SH/13/2026
3rd August, 2026

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th floor,
Plot No. C/1, G. Block,
Bandra-Kurla Complex,
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MUMBAI – 400051

BSE Limited.,
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1st floor, New Trading Ring,
Rotunda Bldg. P.J.Towers,
Dalal Street, Fort,
MUMBAI 400023

Sub.: Transcript of the earnings conference call held on Tuesday, the 28th July, 2026.

Ref.: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sirs

Pursuant to Regulations 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclose is the transcript of the earnings conference call held for analysts and investors following the announcement of the Unaudited Financial Results for the Quarter ended 30th June, 2026 after the Board Meeting held on Tuesday, 28th July, 2026.

Please take the same on records

Thanking you,

Yours faithfully,
For The Supreme Industries Ltd.

THE SUPREME INDUSTRIES LTD. SUPREME MUMBAI 400 021.

(R.J. Saboo)
VP (Corporate Affairs) &
Company Secretary

Encl.: a/a.

"The Supreme Industries Limited
Q1 FY27 Earnings Conference Call"
July 28, 2026

MANAGEMENT: **MR. M. P. TAPARIA – CHAIRMAN AND MANAGING DIRECTOR – THE SUPREME INDUSTRIES LIMITED**
MR. P. C. SOMANI – CHIEF FINANCIAL OFFICER – THE SUPREME INDUSTRIES LIMITED
MR. R. J. SABOO – VICE PRESIDENT, CORPORATE AFFAIRS AND COMPANY SECRETARY – THE SUPREME INDUSTRIES LIMITED

MODERATOR: **MRS. ANIFA FERNANDES – DAM CAPITAL ADVISORS LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to The Supreme Industries Q1 FY27 Earnings Conference Call hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mrs. Anifa Fernandes. Thank you, and over to you, ma'am.

Anifa Fernandes: Thank you, Anusha. Good evening, everyone, and welcome to Supreme Industries Q1 FY27 Post Earnings Conference Call. Joining us today from the company's senior management team are Mr. M.P. Taparia, Chairman and Managing Director; Mr. P.C. Somani, Chief Financial Officer; and Mr. R.J. Saboo, Vice President, Corporate Affairs and Company Secretary.

I would now like to hand the call over to Mr. Taparia for his opening remarks. Over to you, sir.

M.P. Taparia: Thank you very much. I'm M.P. Taparia, Chairman and Managing Director of The Supreme Industries Limited. I along with my colleague, Shri P.C. Somani, CFO; and Shri R.J. Saboo, Vice President, Corporate Affairs and Company Secretary, welcome all the participants who are participating in the discussion of the unaudited standalone and consolidated financial results for the quarter ended 30 June 2026.

The standalone results and the consolidated results are already with you. I will give brief on company product operating performance and other highlights. The company sold 1,57,536 tons of plastic goods and achieved revenue from operation of INR2,718 crores during the first quarter of the current year against sales of 1,83,793 tons and revenue of INR2,609 crores in the corresponding quarter of previous year, resulting volume de-growth of around 14% and revenue growth of 4% respectively.

The standalone operating profit and profit after tax during the period under review amounted to INR398 crores and INR208 crores as compared to INR319 crores and INR177 crores during corresponding quarter of the previous year, achieving increase of 25% and 17% respectively.

The business scenario of all the product segments of the company for the quarter ended 30th June 2026, as compared to corresponding quarter of the previous year has been as under. Plastic piping system business de-grew by 15% in volume and remained at flat level in value term.

Packaging product segment de-grew by 10% in volume and grew by 9% in value term. Industrial product segment business de-grew by 6% in volume and grew by 24% in value term. Consumer product segment business de-grew by 22% in volume and 11% in value term.

The overall turnover of value-added products increased to INR1142 crores during the current quarter as compared to INR933 crores in the corresponding quarter of the previous year, achieving a growth of 22%.

Business outlook. The first quarter of fiscal year '27 was impacted by extraordinary volatility in polymer prices, particularly during April 2026, resulted in inventory correction across the value chain and temporarily affected industry demand. While this created short-term challenges, the underlying demand driver for our business remained intact.

With polymer prices now stabilising, the removal of custom duty exemption and implementation of minimum import price for suspension-grade PVC resin, we expect business condition to progressively improve as channel inventory is normalised and market sentiment is general.

India continues to offer significant long-term growth opportunity, supported by infrastructure development, urbanisation, water management project, housing expansion of gas distribution network, supreme real position to benefit from this trend through diversified portfolio, strong brand, extensive distribution network and continuous focus on innovation.

We continue to strengthen our growth platform through capacity expansion and new product introduction. The successful integration of the Wavin business, expansion of piping portfolio, growing opportunity in composite cylinder, protective packaging and packaging products, industrial and material handling products and the launch of uPVC window business further enhance our long-term growth prospect.

The company continues to invest in capacity expansion across key businesses and is progressing with plan to establish manufacturing facility at new locations including Bihar, Jammu and Malanpur near Gwalior. The company is also in the process of acquiring additional land at Pondicherry and Erode and will create additional manufacturing setup.

Supreme maintains robust financial position in the company to fund the growth plan, capital expenditure and working capital requirement through internal approval. While the first quarter reflected temporary industry headwinds, we remain optimistic about the outlook for the balance of the year and continue our ability to capitalize on the opportunity ahead. A brief and overall summary for the quarter ended under reference. Thank you for your patience now.

Now I and my colleague Shri P.C. Somani and Shri R.J. Saboo are available to reply to various queries read by all of you. Thank you very much.

Moderator: Thank you very much. We will now begin the question-and-answer session. We take the first question from the line of Keshav Lahoti from HDFC Securities. Please proceed.

Keshav Lahoti: Hi. Thank you for the opportunity. Sir, as you indicated in the call, the underlying demand is broadly doing fine. It was more about channel inventory impacting the volume growth. Two, can you give more color about plumbing and agri? Possibly agri season was also weak because of monsoon and fertilizer issues. Secondly, what is the guidance for this year for the volume growth and margin?

M.P. Taparia: Agri growth was definitely affected in April-June, as in April prices dropped so steeply that farmers were very puzzled when to start buying. Now the season April, May, June is over. Now the next demand will start from middle of September and we believe that as the water reservoir are filling up, the demand will be quite robust in the remaining part of the year in agricultural segment.

Keshav Lahoti: And sir, I have also asked what is the volume growth and margin guidance for this year?

M.P. Taparia: Volume growth we have told in the month of April only that we anticipate a volume growth of 15% to 17% in piping division and 12% to 13% overall for the company. We maintain the same volume growth guidance.

Keshav Lahoti: So this guidance you still maintain this guidance for the entire year or the balance nine months you're talking? The reason I'm asking is, the first three months has been pretty tough…

M.P. Taparia: We are talking for the whole year.

Keshav Lahoti: Understood. Got it. Thank you. I'll come back in the queue.

Moderator: Thank you. We take the next question from the line of Sneha from Nuvama. Please proceed.

Sneha: Hi. Good evening, sir, and thanks a lot for the opportunity. Just a couple of questions from my end. What would have been the industry-related decline in terms of quarter 1 volumes? Just wanted to gauge if 15% is higher than the industry volume decline?

M.P. Taparia: The quarter maybe -- I think the whole country declined in plastic, all plastic had a de-growth because it was very uncertain, prices were dropping from the high price of the March month, the prices started getting corrected. So the whole pipeline of the all the industry must have been gone into inventory correction mode.

Sneha: Understood. But do we have any numbers here that it must be 8% drop or a 9% drop industry-wide? That would be helpful in case we have that?

M.P. Taparia: No idea, no idea. Nowadays import data also doesn't come easily. So we have no idea.

Sneha: Secondly, just wanted to understand the impact of the recently imposed MIP. Where are the PVC prices currently standing at and what are the inventory levels with the distributors? And what sort of a reaction are you seeing after this MIP coming up, both in terms of PVC pricing as well as the restocking part?

M.P. Taparia: Inventory level must have gone down quite steeply in the first quarter as we are seeing demand is coming in a big way in this quarter. So now they are filling up the inventory back. To run the business they have to have adequate inventory.

Sneha: So you mean to say you are seeing restocking happening at this point of time? And on PVC pricing, sir?

M.P. Taparia: PVC prices also gone up recently by INR9 a kilo.

Sneha: So broadly on the margins front, we've seen a phenomenal jump in margins. Could we say that there could be a part of inventory gains also in this particular quarter? Have there been any inventory gain and if there is, can we quantify it?

M.P. Taparia: This quarter the profit has been higher because when we have such a big de-growth in demand, it was mostly in the agricultural piping segment where the margins are lower, only pipes. So there was big erosion in volume and turnover in plastic pipe. And plastic pipe is a low-margin business and because of that our overall margin is showing better in this first quarter.

Sneha: Understood, sir. Sir, I'll get back in the queue. Thanks. All the best.

Moderator: Thank you. We take the next question from the line of Shravan Shah from Dolat Capital. Please proceed.

Shravan Shah: Hi. Thank you, sir. Sir, again coming back on the volume growth guidance front, two-three things to understand. First, when we are saying that still we are maintaining 15%-17% piping volume growth for FY27, that means in the next three months we need to do at least 25% kind of a growth.

So in that sense, if you can help us, at least in July are we seeing that kind of a growth? And broadly in Q2 how we can see it a growth and will it be the largely the growth would be in the second half where if the Q2 will not be that great, maybe the second half we need to do a maybe a 30% plus kind of a growth?

M.P. Taparia: I don't know, but we believe there will be good growth in second quarter also. And July is only one month of the three months. We are seeing excellent growth in the month of July and we believe the growth will be quite good in the second quarter, which you will know in the month of October.

Shravan Shah: Yes. So, in this current month also we are seeing a significant growth. So channel inventory is one can say again is filling up.

M.P. Taparia: They have to fill up, otherwise how can they do business?

Shravan Shah: Yes, true. So that's what just wanted to understand from your side. Secondly, in the Q1 this 15%-16% de-growth, this is and across three months April, May, June or will it be more in April and May and June we would have seen a kind of a flattish growth broadly directionally will help?

M.P. Taparia: It was April only. In May we had a small growth, July & June also had a small growth, but April was, it seems, reduced by more than 50%.

Shravan Shah: Okay. Got it. And for EBITDA margin that 14%-14.5% for FY27, that guidance we are maintaining?

M.P. Taparia: We are maintaining. Thank you.

Shravan Shah: Yes. And as you said this quarter there is no inventory gain in Q1?

M.P. Taparia: When prices are dropping and how can there be inventory gain? I don't follow.

Shravan Shah: Yes, so was there any loss because we have maintained the decent margin, that's what I'm asking.

M.P. Taparia: I have nothing to talk about inventory gain or loss, please.

Shravan Shah: Okay. Got it. And now do we see the current prices, the PVC prices which has increased INR9 per kg, given the crude also again have fallen, will the current prices will stay it is because for us it is becoming a very, very difficult in terms of modeling the numbers because both on the volume and prices the significant volatility is there. That's what I'm trying to understand whether in Q2 can we see a Q-o-Q improvement in PVC prices or a realization for us?

M.P. Taparia: There is nothing difficult for us, nothing difficult. And anyway, dear friend, PVC is not a 100% crude product. 47% is chlorine product, which is coming out of caustic soda production. It's not 100% - crude product, please.

Shravan Shah: Okay. And the guidance in terms of the capex for full year INR1,000-odd crores is we are maintaining that?

M.P. Taparia: We are maintaining, yes.

Shravan Shah: And in Q1 how much we would have done on the capex front?

M.P. Taparia: Committing the money depend on the machine arrival. We've committed up till now INR500 crores.

Shravan Shah: Okay. Q1, we have already done INR500-odd crores?

M.P. Taparia: Committed, committed, investment committed, Yes, please.

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Moderator: We proceed with the next question from the line of Ritesh Shah from Investec Capital. You may proceed.

Ritesh Shah: Yes. Hi, sir. Thanks for the opportunity. Sir, two questions. First question, sir, three parts. Sir, can you speak more about gas piping, the progress that we have done? Same thing for windows and doors business. And third is basically Indo-Green plus three-layer PPR pipes. How big this businesses can be? Some color over here for these three segments. That's the first question. And sir, second question probably I'll take it afterwards after you answer this, please. Thanks.

M.P. Taparia: I will reply first question only. As on today based on the inquiry and planned by so many gas companies, we build a gas piping business including pipe and fitting may be around INR600 crores this year.

Ritesh Shah: Okay.

Ritesh Shah: Yes, sir, INR600 crores I heard that. Big number. Sir, on windows and door business and PPR pipes?

M.P. Taparia: Window we have already started. We've started marketing. Window business is around 1,50,000 ton in the whole country. We just started only recently. Our capacity only 5,000 ton per year.

Ritesh Shah: Okay.

M.P. Taparia: And PPR pipe is a regular business, there is nothing new. Our company started in small way to supply the farmers. They require our PPR pipe because we are very committed to quality, so they are very happy with our quality.

Ritesh Shah: Okay. And sir, just a follow-up on INR600 crores number what you're indicating for gas piping, have you already started getting orders over here? I think you had indicated we had some orders from Pune last year?

M.P. Taparia: We started getting orders, we supplied already.

Ritesh Shah: Sir, any orders from any other cities, states that you can detail?

M.P. Taparia: I told you, we have got the order of the gas pipe system, pipe and fitting both and we have supplied and customer are very happy.

Ritesh Shah: Okay. Perfect. Sir, my second question is there is a CAG report with respect to Jal Jeevan Mission out for two states. This includes Maharashtra and Karnataka. Sir, have you gone through it? How should we look at the agri demand specifically which is coming out from the JJM scheme?

M.P. Taparia: I have not seen the report. What is the report? I have no idea.

Ritesh Shah: Okay. No worries, sir. Good. Thank you so much.

M.P. Taparia: Thank you.

Moderator: Thank you. We take the next question from the line of Praneeth from SK Investments. Please proceed.

Praneeth: Hi, sir. Thank you for the opportunity. Sir, I wanted to understand in terms of the window and profile that business, how much have we invested so far and what kind of revenues do we expect to generate in the next two to three years?

M.P. Taparia: We invested INR220 crores.

P.C. Somani: So revenue generation of about INR300 crores, INR350 crores once it is normal utilization.

Praneeth: Okay. And do we expect to go in next two to three years or will it take longer, normal utilization?

M.P. Taparia: We are going in production and we hope the next year we should get much better utilization of capacity. We already started selling in the market.

Praneeth: Understood, sir. So and regarding our piping division, sir, I understand this quarter has been a little bit off, but in terms of our CPVC growth, so do you see how are the growth prospects for this? Continue to take share of the overall piping market or is there OPVC also taking over? How is it right now?

P.C. Somani: CPVC are we increasing our market share?

M.P. Taparia: Yes, our market share must have gone up now. I think so. And OPVC also now getting good acceptance and we are getting another machine also for Eastern India. Some machines are already running in South -- Western India. So we are building more capacity also.

Praneeth: Understood, sir. And one more thing regarding our pricing. So far despite having a large brand and extreme presence, so in the market it's been known that like there's been a little bit price competitiveness to compete and gain market share. So when are we going to start reducing this competitive intensity and aggressiveness in the market or do we plan on continuing for the next one to two years?

R.J. Saboo: Actually the pricing of the product depends on the raw materials. The price gets adjusted if the raw material prices goes up then finished good prices also goes up and correspondingly we reduce our prices when the raw material prices come down. So it is in synergy with those raw material prices. And that is a industrial -- industry phenomena, that is what we want to say.

Praneeth: No, sir, but like at least in the dealer network itself, you're being very aggressive with the pricing and despite having a large brand, you're still positioning your pricing as like let's say a little lower than what you can charge. So in terms of that, I was trying to understand, do we expect to increase our prices compared like what we can or we just want to maintain at this levels for the next one to two years?

P.C. Somani: No, no, you see to get the better market, we are passing on the benefits what we are deriving from economy of scale or the proximity to the market. This we have pan-India manufacturing presence, so our logistic cost gets rationalized and that is the benefit to the end customer.

Praneeth: Understood, sir. But is there a possibility that we might just not pass it on and increase our margins for this or do we continue to want to pass it on?

P.C. Somani: That depends. Right now we are more focused on the return on capital employed, not for the margin necessarily only. And we still want to grow and we are growing.

Praneeth: Understood. Got it, sir. So for the next two years, probably we'll still continue to maintain our strategy with this, right?

M.P. Taparia: We are building a new system, new SKU in each system, so we'll get and receive more market and now going aggressively in export market also. So we hope that we will go on growing nicely.

Praneeth: Understood, sir. That's it from my side. Thank you for the answers.

M.P. Taparia: Okay.

Moderator: Thank you. We take the next question from the line of Praveen Sahay from PL Capital. Please proceed.

Praveen Sahay: Yes. Hi, Sir, related to the capacity expansion, Bihar, Malanpur, and Jammu, what you are, you know, expanding. So can you give the, you know, how much of the capacity addition in these three locations you are taking in?

M.P. Taparia: No, we will do complete the project in next two year, so we'll be building small capacity one after another. So not a large capacity immediately to put up. Overall capacity will come up in over a period two years. We have to go on creating market further and go on putting capacity as the market demands. A big piece of land in Bihar is 21 acre, in Jammu is 13 acre. So hopefully in after two year it may be more than 50,000 ton in both the plant together.

Praveen Sahay: Okay. And Malanpur, sir?

M.P. Taparia: Malanpur is material handling system, that is the -- material handling system is going for large volume. We don't go by volume, we go what is required in that market accordingly we'll put the item because they are all bulky item, freight-intensive item. So we'll be making variety of crate and variety of pallets.

Praveen Sahay: Okay. And lastly on the Pondicherry and Erode also, the land acquisition you are looking for. So what kind of a product you are going for there? Piping system?

M.P. Taparia: Pondicherry we are going to shift our existing factory product which we are making for Whirlpool. And in existing factory we are going to put more capacity to make furniture for export market.

Praveen Sahay: Okay. Okay. Got it, sir. Thank you. All the best.

Moderator: Thank you. We take the next question from the line of Rahul Agarwal from Ikigai Asset. Please proceed.

Rahul Agarwal: Yes. Hi, sir. Good evening. Thank you for the opportunity. Sir, one question I had was to understand the customer behavior. I understand that the channel de-stocking happens when prices fall, but in history whenever such prices fall, you know, we have seen volume de-growth across all four segments. Is this permanent sales lost or you think there is some pent-up demand which comes back, you know, whenever prices stabilize? In history if you can just share your experience, sir?

P.C. Somani: When the prices start moving onwards, then the pent-up demands comes up. That is naturally because the de-stocking which takes place in the channel, so obviously the channel get normalized when the prices get stabilized.

Rahul Agarwal: So from the channel perspective I understand, but more so from, you know, let's say non-pipe, you know, packaging and industrial segments have also seen volume de-growth. Does this demand also comes back fully into, you know, subsequent time?

P.C. Somani: So in packaging also you understand Rahul that because there are many applications for insulation, for civil, for construction, so those people may defer demand for a month or two or three. So yes, in normal course most of the demand comes up.

M.P. Taparia: They are stock and sell item, they are stock and sell item.

Rahul Agarwal: Got it, sir. And how does it work in industrial,

P.C. Somani: So industrial is the OEM supplies. So it's all depends upon their end market's position.

M.P. Taparia: What the demand they are getting for their product, what they are offering, air conditioner, any item, whatever they are, how much is their sale, accordingly they buy.

P.C. Somani: And those are not governed by the raw material prices, you see, it is always cost-plus price margins. So it's not because of the prices, the price effect, it is the ultimate demand situation.

Rahul Agarwal: Right. So industrial volume de-growth this quarter is more organic, it's more that their business was not growing and hence we saw de-growth. Is that correct?

P.C. Somani: Correct. But value-wise if you look at, there is growth in value.

Rahul Agarwal: Yes, sir, I saw that, Yes. And just last question on exports. So could we talk about which products we're talking about for exports, which markets to start with, and should we see pickup in export growth starting current year itself or it is more longer term?

M.P. Taparia: No, now only a plan of six-seven year plan we have made. Last year our export was USD26 million overall. We are aiming to reach USD150 millions in six to seven year from USD26 million.

Rahul Agarwal: Got it, sir. Which products we're talking about?

M.P. Taparia: All the product except industrial component.

Rahul Agarwal: And which markets?

M.P. Taparia: Market world market.

Rahul Agarwal: Any particular geography?

M.P. Taparia: Why mostly where the government is entering into FTA, those geography we want to cover. Where government is entering into FTA and FTA is in place, those country are given top priority.

Rahul Agarwal: Yes, okay. Sure, I'll join back. Thank you.

Moderator: Thank you. We take the next question from the line of Karan from Guardian Capital Partners. Please proceed.

Karan: Yes. Hi. Thanks for the opportunity. My first question is what is Supreme's current capacity and utilization level for composite cylinders?

P.C. Somani: Current capacity is about 9 lakh or 10 lakh depending upon the product mix per annum.

M. P. Taparia: 10 lakh cylinder.

P.C. Somani: I am talking 9 lakh to 10 lakh cylinders per annum is the current capacity. Utilization all depends upon the domestic oil marketing companies. Currently it is between 25% to 35%.

Karan: Understood. And my second question is with recently with HPCL's initiative of to sell composite cylinders on InstaMart and BPCL's plan to expand composite cylinder availability to over 100 cities, how do you see the performance of this business segment evolving for us?

P.C.Somani: Now there are good opportunities coming up. I think HPCL has just completed one tender of 2 lakh pieces. We have got the LOI for 60,000 pieces. Supply will start from next month onwards. And yes, this initiative is definitely very good and we look forward to the opportunities in this segment.

Karan: So do you see utilization ramping up quickly over in the near to medium term?

P.C. Somani: So unfortunately it is not a stock and sell item, so the time lost is always lost time because we have to manufacture cylinder as per the design, as per the serial number, many things as per the order. It all depends upon how the order flows takes place from the domestic oil marketing companies.

Karan: Understood. Thank you. That's it from my side.

M.P. Taparia: Thank you.

Moderator: Thank you. We take the next question from the line of Disha Chamria from Trinetra Asset Managers. Please proceed.

Disha Chamria: Yes, sure. Yes, sir. Most of my questions are already answered. Just two questions from my side. What is the current gross margin or EBITDA margin that you expect to stand for the FY27? Is it going to continue at this this level or go back to the historical ranges?

M.P. Taparia: We anticipate between 14% to 14.5% for the full year.

Disha Chamria: Okay. 14% and 14.5%. And for the FY28 and '29, do you see margin expansion like…

M.P. Taparia: We talk today FY27 only.

Disha Chamria: Okay, sir. And my second question was the demand at the end market, like in the plumbing and agriculture, industrial, and newer segments like cylindrical composite and packaging, any specific pockets of weakness or strength you have seen in this quarter or anything that you look forward to be performing well for the upcoming demand catering, sir?

P.C. Somani: generally we can say our all product segments are doing better and looking forward better demand situation. Majorly the plastic piping system, which is the biggest business of the company, is looking for 15% to 17% volume growth for the full year in spite of the 15% de-growth in volume in the first quarter. So definitely demand in that segment is looking much better. Prices of raw materials are now stabilized or firming up. So we will see a good situation coming up.

Disha Chamria: Okay, sir. Thank you so much.

Moderator: Thank you. We take the next question from the line of Tejas Pradhan from Citi Group. Please proceed.

Tejas Pradhan: Yes. Hi, sir. Just on the quarter if you look at the EBITDA margin in the plastic piping segment on a Y-o-Y basis there is a substantial improvement, right? So just wanted to understand you mentioned that there is no inventory gain. So is this entirely because of mix or some cost benefit we had because of older PVC inventory or some other aspect that I am missing?

M.P. Taparia: As we told you there were less sale of pipe, only pipe sale was the volume destruction was mostly in pipe. And pipe is a low-margin business. As the pipe business was excluded, then the remaining margin became better.

Tejas Pradhan: Right. So from a full-year perspective, you would expect the product mix to broadly remain the same, so the benefit that you have in terms of margin could sort of normalize over the full year?

M.P. Taparia: Yes, we already said it is going to be between 14% to 14.5%.

Tejas Pradhan: Okay. Understood. And secondly, could you share the inventory level at the company as of 30th June?

M.P. Taparia: Inventory level compared to our turnover is normally we keep two and a half month turnover level since we are handling very large volume of business. So we have to keep always proper adequate inventory so that we are responsible supplier to our customer.

Tejas Pradhan: Understood. And lastly on the MIP, that has come for a period of six months. So from a longer-term basis, do you think this would be extended or some other form of protection could come in? What would be your views on that?

M.P. Taparia: Extension part you can only take from the Government of India.

Tejas Pradhan: Okay. Thanks.

Moderator: Thank you. We take the next question from the line of Durgesh Shukla from InCred Capital. Please proceed.

Durgesh Shukla: Hello, sir. Thank you for the opportunity. I just want to ask what is the Wavin contribution in this quarter and what is the expectation for the full year?

P.C. Somani: Wavin capacity what we acquired of 70,000 metric ton, we are ramping up also and the plants are running fully integrated. About 50% to 60% capacity utilization has taken place in the first quarter. And overall company we look at piping capacity utilization about 70%. So all the plants will be in same line.

M.P. Taparia: Wavin capacity 70,000 ton, so we will utilize for the year 70% of that.

Durgesh Shukla: So basically you are saying on the capacity of 70,000 ton, the utilization is 70%, right, sir?

M. P. Taparia: Yes. Wavin is same similar to our capacity only. Same product mix what we were making they are making.

Durgesh Shukla: Okay, sir. Thank you. That's all from my side.

Moderator: Thank you. We take the next question from the line of Utkarsh from Anand Rathi. Please proceed.

Utkarsh: Yes. Hi. Good evening, sir. Sir, my first question is regarding on the pipe segment margin for the June quarter. So if we see our pipe segment EBITDA margin has improved from 8.8% in previous June quarter to 11.4% in this June quarter. So can you please help us understand why the margin has gone up when we have seen a sharp decline in our volume?

P.C.Somani: I think the same answer which has been given for the operating margin applies for the company. When the low-margin product of pipe is reduced from the volume, so naturally the remainder business of the piping has better margins.

Utkarsh: Okay. So is it because of sharp decline in the agri pipe volume we have seen a good improvement in the margin?

M.P. Taparia: Not only agri pipe, another pipe also. Polymer prices have come down so there was huge de-stocking by our distributor.

Utkarsh: Fine, sir. Sir, my second question is on your EBITDA margin guidance. So like last year, sir, you were guiding EBITDA margin of 14.5% to 15.5% EBITDA margin, which was quite a difficult year for the industry as PVC resin prices were under significant pressure.

And this year we are guiding 14% to 14.5% for FY27, where if we see like we have already clocked 14.6% EBITDA margin in in this June quarter and margin in Q4 generally turns out to be significantly better for us compared to the first three quarters. And we will also see the benefit of higher PVC resin prices in the coming quarters, which was not the case last year.

So can you please help us understand why we are guiding much lower margin compared to what we were guiding earlier?

M.P. Taparia: We are not guiding lower margin. The first quarter the margin has shown improvement because of destruction of demand for plastic pipe. But we anticipate when we are saying that we anticipate 15% to 17% volume growth, so we will be supplying adequate quantity of plastic pipe now in remaining nine month.

They are low margin but they are required, otherwise if there is no pipe then what is the business of piping system? You cannot do any business, you cannot do any work of the either for water or anything supply if there is no pipe you can't do any business. Pipes are required.

Utkarsh Nopany: No, sir, your point is well taken, sir. Earlier we were expecting, say, in FY2026, we were expecting the pipe volume to grow at 15%-20% rate, and we were still guiding EBITDA margin of 14.5%-15.5%. What I'm trying to understand from you, why we are guiding 14%-14.5% EBITDA margin now, when we were expecting much higher range earlier?

M.P. Taparia: We are giving the guidance with a…

P. C. Somani: On a conservative basis.

M.P. Taparia: Responsible manner. We don't want to give unnecessary, very rosy picture. No, we don't want to give.

Utkarsh Nopany: Okay, thanks a lot, sir.

Moderator: Thank you. We take the next question from the line of Shailly Jain from Dolat Capital. Please proceed.

Shailly Jain: Hi, sir. Thank you for the opportunity. Could you please provide me the value of inventory, debtor, and payable as on June?

P. C. Somani: Inventory and debtor.

Shailly Jain: Inventory, debtor, and payable?

P. C. Somani: Our inventory remains two and a half months, as told in the earlier question. Our debtors remain 15 days of receivers of the turnover.

Shailly Jain: Payable, sir?

P. C. Somani: Payable remains between 50-55 days.

Shailly Jain: Okay. Okay, sir. Thank you so much.

Moderator: Thank you. We take the next question from the line of Nikunj Shah from Isec. Please proceed.

Nikunj Shah: Yes. Hi, sir. Sir, how was the CPVC growth in Q1?

M.P. Taparia: Q1 there was very minimal growth.

Nikunj Shah: Just so you've answered this question, I'm just trying to re-understand. Was this the case that the plumbing pipe business was better off in Q1 and Agri grew significantly, which led to that 15% kind of volume degrowth in case of pipes, total?

M.P. Taparia: No. Total business, Agri and plumbing, both had a degrowth in the first quarter.

Nikunj Shah: Sir, Agri was significant degrowth, or was it similar, both were similar?

M.P. Taparia: Agri, plumbing business, every piping demand, every piping segment had a degrowth in the first quarter.

P. C. Somani: You are right. Pipe, Agri pipe or polythene pipe was severe degrowth.

M.P. Taparia: Severe erosion in the volume in the polythene pipe was quite very heavy. In PVC pipe also there was decrease in demand.

Nikunj Shah: Sir, yes. This Agri pipe, whatever we lost out because of the pricing, you expect that recovery to come through when the season really picks up in September and February. Am I correct, sir?

M.P. Taparia: From second half of September to March, demand will grow very nicely.

Nikunj Shah: Sir, with MIP coming in, that fluctuation in PVC, let's assume PVC stays in the same range of INR80-INR85. You think this is very good, demand will come from the agri side because of this. Am I correct, sir?

M.P. Taparia: No, we don't know. Because MIP may give still nobody stopped them to increase the price further now. MIP doesn't mean that they cannot charge a high price. The only thing they cannot charge lower than the $766.

Nikunj Shah: True, sir.

M.P. Taparia: High price, nobody will stop them. It depends how West Asia come to the scale and nobody knows.

Nikunj Shah: Yes, sir. Thank you very much, sir. Thank you, sir.

Moderator: Thank you. We take the next question from the line of Vipulkumar Anopchand Shah from Sumangal Investment. Please proceed.

Vipulkumar Shah: Hi, sir. What is our Agri and non-Agri mix, sir?

M.P. Taparia: We have no idea because several states they are using Agri pipe for housing also. We have no idea.

Vipulkumar Shah: Okay. Sir, secondly, since Lubrizol is starting production of CPVC resin in India, will our cost come down?

M.P. Taparia: That part Lubrizol can only reply. How can I reply? Whether they are going to keep lower price, I can't say. For your information, Reliance is also coming.

Vipulkumar Shah: Okay. Thank you, sir.

Moderator: We take the next question from the line of Varun from 360 ONE Capital. Please proceed.

Varun: Yes. Hi, sir. Thank you for the opportunity. I just wanted to understand this realization improvement which happened in the other segment, packaging, industrial, consumer. This entirely was due to the polymer price or was there any kind of price hike? As far as we fully passed on the price hike because of the polymer or the cost inflation that we saw.

P.C. Somani: Yes. It's only a customized solution. You see, packaging, we provide a lot of customized solutions, which gets better realization. The industrial segment also, the pellets, dustbins are better value-added products. It's the product mix which plays the role.

Varun: Yes. I just want to understand, after, say, this quarter, if things normalize and if the polymer prices fall back, are we going to stick to a similar price or will it move along with the polymer price only for the other segments? I understand PVC still a lot of pass-through happens, but for other segments.

M.P. Taparia: We not only use PVC, we use another polymer also, dear friend. We use large volume of polyethylene. We also use polypropylene, polystyrene, ABS. We use variety of raw material. We are not PVC company only.

Varun: Yes, sir. In case that declines again, that packaging, industrial, whatever pricing, that also will decline simultaneously. That's what I want to understand.

M.P. Taparia: Depend on the product.

Varun: No direct correlation, that's what I'm guessing.

M.P. Taparia: Not so much direct.

Varun: Okay. Okay, sir. That's it. Thank you.

Moderator: Thank you. We take the next question from the line of Tejas Pradhan from Citigroup. Please proceed. I would request Mr. Tejas to unmute and then speak.

Tejas Pradhan: Sorry. In terms of the other resins like CPVC, etcetera, was the pricing volatility and the quantum of restocking, destocking that we saw through last quarter and this quarter similar or a different sort of intensity?

M.P. Taparia: It happens in all the polymers. Actually, polyethylene, polypropylene are much more volatile because the crude price is jumping up and down now, and they are directly linked to crude oil. Only PVC is least affected. PVC is not linked completely to crude oil. Polyethylene, polypropylene have a much more volatility. This is normal, they're commodity polymers.

Tejas Pradhan: Right. On CPVC, I think you had mentioned there was minimal growth. Were the CPVC prices a lot more stable through the quarter, because of which they did not see too much impact of the destocking?

M.P. Taparia: CPVC price is more or less stable now. The PVC price was also more or less stable. Only PVC price has come down in the month of April-May. They have jumped in the month of March and corrected in April. Thereafter, the prices are not moving at all too much. After 20th April or something around there, thereafter, there is not too much variance in the price.

M.P. Taparia: Too much in the month of March, and they got corrected in April.

Tejas Pradhan: Right. Just lastly, obviously we lost volumes in the first quarter. From a customer perspective, I know you had mentioned the recovery by September, but given that at least PVC prices are starting to increase and they are anyway slightly close to the MIP level, we might not expect further decline in PVC prices from here. Would you expect the lost volumes to be recovered in the second quarter itself, or it will take time to recover it through the balance of this year?

M.P. Taparia: Lost volume will be recovered, and we will have growth in the first half.

Tejas Pradhan: In the first half, you would expect a year-on-year growth?

M.P. Taparia: First half, we are definitely confident that we will have growth.

Moderator: We'll take the next question from the line of Roshan from Antique Stock Broking.

Roshan: Yes, thanks for the opportunity. So, now with the minimum import price coming into effect, do you think the PVC prices should stabilize at these levels?

M.P. Taparia: Not sure now. Nobody can stop them. They can go up also. The decline has stopped, but going up, there is no restriction. They are allowed to move.

Roshan: And you have highlighted that FTAs with various countries are a significant opportunity. So, what share of revenues do you expect to generate from exports over the medium-term?

M.P. Taparia: I can give an example of the UK. The UK is a country that entered into an FTA. The import duty on plastic pipes has now become zero. So, there are opportunities like this in many countries where our government has entered into FTAs.

Roshan: What is the export opportunity you are looking at?

M.P. Taparia: Overall, the world import trade of plastic granules alone -- just one item -- was $41 billion last year. Our company exported only $5 million. In a $41 billion market, our exports are only $5 million, so we see a huge opportunity. We will be spending money on participating in several exhibitions. We have appointed several resources who will go to the market.

We will introduce new products also required in markets and get our products certified in those prioritized markets. We will make good investments to achieve this objective. Not just to serve 1.5 billion people now; we want to serve 8 billion people globally.

Roshan: Okay. That's helpful. Thank you.

Moderator: We'll take the next question from the line of Annu Parikh from Anand Rathi.

Annu Parikh: Also, can you please quantify the amount of inventory loss in Q1?

M.P. Taparia: Nothing to report.

Annu Parikh: And sir, is there a scope for inventory gain in Q2 because of the increase in PVC resin prices in the PVC resin price in July month?

M.P. Taparia: Nothing to report either on inventory gain or inventory loss. If anything happens, we'll be talking end of the year.

Moderator: We'll take the next question from the line of Pratyush, an Individual Investor.

Pratyush: Thank you for the opportunity, sir. I just wanted to ask about the channel inventory. Like in March, April quarter, some of the companies had stated that there was a lot of restocking in one particular month, and then there was again a destocking. Is that phenomenon still continuing or has the demand from channel partners been consistent?

M.P. Taparia: When we told you that we will have growth in this quarter, there is no destocking taking place. We are saying we will have growth in this quarter. We also say that in the first half, we will have growth. In spite of degrowth in the first quarter, for the first half we will have growth.

Moderator: We'll take the next question from the line of Karan Bhartelia from AMSEC.

Karan Bhatelia: How is Wavin portfolio doing?

M.P. Taparia: Wavin? Wavin doing very well. We got certain new item, which are not there in our portfolio. We added those products in our portfolio, which are very helpful.

Karan Bhatelia: And we stick to our guidance is for selling 50,000 metric tons for FY27 with much better profitability?

P. C. Somani: Yes. The quantum of volume that we have said is fine, with around 70% capacity utilization.

Karan Bhatelia: 70% utilization, sir?

M.P. Taparia: Yes. We anticipate 15% to 17% volume growth for the full year as of today in the plastic piping system.

Karan Bhatelia: And on the EBITDA margin front, how do we see it Wavin in the comparison with Supreme?

M.P. Taparia: Same range. Nothing very different range.

Karan Bhatelia: And any clarity on the packaging project, the one which we were eyeing for the export market?

M.P. Taparia: No, completely, fully sold out.

Moderator: As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments. Over to you, sir.

M.P. Taparia: Thank you very much. We are very impressed by the energetic questions raised by our investor friends. We thank them very much for taking the time to raise questions, and we hope that we have adequately replied to them. Thank you all.

Moderator: Thank you. On behalf of DAM Capital Advisors Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.