

May 16, 2026.

To

The Manager

The Department of Corporate Services

BSE Limited

Floor 25, P. J. Towers,

Dalai Street, Mumbai — 400 001

**Scrip Code: 531147**

To

The Manager

The Listing Department

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,

Bandra (East), Mumbai — 400 051

**Scrip Symbol: ALICON**

Dear Sir/ Madam,

**Sub: Transcript of Analysts Conference Call**

We are enclosing herewith the transcript of the conference call with analysts, which took place on May 13, 2026, after announcement of the audited Financial Results for quarter and financial year ended March 31, 2026. The said transcript is also uploaded on website of the Company.

We request you to kindly take the above information on your record.

Thanking you,

Yours faithfully,

For ALICON CASTALLOY LIMITED

VIMAL GUPTA

CHIEF FINANCIAL OFFICER



**Alicon Castalloy Limited**  
**Q4 & FY2026 Earnings Conference Call Transcript**  
**May 13, 2026**

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**Moderator:** Ladies and gentlemen, good day, and welcome to Alicon Castalloy Limited Q4 FY '26 Earnings Conference Call.

As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. Mayank Vaswani from CDR India. Thank you, and over to you, Mr. Vaswani.

**Mayank Vaswani:** Thank you, Michelle. Good evening, everyone, and thank you for joining us on Alicon Castalloy Limited's Q4 and FY '26 Earnings Conference Call.

We have with us on the call today, Mr. Sumit Bhatnagar, CEO; and Mr. Vimal Gupta, CFO. Mr. Sumit Bhatnagar will share his perspectives on the industry backdrop and the growth strategy, following which Mr. Vimal Gupta will cover the financial and operational performance for the quarter and the full year.

Before we begin, I would like to point out that some of the statements made in today's call may be forward-looking in nature, and a disclaimer to this effect has been included in the earnings documents that have been shared with all of you earlier.

I would now like to hand over the floor to Mr. Sumit Bhatnagar. Over to you, sir.

**Sumit Bhatnagar:** Thank you, Mayank, and good evening, everyone, and thank you for joining us today. And I trust all of you have had the opportunity to review the earnings presentation, which was shared with you earlier.

It is a privilege for me to address all of you as I take over as the CEO of Alicon Castalloy effective 1st of April 2026. I would like to begin by expressing my gratitude to our Board, employees, customers, partners, shareholders for the trust and confidence they have placed in me, as we enter the next phase of Alicon's journey. Alicon today stands on a very strong foundation built over 5 decades through deep engineering expertise, robust manufacturing capabilities, enduring customer relationships and an unwavering commitment towards quality and execution.

As I step into this role, I do so with great respect for the legacy that has been created and with a clear focus on strengthening Alicon's scale capabilities and long-term relevance across evolving markets and technologies. Over the years, Alicon has evolved alongside the changing automotive landscape and established itself as a trusted supplier across both domestic and the global markets. Today, the industry is undergoing a significant transformation driven by electrification, premiumization, lightweighting, energy transition and increasing the technology integration.

We believe Alicon is well positioned to participate meaningfully in these structural shifts given our strong product capabilities, diversified customer base and growing presence in technologically advanced and value-added applications. Going forward, our priorities will remain centered around 3 growth themes: a deepening of customer relationships, expanding our capabilities and manufacturing footprint and further strengthening our leadership and organizational depth.

On the customer front, I recently had the opportunity to engage with several of our global customers across both automotive and industrial segments, and the feedback has been highly encouraging. Increasingly, customers are looking at Alicon not merely as a component supplier, but as a long-term engineering and manufacturing partner capable of supporting their future growth plans.

We are seeing opportunities expand across platforms, geographies and product categories with customers expressing greater willingness to consolidate business with reliable and technically capable partners such as Alicon. This is true not only in automotive applications, but also in adjacent industrial and non-automotive segments, where our casting, machining and engineering capabilities provide meaningful competitive advantages. As the relationship deepen, there is also a corresponding opportunity to expand our scale and capabilities.

Customers are increasingly engaging with us for higher value and more technologically advanced products, while also encouraging us to participate in a larger share of their sourcing requirements. In line with this, we will continue to invest in capacity enhancement, automation, machining and process capabilities, both organically and through selective inorganic opportunities, where they strengthen our strategic positioning and customer relevance.

Equally important is our focus on building the organizational capability and the leadership bandwidth. We firmly believe that creating a stronger and more future-ready organization is essential to support the next phase of Alicon's growth.

Over recent months, we have significantly strengthened our leadership team across functions, including sales and marketing, product and process technology, program management, manufacturing, supply chain, tool manufacturing, operational excellence and human resource. The pace and quality of talent addition undertaken during this period reflects our intent to build scalable organization capable of supporting materially higher levels of growth in the years ahead.

Turning to the broader operating environment, the global business landscape became relatively more challenging during the fourth quarter amid the volatile macroeconomic conditions. While the quarter began on a stable footing, the escalation of tensions in the Middle East contributed to increased uncertainty resulting in volatility in energy prices, persistent inflationary pressures and some disruptions in freight movement and supply chain.

In contrast, the domestic environment remained comparatively resilient. India continued to be among the fastest-growing major economies globally, supported by healthy domestic consumption, government-led infrastructure investments, improving manufacturing activity and sustained momentum across several industrial sectors. In addition, proactive measures undertaken by the government towards diversification of energy procurement and supply chain management have helped mitigate the broader impact of global disruptions on the domestic economy thus far.

Against this backdrop, we witnessed several important trends emerging across the automotive industry. One of the most notable developments has been the renewed momentum in electric vehicles and hybrid technologies. Growing focus on energy security and fuel diversification has accelerated customer interest in alternate mobility solutions, resulting in stronger traction for EV and hybrid platforms across the multiple segments.

At the same time, inflationary pressures across the value chain have remained significant in addition to aluminum and related alloys, prices of commodities such as steel, copper and other input materials witnessed meaningful increase. This was further compounded by high energy costs, freight expenses, packaging costs and currency movements. While aluminum price increases are largely pass-through in nature, there is typically a timing lag involved, whereas certain overhead related cost increases are fully recoverable. Consequently, these factors could exert some pressure on the margins, as we move into FY 2027.

Energy availability also emerged as an important area of focus during the quarter, and we use a variety of fuels, including LSHS, CBFS, PNG and LPG, mainly in process of melting, die heating and heat treatment. We undertook several operational initiatives, including process modifications, optimization of

gas utilization and selective migration towards electric heating solutions in order to manage fuel availability challenges effectively, and these measures helped us to significantly reduce the gas consumption without any disruption to production schedules of our customers.

Importantly, during the brief period of fuel supply constraints, our team demonstrated some exceptional commitment beyond the workplace as well. In several instances, employees and plant teams came together to support workers and their families by helping arrange essential cooking fuel and meals, ensuring that operational continuity was matched by care and responsibility towards our people and communities.

While on the subject of energy availability and consumption, it is important to highlight that over 50% of overall power requirement is now being met through renewable resources, primarily solar energy. The transition has significantly strengthened our operational resilience and only a small part of operations is exposed to the risk coming from the impact of volatility in energy prices, supply constraints and disruptions due to the evolving geopolitical situations in the Middle East.

Another important development during the quarter pertains to the labour cost. Following the implementation of the revised labour codes earlier, the recent notification by Government of Haryana regarding an increase in minimum wages effective 1st April '26 is expected to increase the labour cost at our North India factory, Binola by approximately 35%. There means a possibility of similar revisions being implemented across other states over a period of time. However, we believe that our ongoing investments in automation, productivity enhancement and operational efficiency initiatives will help us meaningfully absorb the impact over the medium term.

Despite these near-term challenges, we remain constructive on the medium-term outlook for Indian manufacturing and exports. Global OEMs are increasingly evaluating India as a reliable and cost-competitive manufacturing and sourcing hub as part of a broader supply chain diversification initiative. Additionally, developments around India, EU trade framework and progress towards India-U.S. trade agreement are also encouraging from a long-term perspective. With its strong engineering capabilities, diversified customer base and established manufacturing footprint, Aicon remains well positioned to participate in these opportunities.

Coming to the business development, Aicon has recently secured orders for two very distinct part numbers in this quarter. The first part is for a premium 2-wheeler customer in India. This is a critical part for an upcoming product launch pertaining to higher CC platforms in motorcycles. The second part is supply of a turbo core compressor component used in data centres. This is in the non-

auto segment for Aicon and opens up a completely new product category for us as well as a new addressable market.

Our existing passenger vehicle programs with leading Japanese OEMs continue to perform well during this year, supported by a strong growth in SUV platforms and hybrid vehicle demand. Given an increasing end customer preference towards hybrids and fuel efficiency mobility solutions, we believe, these programs remain well positioned for continued momentum going forward.

In the commercial vehicle segment, the programs secured during the previous quarter from leading domestic OEM, along with the additional order from a prominent Tier 1 supplier with a diversified Indian industrial group are progressing well. Development and implementation activities have largely been completed, and these programs have now moved into the initial production. Domestic CV industry volumes during the fourth quarter grew by approximately 19.5% year-on-year, and Aicon remains well positioned to participate in this growth given our strong relationship across the leading OEMs.

We also witnessed improved traction from our 2-wheeler customers during the recent quarters. Aicon today supplies several critical products to leading players within the segment and the strong recovery in industry volumes since September 2025 has translated into improved business momentum for the company. Consequently, the contribution of the 2-wheeler segment to our overall business increased meaningfully during quarter 4 FY '26 as compared to the corresponding previous last year.

On the global side, we recently secured an e-Axle housing program from a premium German automobile OEM and has also progressed very satisfactorily with execution moving in line with the planned timelines. Successful delivery of these technologically advanced and value-accretive programs is expected to further strengthen Aicon's credibility, deepen customer engagement and support additional opportunities across the global markets.

Overall, we remain focused on a disciplined execution, operational excellence, customer centricity and strengthening Aicon's positioning as a technology-driven manufacturing partner. Supported by a healthy order pipeline, strong customer relationships and ongoing investments in manufacturing and process capabilities, we remain very confident that the company's long-term growth opportunities.

With that, I would like to hand over the call to Vimal, our CFO, who will take you through the operating and financial performance for the quarter and the year. Thank you.

**Vimal Gupta:**

Thank you, Sumit, and good evening, everyone. We appreciate your participation in today's call to discuss Aicon Castalloy's performance for fourth quarter and for the financial year '25-'26.

Despite a relatively challenging global macroeconomic environment during the quarter, Aicon delivered a resilient performance and concluded FY '26 on a strong note. While the international business witnessed some recovery in quarter 4, growth during the period was primarily driven by robust momentum in domestic market across key automotive segments.

For Q4 FY '26, Aicon Castalloy reported a total revenue of ₹495 crore, reflecting healthy growth of 16% year-on-year. This also represents the highest ever quarterly revenue reported by the company. A part of increase in top line during the quarter was attributable to pass-through impact of higher aluminum and alloy prices. The domestic business remained the principal growth driver during the quarter, supported by strong demand across passenger vehicle and commercial vehicle segments, along with improving traction in 2-wheelers.

On the international side, customer-specific issues and relatively softer demand conditions in select export markets continued to weigh on volumes. However, the strength of domestic business helped offset a significant portion of these headwinds.

From a profitability standpoint, gross margin for the quarter stood at 45%, reflecting a reduction of 248 basis points on year-on-year basis. Margin during quarter was influenced by a combination of factors, including change in the product mix, relatively higher contribution from domestic and 2-wheeler business and the impact of elevated aluminum prices. While higher raw material prices contributed positively to revenue growth on an absolute basis, they had a moderating effect on the gross margin due to the pass-through nature of aluminum pricing. On a quarter-on-quarter basis, gross margin moderated by 216 basis points from 47.2% quarter 3 of FY '26, reflecting changes in product mix and the base effect of higher aluminum prices.

EBITDA for quarter 4 of FY '26 was ₹46 crore, representing a year-on-year decrease of 3% due to the inflationary trend in cost heads and base effect of higher aluminum prices. Sequentially, EBITDA improved compared to quarter 3 FY '26, as operational performance strengthened during the quarter offsetting the other factors. However, EBITDA margins broadly mirrored the trend seen at the gross margin level due to the evolving business mix and raw material pricing dynamics.

Profitability during the year also continued to reflect investments being made towards future growth initiatives and operational upgrades, including

technology enhancement programs, automation initiatives, capacity expansion, employee capability building and business development efforts.

While these investments impacted near-term profitability to some extent through higher depreciation and operating costs, they are expected to contribute meaningfully towards productivity efficiency and scalability over the medium term. At the same time, strong working capital discipline and prudent balance sheet management contributed towards lower finance cost during the period.

Profit before tax before exceptional items for quarter 4 FY '26 stood at ₹10 crore as compared to ₹11 crore in quarter 3. On a year-on-year basis, PBT was lower by ₹4 crore, largely reflecting the higher depreciation. Profit after tax for quarter 4 FY '26 stood at ₹8 crore compared to ₹9 crore in quarter 4 of FY '25. On a sequential quarter basis, profit after tax in quarter 4 was higher by 141% compared to PAT of ₹3.3 crore in quarter 3 of FY '26.

On a full year basis, Aicon Castalloy reported a consolidated total income of approximately ₹1,784 crore for FY '26, reflecting year-on-year growth of approximately 4% over FY '25. The strong performance during the second half of the year, particularly in the domestic automotive market contributed significantly to our top line growth. Additionally higher aluminum and alloy prices also had a positive impact on reported revenues during the year due to pass-through pricing mechanism.

EBITDA for FY '26 stood at approximately ₹203 crore, registering a year-on-year increase of 3% over ₹190 crore reported in the previous financial year. Profit before tax of FY '26 stood at ₹55 crore as against ₹62 crore reported in FY '25 after absorbing the impact of ₹8 crore on account of new labour code and exceptional items, PAT was ₹24 crore in FY '26 as against ₹46 crore reported in FY '25.

In view of the company's resilient performance despite a challenging operating environment, the Board of Directors has recommended a dividend of ₹2 per share for FY '26.

Capital expenditure during FY '26 stood at approximately ₹135 crore with investment directed towards automation initiatives, enhancement of machining capabilities, capacity augmentation and readiness for upcoming customer programs.

Simultaneously, the company continued to invest in research and development, localization initiatives and digital manufacturing capabilities

with the objective of strengthening long term competitiveness and operational resilience.

Operationally FY '26 was characterized by continuous focus on execution excellence, productivity enhancement and throughput improvement across manufacturing facilities. Despite demand softness in certain export market, the company worked closely with customers to maintain product stability, optimize capacity utilization and ensure operational efficiency across locations.

During the fourth quarter, we also undertook a comprehensive review of our order book to improve visibility and enhance the quality of the executable pipeline. Certain completed programs naturally moved out of the order book, while a few programs, where customer volumes had not materialized despite advanced development stage were also rationalized and removed from the backlog. These include two large global players as well as two prominent customers in India. We are hopeful that these programs will revive at the later stage at which we will add them to our order book backlog again.

Following this exercise and including recent order wins, Alicon executable order book stands at approximately ₹7,600 crore as on March 31st, representing not executable orders over a period of 6 years from FY '25-'26 to FY '30-'31. This does not include programs that are currently ongoing and had already formed part of revenue prior to FY '26. *(Note: Order Book tenure has been corrected to 6 years. It was inadvertently mentioned as 5 years.)*

Overall, while global markets continue to remain somewhat volatile in the near term, the domestic automotive industry continues to exhibit healthy momentum and customer demand trends remain encouraging. Supported by a healthy order book healthy order pipeline, strong customer relationship and continued investment in technology capabilities and capacity expansion. Alicon Castalloy remains well positioned in sustaining growth trajectory over the medium to long term.

With that, I conclude my remarks, and we can now open the floor for questions.

**Moderator:** Thank you very much sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Raghunandhan NL from Nuvama Research.

**Raghunandhan NL:** Good evening team, thank you so much for the opportunity. Firstly, to Sumit, sir, thank you, sir, for the detailed opening remarks and highlighting the key focus areas. Best wishes for the days ahead. My question is, how do you see the medium and long-term target potential for the company? And for the near

term, how do you see the FY '27 revenue target given that there is a large pending order book of ₹7,600 crore at your disposal. Thank you.

**Sumit Bhatnagar:** All right. Thank you for your question, Raghu. As I said that I have recently taken charge in Alicon, and it is a very valid question coming from an investor in terms of understanding how do I see the midterm and long-term prospects for the company.

So, if I look at FY '27, the year which we just started, the first approach for me is to make sure that we build a very, very strong foundation. Alicon has been there for more than 5 decades. So, I would not say that while we do not have a great foundation, but I want to revisit and relook at all the processes and make sure that we have the right abilities in terms of technology, processes, human capital to make sure that we are all ready for a big leap. So, this is a year for Alicon to Refocus, Reset and Rebuild. That is number one. Number two, if you really look at the short term, the first most important thing for us at Alicon is to expand our footprint. You will see FY 2026-27, definitely minimum one new manufacturing factory site coming for Alicon. That is step number one, to answer your question, Raghu, that how do we take care of the backlog order books. So that is step number one.

I have already mentioned in my speech that we have made serious recruitments at various levels across Alicon, and this is basically to meet this particular requirement. Definitely, India is a growing market. In past, there are some customers with whom we have not been seriously engaged, but I can only tell you today that we already have won initial businesses with them, and they are very keen to really expand their business portfolio with Alicon. And this is where I am looking in this year to first grow in the domestic business. That is number one.

Number two, last year, I think we have already said in the previous call and also in this call that because of some geopolitical situation, the global markets did not do so well for us. We have always strategically been focusing a lot on the European markets and the American markets. But we have not done to our expectations for various reasons, which we have also told in the past. This year, we are seeing for those things to also revive for us.

While FY 2026-27, I do not want to make promises of an extraordinary bumper year for Alicon. But definitely, we are looking at a reasonable growth. And our focus is also going to relook at our margins and further strengthen them in a big way. So, this is what I can share with you at this point of time.

And I think you also asked me, Raghu, our visibility on our growth for FY '27. Definitely, we are looking for a modest growth of around 8% to 10% without taking care of the aluminium volatility, it is neutral because we do not know to

what extent aluminium will grow because that would further add up to the top line.

So, this is what we are looking at Alicon for this year. And once you talk about the long term, which is another right question, there are some strategic movements which we will make and which will be a kind of more forward integration of our products, which we are very seriously looking at. At the right time, we will also let all of you know that what we are planning.

And definitely, we want to strengthen our European base as well. And our team has been aggressively working with the European customers, and we have already made some good headway with them, which should convert into results in the near future. So, I hope that answers your question, Raghu.

**Raghunandhan NL:** Yes sir. Thank you very much. Very helpful and gives us an insight into your thought process. To Vimal sir, sir, in terms of Q4 results on the cost side, other expenses seem to be on the higher side compared to last quarter or last year. Can you indicate whether there was any one-off item or any expense, which is not likely to continue in the coming quarters?

**Vimal Gupta:** Yes, Raghu. So, in quarter 4, there are 2 aspects we have to see. One is that like Sumit has explained, there is an impact of the aluminium. So, there is a huge price increase we have seen in the aluminium in the quarter 4 due to this Middle East war. So approximately, we are seeing that ₹30 crore, ₹35 crore when we compare with the quarter 3. So that is the one part where we can see, because in the results, there is an increase in the raw material cost, our margins are, gross margins are down what I was explaining in my notes. That is one part. So that impact.

And second, when we are talking about the operating, this manufacturing and other cost. So, you know, a lot of things we have reviewed and some onetime cost we have considered and maybe some provisions we have made. So approximately ₹15 crore additional cost, those were not there when we compare in the quarter 3 or maybe earlier quarters that has come and we have considered in quarter 4. So that is the major impact that we have seen in this.

**Raghunandhan NL:** Thank you for that sir. And this aluminium, would it be 3-month lag for the indexation pass-through to customers?

**Vimal Gupta:** No, because earlier some customers are online on a month-on-month basis, some work on quarterly basis. But after this big increase what we have seen from the mid of March, so almost customers, they are on the same month on a monthly basis we are doing.

**Raghunandhan NL:** Wonderful, sir. So, there should be some pass-through benefit we should see in the going ahead, especially if that should help the gross margin?

**Vimal Gupta:** I would not say the benefit, I would say that there will be no loss.

**Raghunandhan NL:** Understood. Understood, sir. So, your absolute gross profit should not be impacted?

**Vimal Gupta:** Yes, yes, yes.

**Raghunandhan NL:** And for FY '27, I understand there will be this numerator denominator effect that arithmetic effect because your aluminium prices go up and at the same time, your costs go up. So, but broadly, what is the range of margin you would expect for FY '27? And also given that you are working on building your capacities, what is the capex we should work with for FY '27?

**Vimal Gupta:** So first is like Sumit has explained about the top line 8% to 10%, and he has explained totally based on without taking the impact of aluminium prices because we do not know when in March, we have seen so big jump in April, I have seen approximately again further 15%, 20% increase and May also again increase. So, there is a huge jump maybe when we will go for the quarter 1 review, we will see a huge jump in the aluminium prices. So, we are not bothered about that, and we are not even considering our calculations all this. So that is the one part. And so whatever that Sumit has explained the growth that is purely without taking the impact of these aluminium prices.

And on the EBITDA side, what you are talking about the margins, so you can see, when we are talking saying that 8%, 10% increase in the top line, so approximately 20% plus we are expecting increase in the EBITDA margins. That was the accrued amount. Understood? The accrued amount maybe as a percentage, maybe 1.5% or whatever it comes.

**Raghunandhan NL:** Got it sir, got it. This was very helpful. And on the capex side, sir, how much you will be spending? And what are the areas, where it will be spent?

**Vimal Gupta:** Maybe Sumit would like to answer for this.

**Sumit Bhatnagar:** All right. So, Raghu, this year, our capital expenditure are mainly going to be first on increasing our capacities, especially on some of the specific manufacturing processes of die casting. We will also be putting our capex on increasing our machining abilities and machining capacities, and of course, we will be coming up with, our new manufacturing plant.

And other than this, we are keeping aside a good capex for strengthening of our cybersecurity. We are also going to be spending a substantial amount on automation because it is very clear that in future, we want to have more and

more automated processes to reduce the involvement of people in core manufacturing areas.

So, if you ask about the numbers, I think give and take, we are looking for a capital expenditure of anywhere between ₹130 crore to ₹140 crore or ₹150 crore.

**Moderator:** Thank you. The next question is from the line of Riddhesh Gandhi from Discovery Capital. Please go ahead.

**Riddhesh Gandhi:** Hi sir. Apologies I joined the call slightly late, so apologies if it is a bit of a repetition. But I just wanted to understand what exactly has gone wrong over the last couple of years? Because you know given that the Range Rover issue should now have been resolved by Q4. And overall, if you look at the numbers for most of the auto components players, both exposed to the local markets or global, all their Q4 numbers have been extremely strong. So, I just wanted to understand what has really gone wrong and what are we doing to actually fix it?

**Sumit Bhatnagar:** All right. I think, Riddhesh, I will take this question. While your question is pertaining to the past period, but I would still attempt to give a fair answer to this question. So, if you look at the past couple of years, our strategy has been very clearly more focused in 2 specific areas. One is we have been really pushing very hard to grow in the global markets.

Number two, we have been pushing very hard to grow on high-value addition products. And if you really look at Alicon's history for the last few years, most of the new developments have happened in the passenger vehicle segment. where we have won businesses with some of the larger OEMs in higher VA side. At the same time, we have won multiple businesses in Europe, especially in the EV side and also on the non-EV side, and this is where we have put all our energies on.

Now you also spoke about what went wrong with Range Rover and its product kit. It is a very specific question you have asked. So, I think while you are aware that the entire JLR was severely hit for more than a couple of months because of some challenges what they had felt or they realized internally, but the vehicle is yet to be launched in the market.

The good news is we have recently seen the vehicle. We had an opportunity while we were in JLR. The vehicle is due to come on the roads very soon. Our supplies have started. Eventually, there has been a significant delay of, I would say, in short. But for this product has been one of the most complicated developments of Alicon so far. This product so far has not been developed by any other Indian companies until today. So, I think it is a matter of a lot of pride for us that we have done it, but there has been 18 months delay in the

development, which primarily happened from the customer side, but now this has been sorted. The vehicle manufacturing has started. The launch will be announced very soon, and you will hear from them directly.

So, this is something which has really put a big dent to our growth journey or our efforts. Other than this, because our focus was mainly on the export market and unfortunately, we did not get enough lifting of the material from the European and the U.S. markets for various reasons, including the tariff. So overall, wherever we have put more efforts, those places have not yielded enough results for us.

Now the question is, so how are we fixing it? And I think I already explained to you some time back. We have now gone back to some of the major Indian OEMs, where we have traditionally not been supplying. And I am very happy to share that we already have won business from each one of them, which is already into serious production from last couple of months. So, this is definitely a beginning with them. We are now putting equal efforts and energy also on the domestic markets so that we create enough balance between our European plants, U.S. plants as well as the Indian plants. And in this process, we also realized that we need more capacities. We need a better footprint. We already have now gone ahead. We have already earmarked the place. The factory has been finalized. And by end of this year, our target is to have minimum one. It could be more if everything falls right in place for Alicon. But yes, that is true that maybe some of the more strategic plans, which Alicon has done in the last 2 years, they have not yielded the results that were anticipated, but they are not failed initiatives. The results are delayed, and we will see the results now in the coming years for sure.

**Riddhesh Gandhi:** Understood. Sir, but then just to understand, I understand that obviously, the entire JLR issue was completely out of our hands, and it is a high revenue and high-volume business and actually there is tariffs and all of these implications. But even given that, you are still like guiding only towards an 8% to 10% growth. Would we not have to then make up for the lack of growth over the last year and then have sort of this year. So therefore, this year should the growth be materially higher with regards to what you are guiding towards? Given some of these issues have been resolved.

**Sumit Bhatnagar:** Sure. Riddhesh, it is a fair question. As I have said that the capacity expansion has started. But you can understand in our kind of industry, once you start the expansion, they take some time to yield positive results. And I am very hopeful that towards the end of this financial year, those steep growth increases you will see coming up. But it cannot just happen suddenly on a given day. But I think it is a fair question, but I can only tell you that Alicon is now completely geared up for this growth, and we will see this very soon in the coming future.

**Riddhesh Gandhi:** Sir, and this exceptional item, which we had of the write-offs, which you were sort of indicating at, just wanted to understand, is that behind us? Or are there other write-offs we still need to do in terms of cleaning up the balance sheet, I just wanted to understand what were those write-offs which were done?

**Sumit Bhatnagar:** So, Riddhesh, I think Vimal did explain some of the extraordinary write-offs which we have done. But I can only tell you that we are not looking for any further write-offs in this year. And we have recently done our audits. And I am quite hopeful and I believe we have just cleaned up whatever has to be done, but I am not looking for any such events coming in the next financial year.

**Riddhesh Gandhi:** So then just to understand, given that now the JLR orders will start, which is higher profitability, given the exceptional write-offs which we have taken last year, again, we are guiding towards just a very small enhancement in terms of the margin. We are just being pretty conservative in terms of our guidance because I mean it just appearing to be, given all of the capex which we have incurred over the last few years, it is not reflecting in our return ratios and our growth or our profitability. So, are we being conservative on our guidance or were we sort of on our expectations with regards to the return we can make on the capex?

**Sumit Bhatnagar:** Yes, Riddhesh, I can only tell you at this point of time that the bottom line and the profitability, as I have also said in the beginning is going to be one of the major focus areas, which is not limiting to getting more businesses, but also to improve our internal efficiencies, productivities and other things.

We have plans. We are working on them. What I have shared with the entire forum is something, which we definitely are looking for. And definitely, I can only tell you that once it comes on taking internal goals and all, we will take much more aggressive targets. But I think at this point of time, what I have shared, I would really be going hard to meet them.

But, yes, your point is right. We will not take any conservative targets for the organization. We will take it very aggressive and we will see. So yes, so, maybe I think by quarter-by-quarter, I think you would be able to see that.

Still we are in a state where the market is volatile, we still have not completely got over from the energy prices and the various escalations, which have happened. We are still dealing with them to really commit something under this market volatile situation is not very fair on my side. But still under these circumstances, we are going to do our best to achieve great results for Alicon.

**Moderator:** Thank you. The next question is from the line of Preet Pitani from InCred AMC. Please go ahead.

**Preet Pitani:** Hello sir. Thank you so much for the opportunity. Sir, I would just like to ask, like, last three years, we have done around approximately ₹500 crore of capex, which has been our entire profit for the last 10 years to 12 years. I just want to understand despite this capex, we are now at 78% utilization. So, what exactly this last five-year capex was? And how this has helped us, because our margins are also at the bottom end. So how exactly this capex has helped us? Just wanted to understand.

**Sumit Bhatnagar:** All right. So, the thing is whenever we do a capital planning, generally, you can believe that almost 50% of the capital planning is always maintenance capex. These are the machines and equipment, which really need to be upgraded over a period of time. So, this is one area where the capex has been spent, I think, which is a natural course for any organization. But if you talk about the new capex, yes, we have invested significantly on projects like JLR. We made some significant investments for some more customers from Europe, which have already started their sales.

New projects is a place, where we have invested a lot. We have been investing on automation. We are actually going to increase it by a furthermore extent. While I do not have an immediate break-up of all the numbers what we have said, but I can only tell you that we have been very vigilant in spending. And we also look at the returns what we need to deliver as any capex, which has been invested in the organization.

So, you can be rest assured that all the capital investments what we are doing right now is going to have a good rate of return. Yes, for whatever reasons, we have not seen those reflecting in our bottom line, but I think FY 2026-27, you would see that as well. This is what I can share with you at this point of time.

**Preet Pitani:** Got it. That was helpful, sir. Another question would be laying on the entire year FY26. Just wanted to understand that out of ₹1,700 crore of revenue, which we are doing, what would be the one-off revenue, you mentioned in the quarter three call that base has some one-off revenues, one-time revenues. So, just wanted to understand in this entire year, was there any one-off order? And also on the expense side, apart from the exceptional loss of ₹75 crore, was there any one-off cost, which we have incurred, which will not be coming in next year?

**Vimal Gupta:** Can you please explain again your question the first is about the revenue?

**Sumit Bhatnagar:** The one-off revenue. I think his question is, was there any one-off revenue, which only happened once?

**Vimal Gupta:** Yes. Not in this year. FY2025- 26, it was not there.

**Sumit Bhatnagar:** So, I am not sure that is an event, which has happened. If you can please be specific about your question?

**Preet Pitani:** And on the expense side also, was there any one-off expense, which was, I mean, entire FY26, which will not be recurring in the coming years?

**Vimal Gupta:** So, for the full year, I have explained ₹15 crore in the quarter four. So, when we worked out for the full year, so it was approximately ₹25 crore, ₹26 crore because like Wage Code Act or some other write-off, some one-time increase in the costs. So, those things have happened. So, we have observed approximately one-time expenses during the full year is around ₹25-₹26 crore.

**Preet Pitani:** ₹25 crore. Okay. Thank you, sir. And on the next line, we have mentioned some few con calls, a few quarters back that we have received a Daimler order and this will be starting in FY26 of quarter three, quarter four. So, has this order started? And how big is this order?

**Rajiv Gupta:** This order is executed now. I mean, there are ideally 18 parts out of that, 60% PPAP is through and parts have streamlined. Another eight parts will go in next two quarters. So, on a peak sale, this would be somewhere around ₹80 crore to ₹90 crore yearly sales. So, I am hoping maybe second half of the next year, this will come into peak. But, yes, what we also see the numbers are pretty well. I mean projects, which we have kicked off, what we were anticipating in the numbers, I think the hit rate is more than 110%.

**Preet Pitani:** Got it, got it. Apart from this, just wanted to understand, last full year, our revenue growth was only 4%. Our 80% of business is coming from domestic, which has grown at 10%, 12%. So, are we losing any market share on the domestic front, or if you could explain it?

**Sumit Bhatnagar:** So, we have not lost any market share. I think in fact, if you look at our two-wheeler segment, we have done better than last year. And, in fact, our market share has gone up. Even in passenger vehicles, the models, where we supply, in those models, we are exactly at the same market share as we used to be earlier. But, yes, since we are not there in all the models, the corresponding growth is apparently not visible in our growth, because in the PV side, we supply to some bigger OEMs in some specific models, where our shares are substantially high.

So, this could have been the reason why the entire growth is also not reflecting in our domestic growth. But this is something, which we are now planning to correct by adding new part numbers and new products to other OEMs as well.

**Preet Pitani:** Got it, sir. So, on this follow-up thing, if you could just mention for full year FY26, what was our domestic growth? What was our export degrowth? And if you could also mention about two-wheeler PV, anything quantitative would suffice?

**Rajiv Gupta:** If I see segment-wise bifurcation for this year, two-wheeler, yes, there was a little up because the market pull up. So, it was near about 42%, followed by passenger at 34%, roughly 17% to 18% was commercial. And also, we noticed a little traction in the non-auto to 5% to 6%. And if I read this in terms of the market, yes, if I consider even the deemed export indirectly what we share to the global region, it is somewhere around 20%.

**Preet Pitani:** Got it, sir. And the last question on the side of order book. We have mentioned that we have around ₹7,600 crore of order book executable over the next five years. So, just wanted to clear if my understanding is correct. Our current base of FY26 revenue is around ₹1,800 crore. So that means with no new orders receiving, we can clock around ₹25,000 crore of revenue by FY31, ₹1,800 crore currently, and ₹7,000 base? Is my understanding correct?

**Rajiv Gupta:** I will just, I mean, put or share some more remarks on that subject. So, basically, yes, we were following on the new businesses, whatever we have acquired over the last two, three years. The only thing what we have done is we have just revalidated with the numbers, because a lot of dynamics of the market, especially the newer parts were changing. So what we have noted now, if I consider period from FY2025-26 to FY2030-31, that is six years. So, I see a visibility of these new orders with a cumulative sales revenue of around ₹7,600 crore. So, this is for six-year period, not five.

**Vimal Gupta:** And mainly things that because earlier when we were talking about so many orders, like, because we have seen the market has not grown in the manner we were thinking for the EV. So, that already we have scaled down, some new entrants were there. So, they have even closed out their projects. So, everything we have updated on that basis, we have worked out these numbers. And another is that now we are in process of negotiation for many new orders in the, like, Sumit has explained in the European market and the U.S. market. So, hopefully, this will be a very good new order book further in FY2026-27 or maybe in FY2027-28, we will see.

**Preet Pitani:** Got it. Sir, just wanted to understand, ₹1,700 crore, ₹1,800 crore of revenue we are doing currently, we have ₹7,500 crore of order book in six years period, I know that order book cannot be evenly spread, but that implies ₹1,300 crore, ₹1,400 crore of revenue in one year. So, just wanted to understand that cumulative revenue will go from ₹1,700 crore to ₹3,000 crore or from ₹1,700 crore it will go to ₹9,000 crore, INR9,500 crore?

**Vimal Gupta:** No, no. On year-on-year basis, maybe ₹3,500 crore.

**Preet Pitani:** ₹3,000 crore. So, we are expecting with more new order flows, we are expecting top line to double in next five years?

**Vimal Gupta:** Based on the current new order book.

**Preet Pitani:** Based on the current order book.

**Vimal Gupta:** Because what I have explained, we are in process of finalizing lot of new orders in this year as well as in the next year. So that will be added up.

**Preet Pitani:** Got it. And you mentioned to some previous participants that we are planning of ₹140 crore of capex in this year, around ₹140 crore. So what this capex is for current year? How much would be maintenance capex, how much would be the capex for new plant? You mentioned something about new plant, if you could just give some idea about the same?

**Sumit Bhatnagar:** So just to give you a rough estimate, around ₹50 crore of capex is going to be a maintenance capex and rest of the capex is going to be for the new projects and expansion.

**Preet Pitani:** And by this ₹90 crore of new capex, how much revenue we could target at its peak level?

**Sumit Bhatnagar:** See, this is too early to comment on this. Right now, our objective is to create enough capacities to answer to a lot of requests, which are coming from Indian and global players. But because the capex what we are considering is not the complete capex, which is supposed to be allocated to this plant. It is going to be much more as the time goes.

So, to very specifically tell ₹90 crore and calculation to the revenue, it is slightly tough for us, but it is a strategic move to create bigger and bigger capacities to answer all the RFQs and the inquiries, which are coming from all over the places.

**Preet Pitani:** Got it. So, generally, what kind of asset turnover we get from this type of project?

**Vimal Gupta:** See generally from the new business, our target is always between 2.5 times to 3 times at least.

**Preet Pitani:** And on the basis of old gross block, how much we can do maximum?

**Sumit Bhatnagar:** Maybe the existing assets. I think your question is how much, maximum we can do on our existing capacities or assets?

**Preet Pitani:** Yes.

**Vimal Gupta:** So, from the existing capacities, what we are talking about; the asset turnover, you are talking about, then it is below then two that you have already seen at present. So, the real issue is that whatever the new orders are coming, those are the very complex parts. And we need new investments for that new, kind of, technology, a lot of machining we have to do, and a lot of automation. So that is the main reason, maybe you cannot see a big jump in the asset turnover ratio, but you have to focus more on the margin side.

**Preet Pitani:** Got it, sir. And just on the margin upfront, currently you mentioned, we have done peak margin of 12%, 12.5%, 13%, kind of, EBITDA margin in FY24. And I think we are projecting for 10% topline and 20% EBITDA margin growth that brings around 12%, and although we had ₹25 crore of one-off items in the previous year. So, what is stopping us from making the margins of 13%, 13.5%?

**Sumit Bhatnagar:** I think, I have already explained you. See, thing is nothing is stopping us. We really want to do more and more. But currently say, I cannot give you that number in current situation, where we are still surrounded by a major volatility. I have already said what I have said is something, which we at least want to deliver, which is a good step-up on the last year. But I can only assure you that quarter-on-quarter, I would like to come back to you showing how much progress we are making on that.

So, the internal challenges to our team is going to be far more aggressive. But yes, sitting today, while we still do not have answer to lot of macroeconomic situations, it is very tough for me to commit a number to you, which I cannot foresee very clearly today. But maybe as the year goes, maybe I will be more confident to give a very precise answer to your queries.

**Moderator:** Thank you. The next question is from the line of Bhavya Doshi from Sushil Finance. Please go ahead.

**Bhavya Doshi:** Good evening and thank you for the opportunity. My first question is that most peers have talked about the revival of the U.S. commercial vehicle sector. Are you seeing a similar positive trend for your commercial vehicle sales in FY27?

**Rajiv Gupta:** Yes. We are noticing, I mean, the newer engines, which we have recently launched, there is a good demand for those numbers. And not just the Daimler, which I mentioned, but yes, there are further accounts also, like, we supply charge cooler tanks to the other locations. We also have noticed the quantum of RFQs from such accounts have increased. So, we are expecting very soon some LOIs from these regions further, so that we can add little of the sales in the coming quarters going forward. But we see a good visibility going forward from that outlook.

**Vimal Gupta:** Bhavya. Just I would like to further explain about this. We have to correlate what Rajiv and Sumit is saying, because this is very crucial that Sumit has explained about the new plant, because what we have seen then when any new customer comes for the new business always face a challenge of the capacities.

So, unless until, we have the new plants, new capacities, so we cannot increase our topline. So that is the first step we have taken in this year. And what we are seeing in the last six months or maybe especially in the last three months, huge, huge customers are coming up with new businesses, new parts, high volumes. And at this moment, a lot of demand is there. But just to meet those demands, we need capacities. So that first thing we are fixing in this year.

**Bhavya Doshi:** Okay. Thank you. And my next question is there has been a significant growth in the quarter four top-line year-on-year, as well as quarter-on-quarter. Is this driven by volume growth or value growth?

**Rajiv Gupta:** This is a mix. Yes, if you talk about the domestic market, yes, we noted a good jump from the two-wheeler segment, yes. If you talk about our traditional partners like Royal Enfield, the numbers were high, even Hero numbers were high. So, we were able to grab a little.

And we definitely focus on higher share of business with such accounts. And even we noted good momentum, yes, if you talk about passenger or commercial. I mean, we have noticed, be it Mahindra or Tata, both are aggressively focusing to become a number two in this market. And touchwood, we have recently added a few parts from both the accounts. So, this is adding us on the top line.

And on the third front on commercial, yes, a lot of investment projects from the government, we have noticed, yes, and that also is driving. And if I talk about non-auto also, I see good numbers even segments like energy. So that has supported us a little on that front also and accumulating towards the topline.

**Bhavya Doshi:** Okay. Thank you. And so, can you tell us what are the orders added in FY26?

**Rajiv Gupta:** Yes. So, last year, we have added around 14 parts with seven customers. So, this includes both domestic and global accounts. And this even includes parts from the niche market, like, from Lamborghini or Audi for the European location.

So good momentum we have drawn over there. So, these parts will fetch near about the sale of around ₹140 crore at the peak, yearly sales of ₹140 crore at the peak. And if I talk about over a period of, say, three years to four years, this will fetch us near about ₹500 crore to ₹600 crore.

**Moderator:** Thank you. The next question is from the line of Nishita from Sapphire Capital. Please go ahead.

**Nishita:** Yes, hello. So, I had a question on your order book. Sir, you mentioned that we have the order book of ₹7,600 crore. So, does that also include the order from JLR?

**Rajiv Gupta:** Yes, it includes the orders from JLR also.

**Nishita:** So, what is the amount for that, if you can like give us that amount?

**Sumit Bhatnagar:** I think, I should pitch in, I think we cannot reveal customer-specific number. I think that is a legal bonding between us and JLR. So, my apologies for that because that could not go in line with the contract. So, sorry, I cannot share that with you.

**Nishita:** Okay, okay. No problem. And another question I had, sir, you mentioned that we will have 1%, 1.5% of increase in the EBITDA margins. So, is that on the current margin of around 11.4% that we did in FY26?

**Vimal Gupta:** So, first of all, you have to understand what are the real margins in the quarter four, or maybe for the full year, like you explained, because there is impact of aluminium, as well as some one-time cost. So, we are already at that level. And at least maybe when we are talking about the 11% margins, maybe taking the impact of the extraordinary cost, or even the impact of the aluminum. So 1.5%, maybe 12.5% to 13% we can say for the year.

**Moderator:** Thank you. Sir, we have one more question. Can we take that?

**Sumit Bhatnagar:** Okay. I think we can take the last one.

**Moderator:** Sure. Ladies and gentlemen, this will be the last question for today from Preet Pitani from InCred AMC. Please go ahead.

**Preet Pitani:** Thank you so much for the opportunity once again. Sir, just wanted to ask one question on front of debt side. We are planning of around ₹140 crore of capex, and we have very small amount of cash on the balance sheet. So just wanted to know we will be taking debt for this? Or how are we planning to do this capex?

**Vimal Gupta:** At this moment, it has to be funded through the internal accruals.

**Preet Pitani:** Sorry, pardon me, I did not hear you.

**Vimal Gupta:** At this moment, we have planned in our cash flow planning that it will be funded through the internal accruals.

- Preet Pitani:** So, sir, on that internal accruals part, our creditor days for FY26 have rose from 99, 100 days to 135 days. So, how is our creditor days generally for a year? It stays at 135 days, or is it between 90 days to 100 days?
- Vimal Gupta:** It depends on customer to customer, because some customers we have negotiated, we have given them a very good platform for the vendor financing. And on that basis, a good negotiation for the days has happened, the credit period. And they are also enjoying the cost what they are paying.
- Preet Pitani:** So, on an average basis, how would it last?
- Vimal Gupta:** It depends on commodity to commodity, but 90-plus almost all customers, all vendors are there.
- Moderator:** Thank you. As that was the last question for today, I now hand the conference over to the management for closing comments. Thank you, and over to you, sir.
- Sumit Bhatnagar:** Okay. Thank you, everyone. And before we conclude, I would like to sincerely thank all the investors, and Alicon's stakeholders for your continued trust, engagement and support. As discussed during the call, while the external environment remains dynamic, we believe that Alicon is well-positioned for the future. Healthy momentum in the domestic business, encouraging customer engagement across markets and our continued investments in technologies, capabilities and operational excellence provide us confidence in the company's long-term growth prospects.
- We remain focused on disciplined execution, strengthening customer relationships and building a more agile and future-ready organization, while maintaining a prudent approach towards growth and capital allocation.
- Thank you, once again for joining us today. We look forward to interacting with all of you in the next quarter. Thank you.
- Moderator:** Thank you, members of the management. On behalf of Alicon Castalloy Limited, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.

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