we see a visible pipeline of approximately INR9,000 crores in BESS orders and we remain optimistic about securing a healthy share of these opportunities. Coming to our BESS plant update, the development of the manufacturing facility is progressing in line with our planned timelines.

The construction of the factory is progressing as planned with the structural framework currently being erected at the project site. The machineries are expected to reach us during February and March after which commissioning will commence in a phased manner. We also anticipate making the plant operational from Q1.

And coming now to our financial performance, as of nine months of FY '26, SPML Infra has meaningfully strengthened its financial position with steady progress on de-leveraging including around INR317 crores of debt repaid over the last 2 years which includes INR47 crores of prepayment on the overall liability. The residual around INR383 crores payable to NARCL is spread over 6 years and is expected to be fully settled through existing arbitration awards in hand of INR621 crores which is inclusive of accumulated interest up to January '26.

While additional arbitration claim of INR4,417 crores provide visibility of around INR1,500 crores inflows over next 7 to 8 years. Also, during the year company has received arbitration awards sum of INR30 crores amounting to INR22 crores from the CMWSSB and INR8 crores from Delhi Jal Board.

With this INR312 crores worth of awards has already been realized over the last 3 years. The company expects a sizeable cash flow after the payment of agreed NARCL debt which can be utilized for the future growth of the company.

During the quarter, our credit profile was reaffirmed as stable by ICRA and further ratings are under review reflecting the ongoing strengthening of our balance sheet and cash flow visibility. Our sanctioned bank facility have been enhanced from INR205 crores to INR505 crores by leading public sector bank.

We have received approval for a surety bond of around INR180 crores from the leading insurance companies further enhancing our bidding capabilities. This expanded limit provides greater flexibility to bid for larger projects and manage working capital more efficiently.

For nine months FY '26, stand-alone revenue stood at INR594 crores with EBITDA of INR62 crores and PAT of INR48 crores, translating into margins of 10.4% and 8%, respectively. Q3 FY '26 revenue were INR231 crores, up 21% year-on-year basis with EBITDA stood at INR26.3 crores translating into margin of 11.4% and PAT stood at INR20.5 crores with margin of 8.9%. EBITDA is up by 86% and PAT is up by 97% year-on-year basis.

The completion of legacy lower margin projects and increasing contribution from higher margin new orders has already begun to lift profitability, positioning the company on a stronger and more sustainable earnings trajectory going forward.

During the quarter, the interest cost has increased mainly on account of one-time interest cost on income tax for the earlier years post assessment and BG and LC charges and the interest on the mobilization advances on the new project.

In the recent budget announcement, the Honorable Finance Minister has proposed to carry forward the MAT credit for future tax liability only under the new tax regime. Accordingly, the company has planned to shift to new tax regime from the next financial year where the existing carry-forward losses can be adjusted with the future profit without need to make any provision for MAT. This will help the company to save the tax expenses of next few years and subsequently adjust the MAT credit.

Considering the available allowable expenses under MAT, no MAT provision has been made in Q3 FY '26 and need not provide in Q4 FY '26 also. The company is having strong current ratio of 1.81x as of Q3 FY '26 which shows the sufficient liquidity into the company. The current ratio is slightly impacted in the current quarter because of the various bills raised in the end of the quarter and the realization of which will be received in Q4.

Further, the company is expecting more than INR100 crores latest by 22nd April '26 from conversion of warrants which will improve the liquidity further. With a significant portion of our projects now entering the billing phase and execution momentum accelerating, we are confident of delivering a strong Q4 performance.

Performance remains aligned with the guidance outlined earlier has translated into tangible results in 9-month FY '26 and we remain well positioned to meet our full year growth for FY '26 and around 25% to 30% on the revenue and approximately 40% to 50% on the PAT. With the conversion of the awards from the various tenders currently floated by different states in water, power and BESS segment, we shall provide the guidance for FY '27 in our yearly con-call along with the yearly results. That is all from us.

We will now open the floor for questions. Thank you.

Moderator:

Thank you very much. The first question is from the line of Hardik Gandhi from HPMG Shares and Securities. Please go ahead.

- Hardik Gandhi:** Hello sir. Congratulations on a set of good numbers. Just wanted to know on three questions. First is given that we did not pay tax this quarter and you mentioned there is a tax adjustment which is about to happen for the earlier losses under MAT. So can you quantify the amount of outstanding losses which we can avail in the upcoming quarters against the profit?
- Manoj Digga:** We have roughly around INR200 crores of loss and then the further assessment is going on, so last next few years we don't have to pay tax.
- Hardik Gandhi:** Okay, so for few years or for few quarters? Just...
- Manoj Digga:** Few years because we have the accumulated loss, which will be sufficient for this year, next year and one more year definitely.
- Hardik Gandhi:** Right. The second question was on the line of the BESS plant where we can see a lot of players are entering, they are putting up their manufacturing, right? So just wanted to understand from your end whether first of all are we on track for Q1? Are we expecting numbers to start coming in our top line as well as bottom line in Q1, or are we expecting meaningful contribution later on? And second is we did mention earlier that we are going to set up a container manufacturing facility also which would help backward integrate. So just your thoughts on these two?
- Manoj Digga:** Two things as Arun has explained, our BESS plant is on track. We are expecting the commercial production in Q1. Basically the construction work has almost completed and is in the advanced stage of progress, machinery equipment order we have already given and they are expected to come in February and March.
- So we are, BESS plant is on track. On the tender we are already participating, it is irrespective whether BESS plant start or not. We are participating into various tenders, roughly around INR4,000 crores worth of tender we are participating. There is a visibility of roughly around INR8,000 crores to INR9,000 crores going forward into the BESS tender and we are participating into that. And based on our selected criteria and margin category, we are hopeful that we will get some order in Q1 next year we will get a substantial order from the BESS operations also.
- Hardik Gandhi:** Yes, and for the container manufacturing facility where...
- Manoj Digga:** For the container, we are still evaluating. first we have to internally prepare the DPR and yes we have the plan to do that, but till date we are evaluating our internal level, internal committee and at the Board level. Once they approve, we will declare and we will inform to you in our subsequent con-call.
- Hardik Gandhi:** Understood. And just last question on the bottom line where next year given that our legacy projects will be in the last phase of execution, our new projects will be kicking in as well as the BESS will be kicking in, right? So all these will be giving a margin boost, right? So I'm just assuming our bottom line to grow by what percentage? You mentioned a 50% bottom line CAGR, but I think so it should be more than that given the BESS as well as the new projects are more value accretive?

Manoj Digga: No, this guideline what we have given guidance that is for this year and the Q4. The overall year growth we expected roughly around 25% to 30% growth into the top line and roughly around 40% to 50% growth into the bottom line that is for this year. As we have informed in our opening remark that the yearly guideline we will give into our yearly con-call.

Because by that time we will have the clarity on the various tenders which are at the moment floated, and we are we are participated into that. Based on the visibility of that we will give the annual plan of the next year in our in our yearly con-call. Plus we are in the process of preparing our AOP. Once that will be prepared, it will be better for us to give you the guidance for the next year.

Hardik Gandhi: Understood sir. Okay, thank you. That's it from my end. Thank you so much. All the best.

Moderator: Thank you sir. The next question is from the line of Maitri Shah from Sapphire Capital. Please go ahead.

Maitri Shah: Yes hello. Good morning. Am I audible?

Manoj Digga: Good morning, good morning, ma'am.

Maitri Shah: Yes hello. Few questions, firstly on the current order book that we have of INR4,300 crores. Do we have any power projects right now in the order book or is this all water-related projects?

Manoj Digga: We have legacy power project. The new orders we have not taken any power project, we have bid. In power we are very actively into the substation, and on the last year substation volume was very low but from the from the last few months various tenders of the substation has started coming and we have participated into that. So at the moment our legacy project has roughly around INR200 to INR300 crores of the power project, but the new order nothing is in the power.

Maitri Shah: Okay. Correct. Secondly, how much of the receivables we had left to receive from the JJM side, and also if you could give the JJM portion of the order book, if that's possible?

Manoj Digga: As we have told in the opening remarks, old orders under JJM, we have roughly around INR200 to INR300 crores. The new JJM orders all as per the new scheme of the government, where we have we have received two orders from the JJM, one in the Bharatpur and another is into the Kekri, which is recently and which are executing well.

Maitri Shah: And what is the value of these new orders?

Manoj Digga: One is INR1438 crores, second is INR380 crores something.

Maitri Shah: INR380 crores, okay. And the receivables outstanding from JJM currently are?

Manoj Digga: JJM old we don't have. In the Kekri we have recently towards the end we have issued certain bills which we are expecting the payment in this month.

Maitri Shah: Okay. Next, the next question I had was on the closing order book for '26. So are we expecting any order inflow in quarter four from the power side, and what sort of order book value do you expect by the end of FY'26, if that number is possible? Any targets you have?

Manoj Digga: Till date as I told you, the entire new order book we have received INR4,324 crores which includes the JV. If you take our share outstanding is roughly around INR2,817 crores. We have legacy order of roughly around INR1,540 crores. So the total order in hand as on 31st December is roughly around INR4,358 crores.

We have bid for roughly around INR8,000 crores of order. Roughly around INR5 lakh crores of order visibility is there in the various states, where whenever that will come we will keep on bidding. So we are expecting...

Maitri Shah: Any target you have for the March '26 closing order book figure for including the water and the power projects?

Manoj Digga: March '26 order book will be as it is because now whatever tender is coming, if we bid it will not convert by March. So March '26 this will be the order book, INR4,358 crores.

Maitri Shah: But we'll be executing some of the orders in this quarter right? So we're what sort of orders are we expecting in the quarter four inflow?

Manoj Digga: If you see in the bidding process, from bidding to conversion and the signing of agreement or LOI, it takes roughly around three to four months. Although we have bid into INR8,000 crores of order, but we are not expecting that to be converted into by March. It may that we will get some conversion of the bid order in the first quarter...

Maitri Shah: Any win ratio we have for the water orders, the power orders that we bid?

Manoj Digga: There is no win ratio as such because as I told in our remark that we are very selective on certain criteria of our order selection. We don't bid where the funding is not there, we don't bid where the margin is less than 10%. So if it is -- if there is a margin our bidding is always more than 10%. There is no thumb rule that how much bid and how much getting converted.

But definitely we are the leading player and we have the PQ and we have the ability, we are expecting a sizeable order in the next year from the order opportunity what we have in the water, power and BESS.

Maitri Shah: That is great. Secondly on the timeline sir. What sort of timelines you have on the water orders and the timelines you have for the substation orders or the BESS orders that we're going to be bidding from now on? Timeline on the execution?

Manoj Digga: In the water project generally it is coming from three to four and a half years because it's a design drawing project. So basically three to six to 12 month it is required to get the approval of the design drawing and then roughly around two and a half years to three and a half years is for the completing of the project. Power project is normally 24 months. That is the period by which transformer 24 months to 28 months that is the power because the substation and

transformer is a long leading period -- lead period. And BESS is between one year to two years. Samir, if you want to add here.

Maitri Shah: Okay. And on the BESS side, what projects are we bidding for? Is this EPC and supply or are we also going to take part in the O&M part of the project and also are we going to do the BOT projects as well? Any colour on what sort of BESS opportunity we are bidding for?

Manoj Digga: BESS at the moment we are bidding for the EPC only, but we are also exploring. At the moment only EPC.

Maitri Shah: EPC and the supply from our own facility, correct sir?

Manoj Digga: EPC is it includes the supply, it includes the design, it includes the fabrication, construction everything.

Maitri Shah: So the entire 2.5 gigawatt hour, are we going to use that captively or are we expecting to sell that to any third party EPC players as well?

Manoj Digga: That's the we have the battery pack facility. The same battery pack will be utilized for our EPC business and we will also do the OEM for any EPC player who are in the BESS. So their battery pack requirement also we will satisfied we will meet out from our battery pack plant. It will be both way.

Maitri Shah: Okay that is great. And also so you gave some targets for FY'26, 25% to 30% growth and so for quarter four is looking quite heavy with the execution. Are we confident on the INR350 crores-INR400 crores of execution in the fourth quarter FY'26?

Manoj Digga: Fourth quarter will be better as I told you in the design drawing, the approval is taking slightly longer time because that decide each and every aspect of the pipe size, pipe lane area, forest clearance all these things are there at the design drawing time. Subsequent to that it's a fast track and where we have our strong team of execution and strong relationship with the suppliers and we do maximum into the Escrow accounts mechanism, we have the sufficient bank limit.

So I'm not finding any problem in execution of the project. And since as Arun has told we have got all the clearance from our three plant, all the major design and drawing approval. So we are expecting a good healthy Q4 this year.

Maitri Shah: Okay and the 2.5 gigawatt hour capacity, that's the phase one. What sort of capacity are we adding in the phase two? Is it similar or a bit higher?

Manoj Digga: We have the plan to enhance it to 5 GWh and finally to 10 Gwh.

Maitri Shah: Okay fine. And at peak capacity, what do you expect the revenue from this battery packs?

Manoj Digga: We will inform you into the yearly con-call because by that time we will have our AOP ready. But next year will be sizably substantially better compared to this financial year because one, all the project revenue which we got the design and drawing approval will be executed in full

swing into the next year on our approved project. Second there is a visibility of INR5 lakh crores tender which are coming into the Q3, Q4 and Q1.

We are expecting some revenue from the order conversion which may give us the result into the Q4 into the next year. BESS we are expecting a sizeable order. We are expecting an order from the power sector substation. So we are expecting the next year will be much better both on the top line and the bottom line, but however the guidance we will provide you in our yearly.

Maitri Shah: And the margins on the BESS and substation side, what sort of differential you have with the water? So are they in the range of like 12% to 13% or in the same range of 10% margins?

Manoj Digga: As I told you we have a clear discipline we will not take any business with margin that less than 10%, whether it is BESS, power substation or water.

Moderator: The next question is from the line of Hemant Soni, an Individual Investor.

Hemant Soni: Just wanted to ask one thing. The operating EBITDA for FY'25 is I guess INR43-odd crores. So even if I do a math and take your guidance of a 40% to 50% I mean profitability, the EBITDA operating EBITDA should be close to INR60-odd crores for FY'26, right? And we have already done an operating EBITDA of around INR43 crores I guess in nine months of FY'26. So is it I mean the guidance and the numbers don't match. So is it fair to assume that are we being little conservative in giving the guidance for FY'26 in terms of profitability?

Manoj Digga: If you see the yearly number of our last year EBITDA operating EBITDA was INR62.88 crores. At this in the nine month we have made the EBITDA of INR61.71 crores. So we are able to achieve the entire last year EBITDA into the nine month approximately. And we have the Q4 also, which we feel will be slightly better because of our approvals which we have obtained. This quarter we had the EBITDA of INR26 crores. So the next quarter we should have slightly better than this. So that's the guidance we have given you.

Hemant Soni: I was actually not factoring in the other income, I was I mean talking about the operating EBITDA.

Manoj Digga: This other operating EBITDA which you are saying the other income minus?

Hemant Soni: Yes, yes. I have the numbers in front of me I guess, they are close to INR43 crores for nine months of FY'26 I guess on a consol level?

Manoj Digga: No, if you do that, then even if you minus the other income which is basically the interest income and various other income which is related to the operation of the company. So if you minus here and if you minus into the last year also. So it will be reduced by INR16 crores from here and it will be reduced by INR11 crores from the last year. So it will be roughly around INR50 crores and here it is around INR44 crores. And we have the last quarter again which will be substantially high. So you will get a substantial increase.

- Hemant Soni:** Yes sir, so it should be close to INR60 crores or INR60-odd crores for FY'26. So it is basically flat on a quarter-on-quarter basis. I mean it will be basically flat, right?
- Manoj Digga:** As I told you the last quarter will be better. I can't give you the number which one whether it will be INR60 crores or INR65 crores or what. The revenue should grow, total EBITDA should grow more than around 30% to 35% PAT should grow more than 40% to 50% and the revenue should grow by 25% to 30%. That is the overall guidance. Exact number we will not able to give, but we can only tell you that the Q4 will be better.
- Hemant Soni:** So Q4 should be better on a quarter-on-quarter as well as on year-on-year basis, right?
- Manoj Digga:** It will be quarter-on-quarter and it will be quarter of the last year also.
- Hemant Soni:** Okay. Thanks a lot sir.
- Moderator:** Thank you sir. The next question is from the line of Sanjay Nandi from VT Capital. Please go ahead.
- Sanjay Nandi:** Yes, good afternoon, sir, thank you for the opportunity. Sir just like as you mentioned like we would be getting some orders from the BESS space to the quantum of INR8,000 crores in the coming years. So can you please quantify like what would be the entire world for the BESS, like what kind of industry size would be for the BESS?
- Manoj Digga:** Samir, can you can you highlight here?
- Samir Patel:** Yes sure. So the orders which we anticipate will be purely grid-driven segment. So it will be more related to 5 megawatt DC block systems and 6.26 DC block systems.
- Sanjay Nandi:** So, sir, can you please specify the entire industry size of the BESS? Like what kind of industry we would like to be catering with our new capacity? What the industry size?
- Samir Patel:** So, the entire industry size is about 236 gigawatt for the next five years. So by FY '32 for India, this is the scale, 236 gigawatt hour. Now what SPML is doing is we are positioning for at least 5 gigawatt hour in phase two, which will be in the next one to two years and then we will expand that further to 10 gigawatts.
- Sanjay Nandi:** And on a container 236 gigawatt capacity by FY '32, where we are standing as of now sir?
- Samir Patel:** Because this is also driven by the tenders which is floating around the market. So its purely driven by that.
- Sanjay Nandi:** No. I am asking where we are standing, like, what is the current capacity as on date, as we talk, sir?
- Samir Patel:** What is the, sorry?
- Sanjay Nandi:** What is the current capacity of this BESS as we talk? Like, you are guiding for a 236 gigawatt kind of capacity by FY '32, right? So what will be the capacity as we talk, sir?

Samir Patel: So, in terms of the container itself is 5 megawatt, that's the capacity. 5 megawatt is like 5,000 kilowatt hour, okay.

Sanjay Nandi: This is as on date, right?

Samir Patel: Yes, as of date it is 5,000 kilowatt, you can put it that way. So 5 megawatt into let's say 100 megawatt project, you're talking about 20 containers. And if you talk about 1 gigawatt, you're talking about 100 containers.

Sanjay Nandi: What is the broad market

Manoj Digga: I here also wants to add, like if you see the 266 gigawatt which we are planning by 2032 which size wise roughly more than INR5 lakh crores business which is going to be come into the next five years. And it will not be equally distributed but that is the minimum which the government has already announced. So INR5 lakh crores business into the BESS is already there, before it will grow further.

Sanjay Nandi: Got it sir. And sir can you please guide us like what would be the margin profile on this BESS? Like on a soft note and also on a higher note sir, like a broad margin range sir where this industry will operate?

Manoj Digga: No, as I told you, the it's a very clear-cut guidance of our company only operate in more than 10% margin. So that is one. In OEM also we will try to get the 10% margin. And BESS on the EPC definitely less than 10% we are not going to do that. So for all our new project including the BESS and power and water, you can consider 10% minimum as our margin.

Sanjay Nandi: And what could be the peak margin sir in this business?

Manoj Digga: Peak margin we will keep on announcing when whenever the order will come, we will get the order because 10% is the minimum but maximum ever we can bid and whatever we can get that. But 10% is the minimum for your calculation you can consider 10% anything, but we are taking like other projects whenever we take, we try to maximize more than 10%, but 10% is the minimum by which we will take.

Moderator: Thank you sir. The next question is from the line of Hardik Gandhi from HPMG Shares and Securities. Please go ahead.

Hardik Gandhi: Yes. Sir, just wanted to have one follow-up on the power segment where anything other than BESS we are planning to bid for?

Manoj Digga: If you see Hardik, the historically we are we are the company which is focus into the water and power. And when we say power, then it is a substation which we made. Because the renewable energy this thermal more or less stopped from last two three years and it was more towards the renewable energy our power substation business has reduced substantially.

But suddenly the thermal power business has started in a big way and we are expecting roughly around INR40,000 crores to INR50,000 crores of the substation business which are

going to come in the various NTPC and various other states and the and the PSU unit. We are targeting that order.

Hardik Gandhi: Right. So for that I think is planned after three to four years because all the greenfield thermal plants are expected to get commissioned by 2029, 2030, 2031, right? So by when do you expect us to start getting at least the orders in our book?

Manoj Digga: Order is already floated like if you see the roughly around INR8,000 crores to INR9,000 crores of substation order is already floated and it is coming on daily basis. Every month you are getting the substation order. One the news they are improving the substation, they are including the BESS into the substation and this substation work is continuous. So we are expecting next year we are expecting a sizeable order into the substation and we are going to take at least one or two order of substation also.

Hardik Gandhi: Right. So if you can just quantify like if there are INR8,000 crores to INR9,000 crores order, we are expecting 10% around 10% to 15% of orders from that kitty or given our experience we can have a bigger chunk?

Manoj Digga: We should get one or two. Now the substation business will be normally between INR200 crores to INR500 crores order. Now it depends which order we get but we should get one or two. By next year we're expecting.

Hardik Gandhi: Okay, understood. And what is the execution timeline of the substation projects?

Manoj Digga: It requires the transformer where the lead time is 24 months. 22 to 24 months is the execution.

Moderator: Thank you sir. The next question is from the line of Kritika Khurana from Finstock Investments. Please go ahead.

Kritika Khurana: Hi, thank you for giving me this opportunity to ask the question. So, my question is how does the competitive landscape for BESS in India look for a mid-sized player like SPML?

Manoj Digga: Can you repeat again? Can you repeat again, Kritika?

Kritika Khurana: Yes. So, my question was, how does the competitive landscape for BESS in India look for a midsize player like SPML? Also like what is the minimum take or pay commitment if any in your tenure agreement with Energy Vault?

Manoj Digga: Energy Vault we have already procured the license. We have purchased that and now it is every year our order execution, we have to pay 1.75% royalties which we have to pay for which against which they will give us all the upgrade in the technology which they will develop. So in one way for our R&D facility we are paying this much amount.

On the competitor side, on the other sector other than BESS, in the EPC business it is mainly to the PQ and whoever have the PQ he has the they have the eligibility to bid and take the order. We are in the top four to five companies in India into the water and maybe top 10 companies into the power.

So that gives us the mileage to take the order compared to other mid-sized player who don't have the PQ because of our maturity and existence of more than 40 years and our execution of 700 projects which we have done. We have the qualification of almost all type of water and power projects which are going to come and that gives the advantage compared to any other mid-sized player because we can take the order.

Kritika Khurana: Okay understood. And sir is the company planning any further institutional fundraises to support the BESS capex or will it be entirely funded through promoter infusion and internal accruals?

Manoj Digga: If you see from the last 2-3 years we have infused roughly around INR460 crores by part which is conversion of debt also. So INR460 crores has been raised into the company. The liquidity is sufficient. We are further getting INR100 crores of the warrant money in the Q4 and early part of the April.

So at the moment we have sufficient liquidity plus we have INR500 crores of bank limit, we have INR180 crores of surety bond limit. So at this moment the liquidity is more than sufficient. You can see from our current ratio which is 1.81. And at the moment we don't have any plan.

Kritika Khurana: Okay. Thank you. That's all from my end. Thank you.

Moderator: Thank you ma'am. The next question is from the line of Priyanshi Mehta, an Individual Investor. Please go ahead.

Priyanshi Mehta: Thank you for this opportunity sir. So I had questions regarding the margins of the company. So our operating margins have been under pressure due to legacy projects. So what percentage of the current order book approximately I think around INR4,500 crores consists of this low margin legacy contract and when do you expect the mix to shift entirely to high margin project?

Manoj Digga: As I told you, out of the INR4,358 crores gross order which includes our share of JV also, INR2,800 crores is the order which is having the higher margin, which is the order which we have acquired in last 1 year. And INR1,540 is the legacy order. This legacy order will be completed into the next year or maybe one more year.

And this new order contribution and proportion will keep on increasing into every quarter, one with the existing order, second whenever we will start taking the new order and the execution will start.

Priyanshi Mehta: Okay, sir. Got it. Sir I had another question this with the recent INR159 crores surety bond limit secured. How much of a breather does this provide in terms of bank guarantee limit and also does this free up cash for previously held as margin money?

Manoj Digga: No, it's free up. Basically it's earlier when we started with the NARCL that time any BG etcetera we have to give 100% cash margin. So now they we got the regular sanction from the bank. The margin has reduced substantially low and it is a continuous process and we will

keep on reducing the margin. So that is on the bank side. On the surety bond we don't have to give any margin.

Priyanshi Mehta: Okay, got it. That's it for me. Thank you.

Moderator: Thank you ma'am. The next question is from the line of Kamal Jaswani from U First Capital. Please go ahead.

Kamal Jaswani: Yes hi. Congratulations on good set of numbers. I just wanted to know that are we also pursuing any projects in waste water management?

Manoj Digga: Waste water management we are qualified but our focus is into the bulk sector where the pipeline etcetera is laying of the pipeline that is our preferred, because there we have a great connect with the suppliers and the execution normally become fast. But yes, we are qualified for the waste water and we are also looking into the waste water.

Kamal Jaswani: Okay and generally what are the margins in this pipeline water projects which we are currently?

Manoj Digga: Less than 10% we don't take.

Kamal Jaswani: 10%?

Manoj Digga: Minimum 10%.

Kamal Jaswani: Okay because I was just I met one of the corporates recently who is into waste water management they are probably having margins in closer to 20%. So I was just thinking it's a great opportunity if we are qualified we should also explore where margins can double. So that's why I just thought of checking with you if management can start...

Manoj Digga: It's a project-to-project specific. It can be 20%, it can be 10%, it can be 15%. Somewhere it is less than 10% we don't take but there are few guys who are taking less than 10% also. It depends on project-to-project. Waste management has certain complexity and certain capex nature so slightly the margin can be better.

And like the distribution also have some complexity because you have to go to the city and you have to do the household connection. So there the complexity is slightly high the duration is slightly high then the margins can be slightly high. When you do the bulk then on the on the outer side you keep on laying so the execution is very fast.

So slightly margin will be will be lesser than to the waste management. So it's depends on to both plus and minus and it's a call of the company take on each project whenever there is a bid come and we bid for that.

Kamal Jaswani: Got it. Thank you. Thank you for this answer. All the best.

Moderator: Thank you sir. As there are no further questions from the participants, I now hand the conference over to management for closing comments. Over to you sir."

Manoj Digga:

Looking ahead we believe SPML Infra, is strongly positioned for sustainable growth with a strong focus on water, power and BESS, disciplined bidding, a strong balance sheet and an improving credit profile. We are entering the next phase with greater financial resilience and clear profitability visibility.

Thank you for joining us today and for your continued trust and support. We remain confident in our growth journey and committed to consistent delivering strong result. Should you have any further question please feel free to reach out to us or our IR Advisor, Go India Advisor. Thank you once again.

Samir Patel:

Thank you.

Moderator:

Thank you, sir. On behalf of Go India Advisors LLP, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines. Thank you.