



“KEI Industries Limited  
Q4 FY26 Earnings Conference Call”  
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**MODERATOR:** **MR. ACHAL LOHADE – NUVAMA INSTITUTIONAL  
EQUITIES**

**Moderator:** Ladies and gentlemen, good day, and welcome to KEI Industries Q4 FY26 Earnings Conference Call hosted by Nuvama Institutional Equities. 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 Mr. Achal Lohade from Nuvama Institutional Equities. Thank you, and over to you, sir.

**Achal Lohade:** Yes. Thank you. Good afternoon, everyone. On behalf of Nuvama Institutional Equities, we are glad to host the senior management of KEI Industries Limited to discuss the Q4 FY26 and FY26 earnings. We have with us Mr. Anil Gupta, Chairman and Managing Director of the company; and Mr. Rajeev Gupta, Executive Director, Finance and CFO. I will start the call with the opening remarks from the management and then move to Q&A session. Thank you, and over to you, sir.

**Anil Gupta:** Okay. Good afternoon, friends. I'm Anil Gupta, CMD, KEI Industries Limited. I will give brief about the financial results of this quarter as well as the full year. As you must have received all the information already, net sales in Q4 in FY25 to '26 has grown is INR3,476 crores grown by around 19.27%.

EBITDA/net sales margin achieved is 12.21% as against 11.6% in the same period previous year. Profit after tax in this quarter is INR284.31 crores with a growth in PAT with 25.5%. Profit after tax/net sales margin is 8.18% versus 7.77%. So we improved -- could improve it by 0.5% for the same period -- over the same period.

Domestic institutional cable sales B2B is INR804 crores, up around 6% and sales of extra high-voltage cables, B2B is INR188 crores in the fourth quarter against INR115 crores last year with a growth of around 64%. Export sales in this quarter is INR443 crores. Total B2B sales contribution is 40% as against 46% in the previous year same period.

Sales through dealer network, distribution network is INR1,936 crores in fourth quarter against INR1,498 crores with a growth of around 29% in the B2C. Distribution sale contribution was 56% in fourth quarter as against 51% in the previous year same period. EPC sale other than cable is INR123 crores as against previous year same period INR72 crores.

Out of the total sales of EPC, extra high-voltage cable EPC sale is INR106 crores against INR32 crores in the same period last year. Sales of stainless steel wire in Q4 is INR55 crores as against INR46 crores for the same period previous year.

Now I will give you a summary of the full year results, full financial year '25-'26. The net sales in FY25-'26 is INR11,746 crores against previous year INR9,735 crores. Growth in the net sales is 20.66%. However, our Wire and Cable segment in terms of value in FY25-'26 has grown by 22.32% against previous year.

All our cable plants of Rajasthan were operating at peak capacity during last financial year '24-'25 itself and capacity at our Chinchpada plant was added in Q2 of last financial year '24-'25, which resulted to an overall volume growth in financial year '25-'26 by 15% for copper cables, but aluminum was flat. So the net volume increase was 6.21%.

For the current financial year '26, '27, volume growth will come from Chinchpada for wire capacity and for cables, the growth will come from Sanand plant. We are expecting 17% to 18% volume growth in this current financial year, which will mainly coming from Sanand new facility.

You are aware that our Sanand plant was commissioning of first phase was delayed by around 6 months. So we commissioned the first phase in the December '25. And second and last phase is expected to be commissioned in the fourth quarter of FY26, '27. In financial year '25-'26, average copper price increased by 16.85% and average aluminum prices increased by 9.91%.

During FY25-'26, operating margin has improved to 10.46% against 10.18%. EBITDA in this financial year -- full financial year is INR1,387 crores, up by 30.56% compared to last year. EBITDA/net sales margin is 11.81% as against 10.92% in the previous year. So the profit after tax in financial year '25-'26 is INR918 crores with a PAT margin of 7.82%.

Domestic institutional cable sale, wire and cable has been INR2,688 crores. However, the domestic institutional cable sale of extra high-voltage cable is INR559 crores against INR308 crores previous year with a growth of 82%. Export sales achievement is INR1,833 crores against INR1,267 crores. So the growth in export is 45%. So the total cable institutional sales contribution is 42%, which is at par with the previous year.

And sales through distribution network is INR6,349 crores, up by 25%. The total active working dealers of the company as on 31st March '26 was approximately 2,125. Dealer sales contribution is 54% in overall sales. EPC sales other than cable is INR311 crores against INR343 crores. Stainless steel wire sale in full FY25-'26 is INR212 crores at par with the previous year.

Now I will brief you the demand outlook and the future outlook of the company. The demand outlook continues to remain strong. We are very hopeful that whatever we have projected in the volume growth and plant utilization, it will happen.

And we are bullish about huge capex coming up in India in the power transmission and distribution sector, data centers, institutional infrastructure projects like metro rails and railways as well as the construction sector comprising of commercial construction as well as real estate.

Oil and gas sector will continue to remain strong, especially the power generation sector will see substantial growth in this -- in coming financial year, not only in the solar and the wind, but also in the thermal power generation. The data centers will also be a big booster.

We have also commenced -- restarted our exports to United States after the lull in last financial year because of the tariffs. And we hope to do a substantial sale in U.S. this year, taking our export to around approximately 20% of our total sales in the current financial year, which is as

per our previous target. So this is a brief summary from our side. We now look forward to answering your questions. Thank you.

**Moderator:**

Thank you very much, sir. We will now begin to question and answer session. Anyone who wishes to ask question may press \*N1 on the touch telephone, if your wish to withdraw yourself from the question you may press \*N2 and participants are request to use headset while asking questions.

Ladies and gentlemen, we will wait for movement while questions queue assembles.

First question is from the line of Sucrit D Patil from Eyesight Fintrade Private Limited. Please go ahead. Sucrit, your line is unmuted. Please go ahead with your question. As there is no response from the current questioner, we'll move to the next question from the line of Pulkit Patni from Goldman Sachs. Please go ahead.

**Pulkit Patni:**

Sir, thank you for taking my question, I have 2 questions. Firstly, are you witnessing any supply chain issues right now, supply of PVC compound, XLPE, any other sort of supply chain issue? You did mention that freight cost -- on the TV interview, you mentioned freight costs have gone up quite meaningfully, and you are sharing part of that with the customer in the export market. Anything else on that side that you'd like to highlight in terms of cost and supply chain?

**Anil Gupta:**

Thank you. Supply -- as of now, I think we -- none of our plant has suffered because of the raw material issues coming through imports because of the good stocking by us as well as the domestic availability. And our -- only the imports of XLPE from Middle East, especially Abu Dhabi is not happening because of the shipping problems.

Also in March, we witnessed we were not able to ship our goods to Middle East because no shipping line was ready to take the deliveries. Now in April, it has started albeit at a very high cost because the containers are now going to Fujairah and from Fujairah port by land to various destinations in Abu Dhabi and Qatar etcetera, in other countries. So it is a - and in most of the customers are bearing 50% of the differential freight cost from us.

And in cases where our prices were FOB, there the entire freight cost is to their account. But that has also started because they need material. And so it was a -- of course, in March, we suffered. We could have done around INR50 crores more -- INR50 crores to INR60 crores more exports, which could not...

**Pulkit Patni:**

Fair point, sir. Sir, my second question is, I mean, historically, we've done a very good job in meeting our guidance. But our guidance has always been in the high teens to early 20s in terms of revenue growth. You just mentioned right now that 17% to 18% is the volume growth in FY27 that you are targeting from the Sanand facility.

If I was to just make the assumption of where copper is likely to be based on what the last year prices were, then we are talking about at least a 10% to 15% upside that will just come from copper. So is it fair to assume both added together that we could look at more like a 30% revenue growth this year? Or am I reading too much into this?

- Anil Gupta:** No, no. I think if -- what you are saying, if that happens, this will happen. It could happen.
- Pulkit Patni:** Okay, this is clear sir, thankyou so much for taking my questions.
- Moderator:** Thank you. Next question is from the line of Puneet Gulati from HSBC. Please go ahead.
- Puneet Gulati:** Congrats on great performance. My question is if you can elaborate a bit on what has been the key drivers of your margin expansion in this quarter, especially when you face some bit of challenges on the freight side and the Middle East and supply side?
- Rajeev Gupta:** No. What he said is the freight side only related to the Middle East and our Middle East sale is practically very, very less. So it is no impact on the overall...
- Anil Gupta:** What I said is the freight impact coming on the supplies to Middle East. But that freight impact has come in April, not in March because in March, the supply could not happen because of the restrictions on the shipping.
- Puneet Gulati:** Okay. So okay. So no adverse impact there. So whatever 70 bps margin that you lost has more...?
- Anil Gupta:** But I can say that whatever extra freight we are bearing in April, that will be compensated by higher exchange rates, which we will get from our export revenue in those orders itself because those orders were priced at anywhere around INR90 or INR91. So even if we are bearing some extra freight, that will be compensated by the extra revenue from the exchange fluctuation.
- Puneet Gulati:** Understood. And so 17%, 18% volume growth that you guided from the Sanand plant, that's effective from this FY27 itself? And then what sort of another growth should we expect for FY28 based on the second phase?
- Anil Gupta:** Same, same, similar growth will continue to happen because the capacity will keep on coming up and plant will keep on getting stabilized with the more and more supplies going from that plant. We are -- when we set up a new plant, it takes a little while to get that plant approval -- specific plant -- plant-specific approvals also from the customers. And so hence, the ramp-up is always gradual.
- Puneet Gulati:** Okay. So FY27, it is 17%, 18%. '28, it could be a bit more gradual?
- Anil Gupta:** Yes, it will be -- it could be around 20%, yes.
- Puneet Gulati:** Okay. And lastly, if you can also talk about how do you think about margins for the current year?
- Anil Gupta:** I mean on a conservative side, we can now expect around 11% -- anywhere between 10.5% to 11%.
- Puneet Gulati:** Okay, thank you so much and all the best.
- Moderator:** Thank you. Next question is from the line of Achal Lohade from Nuvama Institutional Equities. Please go ahead.

**Achal Lohade:** Okay sir, quick clarification, sir. When you are talking -- you said the wires growth will come from Chinchpada and the cables growth will come from Sanand plant. The 17%, 18% volume growth you said for the cables or the company as a whole? I presume the company as a whole?

**Anil Gupta:** Combined.

**Achal Lohade:** Yes.

**Anil Gupta:** The company as a whole.

**Achal Lohade:** Perfect. The other question I had is in terms of exports, if you could elaborate a little bit as to where we are, what kind of products we are currently exporting and what incremental new product categories can we look at? If you could guide a little bit more to us in terms of the export front -- no, growth as well as the categories and the key drivers or geographies?

**Anil Gupta:** See, we are exporting mainly LT, HT and extra high-voltage cables. Apart from that, we are also exporting control and instrumentation cables for oil and gas refineries. So this is our product -- total product mix and export basket is not different from domestic supplies. So export basket is in terms of products is similar to domestic.

**Achal Lohade:** Understood. And geographies, if you could give us a sense, FY26 export mix?

**Anil Gupta:** Our export -- major export destinations are Middle East, Australia, Africa and now as well as the United States. And we are also exporting to Europe as well.

**Achal Lohade:** Understood. And would it be possible to know what kind of solar cables mix we have, sir, for FY26 at our company level?

**Anil Gupta:** You're talking of solar cables?

**Achal Lohade:** Solar cables, yes sir.

**Anil Gupta:** Solar cables, we are manufacturing power cables. And also now we are manufacturing solar wires by electron beam process. So we have set up this electron beam facilities in our Sanand plant and which has started.

**Achal Lohade:** Got it. So the contribution will be relatively small at this stage, right?

**Anil Gupta:** No, it will. Quarter after quarter, it will keep growing.

**Achal Lohade:** So FY26 will be smaller and FY27 will grow substantially?

**Anil Gupta:** Yes.

**Achal Lohade:** Understood. And would this be a value-added product, sir, in terms of margins or similar margin?

- Anil Gupta:** Yes -- no, no. See, it will be a similar margin. I mean when we talk of EBITDA margins, we talk of all products average together.
- Achal Lohade:** Got it, I will line up back in the queue for further follow up, thank you sir.
- Moderator:** Thank you. Next question is from the line of Balasubramanian from Arihant Capital. Please go ahead.
- Balasubramanian:** Good afternoon sir, thank you so much for the opportunity, Sir, my first question, we have planned around INR2,000 crores kind of investment over next 3 to 4 years post finance I think we also bought Bhiwadi land around for INR92 crores and we also bought a 70 acre land in Baroda?
- So I'm trying to understand like what is the use case of this land and what kind of products are we giving to target for -- in these plants? Is -- we are also planning a backward integration into compounds? I think you are currently highly importing high-voltage compounds?
- Anil Gupta:** We are -- at the moment, we are manufacturing PVC compounds and low tension XLPE compound ourself. But importing and/or procuring domestically medium voltage compounds and extra high voltage are all being imported. So extra high voltage will continue to be imported. However, we will be working on manufacturing medium voltage compounds for ourselves, but that this project will take more -- minimum 2 years because the civil construction to the factory setup takes time.
- Similarly, we are also considering manufacturing our own galvanized steel wire, cable armor wire because we have a substantial consumption of close to 5,000 tons a month, so which makes it economic sense to do that. And other products, what we are -- we will be whatever products in electrical side but in cable industry, which we may be missing, we'll continue to add those plus the newer capacities in our new facilities, whatever will come up in the next 2, 3 financial years.
- Balasubramanian:** Okay. Sir, my second question is we have active dealers of 2,125 but around 100 top dealers contribute 70% to 80% of sales. Basically, 5% of the dealers are bringing 70% to 80% of the sales. And the dealer inventory is typically nearly 15 to 20 days. So I'm trying to understand the remaining dealers are inactive or they are bringing -- they are the low productive dealers? And also -- what is our dealer churn rate annually, sir?
- Anil Gupta:** See, it's not inactive dealer. The major part of 20% dealers which do 20% of the total sales. So the 20% those dealers are anywhere between INR50 lakh to INR1 crores. So they are always -- first, they are operating in the smaller towns, doing small town sales or retail sales.
- And they are mostly operating into 90-meter wire segment because there you require dealers at every nook and corner. So you need a lot of numbers, then only the sale comes. And so far as churning is concerned, I think every year, 10% to 12% is the churning of dealers, some dealers leaves and some new are added.

- Balasubramanian:** Got it sir, thank you for the detailed explanation. All the best.
- Moderator:** Thank you. Before we move to the next question a reminder to the participant's to asking any question you may press \*N1. Next question is from the line of Pathanjali Srinivasan from Sundaram Mutual Fund. Please go ahead.
- Pathanjali Srinivasan:** Hello sir, thank you for the opportunity. I have a couple of questions. So firstly, could you tell us like what is the increase in terms of price? And what is the volume growth for this quarter? And on a year-on-year basis, where do you see things for the next year?
- Anil Gupta:** Rajeev?
- Rajeev Gupta:** So for the full year basis, the copper price increased by 16.85%. And for aluminum increased by 9.91% for the full year basis. Overall, for full year, we have grown for the copper production, that is by 15%, but our aluminum consumption was flat. So overall, the net volume growth for the metal was declined 6.21%.
- Pathanjali Srinivasan:** Got it, sir. So what is the price increase we had to take this year around 8%, 9%? Would that be the number?
- Rajeev Gupta:** We are working on the passing on mechanism. So every price increase is basically pass on mechanism because we are a tender-driven business. So whenever we are quoting, we are quoting on a prevailing market price on that date. Accordingly, we are quoting the price. In all the institutional orders, it gets passed on.
- Pathanjali Srinivasan:** Okay, sir. And we had mentioned that 15% to 17% volume growth can happen in FY27. So this is only from the new plant or it's entire -- like even the existing plants put together? And what would be the guidance overall?
- Rajeev Gupta:** Existing plants of basically Rajasthan plants, they are already working on the peak capacity, only the Chinchpada plant and the new plant of Sanand, they will add in the volume actually.
- Pathanjali Srinivasan:** Yes, sir. So in terms of growth, you still stick to 20% growth for '27 over '26? Or is there a slight...
- Rajeev Gupta:** Normally, if the price remains at this level and with the volume growth of 17%, 18%, this value will grow more. But if the prices are going down, then still we will be maintaining at 20% because we are adding 17%, 18% volume. Except the last year -- except the last '25, '26, if you go for the next previous 5, 6, 7 years, our volume growth was close to 14% to 16% year after year.
- Anil Gupta:** I can add here that if the prices remains bullish of the metals, then definitely, the revenue growth will be much more.

- Pathanjali Srinivasan:** Got it, sir. No, sir, just only doubt or concern is that the volume growth is a bit lower given that we had very strong base for the last 2, 3 years, and we are also bringing new capacities. So will we see any challenges in terms of volume growth? That is what the concern is, sir?
- Rajeev Gupta:** No, volume was based on the capacity addition. So whatever in the phased manner, we are adding the capacity. So volume growth will be in this range only, which will be resulting more than 20% value terms growth.
- Pathanjali Srinivasan:** Got it sir, thank you so much and all the best.
- Moderator:** Thank you. Next question is from the line of Shirom Kapur from Jefferies. Please go ahead. Line for the current questioner got disconnected. We'll move to the next question from the line of Praveen Sahay from PL Capital. Please go ahead.
- Praveen Sahay:** Many congratulations for a good set of numbers. First question related to the acceptance. For the last Q3 and now the Q4, the acceptance number has been on the higher side. So how we will read this the way forward? Like even the trade payable numbers, I can see that's an increase for the year Y-o-Y, if I look at. So how to read these numbers way forward where you want to see this number?
- Rajeev Gupta:** This number will remain in this category only because the prices of the metal has already increased. So -- and the volume of the company is also increasing after the production. So that - - this number will remain in this range only.
- Praveen Sahay:** So it's a factor of pricing, and that's where you are saying that's number to be here?
- Rajeev Gupta:** Yes. And the new Sanand plant also because their inventory has increased.
- Praveen Sahay:** Right, right. Okay. And the second question, sir, related to the housing wire and winding wire. And we had observed in the last 3 years continuously increase in the contribution. So now it's for FY26, 33% of contribution. So -- and further, you are guiding for the Chinchpada, there is a wire production, which will further add to the volume. So where you want to see this contribution to go from here...
- Rajeev Gupta:** I think dealer distribution contribution is already 54% and whatever cable capacity is increasing in Sanand. So we hope that 53% to 55% contribution from the dealer distributor will remain.
- Praveen Sahay:** Okay. So as our -- this contribution also to go up housing wire and winding wire?
- Rajeev Gupta:** Yes. So basically, the housing wire goes to the dealer only. So the housing wire sale is increasing, but the cable sale is also increasing because of the Sanand plant.
- Praveen Sahay:** Okay. Okay. So we will maintain this number at this level?
- Rajeev Gupta:** Yes.

- Praveen Sahay:** Another question is related to the order book. So if you can give the bifurcation of the order book, EPC and extra high voltage domestic cable?
- Rajeev Gupta:** So we have the -- as on 31st March 2026, order book of EPC division is INR309 crores. Extra high-voltage power cable order book is INR625 crores and we have also L1 in extra high-voltage power cable order book of INR233 crores, another order. And cable domestic institution order book around INR2,154 crores and cable export order is INR497 crores.
- So put together, all order book is close to INR3,585 crores. And whatever order book from the dealer distributor, that is not reflecting it here because they are the orders which we supply within 3 to 4 days' time or maybe at that 1 week time. That's it.
- Praveen Sahay:** Right, sir. And one clarification, like volume growth for the quarter is 12.5%?
- Rajeev Gupta:** No, no. Volume growth for the quarter was close to 2%. And the full year basis, the net volume growth is, I'd said, 6.2%.
- Praveen Sahay:** Thankyou sir and all the best.
- Moderator:** Thank you. Next question is from the line of Shreya Kejriwal from Moneyvesta Capital. Please go ahead.
- Shreya Kejriwal:** Hello Sir and congratulations on your results. So my question was regarding the EPC. So EPC contributes like around 2.6% as we saw in FY26 revenue. So does the company plan to scale this up or keep it as a supporting business? Like what's your view on that?
- Rajeev Gupta:** No. Since last 3, 4 years before, we have guided that EPC business will go down towards the 2%, 3% only. So as per the guidance because there, the working capital is very long in EPC. So because of that, we are increasing the retail where the working capital is very low. That's how it is our plan.
- Anil Gupta:** It is mostly a supporting business to support our extra high-voltage cable project where the cable value is more than 80%.
- Shreya Kejriwal:** Okay, sir. And I have one more question regarding the QIP proceeds. I feel that around INR400 crores to INR500 crores remain unutilized. So any specific deployment plan or time line for this capital?
- Rajeev Gupta:** The second phase of the extra high-voltage power cable in Sanand will complete by Q4 of the current financial year. So the whole INR385 crores unutilized QIP money will be utilized in the current financial year.
- Shreya Kejriwal:** Thankyou Sir so much.
- Moderator:** Thank you. Next question is from the line of Ashish Aggarwal from Indusind Nippon Life. Please go ahead.

- Ashish Aggarwal:** Sir, two questions from my side. What is the capex plan now for FY27? And will it include capex incrementally in Bhiwadi also? And secondly, just wanted to understand on the EHV side. This year, we have seen a substantial growth on the EHV revenues, almost close to 66% growth. Given our new capacities for EHV only will be coming towards the end of this year, how should we look at the growth on the EHV side?
- Anil Gupta:** This year, in EHV segment, we expect a growth of around 20%, a little bit from our existing factory because we are already operating at almost full capacity and some portion of growth will come from Sanand.
- Rajeev Gupta:** And with regards to the capex investment, every year, we will be doing around INR600 crores to INR700 crores capital expenditure for next 2 to 3 years continuous.
- Ashish Aggarwal:** Got it thanks, thanks a lot.
- Moderator:** Thank you. Next question is from the line of Christopher Hartkopf from Pictet. Please go ahead.
- Christopher Hartkopf:** Just a follow-up question on the quarterly volume growth, if I may. Is it fair to say that you were still capacity constrained? Or how do you explain the discrepancy or the difference to some of your peers' volume growth? And what was Sanand's contribution in the fourth quarter in terms of volume growth?
- Rajeev Gupta:** In Sanand, fourth quarter sale was very less. It was less than INR100 crores because the ramp-up takes time. But now from the first quarter onwards for the current financial year, the sale from Sanand will be visible to that extent. As spoken about the current year growth will be coming from the Sanand.
- Christopher Hartkopf:** And first part of the question, the volume growth in the fourth quarter, was that capacity constraint? Or how should we...
- Rajeev Gupta:** Yes, it was mainly because of the capacity constraint actually.
- Christopher Hartkopf:** Got it Thank you, Thankyou very much.
- Moderator:** Thank you. Next question is from the line of Rahul Agarwal from Ikigai Asset. Please go ahead.
- Rahul Agarwal:** Hi Sir good afternoon, Sir, two questions. Firstly, I see reduction on the receivable balance -- on the receivable side on the balance sheet. Overall, we see some changes to inventory and creditor. I believe that is because of some transit export delays, which will normalize in first quarter. So overall, on a sustainable basis, the company should be between 85 to 90 days of net working capital cycle over the next 2, 3 years. Is that understanding correct?
- Rajeev Gupta:** Yes. Net working capital cycle is because of receivable to the B2C business is already reducing year after year. So because of that, the working capital cycle is decreasing actually.
- Rahul Agarwal:** Is that -- that is purely because of channel financing?

- Rajeev Gupta:** Yes, that is mainly purely because of channel financing.
- Rahul Agarwal:** Okay. So incrementally, this 57 days of sales of receivable days, that should remain flattish or it should further decline?
- Rajeev Gupta:** This -- that are may further decline to -- as of now, it has reduced from 2.2 months to 1.88 months. It may reduce to 1.75 months.
- Rahul Agarwal:** Got it.
- Rajeev Gupta:** Almost now the overall inventory plus debtor minus creditor is close to 2.97 months as against last year, it was 3.39 months.
- Rahul Agarwal:** Right. I get that. And secondly, Rajeevji, I mean, you talk about capex of INR800 crores, INR900 crores a year, your operating cash flow is going to be similar every year based on the growth guidance you're giving. So the cash lying in the balance sheet, right, almost INR1,300 crores net cash. How do we reinvest this in the business then? Because the entire capex is going to get funded from your accruals itself. So what is the thought there?
- Rajeev Gupta:** Sir, we will be doing all future capex from the internal accrual only because whatever capex we are accruing year after year, we will be allocating close to 60%, 70% for the capital expenditure for the incremental capacity addition to grow at a CAGR of 20%.
- And because of we are growing more than 20%. So we need to add some additional working capital. So balance 30% of accrual will be kept for the incremental working capital requirements. So that is our overall plan to use our cash flow for the next 3 to 4 years.
- Rahul Agarwal:** Sir, I was actually talking about the cash remaining in the balance sheet even after using working capital. So even at 90 days of sales, you need INR500 crores, INR600 crores of working capital and...
- Rajeev Gupta:** Normally the size of the company, INR500 crores to INR600 crores cash will always be carried. Only the additional INR200 crores, INR300 crores cash, it may go up, it may go down depending on the receivable and the inventory cycle because it cannot remain same on month-to-month basis. On an average, it is there.
- But on a month-to basis, it may increase or decrease. If suppose a sudden jump in the raw material price, then for that particular month, it will increase substantially. So cash will not be there at that time. So because of that, we need to have the cash at INR500 crores to INR600 crores level at any given point of time in the balance sheet.
- Rahul Agarwal:** Got it, sir.
- Rajeev Gupta:** Because we are running a debt-free company. And with this guidance, we will be continuing running as a debt-free company for next 4 to 5 years with a top line growth of 20% CAGR, depending on the capacity we are going to add.

- Rahul Agarwal:** Got it, sir. Got it. And this -- just to double-click on this fourth quarter volume growth, you said 2%. How do you read this in terms of your own expectations in the quarter? I understand there have been a lot of fluctuations on a Q-o-Q basis, month-on-month basis, environment is not normal. But what is your expectation, how was the performance?
- Rajeev Gupta:** Sir, there are 2 aspects to this. First is the capital allocation. If we are allocating the capital of 60%, 70% towards the capex and 30% for incremental working capital requirement, considering we will be growing a CAGR of 20% plus, okay? So if the value is increasing and the volume is also increasing, then we may be requiring more additional working capital also. So by saying 30%, 40% is very easy. But to arrange the capital for that also, we need some allocation.
- So we have already allocated to the capital expenditure, then we need to have to borrow. So as of now, we are not borrowing. And whatever capacity we are creating, we are creating a capacity with a volume growth of 17%, 18% because last year in Sanand, the 6 months was delayed because of that, that volume could not be added into the sales.
- So because of that, the volume growth was not there because otherwise, all the Rajasthan plant, even in '24, '25, they were running at a peak capacity. So whatever capacity increased in the Chinchpada plant in the second half of the '24-'25, that has contributed only towards the volume growth.
- So because of that, the last year, the copper has -- copper metal consumption has grown by 15%, but aluminum metal consumption was flat because the Sanand was not operative at that time. Now the Sanand is operative and the Chinchpada is having the capacity for the wire. So then we will be operating again back to the 17%, 18% volume growth.
- Moderator:** Thank you. Next question is from the line of Umang Mehta from Kotak Securities. Please go ahead.
- Umang Mehta:** Sir, just wanted to clarify something. Earlier, we had given a number of around INR2,700 crores from Sanand plant in FY27. Are you still sticking to that? And if yes, then 18% volumes would actually be slightly higher if actually you do INR2,700 crores is the question. And the second clarification...
- Rajeev Gupta:** Not only from Sanand, but from Chinchpada also, for the wire. That is mainly for copper.
- Umang Mehta:** Understood. And just to reconfirm something you said to Pulkit earlier, 17%, 18% volume plus if prices sustain as they are, then on an annual basis, we are looking at 25% plus top line growth. That's correct, right?
- Rajeev Gupta:** As of now, if the prices may increase, the value will automatically will be clear. But we can't say the value will increase, the price will increase or decrease at this moment of time. There may be price increase also.
- Umang Mehta:** Sure Sir thank you so much for answering my question.
- Moderator:** Thank you. Next question is from the line of Akshay Gattani from UBS. Please proceed.

- Akshay Gattani:** Hi Thankyou for the opportunity. Earlier, you commented export revenue share guidance of around 20% of revenue for FY27. And if we assume even a 20% company level revenue, this implies export revenue growing more than 50%. So a large part of 15% to 18% volume growth is supported by exports. So is there any identified geography which is contributing to this? Any particular product which will drive sharp increase in exports?
- Anil Gupta:** Products and geographies will remain same where we are exporting. It will -- increased volume will come from the same geographies and similar type of project.
- Akshay Gattani:** Okay. So this is more of a broad-based rising acceptability of Indian product in the export market?
- Anil Gupta:** Yes, yes.
- Akshay Gattani:** And on the volume growth front, sir, volume growth is accelerating from 6.5% in FY26 to 16% to 18% in '27. So how would this impact operating leverage? And do you expect any preoperative expenses for Phase 2 of Sanand plant?
- Rajeev Gupta:** Sir, already we have guided that from '27, '28 when the Sanand will be at full capacity. So that will be the first year in '27, '28. So another 0.5% EBITDA margin will get improved because of economy of scale. In the current financial year, already operating margin has improved from 10.18% to 10.46%. And another 20, 25 bps point, it will further increase year after year because of the economy of the scale and having more export and more B2C business.
- Akshay Gattani:** Got it got it thankyou.
- Moderator:** Thank you. Next question is from the line of Anuj Shah from PhillipCapital. Please go ahead.
- Anuj Shah:** Congratulations to the entire team of KEI Industries for delivering good set of numbers. Actually, just wanted to reiterate the breakup of the current order book that you had mentioned. Actually, I had missed it. So if you could just give us the breakup of the current order book, sir, that would be great? Thank you.
- Rajeev Gupta:** Yes. Sir, EPC order book is INR309 crores. Extra high-voltage power cable order book is INR625 crores. Domestic cable order book is INR2,154 crores and export cable order is INR497 crores. Put together, all is INR3,585 crores as of 31st March 2026. And L1 on EHV, another order is INR233 crores.
- Anuj Shah:** Okay sir, thankyou.
- Moderator:** Thank you. Next question is from the line of Parshv Shah from Mehta Equities PMS. Please go ahead.
- Parshv Shah:** Sir, congratulations to the entire team. I want to understand about export business, particularly in the U.S. Since you said you are looking good traction can be come from U.S. So what kind of orders, product or business that you are expecting from U.S. business? I want to know about particularly from the data centers area? Thank you.

- Anil Gupta:** See, data centers, I think we expect to supply them mainly HT cables and also some copper flexible. But presently, our market, what we have built for data center is only for the medium voltage HT cables to U.S. And we are working out that what other cables can be sold in the data centers because when we sell to data centers, we have to face competition from their American domestic industry as well.
- So because of the utilization of U.S. market last year, the progress in market development was stalled, which has restarted now. We'll be able to let you know about it in our next presentation.
- Parshv Shah:** Right, right. So I want to know about what kind of order book is currently from U.S. side and approximately what kind of margin that we are taking from U.S. business?
- Rajeev Gupta:** Basically, In U.S. market, close to INR50 crores, INR60 crores order book as of 31st March 2026 was there. But as Anilji, is saying that now this market has opened after the tariff has reduced. So now our marketing team is traveling over there, and they are recapturing our existing customers and adding new customers.
- So in future, this will be adding up. So up till August last year, we have reached close to INR40 crores per month sales. So within 3 months' time, we will try to reach first at that level, then it will be further adding to our business.
- Parshv Shah:** Right, right. And this is our value-added product area?
- Rajeev Gupta:** Every product is a value-added product.
- Parshv Shah:** I want to know about the EBITDA margin of U.S. market?
- Rajeev Gupta:** Sir, average EBITDA margin is close to 11% for all exports.
- Parshv Shah:** Okay sir, thankyou and all the best to your team.
- Moderator:** Thank you. Next question is from the line of Ankit Soni from Mirae Asset Sharekhan. Please go ahead.
- Ankit Soni:** Hi Sir, Congratulations for a good set of numbers. Just wanted to be having 2 to 3 questions. So the Sanand facility, second phase was, I believe, earlier operational in around August or September month. So has that got to delayed to quarter 4? So am I reading it right?
- Rajeev Gupta:** Already the whole Sanand plant get delayed by 6 months. So the Phase 1 also got delayed by 6 months. So the second phase also will get delayed by 6 months because the construction will be in progress. So by March 2027, the extra high-voltage power cable production will be there.
- Ankit Soni:** Okay. And so I believe first phase will be fully operational for financial year '27 will be giving you a growth of -- volume growth of around 17% to 18%. And the second phase, which will be operational by around quarter 4, would open up what sort of volume growth for financial year '28?

- Rajeev Gupta:** It will be another 17%, 18% volume growth will be there.
- Ankit Soni:** Okay. Another 17%, 18%. Sure. And so with respect to the price hikes, so have we taken all the price hikes in relation to what was the raw material increase maybe till March 31 or maybe till here? Are we taking another price hike going forward?
- Rajeev Gupta:** Sir, that is our business model. Whenever price increase, we are increasing the price of the cable. Whenever decrease, we are decreasing the price of the cable. So there is no issue for the pass on since last 4, 5 years, if you see our balance sheet, you will not find a fluctuation in our EBITDA margin.
- Ankit Soni:** Okay. Sure. And if you can just let me know what was the price hike we took in financial year '26?
- Rajeev Gupta:** Sir, in every order we price hike, it's an order-to-order basis because we are quoting in a day at least 10 to 15 tenders. So these kind of price are getting passed on, on every day basis, not on a month-month basis. Only in the case of retail, the prices revised twice a month. But in the institutional sales, where order to make sale is there. Every day, we are quoting and every day, we are quoting on a prevailing market price.
- Moderator:** Thank you. Next question is from the line of Nikhil Purohit from Fident Asset Management. Please go ahead.
- Nikhil Purohit:** Thankyou for the opportunity. Congrats on a great set. Most of my answers -- most of my questions have been answered. I just had one question. In this institutional business and the distribution business, can you tell me the cables versus wire share in both of these segments?
- Rajeev Gupta:** See, major share in the institutional is for the cable only. And for the dealer distribution business, there is almost 55% business belongs to wires and close to 45% to 50% business belong to the cable.
- Nikhil Purohit:** Okay. So wires was stronger this quarter, right?
- Rajeev Gupta:** Wire is always -- we are going close to...
- Anil Gupta:** No, no. The dealer -- through dealer network, we sell cables as well.
- Rajeev Gupta:** That's why I said, almost 45% to 50% we are selling to cable and 50% to 55% through dealer distributor, we are selling our wire product.
- Moderator:** Thank you. The next question is from the line of from Devarshi Jani from -- who is an Individual Investor. Please go ahead.
- Devarshi Jani:** Congratulations for the good set of numbers. I just have one -- want to clarify the one doubt, sir. For entire total institutional sales, including the export increased by around 19%. But the share of the total revenue is somewhat decreased. Could you explain the EHV segment strategy? This

quarter, domestic sales increased from INR115 crores to INR188 crores. Is this where you anticipate the main future institutional growth?

**Rajeev Gupta:** In the institutional sale belongs to the domestic market as well as to export market. So with the constraint in the capacity, if the export is increasing, then the domestic sales to institution will go down. So only that was the reason.

Otherwise, the market size in the domestic front is also very strong and in export market is also we are improving year after year. In extra high-voltage power cable because in '24, '25, the sale was less. So because of that, in '25, '26, it is increasing. It is showing increasing actually.

**Moderator:** Thank you. Next question is from the line of Archit Shah from 360 Capital. Please proceed.

**Archit Shah:** Congratulations for the good set of numbers. Sir, just one question. Could you give a split in volume growth for annual and for 4Q were cables versus wires, the 2% and 6% split?

**Rajeev Gupta:** Sir, volume is not available for separate because in our factories of Silvassa and Chinchpada we are making -- within the same factory, we are making the wire as well as cable.

**Archit Shah:** Okay. But would it be directionally right to say that cables volume would have outperformed wires or...

**Rajeev Gupta:** No, sir. Volume is dependent on the capacity actually. We were not having the capacity for cable actually.

**Archit Shah:** Okay. Okay. So this 2% was mainly led by wires you're saying?

**Rajeev Gupta:** Market is so strong. Market is so strong. Demand is so strong in our Indian market and in overseas market. Whatever capacity we are having, we are able to sell easily. So because our Sanand plant get delayed by 6 months. So because of that, the sale plan with -- from the Sanand was not happened in '25, '26. So because of this, we have grown in terms of value because the prices has increased. But in terms of volume, we could have grown only from the -- our Silvassa, Chinchpada plant actually.

**Archit Shah:** Okay. Okay Got it sir.

**Moderator:** Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for the closing comments.

**Anil Gupta:** Thank you very much for joining this conference call. I hope that we have been able to answer most of your questions. If still you have any queries, you can refer it back to us. Thank you.

**Moderator:** Thank you, sir. On behalf of Nuvama Institutional Equities, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.