

“Dynamic Cables Limited
Q2 FY27 Earnings Conference Call”
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PhillipCapital
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MANAGEMENT: **MR. ASHISH MANGAL – MANAGING DIRECTOR –
DYNAMIC CABLES LIMITED
MR. MURARI LAL PODDAR – CHIEF FINANCIAL
OFFICER – DYNAMIC CABLES LIMITED
MR. GOVIND SABOO – INVESTOR RELATION ADVISOR
– DYNAMIC CABLES LIMITED**

MODERATOR **MS. NATASHA JAIN – PHILLIPCAPITAL INDIA PRIVATE
LIMITED**



- Moderator:** Ladies and gentlemen, good day and welcome to Dynamic Cables Limited Q2 FY27 Earnings Conference Call hosted by PhillipCapital India 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 touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Natasha Jain from PhillipCapital India Private Limited. Thank you and over to you, ma'am.
- Natasha Jain:** Thank you, madam. Good afternoon, everyone. On behalf of PhillipCapital, I welcome all of you to the second quarter FY27 earnings conference call of Dynamic Cables Limited, India. From the management today, we have Mr. Ashish Mangal, Managing Director, Mr. Murari Lal Poddar, Chief Financial Officer, and Mr. Govind Saboo, IR Advisor. I request the management to give their opening remarks, post which we'll open the floor for Q&A. Thank you and over to you, sir.
- Ashish Mangal:** Good afternoon, everyone. I, Ashish Mangal, Managing Director of Dynamic Cables Limited. I extend a warm welcome to all of you to our Q2 and H1 FY27 earnings calls. We have continued to build our growth momentum during the first half of FY27, supported by strong industry demand, disciplined execution, and our focus on operational efficiency. Our performance reflects the resilience of our business and our ability to navigate a dynamic operating environment.
- A key milestone during the period was the installation of our plant and machinery at our new manufacturing facility. We expect this facility to start contributing from the second half of the year, strengthening our manufacturing capabilities and supporting our next phase of growth. The outlook for the power infrastructure sector remains encouraging, driven by investments in transmission and distribution, renewable energy, and industrial development.
- We continue to focus on expanding our market reach, strengthening customer relationships, and capitalizing on emerging opportunities across domestic and international markets. The export market is also expected to gain momentum as global macros normalize. While commodity price volatility and geopolitical developments continue to influence the business environment, our emphasis remains on disciplined execution, prudent working capital management, and operational excellence.
- With a healthy order pipeline, expanding manufacturing capabilities, and favorable industry tailwinds, we remain focused on sustaining our growth momentum and creating long-term value to our stakeholders. With that, I would like now to invite our CFO to take you through the financial highlights for the quarter and H1. Thank you.
- Murari Lal Poddar:** Thank you, MD sir. I will take you through the key financial highlights for H1 FY27. Revenue grew by 31% Y-o-Y to INR712 crores as compared with INR543 crores in H1 FY26. Operating profit increased by 29% to INR74.3 crores with operating margin of 10.44%. While profit after tax grew by 24% to INR47.1 crores.



Customer-wise contribution to revenue in H1 FY27 was as follows: Government 23%, Private 69%, Export 8%. Receivable days as on 30th September 2026 were at record low, less than 60 days on cum GST sales. Our order book stood approximately at INR829 crores providing healthy revenue visibility for the coming quarters. Thank you. We are now open for questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Vidit Trivedi from Asian Market Securities. Please go ahead.

Vidit Trivedi: Hi, sir. Thank you for the opportunity. Got a couple of questions. First on the finance cost. So, our finance cost has increased almost to INR4.2 crores, despite, you know, our borrowings declining on a quarterly basis. So, just wanted to check what's driving this increase and how can we expect the finance cost to, move forward from here, once our new facility ramps up?

Management: Yeah, so Vidit, basically, finance cost is, the debt figure which you are talking about is a per, you know, a date figure actually. And finance cost is generally levied on the average working capital utilization. And also, there are some vendor financing, levies which we get under the finance cost. So, all-in-all, the finance cost, should remain below 15%, is what we have guided and, we have always maintained that we are, there's, the cost 15% of the EBITDA.

So, just to clarify, so it should -- it as a matter of fact or as a corporate discipline, it should not increase, to more than 15% of the EBITDA. That is what, is the philosophy of managing the finance cost.

Vidit Trivedi: And so with respect to the new facility, it will again remain same 15% of the EBITDA, is my understanding correct?

Management: Yes, absolutely. So, I think, currently on a six-month basis, it is hovering around 10%-11%. And, or maybe little more, but, yes, it would be sub-15%.

Vidit Trivedi: Got it, sir. That's helpful. And, so secondly, on the new facility part, as you explained, so we are expecting it to start contributing from second half. So, just wanted to check, you know, if you can, quantify its installed capacity and potential revenue at the optimal utilization and, you know, what's what are your expectations from the facility to achieve in FY27 and '28?

Management: So, basically, so in cable industry, we generally, it is very difficult to, have a quantitative capacity guidance because, it's a customized product and, cable-to-cable, order-to-order, the capacity differs or the machine time differs. But in general, what for the sake of revenue guidance, we generally give, a 6x-7x asset turn which we do on our investment.

So, the total investment in the plant is around 40-45 crores. And so, if we do a 6x-7x, you get a number of around INR240 crores, INR250 crores kind of, is what is the revenue potential which we can expect out of the new plant initially. And, the ramp up, should happen in next 3-4 quarters.

Vidit Trivedi: Got it, sir. That's helpful. If I may squeeze just one quick question on the exports part. So just wanted to check, you know, your overall, sense on the exports, how are the geographies



picking up, especially on the Middle Eastern part? If you can shed some light on that, that would be very helpful. Thank you.

Management: So, I mean, export scenario, so first of all, I mean, the scenario on the export side or is or entire, international, side, business side is bit, tricky at this moment because of the sea freight, the lack of insurance covers or high premiums on the insurance covers and, a lot of other factors, which are impacting because of the geopolitical situation and everything.

Over and above that, there has been the entire, tariff fear, I would say, which keep on emerging in last, in last few quarters. So, yes, but I think overall the opportunity size in the export market is very, very huge and very, very encouraging for, companies like us. And we believe that once these transient, factors settle down, or normalize, I think, it's a good -- we should be back in the game.

Vidit Trivedi: Got it, sir. That's very helpful and, thanks a lot for that. All the best.

Management: Right.

Moderator: Thank you. The next question comes from the line of Abhishek Maheshwari from Skybridge Fund Managers LLP. Please go ahead.

Abhishek Maheshwari: Thank you for taking my question. So, only one question regarding raw materials. So, how much, do we use scrap portion of copper also that we import from European Union?

Management: Come back again, please.

Abhishek Maheshwari: No, in terms of raw material, do we use the scrap -- copper scrap also which is generally imported from European Union?

Management: Sir, we don't use, we largely use aluminium not copper as such, in our raw material. And recycled aluminum is generally not used in, cable manufacturing.

Abhishek Maheshwari: Okay. So, in for aluminum also, now European Union and even for that matter, Middle East, they have been imposing restrictions on exports. Especially European Union, they are saying that, they'll be, banning export of metal scrap to non-OECD countries -- so, do you foresee, if they ban because we are not importing scrap -- so the cost inflation of it is not worrisome for that, European?

Management: No, but we are not using recycled aluminum.

Abhishek Maheshwari: Okay. Understood. Thank you.

Management: Yeah, yeah.

Moderator: Thank you. The next question comes from the line of Sangeeta Purushottam from Cogito. Please go ahead.



Sangeeta Purushottam: Yeah. Yeah, hi. Good afternoon. I just wanted to get some color on the, EBITDA growth. is it possible for you to tell us how much has been, the growth in volumes that you have seen in this quarter and how much of it in the sales has come from the, price increases? And, secondly, we've seen a fairly sharp drop in the other expenses. Is that something which is sustainable going forward and what has led to it? If you could just, explain that.

Management: Yeah. So, good afternoon, ma'am. First of all. So, the volume growth number is around 6% for the quarter. So, this is the kind of volume growth we have delivered. And, on the basis of other expenses, so basically, I just want to highlight that, the other expenses and, this gross profit largely, they kind of, are in there are some interchangeable items which keep on varying on a quarter-on-quarter basis. I think if you look at our company, I think you should look at the operating profit levels, which is typically the EBITDA margins, which -- may be the right context to look at our margins, based on the business where we are operating.

Because there are some freight costs, some orders are come freight, some costs, some are excluding freight, so all these things keep on happening as per the terms of the trade. On operating profit levels, we have guided always, maintained our guidance of 10% to 11%, EBITDA percentage. And, yes, I think that is maintainable going forward.

Sangeeta Purushottam: Okay. So, if we've had an EBITDA growth of about 18% and, the volume growth has been 6%. So, on a volume basis, per ton or whatever way we wish to define it, does that mean that actually the, EBITDA per ton has -- in fact gone up by about 12%? And is that something...

Management: Yeah, yeah, please, sorry, sorry. I just interrupted. I'm so sorry.

Sangeeta Purushottam: Yeah, so how does one, actually interpret that and how does one, project that?

Management: So, ma'am, this is -- in the cable business, I think EBITDA per ton is not, the right context, to look at our business because the business, is on a percentage basis. So, EBITDA per ton will always increase as then the value growth is more or the price growth is, and this EBITDA per ton or per volume, whatever, not ton -- per kilometer or per whatever you can, per volume, will decrease as there is a, the commodity prices, are lower, the value growth is low.

So, this is, usual thing. And, I mean, we have tried to, I mean, we disclose all the volume data and, price data to the investors, but we always also give a disclaimer that the right context of looking at our business is the absolute growth, value growth and not the price and volume breakup because typically in our business, whenever there is a price degrowth, it is made up by volume growth, and wherever there is a volume degrowth, it is paid, vice versa happens.

Because the entire budget is value-based, not volume-based. So, the business or the market size, everything is driven by value. Okay. And there is unlimited latent demand in power T&D infrastructure. So, it's not that it is, or the demand is concise by some volume data or some volume number.

Sangeeta Purushottam: Okay. And, I also wanted a clarification on your guidance for the exports. Would it be fair to interpret that the long-term outlook for exports is very strong? However, in the near term,



which is say maybe the next 6 months or, maybe a year, given the geopolitical disturbances, it is hard to predict how strong that growth may be?

Management:

Yeah, so basically, yes, you are right. That's what, we also think about our business. And, your assumption is fair enough. But just to kind of, help with this through this question, I mean, we would also like to say that the domestic demand is very, very strong itself. So, I mean, we don't want to, leave the or leave our stronghold or hold over the domestic market for growing into export markets.

So, for us, it is important, domestic market is equally important, and to keep up the growth momentum in the domestic market along with the market demand is also, equally important, as along with the export growth.

Sangeeta Purushottam:

Right. Right. Okay. And the, does the increase in either the finance cost or the depreciation have anything to do with the new facility? Have you capitalized it yet and that's why depreciation's gone up and is the interest cost up because some funds have been utilized for the new facility?

Management:

No, no, ma'am. So, basically, it's nothing to do with the new facility. It's, completely on the working capital borrowings. We don't have any specific debt for, the new plant which is coming up. So, it is in that fashion, it's a debt-free company on a long-term debt basis or a term debt basis.

It is just that, the vendor finance, I mean, the raw material, if you look at our numbers, it has the price growth has taken place, during the -- I mean, as we compare. So, the prices have been grown, and so the vendor financing facility, which is a part of our working capital cycle, that levies do come up and go.

So, I mean, the best way again, I'm repeating the same thing that the best way to look at it is that as a percentage of sales or as a percentage of EBITDA. We have guided that our in finance cost, has remained below 15% of the EBITDA. That is what we aim for.

Sangeeta Purushottam:

Right. Okay. Thank you so much.

Management:

Yes, yes, yes.

Moderator:

Thank you, ma'am. The next question is from the line of Kaustav Bubna from Kamana Holding. Please go ahead.

Kaustav Bubna:

Yeah, hi. Could you give, I understand what you replied to the previous participant, but could you give some more color on why this quarter your gross margins fell from 20% plus to 16%-17%? Also in terms of your raw material inventory and the current pricing and all of those matters?

Management:

So, yes, so gross profit is basically, there are two, three factors if I have to kind of explain you the movement in the gross margins. So, one is that that there are some product mix which is -- which differ from quarter to quarter. So revenue mix keep on changing, and each order has



different gross margin. So, the orders which got executed this quarter might be having, we might be carrying some lower gross margin.

Even in a particular order, there are various items of different gross margin. So, I mean, so basically the revenue mix keeps on changing on quarter-on-quarter basis. So, it is actually unfair to judge us on a one-quarter basis. Secondly, I would say that because there was sharp volatility in the commodity prices, which we have seen, so there has -- there are -- there is some impact of that also.

So this war disruption and everything does play a role, but a very minor role because largely it's a pass-through for us. So, major raw material volatility is passed on to our customers. Only, there are 10%-20% contracts which are on fixed price basis. So, that gets impacted, but 80%-90% of our contracts have the price variation clause. So, we are protected on that front.

So, yes, largely basically, these are the two major factors. And thirdly, as I explained that our business is more to do or should be looked at a EBITDA percentage basis or operating profit basis, and not gross profit basis in isolation. So, that is my last submission to all the investors.

Kaustav Bubna:

Fair enough. And on your capacity, on your capacities, I just wanted to understand your longer-term capacity constraints because you've now have an additional INR250 crores revenue possible, you said, from this capex which has been done. So, wanted to understand, based before this facility came up, what your current capacities based on your first half balance sheet, right? Because this capacity has come up in October, I think.

So, what is the utilization and scope to grow business from your existing capacities apart from this INR250 crores of revenue potential from the new capacity? I'm just trying to understand your capex needs in the future, also from this answer that you give, and the longer-term capex plan to keep capacities increasing while demand is there?

Management:

Yeah, so basically, as we discussed that on a long-term basis, we generally do 6x-7x our capex investment. So, as on March '26, our gross block was around INR184 crores, plus we did some capitalization of, I think, INR10 crores-INR15 crores during the first half. So, broadly, our gross block is around INR200 crores.

And if we take a long -- our long-term averages of 7x or whatever, so our capacities turn out to be INR1,400 crores-INR1,500 crores from our current plant setup. Now, because of the price inflation and deflation, this may go up or come down by 10%-15% quarter-on-quarter, year-on-year, but largely this is what is our long-term averages suggest.

Kaustav Bubna:

So, which means that you'll have to do some capex again next year?

Moderator:

I'm sorry to interrupt, Mr. Kaustav. We may request that you return to the question queue for follow-up questions. The next question is from the line of Ankit Shah from Anand Rathi. Please go ahead. Sir, you are not audible.

Ankit Shah:

Hello. Am I audible now?



- Moderator:** Yes, you're audible.
- Ankit Shah:** Yeah, thank you for taking my question. So, I have a couple of questions. So starting with, you just spoke about the volume growth of 6%. So, when can we see the normalization of volume growth like in low-double-digit or maybe in mid-double-digit or something? Because majority of the growth, revenue growth is coming from price increase. So, what's your see on that?
- Management:** So, we can't kind of predict the normalization of value growth or versus volume growth, price growth versus volume growth. But what we can say is that, whether volume growth is 5% or something else number, but overall value growth of the company what we have guided are of around 20% on a, on a long-term CAGR perspective that we don't see any challenge in that.
- Ankit Shah:** So, you expect a 20% price growth going ahead?
- Management:** No, not price growth, overall value growth, overall sales growth of 20%.
- Ankit Shah:** Okay. So, if you can break down into volume growth and price growth?
- Management:** It is difficult, sorry, because that that all depends upon the macros which are not in our hand.
- Ankit Shah:** Okay. And what's your guidance on margins like in current quarter, there was a decline in margins. So, what's your say on that?
- Management:** So, margins we believe that basis our business model, we generally typically do 10% to 11% of EBITDA percentage for operating margins.
- Ankit Shah:** Okay. And what will be the.
- Moderator:** I'm sorry to interrupt. We may request that you return to the question queue for follow-up questions. The next question comes from the line of Akash Dubey from Amrapali Capital and Finance Services Limited. Please go ahead.
- Akash Dubey:** Yeah. Thank you for the opportunity and taking my question. Sir, I have a question as earlier the company has entered into the US market. So, what kind of order we are getting from the US market and how the pricing and what kind of situation of the import duty from the US side? Can you give some color on that particular question?
- Management:** So, we don't give exact sales number of a particular geography, but US market I mean the last quarter was a challenging quarter for the US shipments, largely because of high sea freights and high insurance rates. So once I think these things settle down, we should be back in the, US markets as these international headwinds settle down.
- Akash Dubey:** Okay. And what kind of order we are getting, what is the duration for the completion of that order? And what is the current order book from the US market?
- Management:** Again, that, I'm again reiterating that we don't give figures or numbers of particular geographies. Export market as a whole around 7%, 8% of our order book comprises of export market by export order book.



Akash Dubey: Okay. Earlier the management has quoted that that the aluminium prices has shifted, so that's why the customer has shifted the order granting from the customer side is 2 to 4 months. So, what is the current scenario of that? And shorter period of order impacting your inventory cycle?

Management: Can you increase the distance between your -- with your speakerphone, we can't hear you.

Management: You're not audible clearly. I think there is some technical issue.

Akash Dubey: Hello, sir. Now, now it's audible.

Management: Better, but if you can just go a little slow, it will be better.

Akash Dubey: Now? So, my question is earlier the aluminium prices have shoot up. So the customer has shifted from larger order to order 2 months to 4 months of kind of order. So, what is the current scenario and secondly the question is on how the shorter period of orders impacting our current inventories?

Management: Very sorry. We can't actually understand what you are asking. **Management:** You can just email your question. I think we'll get back to you, please.

Akash Dubey: Yeah, sure.

Moderator: Thank you. The next question comes from the line of Chintan Jain from Sagun Capital. Please go ahead.

Chintan Jain: Hi, am I audible?

Management : Yes sir.

Chintan Jain: Hi, sir. Thank you for taking my question. So my first question is regarding if you could give us a product breakdown of the different kind of products you have, which has sold in the last quarter?

Management: So, typically we kind of divide our product range into high tension cables, low tension cables, conductors and few other miscellaneous products, miscellaneous cables. So, if you look at the breakup of our sales around about two-third of our sales comes from high tension cables. Balance 25% to 30% sales come from low tension cables and balance 8% to 10% sales come from conductor and other products. So, this has been our broad breakup in our sales.

Chintan Jain: Okay, sir. Understood. And sir, I wanted to understand, apart from the, uh, commodity volatility discussed with earlier participants, is there any other factor which can be attributable to the decline in the operating margin?

Management: So, I think the attribution is not because of the commodity price increase because generally we get a pass-through in 80%, 90% of our contracts. Whatever is the escalation in the commodity prices or our input costs, we are able to pass on to our customers in most of our contracts on



our sales contracts. It is largely to do with some kind of product mixes or the revenue mix there, I mean, order to order the margins keep on changing and are different.

So, largely, there were some shipments which were -- or there would be some execution which was -- which were having a lower margin relatively as compared to the -- as compared to previous quarters. So, that's the whole reason. So, nothing specific to do with, commodity price inflation. Though, I mean, it would be very little if there would be. It will be very little.

Chintan Jain: Understood, sir. Just one last question, sir.

Moderator: I'm sorry to interrupt. We may request that you return to the question queue for follow-up questions. The next question comes from the line of Nikhil Purohit from Fident Asset Management. Please go ahead.

Nikhil Purohit: Hi. Thanks for the opportunity. Just two questions. Like you've mentioned, multiple times about the product-wise, the product mix, can you just give the product-wise mix? What was it for, Q2?

Management: Q2, it was 65%, high tension cables, 28% low tension cables, and 7%, conductor and other products.

Nikhil Purohit: So, it wasn't very different to how we've done earlier, right?

Management: Yeah. It remains in this range only, 2-3% here and there.

Nikhil Purohit: Okay. So, for H2 and the full year, do we see our EBITDA margins returning back to the -- you know, the upper half of the 10% to 11% margin that we've been doing, given you have -- you will have clarity on the kind of product mix to be executed in the next 6 months? Can you, just provide me that.

Management: So, I mean, we don't give exact margin guidance or quantitative guidances. Yes, but we are confident of maintaining the margin range which we have guided for last so many years, which is 10% to 11%, unless there is some...

Nikhil Purohit: Okay.

Management: Deep macro, instability or something which is not predictable, which is not in our hand actually. So, I think...

Nikhil Purohit: Understood.

Management: I mean, since last 4 years or so, we have kind of maintained these margins, margin range.

Nikhil Purohit: Understood. And also, we had said in the last concall that Q1 saw volume moderation due to sudden increase in input prices, right? Aluminium today as we talk is -- I think it's down from INR3,800 to INR3,000. What is our outlook for ordering from here on? Like, do we expect growth to be volume-led going forward?



- Management:** So, I mean, again, coming back to the same answer that, probably you would like to kind of look at the business in volume and, well, price terms, but for us and for the cable market as a whole, it is largely, the whole value-driven because the entire demand is value-driven, not volume-driven.
- So, again, what I am saying is that around 20% long-term growth guidance which we have always maintained, we still maintain.
- Nikhil Purohit:** Got it. Thanks.
- Moderator:** Thank you. The next question comes from the line of Vedant from Canara Bank Securities. Please go ahead.
- Vedant:** Thank you so much for the opportunity. So, my first question is regarding historically our order book was growing at a CAGR of 35%. So, with the new capacity addition which we are doing, so what can we expect as a closing order book? What are we targeting?
- Management:** Closing book -- or I mean closing order book is again a tricky thing to tell you, but -- or to guide you, because the new order booking has -- will -- of the new plant will just commence. So -- but yes, over a period of next 4 quarters or 5 quarters, we are confident of kind of reaching the optimum or ramping up the production of the new plant. So, I think the order book in next 4 quarters or 5 quarters would see a meaningful growth when the new plant orders optimize.
- Vedant:** Also, sir, on the one more question on margin side. So, on the previous call, it was mentioned that, for the fixed price contract, we generally buy raw material on the same day to protect the margins.
- Management:** Right.
- Vedant:** So, just wanted to understand, for -- on terms of raw material side, so how has impacted?
- Management:** So, I mean, there is -- so there are multiple raw materials which are there. So it's, I mean, 100% of the raw material is practically impossible to buy it on the first day. So, there is some impact, but as I have been telling you that it's a very minor impact on our margins, even in our fixed price contract, because first up ratio of fixed price contract is very low.
- It is less than 20%, I believe, as compared to the price variation. And out of that, majority of the material is booked. So yes, there is some impact, but the impact is not that material.
- Vedant:** And sir, if I can add one more question. So, is there any...
- Moderator:** I am sorry to interrupt. We may request that you return to the question queue for follow-up questions. The next question comes from the line of Kevin Shah from Aditya Birla Capital. Please go ahead.
- Kevin Shah:** Yeah, I think I am hearing something.



- Moderator:** Sir, you are not audible.
- Kevin Shah:** Am I audible now?
- Moderator:** Yes.
- Kevin Shah:** Yes. Just wanted to get your thoughts on the volume this quarter. Is it like, are we seeing -- given the sharp volatility in commodity prices, so are we seeing a moderated demand environment or deferment in demand -- or, and as well as order execution, order delays? Or is it a deliberate attempt to keep the value growth within the range given the working capital requirement? And how would you see the volume moving ahead once your new plant comes in? So -- and if we are seeing a stable environment, so what would be your guidance on that?
- Management:** So generally, typically, the volume demand always follows or offsets the price volatility. So if the prices increases, the volume demand always kind of is a bit muted. And if the prices decrease, then volume demand typically increases.
- So this has been the trend in our industry for many years, because, again, the demand generation is overall on value basis, not on the volume basis. And there is a lot of latent demand in the market. So basically there is no volume limitation for demand generation in the transmission and distribution space. So this is the first point. And what was the second question?
- Kevin Shah:** Yeah, so, moving ahead, when we have excess supply available from H2 onwards, so how would you strategize your volume growth? So would you be willing to go for more volume growth even in case of volatile commodity environment and what would be your strategy behind?
- Management:** Commodity volatility or that doesn't have any impact on our business model as such, because we are more driven by or protected by the price variation clauses. And, but yes, if the new capacity is there, new plant is there, there will definitely be additional volume which would be getting produced from that plant. And there are different products, different markets which we are also exploring from the new plant, so that will increase our TAM.
- Kevin Shah:** Okay. So I'm just trying to get at the point.
- Moderator:** We may request that you return to the question queue for follow-up questions. The next question comes from the line of Shikhar Tewari, an Individual Investor. Please go ahead.
- Shikhar Tewari:** Thank you for the opportunity. Am I audible?
- Moderator:** Yes, you're audible.
- Shikhar Tewari:** Yes. So in the previous quarter, the management said that there was a slowdown in the order booking momentum because of a certain spike in raw material prices. So how is the momentum as of now? And if it is possible to give a proportion of what percentage of the orders are from repeat customers and who are newly acquired customers?

- Management:** So yes, it has improved, the order booking scenario has improved. But again, since now we are into a dipping raw material kind of scenario. It will kind of improve further as we go ahead if the aluminum prices or the commodity prices correct further. So that is the first question. Second question was, can you just repeat?
- Shikhar Tewari:** Is it possible for the management to differentiate between what percentage of the revenue comes from newly acquired customers and what orders are repeat orders?
- Management:** Repeat orders, I mean, most of our customers are repeat customers only. Only thing is that, the proportion of each customer keeps on changing on quarter-on-quarter, year-on-year basis. But largely, I think 70%-80% of our sales comprise of -- I am talking about the long-term things, not on the quarterly basis, but on a yearly basis if you look at it, I think more than 80% of our -- 70%-80% of our sales comes from the repeat customer.
- Shikhar Tewari:** So are there any customers where a large portion of the revenue is concentrated on that particular customer, like Top 5 customers contribute to 40% of the revenue or something?
- Management:** Not Really. Typically Top 10 customers contribute around 40%-45% of our sales, but those Top 10 customers are also churning out, so the concentration is not that kind of a worrisome thing for us.
- Shikhar Tewari:** Okay, thank you.
- Moderator:** Thank you. The next question comes from the line of Ankit Shah from Anand Rathi. Please go ahead.
- Ankit Shah:** Hello, am I audible?
- Moderator:** Yes, sir.
- Ankit Shah:** Sir, if you can say something about the competition, because UltraTech have entered into the business, and I understand that we are more into B2B business and they are into B2C business, but how it is impacting the competition across the value chain? Like,
- Management:** We have not seen any, impact on our business because of UltraVolt per se. Yes, so that as of now, that is the only comment which I can kind of share with you with certainty. Then there are a lot of other factors actors which would be coming in and the competitive intensity would be, evolving, but with the growth or the evolution of the industry. But this has been happening for last 20 years, 30 years, 40 years, and will continue to happen.
- Ankit Shah:** But, UltraTech being a bigger player, so it might be having some impact, like maybe smaller impact, but it might be having some impact, right?
- Management:** Sir, you -- I mean, nobody is certain of, this question. Nobody can answer this question with certainty. I think the housewire market is seeing the impact or would be the first one to be impacted. We would be impacted, we won't be impacted, is -- nobody is certain about it. And till now we have not seen any impact.



Ankit Shah: Okay. And my second question is, like,

Moderator: I'm sorry to interrupt, we may request that you return to the question queue for follow-up questions. The next question comes from the line of Sahil Patani from Strokes Capital. Please go ahead.

Sahil Patani: Hi, thanks for the opportunity.

Management: Yes, please.

Sahil Patani: How much business do you see coming from exports versus how much of it will be domestic-led? Like, do you have.

Management: So I mean, it's difficult to predict and, what -- how much would be export-led, how much would be domestic-led, because it, it more depends upon the macros rather than, rather than the micro factors. We are agnostic wherever we find good business, good margin, good terms of trade, good customer, we are happy to do business. So that has been our philosophy of doing business.

Sahil Patani: And my second question .

Management : Sorry.

Moderator: Sir, you're not audible.

Sahil Patani: Yeah, just wanted to understand, are you foresee capex next 18 to 24 months?

Management: Half audible. You capex next few months? Hello?

Sahil Patani: Hi sir, am I audible?

Management: Yes.

Sahil Patani: Yeah, just wanted to understand, do you foresee any upcoming capex in the, like, let's say the next 18 or 24 months?

Management: Yeah, yeah, definitely. So capex will be ongoing thing. So we have -- we will be expanding our capacities, as we go forward. And from time to time, we have been announcing our capacity expansions, either -- I mean, largely it would be on a brownfield basis or a greenfield basis, but expansion is inevitable.

Sahil Patani: Got it. Cool. Thank you so much, sir.

Management: Yeah.

Moderator: Thank you. The next question comes from the line of Divhy Gosar from Shubham Ventures. Please go ahead.



- Divhy Gosar:** Hi sir, thank you for this opportunity. So my first question was, in the first half, we have grown by -- our revenue growth has been more than 30%. So, given your long-term guidance of 20% revenue growth, will we do, higher than 20% in FY27?
- Management:** It should actually, given by the H1 performance. Because this year, this, price growth was quite high in the first half, so, we got a little extra caution.
- Divhy Gosar:** Can we expect 30% growth in FY27?
- Management:** I mean, giving us quantitative short-term guidance, we have not been doing it for now, so I again avoid it.
- Divhy Gosar:** Okay. And given the high base in FY27, do you expect 20% growth in '28 as well on the base of '27?
- Management:** Again, I mean, I should not give any quantitative guidance, but, let's see. Let's first close this year and probably we'll have a better visibility of the next year.
- Divhy Gosar:** Okay, thank you so much.
- Moderator:** Thank you. The next question comes from the line of Hoshang from Elios Financial Services. Please go ahead.
- Hoshang:** Am I audible?
- Moderator:** Yes sir.
- Hoshang:** Sir. I just had 2 questions. So one thing, sir, look at the cash flow statement. I think the inventory has gone up significantly for the So could you just maybe throw light on it? Is it mainly because of more sales or any other particular reason?
- Management:** So there are 2 aspects for inventory going up. One is that in number of days, if you look, the inventory has not increased very significantly. I think it is within the range. And H1 inventory or September inventory is typically a little higher than the annual inventory because we are H2-heavy business. So basically, we need to keep inventory in order to, capitalize on our seasonality, the H2 seasonality.
- Hoshang:** And just one last question, so this is regarding in the previous calls...
- Management:** One last thing regarding the inventory part is that the value of, the material has also increased. So that has also impacted the overall, inventory levels because the price of raw material has gone up.
- Hoshang:** Okay, understood. Just one last question. This is regarding, the new facility. I think you mentioned that, we are like, the firm is making like a new type of like, or maybe a more durable form of solar cables, the electron beam solar cable, and the company is also looking to get into data center cables as well, right? That's still in product development stage.



So just if you could share your thoughts with regards to electron beam cable, have you gotten any type of orders or any kind of customer commitments or interest regarding that? And when would you be planning to phase out -- or sorry, bring in, the data center related cables?

Management:

So yes, so basically regarding the solar cables, the sales team is out there in the market and engaging with the customers. So, we should soon see the results, in place. On the data center side, I think, the product readiness is still underway. So, once we are ready with the product, probably then we will go into the market for engaging with our customers and doing the type testing and all the technical tests for, getting the orders.

But yes, data center is a huge opportunity, and for, I mean, all the cable manufacturers, even the power cable manufacturers, it will become a sizable opportunity. That's what we believe. Going by the industry reports or the research which we all are kind of reading through.

Hoshang:

Any timeline you can maybe share with regards to when you would be coming out with that data center cable?

Management:

I mean, there is, it all depends upon -- we are kind of serving the market, data center market, and data center market itself is under the stage of a lot of evolution. So probably we'll have to wait some time to get clarity on how this opportunity shapes up.

Hoshang:

Thank you. That's it for my side.

Moderator:

Thank you, ladies and gentlemen. We will take this as the last question for today. I now hand over to Miss Natasha Jain for closing comments. Over to you, ma'am.

Natasha Jain:

Thank you. I request the management to give their closing remarks, if any.

Management:

No comments.

Management:

Thank you, all the investors. I think there are few, investors more in line, so they can connect with us with email, or call us. We'll surely address all the unaddressed queries of all the investors in queue. Thank you.

Moderator:

Thank you. On behalf of Dynamic Cables Limited and PhillipCapital India Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.