



Power & Instrumentation (Guj.) Limited

AN ISO 9001 : 2008 COMPANY

CIN : L32201G1983PLC006456

Date: February 17, 2025

To, The National Stock Exchange of India Limited, Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai-400051 Scrip Symbol: PIGL	To, BSE Limited Floor 25, P. J. Towers Dalal Street, Mumbai - 400 001 Scrip Code: 543912
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Dear Sir/ Madam,

Sub: Transcript of the Earnings Conference Call for the Third Quarter of Financial Year ended on March 31, 2025.

In furtherance to our Intimation of Earnings Conference Call dated February 14, 2025 and pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Transcript of the Earnings Conference Call held in connection with the Un-Audited Financial Results (Standalone and Consolidated) of the Company for the Third Quarter of Financial Year ended on March 31, 2025 held on Friday, February 14, 2025, is enclosed and is also available on the website of the Company.

We request you to take the same on record.

Thanking You,

Yours truly,

For, Power and Instrumentation (Gujarat)Limited

Maunishkumar Gandhi
Company Secretary & Compliance officer



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“Power & Instrumentation Gujarat Limited
Q3 FY '25 Earnings Conference Call”

February 14, 2025



MANAGEMENT: **MR. PADMARAJ PILLAI – MANAGING DIRECTOR –
POWER & INSTRUMENTATION GUJARAT LIMITED**
**MR. ROHIT MAHESHWARI – CHIEF FINANCIAL
OFFICER – POWER & INSTRUMENTATION GUJARAT
LIMITED**
**MR. MAUNISH GANDHI – COMPANY SECRETARY –
POWER & INSTRUMENTATION GUJARAT LIMITED**

MODERATOR: **MR. GANESH NALAWADE – KIRIN ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to the Q3 and 9 months FY '25 Earnings Conference Call of Power & Instrumentation Gujarat, hosted by Kirin Advisors Private Limited. 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ganesh Nalawade from Kirin Advisors. Thank you, and over to you, sir.

Ganesh Nalawade: Thank you, and good afternoon, everyone. On behalf of Kirin Advisors, I welcome you all to the conference call of Power & Instrumentation Gujarat Limited. From the management team, we have Mr. Padmaraj Pillai, Managing Director; Mr. Rohit Maheshwari, CFO; and Mr. Maunish Gandhi, Company Secretary.

With that, now I hand over the call to Padmaraj Pillai. Over to you, sir. Mr. Padmaraj Pillai, please go ahead.

Padmaraj Pillai: Good morning to everyone. We thank you all for joining us on this call to discuss the performance of Power & Instrumentation Gujarat Limited for the third quarter of FY '25. I'm very pleased to share our financial and operational highlights, along with our strategic initiatives aimed at driving continued growth and function of the company. Since our establishment in 1975...

Moderator: I'm sorry to interrupt, Mr. Pillai, you're not quite audible. Could you come a little closer to the microphone, please? Thank you.

Padmaraj Pillai: Since our establishment in 1975, we have built up a very strong reputation in the electrical contracting and the equipment industry. Our expertise in engineering, procurement and construction solutions enabled us to deliver end-to-end services in the electrical field ranging from the building segment to transmission and generation.

With a proven track record of timely completion of the projects, we continue to expand our footprint across the country. Our strong presence in Rajasthan, recent expansion into Himachal and the ongoing projects of Jharkhand and Assam, reinforce our ability to provide comprehensive power solutions. As we grow, we remain committed to excellence, reliability and innovation in supporting India's evolving energy infrastructure.

This commitment comes even more critical at a time as India's power sector undergoes a rapid transformation. The government has unveiled a INR9.15 lakh crores initiative to reinforce the national grid and enhance energy security aiming to meet the projected demand of 455 gigawatts by 2032.

As a part of this, the new intrastate transmission system schemes have been introduced to evacuate 9 gigawatts of renewable energy from Rajasthan and Karnataka, aligning with India's target of 500 gigawatt renewable energy capacity by 2030. While renewable energy additions

are expected to surpass 35 gigawatts in 2025, further acceleration is crucial to achieving the long-term sustainability goals.

In the union budget, the government also announced incentives for electricity distribution reforms and interstate transmission expansion, enabling additional state borrowing of 0.5% of the GSDP. This measure aims to strengthen the power infrastructure and improve the financial viability of this sector.

On the infrastructure front, Indian aviation sector is set up to attract more than 25 billion investments by 2027, with airport projects in pipeline, including new terminals in cities like Hisar, Jammu, Srinagar, Lucknow to just name a few. Almost around INR1 lakh crores investment plan aims to expand the airport network from 135 to 200-plus in the next few years.

With our expertise in electrical EPC solutions, we are well positioned to contribute to this transformative developments expanding transmission networks, integrating clean energy solutions and supporting industry electrification aligned seamlessly with all our capabilities.

As a transitioned to the sustainable energy ecosystem, we are poised to play a very key role in executing large-scale projects in the infrastructure and capitalizing on the growing demand of renewable energy.

Now coming back to the operational front, our acquisition of the majority stake in Peaton Electrical Company Limited marks a very transformative step in our expansion strategy. Apart from already being associated with TAL Germany, PECL has also secured a prestigious license from Siemens to manufacture and sell SIEPAN's 8PU co-branded switchboards.

This partnership is expected to generate very strong synergy, strengthening our manufacturing capabilities, broadening our product portfolio and expanding our market reach. As known to all, Siemens has always been at the helm of the changing technologies and advancement. And this addition of Siemens-certified product further enhances our reputation as a provider of advanced electrical solutions.

Furthermore, in January 2025, we've also secured an order from A2 Green Energy Private Limited for supply, installation, testing and commissioning of solar plant and equipment for a power project in Latur district, Maharashtra. This project marks a significant milestone for PIGL as we make our foray into solar EPC segment.

With India advancing into clean energy agenda, we're excited to contribute meaningful to the nation's renewable energy transition. Entering this space presents new opportunities to us, and we are committed to strengthening our execution capabilities to take on large-scale renewable energy initiative in future.

Looking ahead, we remain very focused on leveraging the strategic achievements to drive certain growth, while continuing to deliver excellence in all our endeavors. I am pleased to report that we have achieved a very strong financial performance in quarter 3 and the 9 months of FY '25.

In quarter 3 FY '25, our consolidated total income reached INR34.14 crores, reflecting an impressive year-on-year growth of 120.32%. EBITDA increased to INR4.47 crores marking a 104.18% year-on-year rise with a healthy EBITDA margin of 3.05%.

Net profit for this quarter came in at 13 point -- sorry, net profit for the quarter came in at INR3.12 crores, representing an exceptional 277.72% year-on-year growth with a net profit margin of 9.14%.

Additionally, our EPS rose by 198.46% year-on-year to 1.94. For the 9 month FY '25, total income was INR115.89 crores growing by 86.57% year-on-year. EBITDA for 9 months reached INR14.16 crores reflecting a 86.31% year-on-year increase and delivering an EBITDA margin of 12.22%. Net profit for 9 months was INR8.95 crores, up by 177.91% year-on-year with a net profit margin of 7.72%. Also, our EPS rose from 118.43% to INR5.57.

Coming to stand-alone performances. We have delivered a steady growth trajectory in quarter 3 FY '25. Our total income stood at INR34.14 crores with an EBITDA of INR4.47 crores, reflecting a EBITDA margin of 13.01%.

The net profit for quarter came in at INR2.18 crores, translating to a net profit margin of 8.43%. As a result, our earnings per share stood at INR1.79. For the 9-month period ended FY '25, our total income reached INR115.89 crores with an EBITDA of INR 15.16 crores resulting in EBITDA margin of 12.22%. Our net profit for this period stood at INR8.64 crores with a net profit margin of 7.46%, leading to an EPS of INR5.38.

This strong results underscores our operational excellence and strong financial position, paving the way for the sustainable growth. Moving forward, we are strengthening our focus on the R&D to drive innovation and introduce advanced products ensuring we remain at the forefront of the evolving energy sector.

With India's rising power demand, PIGL is committed to expanding its operational footprint, enhancing the project execution capabilities, reinforcing its leadership in the electrical contracting industry.

Thank you for all your continued support. I look forward to sharing more insights during today's call. But now with this, I now leave the floor open for the questions. Thank you.

Moderator: Thank you so much sir. The first question comes from the line of Swaraj Singhania, an individual investor. Please go ahead.

Swaraj Singhania: My first question is, can you please share some insight on your working capital management? And whether you foresee any challenges in receivables or cash flow management?

Padmaraj Pillai: No, we don't see any challenges right now in receivables because the good part of it is that, as you can see from the budget also and as you can see from the last year budget also, government is quite focused right now on the energy segment in terms of the -- sector that is starting from the generation right up to the distribution part.

I mean the government is very focused on reducing the losses, increasing the transmission lines, providing -- better because what has happened is that I think now energy is the key solution to everything, which is -- which I think should be delivered to each and individual, industry. Everywhere it should be available in abundance so that the growth is not stopped. So looking at the commitment from the government at this juncture of time, we don't see any kind of such issues.

Swaraj Singhania:

Okay. As there is a significant increase in our business volume, so how PIGL is scaling its execution capability, including manpower, project management and supply chain enhancement?

Padmaraj Pillai:

Yes. So we've already started -- we've already started process about 1.5 years back. We have recruited senior people on the management level. We've also increased our staff strength on the supply chain management part. We've also increased our manpower on the execution front at the site level.

So this has been already -- I mean as we look forward to what was happening and we were very sure, like that is how the next changing or the next shape of the company is going to be, we're working on it. And as on date, we are still on the hiring mode. And I mean, the HR is doing a wonderful job.

Swaraj Singhania:

Okay. And my last question is, could you please provide an update on your current order book and its expected execution time line, including the split between government and private sector?

Padmaraj Pillai:

Okay. So basically, the current order book is almost about INR350 crores-plus, which is under execution and the execution time line is anything between 1.5 years, so 18 months to 20, 24 months, all these projects have to be completed.

Coming back to the part of the split-up between the -- both in terms of the private and the government. So the point is that maybe the split-up is about 80-20 kind of the situation or 90-10 kind of a situation because most of the projects that we are doing transmission distribution, I mean are all related to the government side only.

Moderator:

The next question comes from the line of Shlok Dave from CAO Capital.

Shlok Dave:

Sir, just a clarification. You said INR350 crores order book to be executed over 18 to 24 months, right?

Padmaraj Pillai:

Right.

Shlok Dave:

Great. Sir, you mentioned in the opening remarks that the budget allocation has increased. So how much -- the number is known what the government is saying that they will spend. But according to you, what kind of percentage increase in outlay every year will we see based on this new targets that they have set?

Padmaraj Pillai:

So I'll put it this way. Shlok just to give you insight on the current market scenario and situation. What is happening is that with the generation, the focus of the government to -- on the renewable sector to be -- I mean, like the main focus is on the renewable sector. And with the kind of

generation -- increase in the generation, the government is right now very much, very much keen to create the transmission lines and develop the distribution network in the coming years so that both come at the same parity at the same time.

Because if you would generate and if you don't have the transmission line and distribution network, I mean you still just going to -- I mean, sit on a, I mean, like a dead dog. And exactly understanding which particular thing, the outlay that has been given by the government, I mean, I do understand that there would be -- I mean, they would not be able to -- I mean, completing what they're saying in every year whatever they've targeted.

But then still have some rate, I think, around 60%, 70% of it has to be achieved because without that, it's definitely going to be a failure. So that's the reason why the government is coming off at the right time with the right -- I mean like you look at wherever the generation is being targeted at that location, we're also targeting the same thing on the transmission part as well as distribution part.

So I think the outlay of whatever -- I mean the total picture, what they have said. So let's say if they have said that we're going to spend INR100 in the next 5 years I'm very sure that, that INR100 will get spent, if not 5, but the sixth or the seventh year. So that's the only difference that's going to come in.

Shlok Dave:

Understood, sir. Sir, because I am also getting it from the renewable guys that their demand is looking very, very solid. Their pipelines are looking very solid. So obviously, they need the transmission capex. But would you say looking at the number that they've set, the few lakh crores that they are saying, would that actually mean an increase in whatever has been the run rate of spending by the government as of now?

Padmaraj Pillai:

So I'll say it in this way. See the government has also alternatively come up with a lot of other solutions like private players coming into picture, putting up their own -- what we call that -- transmission substations and lines and the government is taking it on kind of thing. Those kind of models have also been done to compensate on the part so that the government will not be able to perform or something like that.

Because the point is see, the generation part is very clear. It is going to happen. There's no stopping. So once you do that, if you do, you can't effectively evacuate it. It is definitely going to be a dead duck. So considering that quotient, I mean, the government is making all kind of efforts to make sure that the parity is there between the generation and the distribution along with the transmission.

Shlok Dave:

Understood. Sir, final question from my side. The order book that you have given, obviously, there has to be an acceleration from your side. The company has to now start accelerating the execution. So when do we see that? Will we see Q4 onwards? Like you guys really putting the foot on the paddle or will you require some more time. There's more to...

Padmaraj Pillai:

No. So we have already put on the paddle. But the point is -- see, I mean, like when we are in the execution mode of the project, there are multiple things at play. Now if you look at the figures

that we've given in the last 3 quarters, it will -- make it evident that as considered to the last year, this year, we've already started achieving ourselves from the second quarter itself.

So we have already started doing it. The point is that there are new -- there are already the projects in hand, there are new projects that are going to come up. And we are already reshaping the company in terms of getting people, getting senior people on the board, we are trying to develop our supply chain management, we are trying to focus on the execution on time.

So all these things we have already started. So probably whatever change you've seen in last 2 quarters, you will keep on seeing that continuing for -- I mean for all the coming times that we are going to talk about it.

Moderator: The next question comes from the line of Aditi Roy from Patel Advisors Private Limited.

Aditi Roy: My question is, given the increasing competition in the solar EPC space, how does PIGL differentiate itself in terms of executing capabilities and technology adoption?

Padmaraj Pillai: Ma'am, you'll have to repeat your question because the volume is too low.

Aditi Roy: Given the increasing competition in the solar EPC space, how does PIGL differentiate itself in terms of execution capabilities and technology adoption?

Padmaraj Pillai: So you're talking about the competitive atmosphere in the solar segment?

Aditi Roy: Yes, sir.

Padmaraj Pillai: Okay. So you want to ask me, how do I differentiate myself from rest of the players?

Aditi Roy: Yes, sir.

Padmaraj Pillai: Okay. So the beauty of us is that we are a transmission distribution company coming into the solar EPC. The rest of the people out there are the solar companies. So they actually -- they actually have a tendency of just doing the solar EPC and giving out the distribution and transmission to companies like us.

So what we can contribute on a full basis is that we can give them a complete solution, wherein our expertise lies in the most critical part of it. Solar panel installation is not as critical as the evacuation part, as the transmission part.

So we are more expert on those parts, which normally all the solar companies have been outsourcing or whatever. So we have the in-house capability. So I think when I would be delivering the project, I would be delivering it in completeness and my expertise in the transmission and the distribution is definitely going to enhance the work experience of the client.

Aditi Roy: Okay, sir. And I have one last question. Your first solar project in Maharashtra is valued that around INR17 crores for 5 megawatts EC solar power project. Can we expect a steady flow for such projects? And are there any large-scale opportunities in the pipeline?

Padmaraj Pillai: So there are many large-scale opportunities in the pipeline. So we are only consolidating our place. We'll be going one by one. we'll be taking it. We'll be taking it as the project comes in, but definitely, we'll be looking at mega size project in coming times.

Moderator: The next question comes from the line of Rushikesh Jokare, an Individual Investor.

Rushikesh Jokare: I just wanted to know, we were in the talk with PECL for reactive power thing, any update on that?

Padmaraj Pillai: Okay. On the reactive part of side, the point is that we have presented our papers to a lot of utilities, and we've been in discussion with them. We are still waiting. We're still waiting in the terms of the execution side of it because the government is definitely going to come out with a few policies as far as this is concerned.

This being an additional expenditure to the currently solar as well as the players. I mean they are not wanting to spend money and they're still waiting that if the policy is implemented like there are papers which have come in, there are notifications that have come in. So once -- I mean those notification become really serious and the government gets serious, we see a lot of business coming up.

Rushikesh Jokare: Yes. I was asking it may take 1 or 2 quarter more, if I'm right?

Padmaraj Pillai: Right. You're taking about reactive energy part?

Rushikesh Jokare: Yes, yes.

Padmaraj Pillai: Let's say, I mean, the point is I told you it's a policy matter from the government. The government wants to do it and every single person wants to do it. The only point is that's been be implemented by the solar companies actually. It is to be installed at there end. So for them, it's an additional capex.

So now the government has to come out, either with the policy you're paying them additional money for that or they make it mandatory that you have to consider it in the cost. I mean that is still to be decided. So I mean, I don't know. It may come this quarter, it may come 2 quarters. I mean, you know how the policies work.

Rushikesh Jokare: Yes, yes, true. Last question. What will be the total addressable market for that? And what share we will get from that?

Padmaraj Pillai: See, addressable market is very, very huge. I mean it is beyond the numbers that I would want to quote at this place. And what we can get out of it, I mean, is that where you are, as I always said, in my previous discussions also, I mean it's about being at the right place, the right time kind of a thing.

We have the technology, we have been, we have it, and we have our team in place, we can give the service and everything. I mean like it's just about, I mean, like where it links and many clicks.

Moderator: The next question comes from the line of Raman KV from Sequent Investments.

- Raman KV:** Sir, can you elaborate more on the part wherein you said you forayed into solar EPC during this quarter? And also your -- the company's development under -- with respect to BESS projects, are there any if?
- Padmaraj Pillai:** What project? BESS, okay.
- Raman KV:** BESS.
- Padmaraj Pillai:** Okay. So the solar part, as I said that we were already going up to the transmission part, we are already providing services. So we were always wanting to venture into the solar EPC part. So this was a good opportunity that we got, so we grabbed it to understand like the other side of it because till this project, I mean, we normally doing -- we were normally doing projects where the evacuation starts. I mean where after the energy gets produced, after the inverter, where the substation starts.
- So we were wanting to also do it on completely on a turnkey basis because we were very sure that we are already the service that we were providing was more critical than the back integration which we are supposed to do. So I mean -- so this is an opportunity we grabbed it and we're looking at much more to come up in future. In fact, we have also, I mean, bid, we are also in discussions. So I mean, this is definitely is a good business and it has a good potential.
- So I mean, we definitely want to explore it. Coming back to, again, the BESS part, it is as same as the reactive power thing. Couple of tenders wear out very recently for the BESS also. But then due to reasons of technology and due to the BESS being very -- at very nascent stage, I mean, SECI and RE and everybody else is trying to frame out the out of framework as to how to take it forward because the requirement is very huge, where would the capex come from and who is going to bid?
- So does it come on a PPA model or does it have to come on a basis of a EPC model? So all these things are under discussion at SECI level also and the Ministry of Renewable Energy also. So probably I told you much more clarity would be -- for BESS would be next year.
- Raman KV:** Okay, sir. Sir, my doubt with respect to the current -- what's the current stake -- of the company in Peaton Electricity?
- Padmaraj Pillai:** What is the current stake of P&I in PECL?
- Raman KV:** Yes.
- Padmaraj Pillai:** That is your question? I think, we've taken it up to 60%.
- Raman KV:** Okay. And sir, out of the current order book of INR350 crores, how much is solar EPC?
- Padmaraj Pillai:** That's the only one project which we've already declared, the INR17 crores that we have declared.
- Raman KV:** Okay. Only one project you had.

- Padmaraj Pillai:** Yes.
- Raman KV:** And sir, I just want to understand the expansion. I mean you guided for like 50% growth with respect to in FY '25 and -- you are in the process of achieving that. What are the expansion plan now? I mean how are you planning to scale the business in FY '26?
- Padmaraj Pillai:** Similar in nature, similar in nature as we push ourselves as we pushed ourselves coming from the second quarter onwards, we place ourselves. We have made our teams, we've made our systems, OE, I mean, like implemented certain changes across I mean we focused on the whole part of it that we have the projects in hand and we need to do it.
- So we need the order flow to be steady, and we need to execute the order, which we already have. So with that focus we are almost achieving what we thought we will. And I think that will be the same thing. I think if the strategy has worked once it definitely is going to work forward also.
- So we are going to hire more people. We're going to have more people coming in, more people looking at the execution. So I think we should be able to deliver what we have been promising.
- Raman KV:** Okay. Sir, and one more question with respect to RDSS. Have been there has been any tender rolled out in recent quarters? And has the company got any tenders with respect to RDSS?
- Padmaraj Pillai:** So we have bid for the -- for RDSS. If you talk about the tenders being floated, I mean, we have -- a lot of tenders have been floated across the country, I mean, under RDSS scheme. And we have also quoted a couple of them, and we're just waiting for those to be -- the tenders to be opened. They are under the technical evaluation. And then post that, they will have the financial opening.
- So they've done the technical opening. And once the technical opening, the technical evaluation is done and the first stage is cleared, then they'll go for the financial opening. So we are waiting for the financial opening. We bid for about 4, 5 of them. So we're just waiting for the opening.
- Raman KV:** Can you give approximate amount of how much did you bid with respect to under RDSS?
- Padmaraj Pillai:** So under RDSS, I think we have bid -- so about close to INR250 crores or INR270 crores.
- Moderator:** The next question comes from the line of Shaurya Punyani from Arjav Partners.
- Shaurya Punyani:** Sir, out of INR350 crores of order book, what is the transmission and distribution part?
- Padmaraj Pillai:** So the transmission, distribution part would be almost close to, I think 90%.
- Shaurya Punyani:** Okay. 90%.
- Padmaraj Pillai:** Yes.
- Shaurya Punyani:** Yes. Okay. And you earlier mentioned the bifurcation between the government and private orders. Can you just repeat it?

- Padmaraj Pillai:** It's kind of the same ratio. In fact, the private projects that we're doing are for a couple -- one of the projects is for the Adani Ahmedabad Airport. So basically, that is the only private job that we're doing. We don't focus on private jobs actually.
- In fact, the other approach that we are doing is direct job from airport authority. So that also category comes under the government segment only.
- Shaurya Punyani:** Okay, sir. And the growth -- so do we expect like a 50% growth in FY '26 as well or maybe '27 also?
- Padmaraj Pillai:** We would make all our efforts to purchase as far as possible. These are just numbers that we're talking. So let's say, we are able to -- I mean, the government has more initiate, the government has more focus, the money is available, why not do more to? I mean there is nothing like it is a figure that we're going to stick to.
- Shaurya Punyani:** Okay...
- Padmaraj Pillai:** It's good. Yes. So we are looking at it. We are very focused about it. That is what our plan is. Just go down, execute, come back.
- Shaurya Punyani:** And sir, any outlook on margins? Like what are the margins you are looking going forward? Like will it be the same range like you're doing now like 10...
- Padmaraj Pillai:** The margins will definitely improve. The margins will definitely improve because the scenario has changed the -- I mean the outlook of the contractors have changed. I mean the number of jobs are available.
- So everybody is looking at to -- I mean, be there, I mean, as I said, so I think what I foresee is that the segment will also see a refined better margin for everybody.
- Moderator:** The next question comes from the line of Mayank Saraf, an Individual Investor.
- Mayank Saraf:** I just want you to know like in our last con-call you had said that we'll be eligible to bid for like tenders worth INR300 crores and more in March -- from March onwards. So can you throw some light on it?
- Padmaraj Pillai:** No. I think I you got the dates wrong. I did say that, but it was end of this year, 2025.
- Mayank Saraf:** Yes. So March end of this year, okay.
- Padmaraj Pillai:** End of this year because I need to finish off one of the projects that I'm doing. And once I do that, I'll have the completion in my hand and that will enable me. That's what I said, roughly by end of this year.
- Mayank Saraf:** Okay. So that is in line, we'll...
- Padmaraj Pillai:** Yes, yes, that's absolutely in line. That's absolutely in line.

- Mayank Saraf:** And how much margins can we expect from the solar EPC part going ahead?
- Padmaraj Pillai:** So let's see, see, this is a very -- as I told you, we entered it. It's very nascent right now to comment about. Because this is the first thing -- the first time that we're doing it. The turnabout is fine. So let's see, I mean like -- see, it all depends upon the size of the project. Larger the size of the project, I mean, you are able to execute faster, the margins are better.
- Smaller the project, it takes the same time. I mean -- and you have to cut short on the margin. So let's see, I mean, as it comes in, we'll be able to give you more clear picture over the next 2 quarters. I mean let's see what happens.
- Moderator:** The next question comes from the line of Priya Jain from Green Capital.
- Priya Jain:** Sir, I just want to understand that what are the operation challenges PIGL is currently facing in its core electrical EPC business?
- Padmaraj Pillai:** What is the...
- Priya Jain:** Operational challenges PIGL is currently facing?
- Padmaraj Pillai:** Okay. So the operations challenges -- we are not facing any of the operational challenges, yes, but the sector challenge right now is definitely a very, very interesting thing is the manpower. There is definitely the sector is really because the last -- I mean, two decades of the Indian engineering, if you look at it, I mean, people were more focused upon IT and on the computer science kind of a thing -- mechanical, electrical or civil was being neglected, which has landed the numbers are going down. Look at it what was 20 years back when we were in our colleges.
- But anyways, I think now people are understanding it. I see a lot of change that's happened in the last couple of years wherein the focus is again started up on core engineering. So we need much better things coming up in another day or another year or 2 to go. So I mean, apart from the quality of the manpower, the manpower pools, I don't see any challenges for this industry.
- Priya Jain:** Okay. I have one more question. Like are there any ongoing process automation or digitalization initiative to improve efficiency and there is certain execution time lines to do that?
- Padmaraj Pillai:** So if you're talking about from my organization point of view, yes, we have been trying to upgrade our supply chain management system. We've been trying to upgrade our storage. We've been trying to update the inventory and everything, I mean, by moving into a more digital space. And we are in the process of getting our systems and tailor-made to suit our systems so that -- I mean everything is available online. So we are doing it, let's see.
- Moderator:** The next question comes from the line of Jairaj Jain from HNI.
- Jairaj Jain:** Sure. And congratulations for a good set of number.
- Padmaraj Pillai:** Thanks so much. It's your good wishes that is driving us.

Jairaj Jain: Yes, yes, sure, sir. So like my first question is like the company has delivered a strong Y-on-Y revenue and profit growth in Q and 9 months FY '25. Sir, can tell us like what are the key drivers behind this performance and whether this momentum -- like momentum is sustainable going forward?

Padmaraj Pillai: Okay. So I'll tell you -- I'll tell about this. See the point is that in our line of business, what's very important the credentials that you built up in terms of your completion certificates, I mean, in terms of the work that you've completed, does not happen over time, it takes you some years to build it up.

So probably about a decade back, we were more of a player in the building segment that we'll be doing airports and we'll be doing government buildings and hospitals and everything. But then a decade back when we ventured into the transmission and the distribution segment, so it took us almost a decade to build up those completions and everything to take up the -- from the small-size project to the medium size and then now we'll be going into the large size.

So that is what has accelerated the growth. And based on those completions which came in about like 4 years, 3 years back, we've been able to take good orders. And I see that with completion of these projects, the ones that we've taken, it will again, accelerate us into the next level of things.

So I feel that what we are seeing right now, what growth we have seen and with the industry being so supportive, the government being so supportive and with people being very supportive about those field because everybody now started understanding one thing is that energy has become the most important part of all our lives.

We cannot survive without that. So people are also taking it seriously. Industries are taking it seriously. So with all these things happening, the good part of it happening, we don't see any slowdown for the next 2 decades at least.

Jairaj Jain: Okay. Great. And recently, when I went through your financials, I have seen that like your company has like surpassed its FY '24 revenue in just 9 months, so congratulations for that. So what can we expect some -- like any kind of similar growth in Q4? And what can one see for like in FY '26 like this expansion?

Padmaraj Pillai: I think we will keep the momentum going because I mean we've got response. We've got orders. We've got team building, and it is an everyday process that's going on. So we definitely see ourselves play in a much better position. And I think the momentum will keep on going. I mean I don't see anything stopping me.

Moderator: The next question comes from the line of Ananya from C square.

Ananya: I just wanted to know if you could provide the guidance for FY '25 and '26 in terms of business, how it would grow and what is the outlook -- growth outlook for it?

Padmaraj Pillai: So Ananya, the point is that, as I have already spoken about it a couple of times today itself, is that, the trust by the government and the trust by the private industry and the outlook of the

people, I mean across, I mean, across Pan-India, if you look at -- if you look at on the global scale also, I mean, power has become one of the most prerequisite thing for any development that you want to do. With taking that into consideration, if you look at our growth, I think it is sustainable and it will keep on going.

And we are placed at the right place, as I told you with the right kind of credentials and our credentials are going to just improve over the period of time. So with all that in picture, I think it's going to be -- the coming years are definitely going to be very good.

Ananya: Okay. That's great, sir. And do you think there is a need to raise funds to execute good amount of order book in hand currently?

Padmaraj Pillai: So I mean, let's see how it goes. I would put it this way that I think my finance team is, like the people they take the call, what is my vision and it is among them what they do, how they manage. And I think they have their time and they have their maps very clear as in what we are looking at, what we are targeting on.

So I think if the time comes right, they think that no, we need to something more. They definitely will do. And if we can do it with this funds that we are accumulating, I think I mean that goes on that way.

Ananya: Also, could you let us know your strategies for backward integration and your entry into solar EPC?

Padmaraj Pillai: Okay. So solar EPC, as I told you, we were already doing the front part of it. So we just thought that why not take it up on a complete basis. I mean and we wanted to -- the idea of it because -- a lot of opportunities, lot of things happening across the country as far as the generation part is concerned. So that's why we pushed ourselves into it.

And I mean we have gone across and taken this project. And as far as the integration is concerned, it was -- I mean it was a strategic call because, we did want to get into manufacturing and we did want to do something like whatever is the new technology that are coming in because ultimately having a backup on manufacturing part is always going to help companies like us.

Moderator: The next question comes from the line of Madhav Soni, an Individual Investor.

Madhav Soni: Yes. So my question is, given the strong expertise in executing government projects, what are the key parameters that differentiate PIGL from competitively securing and delivering such contracts?

Padmaraj Pillai: Okay. So the first and foremost thing is that among the players of my size, probably we are one of the very few companies who have had their experience -- hands-on experience of working across this country because by the virtue of what we are doing previously a decade back, we were doing, as I told, we were doing government buildings like we've done a lot of airports.

So airports doesn't get built every day at one location. So we always have this hands-on experience of having our team being motivated enough to move out of the comfort space, go out

and work. And with that, when we entered into the transmission and distribution sector, I think it just gave us that leverage that we do not restricted ourselves to the parent state or the parent city that we belong to.

We have gone across and we've delivered, we've executed even in spaces which are much away from us. The team has been able to be there. I think that's the most beautiful part. The team -- because the team was mature enough as they were already having the mental capability or moving out of the parent city, I think it did leverage the whole growth process.

Madhav Soni: Okay. Can you -- could you provide any preliminary financial guidance for the full fiscal year?

Padmaraj Pillai: I couldn't get you.

Madhav Soni: Okay. So I just wanted to know if you could give me some guidance for preliminary fiscal -- for this fiscal year?

Padmaraj Pillai: I can give you -- I think I've given you up to the quarter 3, and I think you'll have to wait for the quarter 4.

Moderator: The next question comes from the line of Raman KV from Sequent Investments.

Raman KV: So you said with respect to RDSS, the company has bid about INR250 crores to INR270 crores worth project. So what's the win rate with respect to this?

Padmaraj Pillai: What is the?

Raman KV: Win rate of the company.

Padmaraj Pillai: I think I have answered this question in a couple of sessions before also. See, there is nothing called a run rate as far as this particular kind of bidding is concerned.

Raman KV: Not run rate, win rate.

Padmaraj Pillai: Yes, yes, that's what I'm saying win rate or run rate, I mean, in cricket it is run rate, how many runs that you scored in how many number of balls. So you say the win rate in case of the tender. So there's nothing called a thumb rule or something like that.

It all depends upon the -- it all depends upon the market. It all depends upon the competition. It all depends upon it. In a month, there have been months where we have deposited 3 tenders and we won all of them. There have been months where we have deposited 3 tenders, and we've won all of them.

There have been months where we deposited 3 tenders and we've not got any one. So we don't have a win rate or something like that. And right now, as I said, there is no desperation, there is no desperation in terms of wanting to just pick up orders left, right and center. It is a very thoughtful process right now that we need to consolidate on the order front also, and we need to take a very thoughtful, genuine, mindful call as to what kind of projects you want to do, how you want to take the company forward.

So we've bidding, we've been bidding very, very carefully, very thoughtfully in terms of -- from the execution part of it, in terms of from the monetary part of it, in terms from the bottlenecks of it. So it's been thoughtful. So we're just waiting for the tenders to open up to show us what -- how is the market going to react.

Raman KV: Okay, sir. Sir, also with respect to the order book, which you mentioned of INR350 crores, how much are you expecting it to grow when it comes to the next financial year, like FY '26?

Padmaraj Pillai: So I think the order book should be as what I'm targeting next year, I think I should be adding up whatever the order book we have right now, at least that bare minimum amount will be adding up in the next financial year.

Raman KV: What -- that is like you'll add more INR350 crores of orders, right?

Padmaraj Pillai: We are planning to do at least that much.

Moderator: Ladies and gentlemen, that brings us to the end of the question-and-answer session. I would now like to hand the conference over to Mr. Ganesh Nalawade for the closing comments.

Ganesh Nalawade Thank you, everyone, for joining the conference call of Power & Instrumentation Gujarat Limited. If you have any further queries, you can write us at research@kirinadvisors.com. Once again, thank you, everyone, for joining the conference.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Kirin Advisors Private Limited, that concludes this conference. You may now disconnect.

Padmaraj Pillai: Thank you all for joining, and thank you so much. Looking forward to meeting all of you and discussing again. Thank you so much.

Moderator: Thank you, sir. Have a good day ahead.

Padmaraj Pillai: Good day to all of you. Good day to all of you. Thank you so much. Thank you. Thank you.