Management Discussion

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Ladies and gentlemen, good day and welcome to Viviana Power Tech Limited Q2 and H1 FY27 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 this conference call, please signal an operator by pressing star then 0 on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Chandni Patel.

Thank you, and over to you, ma'am.

Chandni Patel - Investor Relations, Orem Connect
Thank you. Good afternoon, everyone, and warm welcome to all of you. I'm Chandni Patel from Oden Connect, representing the Investor Relations team of Viviana Power Tech Limited. On behalf of the company, I would like to thank you all for joining us for the Q2 and H1 FY27 earnings con call. We are joined today by the company's senior management team, Mr. Richi Chokshi, who is whole-time director, Mr. Dipesh Patel, who is chief financial officer, and Mr. Naresh Prajapati, who is VP finance. So thank you for taking time and joining us today.

I would like to hand over the call to Mr. Richi for his opening remarks. Following his address, we'll open the floor for Q&A. Thank you, and over to you, sir.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Good evening, everyone. Happy Dhanteras. On behalf of entire Viviana Power Tech Limited, I would like to welcome all participants to our H1 and Q2 financial year '27 earning calls. Thank you for taking the time to join us today. We are pleased to share our business progress and performance for the first half of FY27. During the period, company continued to strengthen its presence in power transmission and distribution sector, supported by project execution capabilities and growing opportunities across India's power infrastructure landscape.

Our core business focuses on power transmission lines, EHV substations, power distribution network establishment and modification, underground cable work, and upgradation of existing electrical infrastructure. We have developed capabilities across different voltage levels and continue to serve government utilities, private power companies, and renewable energy developers across the country. India's power sector is witnessing a significant transformation driven by rising electricity demand, expansion of transmission infrastructure, renewable energy integration, and the need for stronger and more reliable distribution networks.

These developments are creating a favorable opportunity environment a company with established EPC capabilities and execution experience. With an order book of over Rs 1,800 crores, we believe the company has a strong execution pipeline and opportunities to further strengthen its market presence. Alongside our established T&D operations, we are also evaluating are emerging opportunities in BESS, renewable energy integration, along with the transform manufacturing and other specialized power infrastructure segments.

Our focus remains on strengthening our core business, expanding our geographical reach, improving our execution efficiency, and building a sustainable business platform for long-term growth. With this opening remarks, I would now like to hand over to Mr. Deepesh Patel, our Chief Financial Officer, who will take you through the financial performance in detail. Over to you.

Dipesh Patel - Chief Financial Officer, Viviana Power Tech Ltd.
Thank you, Richi sir. Good evening, ladies and gentlemen. A very warm welcome to everyone joining us today for the Viviana Power Tech Limited earning call and investor presentation for the first half of the fiscal year 2026-27. Which concluded on 30th September 2026. Before we dive into the financial and operational performance for the quarter, on behalf of the entire management team and the board, I would like to extend our warmest greetings to all our shareholders, analysts, and the partners for a very happy Diwali and a prosperous new year ahead.

I am incredibly delighted to connect with our valued shareholders, institutional investors, research analysts, and banking partners Your enduring trust and capital allocation continue to fuel our corporate journey and anchor our long-term growth ambitions. As we reflect on financial and operational milestones achieved during the H1 financial FY27, I am proud, I am proud to report that our strategic roadmap is translating into exceptional compounding financial metrics and, and project execution. We are navigating an extraordinary macro environment India's energy landscape is currently undergoing a historic, once-in-a-generation structural transformation driven by the government's aggressive national decarbonization targets, the rapid grid integration of utility-scale renewable energy, massive inter-regional transmission lines, and increasing power demands of the emerging sector like AI data centers and advanced manufacturing hubs.

The transmission and distribution sector is enjoying a powerful structural tailwind. At Viviana Power Tech Limited, we are not mere spectators of this growth wave. We are actively engineering it. Our relentless focus on execution discipline, advanced engineering capabilities, and highly structured financial management has allowed us to consistently capture the high-value market share. Today I will walk you through, uh, this micro tailwinds, uh, have translated into a robust operation, operational breakthroughs, rock-solid financial performance, and the balance sheet optimization for exceptional, uh, exponential scaling.

During the FY27, during the first half of FY27, our top line, top line momentum has been, has been, uh, nothing shorter of stellar. Supported by highly synchronized supply chain and accelerated project execution, our revenue from operation expanded aggressively. This builds strongly on momentum we established when existing FY26 year-on-year, where our annual net profit surged nearly 194% year-on-year to hit the Rs 50+ crore milestone. For H1 FY27, our financial scaling has progressively progress remarkably, reflecting a multifold expansion compared to our historical baseline.

This trajectory is further validated by our latest, uh, latest board disclosure, which showed that Q2 alone our revenue reached an impressive Rs 117.21 crores, translating into a standalone quarterly net profit of Rs 11.68 crores. Crucially, Our massive scaling has not diluted our profitability. Instead, our structural operational leverage is shining through thoroughly cleanly. We have successfully defended our core operational margins. Our EBITDA continues to track at highly robust levels, comfortably maintaining at a healthy double-digit operational margin.

The performance is backed by material cost control, strong value engineering, and optimal resource utilization across all active project sites. Driven by the tactical shift towards high-value EPC projects, exceptional execution- our PBT and PAD have recorded phenomenal multifold expansion year-on-year. Our PAT margin continued to hold above 9%, underscoring Viviana's ability to efficiently convert top-line revenue into clean, high-quality cash earnings. As of 30th September 2026, our balance sheet remains heavily fortified.

Total equity stands robust, reflecting strong internal accruals and capital preservation. We maintain

a sharp, uncompromising focus on cash flow, ensuring that our growth does not expose the organization to liquidity or leverage stress. Scalability at Viviana is driven by execution efficiency, not just volume. Regarding margins, a significant portion of our order book consists of contracts equipped with price variation clause, with price variation clause protecting us from the sudden commodity shocks.

For fixed-price components, we actively employ a proactive procurement policy, locking up material inputs at the time of project award. As we transition deeper into complex-oriented KV structure and vertically integrate our supply chain design optimization and bulk economics will help us to maintain our targeted OPM band of 13 to 15%. We remain focused on profitable growth rather than closing- rather than chasing low-margin volumes. Moving deeper into the mechanics of our balance sheet, let us address our working capital reserve.

Scaling from an annual turnover base of Rs 501.67 crore in financial '26 towards a sustainably larger execution run rate in FY27 plays neutral, escalating demands on EPC firms' working capital. Acknowledging this, management has explicitly pivoted its primary operational mandate towards maximizing cash conversion efficiency. Because, because utility and substation EPC contracts inherently involve milestone-based billing cycles, regulatory approvals, and customer retention, money tracking and minimizing our day sales outstanding Remains so vital daily, vital daily discipline.

Working capital limits and non-fund-based credit limits with our consortium, with our banking partners, are continuously optimized. This ensures that large-scale material procurement for high-level projects does not compress our free cash flow. We align our billing closely with project progress to ensure transfer milestone based invoicing as soon as physical work is completed. the company has demonstrated a significant improvement in its working capital cycle, with data reducing to nearly 150 and days as of 31 September 2026 compared to 245 days as of 31 March Reflecting a reduction approximately 54%.

I am incredibly proud to announce that Viviana's order book has scaling dramatically from its historical level of over Rs 1,000 crore to new now Rs 1,800 plus odd crores including BSS. This is amazing. The massive expansion has been propelled by national grid rewiring programs, renewable energy evacuation mandates from remote solar, wind pockets, and specialized industrial infrastructure demand. Looking further ahead, our ultimate strategic vision is to position Viviana Power Tech Limited to actively participate in tariff-based projects and massive national infrastructure tenders ranging from Rs 1,000 crore to over Rs 2,000 crore within the next couple of years.

While larger-scale projects can carry competitive pricing dynamics, we are confident in maintaining our historical profitability bands through superior engineering, proprietary execution efficiency, and optimized source across our project sites. Our immediate priority is the timely execution of our existing order book, upholding pristine safety standards, and securing rapid milestones. Beyond traditional T&D, We are strategically positioning Viviana Power Tech Limited to capture high-growth emerging business opportunities.

This includes participating in renewable energy integration, grid connectivity, power infrastructure built specifically to serve hyperscale data centers and modern industrial corridors, transitioning every rupee of revenue into sustainable compounding returns for our shareholders. Our focus will be on improving operating efficiency, controlling overhead, optimizing financing costs, and maintaining profitability as the business expands. Based on our S1 performance and our visibility for

S2, we remain confident in meeting our internal operational targets and delivering compounding sustainable value to our investors throughout FY27 and beyond.

To summarize the first half fiscal year 2026-27, We have delivered robust top-line growth, uh, held our double-digit operational margins, preserve a net margin exceeding 9%, and expanded our order book. Revenue from operation of Rs 189.07 crore during H1 26-27 compared to Rs 69.33 crore in corresponding period of the previous financial year. This represents strong year-on-year growth, approximate 173%. Profit before tax increased to Rs 25.60 crore compared to Rs 9. 13 crore profit after tax to 18.61 crore against 6192 crore in FY 2025-26 representing growth approximately 169 percent now with this I would like to request Mr Naresh Prajapati our VP finance to share his insights on the business and finance

Naresh Prajapati - VP Finance, Viviana Power Tech Ltd.
Thank you, Deepesh, for detailed insights on the financials. Uh, good evening everyone and happy Dhanteras to all of you. I would like to share some insights into our business operations, execution priorities, and the opportunities we are pursuing across the power infrastructure sector. Viviana Power Tech has developed a strong operating presence in the power transmission and distribution segment, with experience in executing projects involving transmission lines, EHV substations, distribution networks, and underground cabling.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Our

Naresh Prajapati - VP Finance, Viviana Power Tech Ltd.
Business is supported by established relationships with state utilities, government entities, private power companies, and renewable energy developers. We continue to participate in project opportunities through competitive bidding and other contractual arrangements. Present, our order book of about Rs 1,800 crores provided meaningful pipeline for future executions. Our focus is on timely project delivery, efficient resource utilization, and maintaining execution standard across our ongoing projects.

From an industry perspective, India's growing electricity requirements, renewable energy capacity additions, and strengthening of the national transmission network are expected to drive continued demand for power infrastructure. We are also evaluating opportunities in emerging segments such as the BESS battery energy storage systems, renewable energy integrations. With the increasing share of renewable energy in power mix, grid stability, energy storage, and associated electrical infrastructure are becoming important areas of development.

Our approach is to leverage our existing EPC experience and technical capabilities to participate in this opportunities while continuing to strengthen our established P&D operations. Geographical expansion, customer relationship discipline, project selections and execution efficiency will remain important priorities for us. We remain focused on building a scalable power infrastructure business with diversified opportunities and sustainable long-term growth potentials. Looking ahead, like, our priorities will remain centered around 4 key areas like sustainable growth, like supporting business expansion while maintaining healthy operating margins, cost optimizations, which improving operational efficiencies and maintaining financial discipline, working capital efficiency by strengthening receivable collections, money management, and cash conversions.

Last but not least, shareholder value, improving the quality of earnings and generating sustainable

returns. Thank you everyone, and we now look forward to taking your questions and interacting with all the participants.

Questions & Answers

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Thank you very much. We will now begin the question and answer session. Anyone who wishes to ask a question may press star and 1 on the touchtone telephone. If you wish to remove yourself from the question queue, you may press star and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we'll wait for a moment while the question queue assembles. The first question is from the line of Neil from Dharti Limited. Please go ahead. Hey, this is Neil from Dharti Limited.

My first question is, the company reported like strong revenue growth of approximately 178% year-on-year in H1 FY27. I just want to know what were the 3 key drivers behind this growth and how much was contributed by higher project execution versus new orders? Thank you for your question. Would you like to Listen it again, the last part of your question. The last part was like how much was like contributed by like higher project execution versus new orders. So the projects which we executed, mainly the reason was execution capability, strong order book, the team which we have, and The average project timeline tenure is at least 9 months to 24 months.

So all the projects which we executed in H1 was existing orders. The new, we added around Rs 1,900- Rs 1,090 crores in H1. Okay. Um, one more question I have, uh, like what is the company's current, uh, like net debt position and, uh, does management expect, uh, borrowing requirements to increase as execution scales?

Dipesh Patel - Chief Financial Officer, Viviana Power Tech Ltd.
So management is, uh, looking forward to working capital requirement and all that. The management is actively, uh, participating with the bankers and on a continuous basis the bankers are with a transaction plus negotiation So any execution may not be just delayed just because of lack of- lacking of financial instrument or working financial- I mean to say working capital requirements. So as and when required, as we forecast, let's say for a quarter, that this much amount will be required for the execution for this S1 or S2 for the next year, we dive into active participation with banks.

That easily help us for new facilities, assignments, etc.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
That's all I wanted to ask. Thank you so much. Happy Diwali to you guys. Thank you. Same to you. Thank you. The next question is from the line of Achut Pabat from Deekshant Capital. Please go ahead.

Achut Pabat - Analyst, Deekshant Capital
Generally, our margins are around 14 to 15% since last few quarters, but if we compare with September 2025, margin decreased from 19 to 15. Is there any one-off in September 2025, or why the margins, uh, the difference from 19 to 15 in margins?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
There is a negligible decline in net profit. As you can see in our balance sheet, the employee cost which gets higher in particularly H1, it will get settled in H2 because the revenue in H2 will be much

higher, but the cost of the employee would be same. So in particularly entire financial year, the cost would be same and We will able to maintain the margin which we have targeted as well as achieved in last year.

Achut Pabat - Analyst, Deekshant Capital
Okay, but I mean particularly in September 2025, your posted margin is 19%. But I mean is there any one-off in September 2025? Why the 19%? I want to understand.

Naresh Prajapati - VP Finance, Viviana Power Tech Ltd.
I think you are looking for a consolidated financial or standalone financial

Dipesh Patel - Chief Financial Officer, Viviana Power Tech Ltd.
Statement. So as of we can say that regarding the margin, the security portion of our order book consists of contracts equipped with a price variation clause, protecting us from the sudden commodity shocks. For fixed-price commodities, we actively employ aggressive procurement policies, looking into material inputs at the time of project awarding.

Achut Pabat - Analyst, Deekshant Capital
So it's like going forward, is 14 to 15% sustainable, sir, in long term?

Dipesh Patel - Chief Financial Officer, Viviana Power Tech Ltd.
On a long-term side, uh, we would be able to maintain a bracket of 12.5% to 15%, uh, operating margin profit.

Achut Pabat - Analyst, Deekshant Capital
Okay. And, uh, seeing the H1 execution, as I know that you are generally H2 heavy, but you made around 200 crores in H1 and your guidance is around 850 to 900 crores. So how is it going on? Are we on track to achieve the guidance this year?

Dipesh Patel - Chief Financial Officer, Viviana Power Tech Ltd.
Yeah, definitely. Uh, if you have seen the historical order book of the company in the past 5 years, something, uh, past 5 years, so company is, uh, on an average having a through the order book throughout the year and execution also is, uh, occurring for throughout the year. So, uh, earlier to earlier to the 2 to 3 years before, the major sales, uh, I mean, even in last years, if I see, uh, the total sales was concentrated in the Q4 itself, but now the order books are in hand and exhibition is going on a timely manner.

So we can see that, uh, travel will be, uh, distributed, or we can say accrue throughout the year. So, uh, there will be no any concentration for any particular quarter or in particular month.

Achut Pabat - Analyst, Deekshant Capital
Okay, so, so from next year onwards, uh, can we see H1 stronger? I mean, instead of, uh, uh, more towards- gradually,

Dipesh Patel - Chief Financial Officer, Viviana Power Tech Ltd.
You, uh, gradually the, the- we can see that the H1 will be stronger and, uh not as true. So, uh, on, uh, as far as we, as far as we, uh, bucket our order books by participating in the much value orders that our government are floating on the floor, uh, so there will be a gradual and steady increase, uh, throughout the year and not particular for any quarter or month, as I said earlier.

Achut Pabat - Analyst, Deekshant Capital
Okay, sir, understood. And one more question is, I think recently you, uh, cancelled the fundraise. So what is the plan for funds in future?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
So, uh, we have planned for issuing the warrants to promoter and promoter groups, but, uh, as we are seeing the incredible response from the outside investors also and even existing investors, so we are going to raise the funds through rights issue. So we have already, uh, posted it on the Excel for the same.

Achut Pabat - Analyst, Deekshant Capital
Okay, and what is the closing order book target, sir, for this financial

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Year? So for this financial year, at present it's more than 1,800, and we have participated in the bids of more than 1,900 crores. So, uh, we would be carrying forward the order book of at least 800 to 900 crores for next financial year.

Achut Pabat - Analyst, Deekshant Capital
Okay, sir. Thank you so much.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Thank you. Participants who wish to ask questions may press star and 1 at this time. The next question is from the line of Ria from Best Choice. Please go ahead.

Ria - Analyst, Best Choice
Yeah, hi, good evening. Uh, so I wanted to ask, are there any major projects, uh, currently facing execution delays or land acquisition challenges or approval-related issues?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Yeah, good evening, ma'am. So, uh, Viviana has done the achievements, the milestones which we have achieved so far is through the execution capabilities. And we are the one who has completed any RDSS project. We were the first one in entire country who has completed any RDSS project. So execution capabilities are main focus. There is no such issues or challenges we are facing in terms of any land acquisition or execution in any of the projects. At present, we are working in 3 states- Punjab, Gujarat, and Kerala- and in each state, the projects are going on a speedy manner.

Ria - Analyst, Best Choice
Okay, uh, I also have another question. Uh, so what proportion of the order book comes from the government utilities versus the private sector customers?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
So till FY 2024, it was 90% from private entities and 10% from government utilities, but at present it's almost more than 90% from government utilities.

Ria - Analyst, Best Choice
Okay, okay. Uh, one more question. Uh, how does the company assess the margin profile of its existing order book? Compared with recently awarded projects?

Naresh Prajapati - VP Finance, Viviana Power Tech Ltd.
Uh, basically margin is purely depend on the scale of operations. Now as such, like we told you, we have projected a turnover around Rs 650 crores in next, uh, H2. Okay, so definitely we need to focus more on cost optimization Like improving operational efficiency and also better working capital management. So there is only 2 major expenditures which is related to this project, like you can see manpower and the financial cost. If efficiently we manage these 2 things, definitely will contribute towards the bottom line, give more margins.

We have taken sufficient steps to like go ahead, given a priority to these all factors. To improve the margins.

Ria - Analyst, Best Choice
Okay, thank you.

Naresh Prajapati - VP Finance, Viviana Power Tech Ltd.
Thanks, Ria.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Thank you. Before we take the next question, we would like to remind participants that you may press star and 1 to ask a question. The next question is from the line of Purva Shah from Growbiz Fund. Please go ahead.

Purva Shah - Analyst, Growbiz Fund
Hello, am I audible?

Naresh Prajapati - VP Finance, Viviana Power Tech Ltd.
Yes, yes,

Purva Shah - Analyst, Growbiz Fund
Thank you for the opportunity and congratulations on the good set of numbers, sir. I have 2 questions. One is on the H1, H2 revenue contribution, which you already mentioned in a question asked by another participant on the call. So you mentioned that H1 would be slightly higher compared to, uh, uh, last year's. Uh, so could you give a- give some number around- so what would be the contribution? Will it be about 40-60 H1, H2, or 30 30-70, uh, in the range?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
So, uh, till last year it was, uh, 20-80. So this time we have to 30-70, and from next year onwards it would be 40-45% contribution in actual we can expect.

Purva Shah - Analyst, Growbiz Fund
Okay, understood. And I just wanted to ask one more question, uh, what is our order pipeline right now?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
So at present, the unexecuted order booking excluding BESS is more than 1,800%. We have participated bids of more than Rs 1,900 crores. Among these, we are expecting considerable amount of orders.

Purva Shah - Analyst, Growbiz Fund
Okay, and we have, um, our conversion rate is around 30% if I'm not wrong.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Yeah, 25 to 30% so far from last year.

Purva Shah - Analyst, Growbiz Fund
And what was the BESS, um, order book right now?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
It's Rs 506 CR.

Purva Shah - Analyst, Growbiz Fund
And any current bidding that we are already participating in?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
We are bidding as a BESS EPC, uh, not as a developer.

Purva Shah - Analyst, Growbiz Fund
Yes, I understand, but around the- I wanted the pipeline book.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
So in BESS, we have participated in the bids of around Rs 350 crores.

Purva Shah - Analyst, Growbiz Fund
Rs 350 crores additionally. Okay. And, uh, by what time do you see all of these converting into order book? So

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
It depends upon many factors they are driving. So by end of Q3 or in January, we can see technical as well as commercial opening of the bids.

Purva Shah - Analyst, Growbiz Fund
Okay. And, and the, and the bidding pipeline, from that, how much is from the public sector again? Is it around the range of 90%?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Yeah, it's around 85% is from public sector.

Purva Shah - Analyst, Growbiz Fund
Okay, understood. So my specific question here, uh, this was because, um, a very close competitor of ours in the same geography are getting huge order books in the recent times. So do you see any such good order book coming in for you?

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
So we will immediately post once we get any order in our hand, so it will get posted immediately.

Purva Shah - Analyst, Growbiz Fund
Okay, understood, sir. Thank you and all the best.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Thank you. Ladies and gentlemen, in order to ask a question, you may press star and 1 now. Participants who wish to ask questions may press star and 1 at this time. Participants, if you wish to ask a question, you may press star and 1 now. As there are no further questions from the

participants, I now hand the conference over to Ms. Chandni Patel for closing comments.

Chandni Patel - Investor Relations, Orem Connect
Thank you everyone for joining the call today. On behalf of VIVIANA Power Tech Limited, we appreciate your time and participation. For any further queries, please reach out to us at letconnect@orim.in. Thank you.

Richi Chokshi - Whole Time Director, Viviana Power Tech Ltd.
Thank you. On behalf of Orym Connect, that concludes this conference. Thank you for joining us, and you may now disconnect your line.