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June 8, 2026

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Security Code:-523301

The National Stock Exchange of India Ltd
Exchange Plaza, Plot No. C/1, G Block
Bandra Kurla Complex,
Bandra East, Mumbai 400 051
Trading Symbol:- TCPLPACK

Dear Sir(s),

Re:- Transcript of the Q4 & FY26 Results Conference Call

With reference to the aforesaid subject, attached is transcripts of the conference call held on June 3, 2026, with the Investors and Analysts.

The aforesaid information is also available on the website of the Company at www.tcpl.in.

Kindly take the same on record.

Thanking You

For **TCPL Packaging Limited**

Compliance Officer



TCPL Packaging Limited Q4 and FY26 Earnings Conference Call June 03, 2026

Moderator: Ladies and gentlemen, good day, and welcome to the TCPL Packaging Limited Earnings Conference Call. As a reminder, all participant lines will remain in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Please note that this conference is being recorded.

I will now hand the conference over to Ms. Jenny Rose from CDR India for opening remarks. Thank you, and over to you.

Jenny Rose: Good evening everyone, and thank you for joining us on TCPL Packaging's Q4 and FY26 earnings conference call. We have with us Akshay & Vidur Kanoria, Executive Directors; and Vivek Dave, GM (Finance) of the Company.

We would like to begin the call with brief opening remarks from the management, following which we will have the forum open for an interactive question-and-answer session.

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

I would now like to invite Akshay to give his opening remarks. Over to you, Akshay.

Akshay Kanoria: Good afternoon, everyone, and thank you for joining us today for TCPL Packaging Limited's Q4 FY26 earnings call. I will begin by taking you through our business highlights for the period under review, after which we will open the forum for a Q&A.

FY26 was a challenging year for the industry, marked by a subdued global demand environment, continued volatility in international trade, and geopolitical disruptions in the Middle East during Q4. At the same time, domestic demand conditions remained relatively stable, supported by healthy consumption trends across key categories.

In this environment, our domestic business performed well, with volume growth ahead of underlying consumer market growth trends in India. This helped mitigate softness in export markets, particularly in Q4 when shipments were affected by disruptions in the Middle East. During the year, we also made progress in strengthening our presence across other international markets and deepening global customer relationships, which should support improved export momentum as external conditions normalize.

On the financial front, consolidated total income for Q4 FY26 stood at INR 465 crore, reflecting over 9% year-on-year growth. EBITDA, including other income, was INR 81 crore, translating to a margin of 17.4%. The inclusion of other income is primarily on account of operational forex gains arising from exports during the quarter. Cash profit for the quarter came in at INR 61 crore.

For the full year, consolidated revenues reached approximately INR 1,836 crore, registering a growth of 3% year-on-year, while EBITDA stood at INR 318 crore with margins at 17.3%. Margin performance during this quarter was impacted by elevated RM costs and the timing lag in passing on cost inflation. We remain focused on calibrated pricing actions, product mix improvement, and operating efficiencies to support margin improvement over the coming quarters.

Our flexible packaging business delivered a strong performance during the year, with healthy capacity utilization across plants and the last commercialized line operating at optimum level. In the paperboard segment, the Chennai greenfield facility has scaled up steadily, supported by encouraging customer traction. The recently commissioned gravure cylinder facility at Silvassa has also ramped up well, strengthening backward integration, improving operating efficiency, and supporting faster turnaround for customer requirements.

From a balance sheet perspective, the Company remains well-positioned. On a consolidated basis, Net Debt stood at INR 554.7 crore at the end of FY26, while leverage metrics remain comfortable, with Net Debt-to-Equity at 0.77x and Net Debt-to-EBITDA at 1.75x. Importantly, our debt position is supported by the Company's consistent operating performance, with EBITDA margins remaining within a stable range across several years. This provides us with the flexibility to invest in growth opportunities, operational capabilities, and sustainability initiatives while maintaining prudent financial discipline.

In line with our commitment to shareholder value and our consistent dividend philosophy, the Board has recommended a dividend of INR 25 per share for FY26. This marks our 26th consecutive year of uninterrupted dividend payouts.

During the year, we also made meaningful progress across innovation, sustainability, and people-focused initiatives. Innovation and customer-centricity remain key differentiators for TCPL, and we continue to invest in advanced technologies and future-ready packaging capabilities to address evolving customer requirements across FMCG, food and beverage, pharmaceutical, and consumer product segments.

On the sustainability front, TCPL was awarded EcoVadis Bronze Medal in its debut sustainability assessment, placing the Company among the top 35% of companies assessed globally. We also formally became a participant of the UN Global Compact, reinforcing our commitment towards responsible business practices, ethical operations, and long-term sustainable growth.

Our efforts during the year were also recognized through several industry accolades, as well as from several customers such as Marico Industries for Industry Best Practices, six honours at the SIES SOP Star Awards including the President's Award for innovation and sustainability, recognition as a Most Preferred Workplace in the manufacturing category, as well as a Best Supplier's Award from our customer Abbott.

Looking ahead, domestic demand conditions remain encouraging. Our focus is on expanding our footprint, broadening our product portfolio, and pursuing new growth opportunities across businesses. Our strong innovation and new product development capabilities enable us to deliver differentiated, value-added packaging solutions, while close customer collaboration helps us align these offerings with evolving market needs. Together with a strong balance sheet, prudent capital allocation, and continued investments in capabilities, we believe we are well-positioned to drive healthy long-term growth and create sustained value for all stakeholders.

With that, I would like to request the moderator to open the forum for any questions or suggestions.

Moderator:

Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. The first question is from the line of Rohan Kalle from InCred Research.

Rohan Kalle:

A few questions from my end. One is on the exports. So, throughout the year, it is been under pressure. In terms of your expectations for the coming year, where do you see things move on the export side? And in terms of regions, other than let us say the Middle East, are we expecting any of the other regions to meaningfully scale up in this year? That would be my first question.

Akshay Kanoria: Thanks, Rohan. Yes, so obviously this last year has been one thing after another. And currently, we are still going through the Middle East crisis. But, of course, post the ceasefire, things have improved with some more vessels sailing and a little bit of improvement. But, the situation is highly uncertain and very difficult to have any outlook as such. So, we play things by ear and hope for the best. However, if it normalizes, then I think the bounce back will be quite quick. So, overall, we are fairly optimistic, whether it is the Middle East or outside of the Middle East, I think overall exports, we are fairly optimistic this year for some recovery. And apart from the Middle East, we are scaling up now in other regions like the UK, the US, other North American countries, as well as other European countries, and also some of our neighbouring countries, Africa, Southeast Asia. Overall, a lot of groundwork has been done over the last few years, which we are seeing some benefit coming in.

Rohan Kalle: Understood. And on the domestic side, in line with your earlier comments, we would have done double digits this quarter as well. Do you expect that this momentum can continue going into FY27 as well? Any colour you can provide maybe on how you see the first half panning out?

Akshay Kanoria: Yes, so this first half specific, we cannot discuss much, but I will say generally speaking, momentum's looking okay and we have no problem as of now in terms of the demand. But obviously, the cost impact or the impact on consumers from fuel price increases and rupee depreciation-led other inflation will play out over coming quarters, which will certainly have some impact on the demand. But as of now, we are seeing it to be okay. So, we do expect to have a good year for domestic as well.

Rohan Kalle: Understood. And just a follow-up on the domestic side. If you could maybe call out an end industry which, maybe in the last two quarters, we have seen meaningful growth in on the domestic side? That would probably be helpful?

Akshay Kanoria: It is fairly broad-based, not anything specific as such, and it is very customer-to-customer sort of, it varies. I mean, it is not industry specific, I would say. There has been a lot of problem in the last few years with these seasonal products because the seasons are very difficult to understand nowadays. Planning has become very tough, with the climate change. We have unseasonal rainfall, then record high heat spells, then again unseasonal rainfall. So, it becomes a bit challenging on the seasonal front. But general-purpose categories are doing quite alright.

Rohan Kalle: Sure. Just the last one from my end. In terms of margins, we would be now passing on price hikes, which probably in the last quarter we were not able to fully do. Where do you see margins settling maybe for the full year, if some outlook you could give? That would be the last one from me.

Akshay Kanoria: Yes, so I think we are quite comfortable. I do not think there is any serious pressure right now on the margin front because we are passing through increases as they come. But if these cost increases keep happening and this crisis gets prolonged, then it will be tough to further pass on any price increase. So, we hope that this is where it ends. Then I think we will be okay. But so far, it is okay. But we hope it, this is where it ends. That is my point.

Moderator: The next question is from the line of Vipul Shah from RW Equity.

Vipul Shah: First of all, congratulations on maintaining a very stable and solid profile in the quarter considering the situation the world is facing because of the Middle East crisis. Just a couple of questions. First is, our finance cost for the year seems to be pretty high considering the debt position which the company has. So, is there anything else to read into it because, despite the EBITDA showing a marginal growth this year, the interest actually has taken it down for the PBT and then the PAT?

Akshay Kanoria: Yes, there was an MTM of INR 18 crore that we had to recognize due to the mark-to-market adjustment on the ECB. So, that has driven the interest cost up. That is one of the reasons. But also, the absolute debt has not gone down, that has grown. I mean, on a standalone basis, it is grown. On a consol, it is come down marginally. But the absolute debt has not improved, so the absolute interest therefore is what it is. But on a ratio like debt-to-equity has improved substantially.

Vipul Shah: Yes, I get the point. I just wanted to understand is that, this ECB which came up last year as well in some of the earlier calls. Is it fair to say that the borrowing is not fully hedged, and as a result, we continue to have exposure to euro currency movements?

Akshay Kanoria: It is more of an accounting issue because the profit that you get from export you do not see in the cost, but the loss that you have on the notional loss, not even cash loss, on the total debt that you take, that you have to mark-to-market in the interest cost. So, it is not a cash outgo. That is my point and it is this year only.

Moderator: The next question from the line of Pavan Kumar from Ratna Traya Capital.

Pavan Kumar: I had broadly three questions. One was regarding the margins. So, will we take a more calibrated approach going forward for RM price increase or these will get adjusted in the next three months? Secondly, what would be the capacity utilization for the Chennai plant as of now? And lastly, some update on Creative, how is it going on, how are we proceeding, and what is the update on that operations?

Akshay Kanoria: On the margins, whatever we can pass through immediately, we are passing through. Whatever, as and when these increases keep coming in, one cannot have

a running discussion with customers. Sometimes you have to calibrate them over a period of time. So, that is where one loses in an inflationary environment. But, as long as it stops here, I think we will be fine.

Pavan Kumar: Do we have contract calls?

Akshay Kanoria: It depends customer-to-customer. There is no rule of thumb. Yes. And as far as the Chennai is concerned, the we have more than 50% utilized now and the outlook is quite positive. So, we are quite okay, we have a lot of customer approvals that have just come through and expecting a good ramp-up now. And as far as Noida is concerned, that has also done better this year and we see further improvement in coming quarters. So, it is steadily improving, slowly and steadily. Obviously, this current price impact on the raw material front is a challenge and on top of that, the electronics industry is struggling because of the massive increase in the chip prices. So, you would have seen in the news that, things like electronics volumes are falling. So, that is a headwind. But on the other hand, we have diversified into other areas of packaging, so that is helping us. So, overall, it is doing fine, I would say. Yes, so I think I have answered all your questions.

Pavan Kumar: Yes, one particular thing I wanted to check. Exports, they are under pressure, but have we won any new customers through which we can make up or grow going forward in any new geography?

Akshay Kanoria: Yes, we have, and we are quite bullish on several new geographies and we have entered into several new customers and we are also expanding further our export team. So, overall, we are quite positive and we feel that long-term the export should grow. But obviously, there are so many mitigating factors which one cannot plan for, like these wars and all that. We do not know what the timeline is going to be and every second week you hear about a possible negotiated peace which collapses in two or three days after that. So, we have no real way to say what is going to happen. But overall, export is a bright spot for us and we feel that long-term it will keep growing.

Moderator: The next question is a follow-up from the line of Vipul Shah from RW Equity.

Vipul Shah: One question I had was, this quarter and the year, there has been a huge delta in deferred tax, which again has brought our PAT down because the tax expenses are pretty high. Any colour you would like to provide on, you know, why is there such a high deferred tax?

Akshay Kanoria: It is a timing difference mostly, I think. Just annualize it and see, do not go quarter-by-quarter, I think. Overall, it is fine.

Vipul Shah: Because, this is again one of the years where optically, the EPS is far lower than what it was in the previous year, which has not happened too many times in TCPL's history.

Akshay Kanoria: I know, but like nowadays these accounting rules are very onerous and it is what it is. Overall, it will average out.

Vipul Shah: Is this primarily relating to the investment in Chennai and the gravure facility?

Akshay Kanoria: Mr. Dave you can answer that.

Vivek Dave: See, the actual tax outgo is already reflected in the numbers. This is merely a timing difference that we are required to account for under the accounting standards. That's why the deferred tax appears slightly higher. However, on an annualized basis, the tax rate remains in line.

Vipul Shah: No, I understand that, Mr. Dave. My question is, whether it is related to primarily the timing difference or was it related to our investment in Chennai and the gravure facility?

Vivek Dave: I would say the overall capex that we have done during the year.

Vipul Shah: Fair enough. So, it is pertaining to capexes only, right? That tax depreciation and the accounting depreciation?

Vivek Dave: Yes.

Vipul Shah: One more question, we earlier used to give on an annual basis the breakup of domestic and exports. Last year also we skipped that. I had mentioned that on the call as well. This year also is the same thing. Is that something which can be provided? Even if it can be provided offline, that will be fine.

Akshay Kanoria: Okay, we will consider it.

Moderator: The next question is a follow-up from the line of Pavan Kumar from Ratna Traya Capital.

Pavan Kumar: Could you please comment on whether you are seeing any pickup in demand for recyclable films, or are customers still holding back? And on the Creative side, I think we have been stuck for two to three years. So, is there any attempts that are being

made to actually scale this up to a profitable level? I understand we are at EBITDA break-even, correct me if I am wrong.

Akshay Kanoria: Yes, so I'll let Vidur answer the recyclables.

Vidur Kanoria: Basically, in the recyclable films, unfortunately, in India, for the domestic market, there has not been too much of a pickup because the Government-mandated EPR rules only designate the use of recycled content. They do not have any designated use of recyclable packaging. So, they focus more on collection and recycled content adoption, which is not the product line that we have invested for. But in any case, our production of recyclable films is up because we use it in export jobs. So, there we even sell film and we also do the final conversion, including printing and providing the final solution. So, the requirement is up because of export and there is good value addition there as a result as well. But the domestic market, which is obviously the bulk business of ours, they have not adopted it because there is an upcharge associated and the Government does not mandate the use of it as of now. So, we hope that it will happen in the future. But as of now, until the government does mandate it, it will not pick up significantly. But overall, the investment has done well and we had some machinery issues earlier which are resolved and the line is running well.

Akshay Kanoria: And as far as Creative is concerned, last year it just about squeaked through on the EBITDA front, but this year there was a little bit further improvement and in coming year we feel that it will further improve and hopefully we can come to cash and net profit as well. And then we can start getting some actual return. So, it is scaling up, but a lot of headwinds have been there, which one by one we are addressing and we are diversifying customer base. So, it is improving further. So, we continue to be positive, but it was a long slog.

Pavan Kumar: Okay. And the capex for this year, FY27, if you could outline what are the plans as of now?

Akshay Kanoria: So, for the coming year, we have a capex which we are doing in our flexible packaging business because there we are running quite well-utilized. And in the rest of the business, on the carton front, our utilization is a little bit lower, maybe more like there is some good double-digit scope for further growth in the current capacity. So, we do not have any immediate major plans, but we are enhancing our factory areas in some of our plants. Like we are expanding the building and all of that, so we are keeping some scope for further expansion as the market further picks up and our volumes further pick up.

Pavan Kumar: Can you quantify it? Maybe if you can tell us how much?

Akshay Kanoria: Yes, that would be about similar to last year, about INR 100-odd crore, I think, is the expectation. But again, like every year, we do have the capability to expand faster and further as and when the market situation requires it. But, we are being a little calibrated in our capex this year considering all the headwinds and uncertainty.

Moderator: The next question is from the line of Heta Vora from Monarch AIF.

Heta Vora: I just have two questions. First, I wanted to understand whether, given the slight demand slowdown in some of the segments we currently cater to, such as electronics, along with the inflationary pressures in the market, we are considering expanding into any new sectors or customer segments within India. Or do we intend to remain focused on our existing clientele and end markets?

Akshay Kanoria: Every year we are onboarding new customers and we are not sector specific. We are quite diversified in our customer and in the segments we cater. And we are constantly on the job when it comes to adding and developing new customers. And the good thing in India is that there are many large sectors that are emerging, and they are improving their packaging and scaling up their quality. So, there is demand. There is no major problem in terms of adding new customers. We are constantly on that job. We do not give specific detail about customers because obviously we are in a competitive environment. There is no use in shouting about all our customers to our competitors. But we add like more than one or two customers almost every month. So, that is a constant process.

Heta Vora: All right. Understood. And sir, if you could just give us some understanding of what would be the revenue split from folding carton segment?

Akshay Kanoria: Yes, we do not provide that, but our major segment is the consumer products, which is primarily FMCG and the food & beverage segment. That is our major segment, which is more than half of the business, is this folding carton category.

Heta Vora: What is the split between folding carton and flexible packaging?

Akshay Kanoria: Flexible is about 20%.

Heta Vora: For FY26 as well?

Akshay Kanoria: FY26, it has slightly increased from the previous year, but not like dramatic.

Heta Vora: Sir, do we have any aspiration of how this split would shape up, say, in the next 3 years between folding and flexible?

Akshay Kanoria: No such aspiration. We just want each segment to grow at a good double-digit clip and to do the maximum possible. So, ideally, we want the folding carton to grow as fast and the share then will be static. But it does not matter. As long as the Company is growing and each sector is doing well, we are happy.

Heta Vora: Sure, sir. Understood. Just lastly on the margins front. I understand that FY27 could see some margin pressures because of certain factors that are beyond our control. But say for FY28, considering our Chennai plant will be at higher utilization and also our gravure cylinder facility may help with gross margins as well, can we expect a higher-end margin for FY28 if the geopolitical reasons were to not be a factor anymore?

Akshay Kanoria: I cannot tell you what is going to happen in 3 months. So, I am not going to speculate about 1.5 years down the line where anything can happen, as we have seen. Who could imagine what can happened nowadays? So, we do not have any guidance. But overall, our margin scenario we feel is fairly okay considering all the circumstances and all. Obviously, if circumstances are better and the utilization is better, the margin will improve. But and if this war continues for another 6 months, 1 year, then God knows what is going to happen. But ideally, if everything is going well and the Company is growing, obviously the margins will be better. But then we will also have new capex which we will be doing or some new project. So, we are not going to sit steady and we do not enjoy having less capex to do, is my point. We want more capex and more pressure on the growth. So, it is tough to give an outlook, therefore.

Moderator: The next question is from the line of Resham Jain from VVD Asset Managers.

Resham Jain: Couple of questions. The first is we have seen paper prices consistently going up in the last 3 to 4 months, there has been a consistent increase. Are you seeing that momentum kind of breaking or the prices are consistently still going up?

Akshay Kanoria: No, the momentum slowed and then it continued. So, it is still going up and particularly on the virgin board side, there is a big increase and even on the recycled board price, there is a steady drip of price increases happening. So, when there is a sudden increase of a very large magnitude, we find that it is better. But when there is a steady drip-by-drip increase, then it is more difficult because it is harder to pass through. Because you already negotiate and argue and you get the increase for the first increase and then by that time then the second comes around. So, that is the pain factor. So, we are seeing further increases in the anvil, but obviously these things are completely dependent on the global scenario which can change at any moment. So, we do not have an outlook as such. But yes, the pressure is still there.

Resham Jain: And does the anti-dumping duty on the board segment also result in higher domestic prices?

Akshay Kanoria: It is not an anti-dumping duty, there is a minimum import price, MIP. MIP, so that is there, but that is going to expire in some time and then I do not know whether there is going to be a renewal. So, that does give the paper mills domestically some room for manoeuvre, but it is not like they are doing very well. They are also under a lot of cost pressure. So, I think some increase is inevitable.

Resham Jain: Understood. The second question is with respect to your overall capex. I think over the last two years, actually, the last three years now, we have undertaken a fairly significant capex program of over INR 150 crore annually. This year, however, you are guiding for capex of around INR 100 crore. I recall that we used to undertake this level of capex even during periods when EBITDA was much lower. So, has there been any change in the capex intensity or any thoughts around this would be helpful?

Akshay Kanoria: No, we are looking for more avenues and we would love to do more capex. So far, what we are planned or what we are telling you that we have planned is what is quite firm, meaning there is not much downward sort of direction to this. But we have a lot of initiatives which we are planning and as and when those get realized, then that will lead to further capex. So, we are certainly having the intention to do more, but right now, given the current demand scenario and all that, this is what is needed. So, as there is more need, we will do more capex. And it is more like a timing thing, I think.

Resham Jain: Okay. And the last one is with respect to the capexes which has been done and which you are planning to do this year. Given that, most of it is Brownfield and more ramp-up will happen, do you expect any operating leverage to play out, especially in flexible given that one more line is getting added this year?

Akshay Kanoria: In flexible packaging, it will take several months for the project to be completed and commercialized, which we expect by the end of the year. Until then, things should remain quite stable. Once the new capacity comes on stream, there will naturally be some temporary pressure on profitability as the capex gets absorbed. However, given that this will be the fourth line at that unit, we do not expect the absorption period to be very long. Thereafter, we should see a meaningful improvement, with operating leverage beginning to play out. The return on assets for the fourth line is, of course, expected to be better than that of the third line, and better than that of the second line. As for the other capex projects we undertook earlier, such as the cylinder and Chennai facilities, as I mentioned, they are still in the ramp-up phase.

Over the next one to two quarters, we expect utilization levels to improve further, which should provide an additional boost to overall performance.

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

Akshay Kanoria: Thank you. I hope we have been able to answer all your questions. Should you need any further clarification or you would like to know more about the Company, please feel free to contact us or CDR India. Thank you again for taking the time to join us on this call. We look forward to interacting with you next quarter.

Disclaimer: This is a transcription and may contain transcription errors. The transcript has been edited for clarity. The Company takes no responsibility for such errors, although an effort has been made to ensure a high level of accuracy.