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To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Security Code : 532928	To, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051 Trading Symbol : TRIL
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Dear Sir/Madam,

Sub: Transcript of Earning Conference Call held on 22nd January, 2024

In terms of Regulation 30 and 46 read with Clause 15 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we send herewith the Transcript of the Earning Conference Call with analysts and investors held on 22nd January, 2024.

Please take the same on your record.

Thanking you,

Yours faithfully,

For Transformers and Rectifiers (India) Limited

**Rakesh Kiri
Company Secretary**

Encl.: As above

T & R is one of the leading manufacturers of a wide range of transformers globally. Today T & R is second largest Transformer manufacturing company based on Capacity in India. It has capability to develop world class power, distribution, furnace and specialty transformers with world class infrastructure at three plants around the city of Ahmedabad (Gujarat, India). T & R is managed by a highly skilled and experienced team of approximately 1200 employees, who consistently ensure that each and every activity factors in an adherence to high quality benchmarks established by the organisation.

CIN No.: L33121GJ1994PLC022460

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“Transformers & Rectifiers India Limited
Q3 FY24 Earnings Conference Call”
January 22, 2024



MANAGEMENT: **MR. JITENDRA MAMTORA – CHAIRMAN**
MR. SATYEN MAMTORA -- MANAGING DIRECTOR
MR. CHANCHAL RAJORA – CHIEF FINANCIAL OFFICER
AND ADVISOR TO THE BOARD

MODERATOR: **MS. KRISHNA PATEL – EY**

Moderator: Ladies and gentlemen, good day and welcome to the Q3FY24 Earnings Conference Call of Transformers & Rectifiers India Limited. As a reminder, all participant lines will be in 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 a touch-tone phone. Please note that this conference has been recorded.

I now hand the conference over to Ms. Krishna Patel from EY. Thank you and over to you, ma'am.

Krishna Patel: Thank you, Muskan. Good evening, everyone.

Welcome you all to Transformers & Rectifiers (India) Limited's earnings call to discuss the Q3FY24 and 9MFY24 financial results. Today, from the management side, we have with us Mr. Jitendra Mamtora, Chairman, Mr. Satyen Mamtora, the Managing Director and Mr. Chanchal Rajora, CFO & Advisor to the Board.

Please note, a copy of the disclosures is available in the Investors section of the website as well as on the stock exchange. Anything said on this call, which reflects the outlook for the future, or which could be construed as a forward-looking statement must be reviewed in conjunction with the risks that the company faces.

Now I shall hand over the call to Mr. Satyen Mamtora for his opening remarks. Over to you, sir. Thank you.

Satyen Mamtora:

Thank you, Krishna. Good evening, everyone. We welcome you all to the earnings conference call of Transformers and Rectifiers (India) Limited to discuss the company's performance during the quarter and nine-months. We concluded our board meeting today and uploaded the financial results as well as the investor presentation on the stock exchange, I believe you must have got a chance to go through the same.

OPERATIONAL KEY DEVELOPMENTS

Let me quickly take you through certain product developments that took place during the past quarter.

- The company successfully completed 'Dynamic Short Circuit Test' on 50MVA, 53MVA, 105 MVA and 250MVA Single Phase Auto Transformer. The test was conducted at National High Power Test Laboratory, Bina and CPRI, Bangalore. With successful completion of this test, the company has crossed a commendable milestone of successful Dynamic short circuit test on a record 150 plus transformers in the last 2 decades. This feat demonstrates sound engineering, company's adherence to quality standards and the capability to manufacture and deliver high rating reliable power transformers of various specifications.
- Secondly, during the quarter the company successfully FAT tested multiple numbers of 210 MVA generator transformers with indigenous technology to one of the prestigious client in India. The supplied transformers will form three phase bank of 630 MVA at customers site and shall facilitate uninterrupted power flow.

Now let me highlight the order inflow and order book position of the company:

- During the quarter, the company received new orders worth Rs.701 crore; growth of 69% YoY basis vs Rs.414 crore orders received during same period last year. Out of new orders received during the quarter Rs.72 crore are for exports.
- During 9MFY24, the total order inflow is Rs.1,636 crore.
- The unexecuted order book (UOB) as on 31 December 2023 totals to Rs. 2,572 crores with 60% of the orders from utilities, 27% from industrial customer, 8% from renewables and 5% from export.
- Currently, in the domestic market, tenders and inquiries for domestic market of value ₹ 4,256 crore are under negotiation or bidding stage whereas in the export market, export inquiries of \$ 127 million are under negotiation.

Now let me talk about geographical split. What we are seeing is that the demand in the domestic market is outgrowing the speed of growth of export market. However, going forward due to the supply crunch that we are seeing in the export market, we expect India to be a bigger beneficiary. At present, domestic revenue is at 88% during the nine-months and 12% exports.

To summarize, in the current industry landscape, the company is positioned advantageously and expects to participate in the growth story of transformer industry.

With this, I conclude my remarks and now I would like to handover the call to our CFO Mr. Chanchal Rajora for his comments on the financial parameters.

Chanchal Rajora: Thank you, MD sir and good evening, everyone. A warm welcome to our earnings call. I shall summarize the standalone financial highlights for the quarter and nine month ending 31 December 2023:

- During the quarter, revenue from operations was at ₹ 365 crore, a growth of 13% from ₹ 323 crore in Q3FY23.
- During the quarter, EBIDTA was at ₹ 37 crore, a growth of 15% from ₹ 32 crore in Q3FY23.
- EBIDTA margin was at 10.0% as compared to 9.7% in Q3FY23. The improvement in profitability is on account of higher margin accretive product mix.
- During 9MFY24, revenue from operations was at ₹ 773 crore
- During 9MFY24, EBIDTA was at ₹ 64 crore
- During 9MFY24, the export turnover was ₹ 95 crore, comprising 12% of the revenue from operations. The company has a customer base spanning over more than 25+ countries.
- Unexecuted order book as on 31 December 2023 is Rs.2,572 crore.

That concludes an update on the financial highlights of the company. I shall now request the moderator to open the floor for questions and answers session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from Mr. Subhadip Mitra, from Nuvama. Please go ahead.

Subhadip Mitra: Thank you for the opportunity. My first question is given the strong order book position as well as the fact that you have close to ₹5,000 crores of domestic and export orders under negotiation, would you be giving any guidance or a target on order inflows, revenues, and margins for FY24 and FY25?

Chanchal Rajora: Hi, Subhadip. How are you doing?

Subhadip Mitra: Perfectly fine, sir. Thank you.

Chanchal Rajora: Subhadip as explained during the last earnings calls also, the order book we have right now is for the next 15 months to 18 months delivery period. And we expect that we will be able to deliver these orders into the prescribed time. As far as the margin is concerned, as you have seen, this quarter also margin has improved and we see that gradually improving and we expect to reach to the industry levels.

Subhadip Mitra: Understood. So, if I am understanding correctly, we are saying that the current close to ₹2,500 crores of order book would get split over the next 18 months or so. And when you are talking about industry level margins, I am assuming this would be somewhere in the range of 10% to 12% or higher? Is there any range that you would like to talk about?

Chanchal Rajora: Yes, you can consider that, please.

Subhadip Mitra: Understood. So, secondly, in terms of your PAT margins, now while EBITDA margins have clearly been improving, PAT margins remain subdued, possibly because of the effect of interest costs. And I am assuming as the top line goes on increasing, maybe interest costs will not go up in due. If you can just throw some light on that as well.

Chanchal Rajora: Yes. Subhadip, PAT margin is low because of the one reason that you already mentioned. And the second reason is that H1FY24, was relatively not good for us. But going forward, when you close this financial year, PAT margin will be significantly much better as compared to what they are today.

Subhadip Mitra: Two questions from my side last, if I can accommodate. Firstly, on working capital, sir, in terms of working capital levels or debtor levels, where would we be for the 9 months?

Chanchal Rajora: Yes. We are very comfortable right now on the working capital. And we already planned our working capital to achieve the target, and we are anticipating for the next year and beyond that.

Subhadip Mitra: Any number that you would want to say as to what is your targeted working capital? Could you give some guidance on that?

- Chanchal Rajora:** Subhadip, actually we are trying to reduce our working capital numbers by putting up different efforts. And at present, we don't see that any increase in the working capital for the next year's turnovers achievements.
- Subhadip Mitra:** Sorry, I think I got cut off. Could you just repeat? You are expecting next year's working capital to be
- Chanchal Rajora:** We remains at the same level
- Subhadip Mitra:** At the same level. In terms of number of days of sales?
- Chanchal Rajora:** In terms of the absolute numbers, number of days, if you see that we are working on the direction to bring down the working capital days up to 120 days.
- Subhadip Mitra:** I agree with you. Yes. So lastly, on the GETCO issue with regard to the pending payments, how much is pending and how much has been received so far?
- Chanchal Rajora:** We have already issued ₹90 crores of the payment from the GETCO and the balance payment is in line. As and when it is falling due, GETCO is releasing the payments to us.
- Subhadip Mitra:** Sir, how much is pending?
- Chanchal Rajora:** Right now, I don't have the absolute number that how much is pending, but this is the payment basically as and when they are falling due. Now, GETCO is releasing on time.
- Subhadip Mitra:** Understood. My last question would be with regard to the orders and the negotiation that you have. I think about ₹4,200 crores of domestic and maybe another ₹1,000 crores of export. In your opinion, how much of this would you see culminating into actual order and flow?
- Chanchal Rajora:** I would not like to comment on that at this moment, Subhadip.
- Subhadip Mitra:** Understood, sir. That's it from my side. I'll join you for follow-up. Thanks so much. Sure.
- Moderator:** Thank you. The next question is from the line of Khadija Mantri from Capri Global. Please go ahead.
- Khadija Mantri:** Good evening, sir. As I said, I remember in our last interaction, you had said that we would have a flattish revenue in FY24, so which makes the asking rate for Q4FY24 revenue is about ₹600 crores, and which is like 40% YoY growth you would have to do. So are you confident of achieving this kind of revenue growth in Q4FY24?
- And also, what is the status on our export orders? Like, we were trying to get our foot into new geographies. So, what is the status now?
- Chanchal Rajora:** Okay. Hi, Khadija. How are you? It was nice meeting with you last time. We are working on the direction as what we have discussed last time that this year we are trying to close somewhere near to our last year numbers because of the first half year.
- And we are quite confident that we will be able to reach quite near to our last year numbers in terms of the revenue as well as on the EBITDA side. As far as the export is concerned, you can see that almost every quarter we are receiving the sizable amount of the export order. And if you see that in my present revenue, around 12% is from export side.
- And as you see my present negotiation level, there are around \$127 million worth of orders which are under negotiation. So we are actually working on the directions, what we have been discussing, to have an order book for the next financial year.
- Khadija Mantri:** Okay, sir. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Gunjan Kabra from Niveshaay. Please go ahead.

- Gunjan Kabra:** Thank you for the opportunity. Sir, my first question is that last quarter you guided an EBITDA margin of 14%-15%. Right now, we have scaled it down to 10%-12% as per the previous participant's question. So at what level of scale can we expect those margins to hit of around 13%-14% from the current 10%?
- Chanchal Rajora:** Gunjan, 13%-14%, what we had said, we have said it from the financial year of 2026-27 and Financial Year 27-28. So that we still foresee that it will be on that level only. The 10%-12% what I just mentioned to Subhadip is the industry average which we will achieve in coming financial year. That is what I explained.
- Gunjan Kabra:** Okay. And sir, last quarter we had certain non-receipt of dispatch instructions from few customers which actually reflected in our revenue last quarter. So how much of that has been recognized this quarter?
- Chanchal Rajora:** If you see in our Investor presentation, we have not mentioned anything about that.
- Gunjan Kabra:** Sir, last quarter you had mentioned that it was around ₹40 crores-₹ 50 crores.
- Chanchal Rajora:** Around ₹ 20 crores-₹ 25 crores of the transformers were stuck up on that. That has been liquidated now.
- Gunjan Kabra:** Okay, got it.
- Chanchal Rajora:** It's a normal QoQ phenomena now. So it will keep happening. Last time it may be possible in the last moment some BI doesn't come and then it will reflect into the coming quarter.
- Gunjan Kabra:** Okay. And sir, if you can share the trade receivable numbers and the short-term borrowing numbers as on 9MFY24 that will be helpful
- Chanchal Rajora:** You can get in touch with me directly. I will give you that numbers.
- Gunjan Kabra:** Okay. Thank you so much and good luck to the entire team.
- Moderator:** Thank you. The next question is from the line of Subhadip Mitra from Nuvama. Please go ahead.
- Subhadip Mitra:** Thank you for the follow-up. Sir, two qualitative questions from my side. Firstly, with regard to the GETCO issue, if you can also throw some light on what are the remedial measures that have been taken by yourselves as well as GETCO to ensure that something like this doesn't happen again?
- Chanchal Rajora:** Subhadip, we have strengthened our internal policies and internal control to the best possible manners and from where these kinds of things will never happen again.
- Satyen Mamtara:** And GETCO is also working on their teams. They have also strengthened certain processes of theirs where the DIs and everything which was computer generated which at least used to normally do manually, they have also strengthened their IT team so that all this manual generation has to stop.
- Subhadip Mitra:** Understood. So, this issue in no way will impact your qualifications for readying for any of the other, let's say, power grid or other larger...
- Satyen Mamtara:** No. We have been constantly receiving orders from power grid even after this issue.
- Chanchal Rajora:** Subhadip, if you have seen an announcements of the company into the exchange, in last quarter we have received ₹ 450 crores of order from the power grid and ₹ 120 crores of order from Uttar Pradesh. So, this issue has not at all affected on order inflow and actually this is not it is not a blacklisting on anything. It is a small-time phenomenon which has been over now for us.
- Subhadip Mitra:** Perfect. That makes it amply clear. Secondly, sir, I believe that there is a certain amount of promoter pledge of shares also that is there. If you can correct me on that one, I assume what is the quantum and do you see that reducing over a period of time?

- Chanchal Rajora:** Subhadip, this pledge of share is with our banking partners And these pledges of shares are not today. This has been for the years. So, since we have the banking limits with the bank, these are there and these are going to be, remain with the bank till we have the banking lines.
- Subhadip Mitra:** Understood. So, these would be for letter of credit and other things that you require for bidding for the contract?
- Chanchal Rajora:** What?
- Subhadip Mitra:** The pledge is essentially there with the banks for working capital related loans or for LCs?
- Chanchal Rajora:** That is the working capital funding what we have with them. Fund based and non-fund-based limits what we have with the bank, it is related to that.
- Subhadip Mitra:** I read you. And any indication on what is the strike price for the pledge? At what price were the pledges at?
- Chanchal Rajora:** It's been long, long since the beginning of the limits, these are there. Even we don't remember even that. You will find it, Subhadip, significantly because my stock price is not high, but it is since almost, say like state bank we are working for last 20 years to 40 years with the state bank. So, it's been since beginning.
- Subhadip Mitra:** Perfect, sir. I think that answers my question. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Nilesh Doshi, Green Lantern Capital. Please go ahead.
- Nilesh Doshi:** So, couple of questions, Chanchal. One is that you are targeting about last year revenue in the current year, which means as you already committed, you would be doing about ₹ 600 crores revenue this year, I mean in Q4FY24. Now, ours is not a seasonal industry and the capex cycle in our country is moving at a very fast pace, especially on the energy generation and transmission side. So, do we expect that you should be doing about ₹ 2,200 crores kind of a revenue next year?
- Chanchal Rajora:** We are working on that direction only, Nilesh bhai.
- Nilesh Doshi:** Yes. The second is you are still alluding about industry average EBITDA margin. But what I see from the industry and the gross margin at which the new orders are being taken by the industry, I think that comes out to be something like at least 15% EBITDA for the new orders and next year. So, how are we placed in that scenario?
- Chanchal Rajora:** Nilesh bhai, actually, you are absolutely right what you are saying that. But as I told you earlier also that that effect will start coming from the end of the next financial year, because right now in this present year and the first half of the next year, we will be executing the orders what we have, say, a year back orders or year-old orders, right?
- So, the EBITDA level will be not at that level what you are saying that. But definitely going forward, when you will go through the last quarter of the next financial year or FY26 levels, we will be close to those numbers somewhere.
- Nilesh Doshi:** Yes. And lastly, on the technical side, can you help us understand like you develop this new kind of import substitution transformers single phase, which would be installed in the configuration of three single phase transformer? How big is the opportunity and why these were being imported in the past?
- Jitendra Mamtora:** No. It has never been imported. We have been manufacturing these transformers from the beginning. What happens when the transformer size becomes big, the transportation and the logistic is the issue. So, they prefer to go with single transformers and then they make a bank of three transformers when it reaches the site.
- Moreover, when the transformers are going to be installed in the hilly areas where the logistic is a big issue because the turning radius is not there. So, you have to restrict the weight and that all leads to the use of single-phase transformers and also the trailer size. If like, when we make 765

kV transformers, they are all single-phase transformers, each of 500 MVA. So, single transformer would have been 1,500 MVA transformer, which would be weighing something where around 750 tons to 800 tons.

So, that we don't have that kind of roads, that kind of bridges. So, we have to break them into single phase transformers and then when it reaches the site, they are connected. So, this is not an important substitute, but we have been doing this. India is doing this since ages. The expertise in making those transformers.

Nilesh Doshi: So, what we got tested and approved in the last quarter is something which we have been doing regularly.

Jitendra Mamtara: Yes, no, it is the short circuit test, we were talking about. Short circuit test of this large transformer has never happened in the past. We are the first to have this transformer, 250 MVA transformer, short circuit tested, single phase transformer short circuit tested by the laboratory in Bina.

So, this has not happened in the past. This is the first time it is happening.

Nilesh Doshi: So, does that mean that even our competitors who are MNC in this space have never done short circuit test in the past?

Jitendra Mamtara: Because they had no opportunity or they never had the orders like this before. So, you do this test only when you get the order, not before that. You must get the transformer tested for short circuit, which goes to something like ₹ 5 crores-₹ 6 crores, just for testing and then having that as inventory till such time that you get an order.

So, these are tested against the orders. If they have not received the order, they will not get it. Something like that.

Nilesh Doshi: Okay. So, does it qualify as something for the international standards or any export?

Jitendra Mamtara: See, it's not that every electricity board in the world, they ask for this short circuit test. It only increases our reference list that we have done this. So, that will be an added advantage while qualifying us for the supply of the transformers in the areas where we have not been supplying. So, that should be the added advantage to us in the areas where we are not there. Otherwise, it's not that.

Satyen Mamtara: It just builds the confidence in the customer that we have a team which is capable of manufacturing and designing a transformer of that size.

Nilesh Doshi: Yes. That's nice of you, Satyen. I will get back to you in the queue.

Satyen Mamtara: Thank you.

Moderator: Thank you. The next question is from the line of Namish Gupta from Namish & Gupta Company. Please go ahead.

Namish Gupta: Sir, congratulations for the nice results. And, sir, my question is regarding the recently, I saw your interview on a leading news channel, sir, wherein you have like conveyed that by FY25, company is targeting a revenue of approximately ₹ 3,000 crores and EBITDA margins of around 18% to 19%, sir. So, I just want to know, What is the basis of this confidence, sir?

Jitendra Mamtara: See, I tell you, when we came out with the IPO, our EBITDA margin was 18% to 20%, approximately. And the kind of market now or the kind of demand which has come now, we have started looking at that kind of EBIT margin. Because 18% and 20% is nothing new to the industry when the demand is like this.

So, this is what our dream that we would have this kind of margins in the years to come. When? It will all depend on the market condition. But I can foresee that this will happen in the very near future.

- Chanchal Rajora:** Namish. Just to add up what chairman sir has said right now, this confidence is also from there on the gross margins, what we are right now quoting for those years. So, if that number is converted based on those gross margins, definitely we can foresee that.
- Namish Gupta:** And sir, one more question I have. There is a listed competitor in transformer sector like Shilchar Technologies. They are mainly into the renewable space. In fact their majority of their share is like export sales.
- But I just reviewed your turnover and your investor presentation. Our export sales is very less. And their margins are like more than 20% from last three-four quarters.
- Satyen Mamtora:** Yes, Namish, Shilchar makes very different transformers from us. We are basically into EHV and high voltage transformers and power transformers. Shilchar is basically into distribution transformers. And the rating of transformers is very small. So, the transformers that we manufacture are very different from what Shilchar manufactures. So, the product is completely different.
- Namish Gupta:** So, I mean, just a last related question. Does this distribution transformer are more like margin-accretive and power transformers are less margin-accretive?
- Satyen Mamtora:** Sir, I didn't get your question.
- Namish Gupta:** Sir, I am asking, I mean, since they are in distribution transformers and their margins are huge, so does the distribution transfer carry huge margins and power transformers are normally not that margin-accretive?
- Jitendra Mamtora:** It is not really like that, with power transformer has not that good a margin. Only thing is we are not very much there, our network for the export is not yet established. When we are established there in the export market, our margins will be also like that. And that is one of the reasons why I said in one of my interviews that, the 18%-20% is not far away in the years to come.
- Because we are gearing up for the exports, we are building the team for, or building the network for the representatives throughout the world, one by one. So, that we don't fail in our commitments to our customers for the supply of those large transformers.
- So there is a huge demand. Like in America, we have been saying that Americathe raw material to sales ratio is something like 0.3. So that is, 30% is raw material. And even if we go with 60% raw material and considering 10% to 12% as the logistic charge, we are still cheaper by 20% to them, as far as the prices are concerned.
- So that kind of margins are there. But we have to enter that market, we have to have a proper network for the supply, not only for the supply, but also when you supply large transformers, what you have to have is you have to ensure that there is somebody to look after your transformer in case of a small issue the customer may face in case of an accident. So they will also ask us, so it's a big work, so we are working on that.
- And shortly, maybe in another six months' time, we will have proper people at proper places for the supply and also for looking after the maintenance of the transformers.
- Moderator:** Thank you. The next question is from the line of Prathamesh Dahake from Motilal Oswal. Please go ahead.
- Prathamesh Dahake:** Hi, sir. How are you? So my first question is, if I were to compare December '23 quarter versus December '22, I could say 2% EBITDA accretion has been account of reduction in other expenses. So what are these expenses that we were able to curtail, which helped us in getting those 2% extra?
- Chanchal Rajora:** Prathamesh, there are lots of issues, lots of expenses covered into that. One is that our raw material percentage has reduced into that, as well as our overheads, both have reduced. That has increased the EBITDA levels in that way.
- Prathamesh Dahake:** Yes, sir. But if we were to look in terms of common size, other expenses I mean, we don't get the breakup in quarterly reports as to other expenses which are mentioned. I felt that 2%

reduction has been in other expenses. So just wanted to check what are these heads, which got reduced and are they sustainable in the longer run?

- Chanchal Rajora:** There are lots of components into that and they are sustainable in the longer run. As and when we will increase our revenue size, those expenses will go down further.
- Jitendra Mamtora:** And moreover that, you know, the orders which we are executing is still, most of them are last year's order. And now whatever we are quoting is with the lower material cost or material to sales ratio better. That will give us the extra EBITDA margin in the coming year or the coming month.
- Prathamesh Dahake:** Okay. So going forward, you believe 75% to 78% COGS percentage is something which you feel will be a stable range?
- Jitendra Mamtora:** I mean, it will lie between 67% to 75%, 76% raw material in the coming time. So 76% is as on today, but now we are quoting with less than 68% as raw material.
- Prathamesh Dahake:** That's wonderful, sir. Okay. These were the only two questions from my side.
- Chanchal Rajora:** Prathamesh that effect will not come immediately.
- Jitendra Mamtora:** Next year
- Prathamesh Dahake:** So the one which you are quoting at 67% will be executed or delivered in next 12 months or next 9 months? If you could understand?
- Satyen Mamtora:** In next 18 months.
- Prathamesh Dahake:** 18 months. Okay, sir. Understood. That's it from my side, sir.
- Moderator:** Thank you. The next question is from the line of Surabhi Saraogi from SMIFS Capital Market. Please go ahead.
- Surabhi Saraogi:** Hello. Thank you for the opportunity, sir. Sir, my question is, can you repeat your revenue guidance for FY24?
- Chanchal Rajora:** Yes, Surbhi, we will be closing somewhere near to our last year.
- Surabhi Saraogi:** Okay. Okay, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Nilesh Doshi from Green Lantern Capital. Please go ahead.
- Nilesh Doshi:** Yes, thank you again, Chanchal. Just one question. The kind of inquiries we are seeing, any plans for de-bottlenecking or additional capex to increase the capacity over next 6 to 9 months?
- Chanchal Rajora:** No, Nilesh bhai, we don't foresee next 6 to 9 months. Even next, we don't foresee for next 12 months. And as I explained to you, for the additional new revenues, next year will be coming up a capex expansion.
- Nilesh Doshi:** So, how much time normally you require for a capex in terms of putting up a bay and facilities?
- Chanchal Rajora:** 8 to 9 months' time.
- Nilesh Doshi:** Yes, so somewhere, that's what I'm asking. Somewhere by end of calendar year 2024, we should be working, we may begin to do a new capex?
- Chanchal Rajora:** You are right, sir.
- Nilesh Doshi:** Yes. Okay. Thank you, sir.

- Moderator:** Thank you. As that was the last question, I would now like to hand the conference over to Mr. Satyen Mamtora, Managing Director for closing comments.
- Satyen Mamtora:** Thank you to each one of you for being part of our earnings call and participating in the call. We appreciate your support and trust in us. We hope we have been able to address most of your queries. In case of further queries, you may reach out to our investor relation advisor – Ernst & Young and they will connect with you offline.
- Moderator:** On behalf of Transformer and Rectifiers India Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.
- Satyen Mamtora:** Thank you.