

Date: June 05, 2026

To,
BSE Limited
Corporate Relation Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir/ Ma'am,

Subject: Update on Earnings call for the half year and year ended March 31, 2026-H2 FY26 – Transcript.

Ref: *Inflame Appliances Limited (Security Id.: INFLAME, Security Code: 541083)*

In continuance of our earlier intimations dated May 25, 2026, and Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Company's Earnings Call held on Monday June 01, 2026, at 12:00 P.M. IST to discuss the financial results for the half year and year ended March 31, 2026. The transcript has also been made available on the Company's website at www.inflameindia.com

Kindly take the same on your record and oblige us.

Thanking you,

Yours faithfully,

For, Inflame Appliances Limited

Aditya Kaushik
Chairman and Managing Director
DIN: 06790052

Place: Panchkula

Encl: A/a

INFLAME APPLIANCES LIMITED

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Inflame Appliances Limited

H2 & FY26

POST EARNINGS CONFERENCE CALL

June 1, 2026 12:00 PM IST

Management Team

Mr Amit Kaushik - Chief Executive Officer

Mr. Anusheel Kaushik - Director

Call Coordinator



Strategy & Investor Relations Consulting

Presentation

Moderator:

Ladies and gentlemen, on behalf of the Kaptify Consulting Investors Relation Team, I welcome you all to H2 and FY26 Post Earning Conference Call of Inflame Appliances Limited. Today on the call from the management we have with us Mr. Amit Kaushik, CEO and Director, Mr. Anusheel Kaushik, Director.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements which may involve risks and uncertainties. Also, this is a reminder that this call is being recorded.

I would now request the management to detail us about the business performance highlight for the period ended March 2026 and growth perspective and the vision for the upcoming years, post which we will open the floor for Q&A. Over to the management.

Amit Kaushik:

Good morning, everyone. I am Amit Kaushik, CEO and Director of Inflame Appliances Limited. We have closed the last financial year with a lot of positives, some uncertainties towards the end of the year due to geopolitical situations. However, still we are very satisfied and happy with the growth and with the commitments from our entire Inflame team. We have had a growth of about 41%, 42% and EBITDA growth of about 55% in the previous year, which has resulted in higher EBITDA margins and higher PAT. The earning per share has also grown by about 85%.

As far as chimneys were concerned, we produced about 270,000 numbers against 195,000 numbers in the previous year, which was up 38% last year. And the capacity utilisation has also reached close to 50%, including both the plants. Panchkula kept on doing better year-on-year.

Hyderabad has registered about 31% growth and Panchkula about 42% growth. The reason for Hyderabad plant in terms of chimneys for this 31% growth is that all the new products like built-in ovens and wine coolers and refrigerators were developed at Hyderabad. So, new and better products, value-added products are being considered at Hyderabad plant.

We were also under capacity expansion because we were expecting higher number of orders since last year, which are already evident from our order book right now. So, Panchkula, we were doing a CapEx expansion of about INR10 crore in which 50,000 square feet of new

construction area was planned, of which one floor is already ready and due to be in operations in next two, three days. It will give us an additional capacity of about 12,000 to 15,000 chimneys, thereby increasing the total capacity of chimney production. And this year, we are targeting a growth of another 45%, 50% in terms of number of chimneys and total revenues.

The key highlights were that as to the industry witnessed input cost pressure due to rupee depreciation, geopolitical developments and higher raw material prices, which impacted our overall cost structures. Till March, we were not able to pass on this price to our customers. However, in the recent past, we have started passing on the prices to the customers and I think another 1.5, two months, this entire pressure would be passed on, by passing on to the customers or by reduction in our own input cost by use of alternate material and alternate suppliers.

We have also incorporated another associate company by the name of Tricoree Machmatrix Private Limited. Inflame has a 34% stake in it. This capacity is being built for electronics and IoT-enabled products, smart control solutions and support -- which will support technology-led growth and backward integration. We have a fear that Government of India might bring motors also under BIS preview and all BLDC motors are being imported from China right now. We also feel that the imports of electronic parts such as PCB and switches might come under a lot of pressure because not only because of rupee depreciation, but Yuan RMB has also appreciated considerably in last three, four months, which has led to the increase in the prices by Chinese suppliers also. So, we believe that keeping very high inventories and depending upon China under such volatile situation, wherein geopolitical issues are actually creating a lot of price fluctuation, and the same cannot be passed on every now and then to the customers.

So, we thought to start developing a setup in India in association with the industry experts and keeping a sizable stake of Inflame into it so that we can control the proceedings over there. So, the idea is to manufacture BLDC motors in the first phase and electronics in the second phase and then go to IoT-enabled products and smart control solutions, which is going to be the future in Indian market. So, we are trying to set up the things so that once Government of India comes out with such proposal and they allow us six months or one year time to sort out the things, we are already prepared with our backward integration in the facility.

So, this is it from my side right now. I am happy to answer any technology or technical questions or the advancements we are doing

technologically. Mr. Anusheel Kaushik, my fellow Director, is also available who could answer all technology-related questions also. Thank you.

Question-and-Answer

Moderator: Thank you. [Operator Instructions] We will take the first question from Nishant.

Nishant Joshi: Am I audible, sir?

Amit Kaushik: Yeah, you are audible.

Nishant Joshi: So, sir, I have a query regarding because I have attended last conference also, wherein we were foreseeing that around 30,000 plus, 32,000 chimneys production per month would be coming in second half year, but ideally we closed on a lower number there. Despite the performance has been good, but possibly you were expecting or management was expecting a strong second half year. Is it due to some loss in order or less of new orders coming in or something related to industry which has...

Amit Kaushik: Yeah, it was entirely related to the industry. There was a fear in the market. The demand was softened quite a lot. The way third quarter had gone, we were expecting fourth quarter to be a bumper one, which unfortunately was not. And all our major buyers, which includes IFB, Crompton, Hindware, Havells, they were all short of orders. So, it was entirely because of geopolitical situation and the demand from the market side.

Nishant Joshi: So, sir, can you share your view for going forward about industry and about Inflame also regarding chimney as a product? How do you see next 12, 15, 18 months?

Amit Kaushik: See, as of now, we are registering a growth of about 40%, 50% month on month if we really talk about the present. And I think this trend is going to be there. Number two, we have added certain customers in the past thinking that one day they will become big. And they have started showing -- their order books have increased three, four times. And one such customer is Havells with us, where the business has grown multi-fold. And in fact, the pressure is to supply more to them. So, I think with the opening up of such customers and Hindware again back on track after 1, 1.5 years of disruption at their end, which was primarily because of change of certain key management people. Now, they are also back

on the same level what they used to be earlier. So, the order book is very good now. Once this new setup which we were expanding is complete, I think the quantum jump would also come.

Nishant Joshi:

You can take my second question also, sir. Sir, as we have been bringing more new products, can you give a view outlook for next 12, 15 months, how company foresee that? How much new business can we garner from the new products?

Amit Kaushik:

There were two things in bringing in new products. The first thing was that we wanted to give this facility to our existing customers that the product that you have stopped from China, if we have to do that in India, then I am ready to work Inflame to give you support. And this was a very big reason for de-risking from our point of view and not to let the customer run anywhere else.

To do competition alone in Chimney as a product and to have all their products with us, our dependency on them has reduced and theirs on us has increased. I also want to tell you that in the month of April, before Canton exhibition, we held a small exhibition here for three days in Panchkula, wherein we had showcased about 25 new models, which were all fresh, nothing copied from anywhere and some new technologies. We also showcased them, our built-in microwaves and dishwashers, for which we have started getting a lot of pressure from the buyers to start them as early as possible. However, when you start a new product, it takes a lot of bandwidth, energy, planning. You should not have a problem with the supply chain later on. You have to take care of that as well.

So, we are in the process. In fact, one of the largest manufacturers of these products in China, they are Midea and one more company is there by the name Galanz. So, their director, Galanz director is visiting us in the next couple of days to our Hyderabad plant to discuss the supply chain issues with us. So, these products, the market is still at the inception stage, but still they will support us so much that when we want to do the target of INR450 crores, INR500 crores next year, then that cannot be achieved from chimneys. At that time, the revenue share of chimneys it will come down drastically, but hobs, BIS would have been implemented on it by then. Hobs and built-in microwaves, dishwashers, all these products would start contributing considerably.

Let me give you an example that the average selling price of a built-in refrigerator is about INR38,000, INR40,000 and the price of a built-in oven -- sorry, wine cooler is about INR30,000, INR35,000. If we make

20 pieces of refrigerator and 30 pieces of microwave -- sorry, refrigerator per day, then also it contributes INR50 crores, INR70 crores once we achieve that level. Now, by combining both, we are able to make 14, 15 pieces per day. So, once we go to 50 pieces per day, then its average selling price contributes very strong. And built-in microwave, dishwasher, this is also a range product of INR15,000, INR22,000 rupees. And the best thing is that all these products are not made by any other company.

So, we create a USP already. We have created a USP for these products and now all the buyers in India know that if this product is not available anywhere, then Inflame will make it. So, we have been able to establish that -- conceptually it is clear to everyone that Inflame can do this work.

Nishant Joshi: Thank you, sir. Thank you.

Moderator: Thank you. We will take the next question from Bala. Bala, you can go ahead.

Bala Murali Krishna: Hi, good morning. Good morning, sir. Actually, in the last call, I had some expectation about the new products after your China visit. Is there any update on that?

Amit Kaushik: Sir, I have just given the update. The new products only, sir. I have also named the products and I have also given the update right now.

Bala Murali Krishna: Sorry, Amit, I will go to the transcripts. And lastly, on this other products, so we are hanging around 5% to 10% in the past one or two years. So, where do you see this thing in the current year?

Amit Kaushik: Sir, I cannot say current year, but going forward, chimneys will contribute about 60%, 65% only.

Bala Murali Krishna: Okay. So, how the margins can shape up? So, when we when we ramp up these other products, we think 10%. So, then maybe in this year, maybe we can do 15% or 20%. So, how would be the, how would be the margins?

Amit Kaushik: Sir, I have always, be of this view that once your top line goes up, the margins automatically goes up, sir. Because whatever our R&D or whatever our expenditure on technology is, the major cost is our manpower. If you see my overall structure, after raw material, sir, the highest what we pay is the manpower. So sir, my manpower is more or less fixed for INR150 crore or INR250 crore or INR350 crore, sir.

Variable is only adding more assembly lines and probably some more manpower in the assembly worker stage or a couple of more supervisors. So sir, the margin is going to go up with the quantum anyway.

If this year we are moving with the target of 50% growth, let's say, sir, we do, INR200 crore, INR225, then this EBITDA will also increase automatically, sir, and the margins will also increase automatically. Because a lot of our expenditure, sir, in R&D and everything else that has to happen has already been booked, sir.

Bala Murali Krishna: So this time we've seen some improvement in gross margins Due to commodity inflation?

Amit Kaushik:

Sir, if there was no commodity inflation, sir, the margins could have been enormous, sir. Whatever I used to say, sir, it comes this time. If you see the raw material consumption of H1 and H2, sir, it is up from 70% to 75%. Sir, the fluctuation of the dollar alone has given us INR70 lakh, INR80 lakh rupees of difference has been created there apart from the raw material prices.

Sir, we have just started opening LCs in RMB and purchasing from this month itself, from the month of May. I don't know how beneficial it will be in the coming time, but definitely the answer to this problem is only one that we start manufacturing these products also in India. And that is why we have created this. We are going to be part of this joint venture with other two people. The BLDC motors and PCB switches, in the next two years, we will phase them out. First, the motors should be cleared, sir. Once our hands are up with the motor manufacturing, then we will get into electronics also, sir. And with that, sir, our raw material inventory of China, sir, in the BLDC motors today, 37%, 38% is from China. And our 60% of production has gone to BLDC now.

So, we hope in another one or two years, it will be 70%, 80% BLDC and in that, our RMC component, our dependency on China has increased, sir. So, it is important to reduce that. That will give us -- improve our margins further.

Bala Murali Krishna: Thanks a lot.

Moderator: Thank you. We will take the next question from Meet Mehta. Meet, you can go ahead.

- Meet Mehta:** Hi, am I audible?
- Amit Kaushik:** Yes, sir.
- Meet Mehta:** Yeah. Thank you for the opportunity. So, I just wanted to get a sense on what is the current scenario of BIS implementation?
- Moderator:** Meet, there is a lot of disturbance behind you.
- Meet Mehta:** One second.
- Amit Kaushik:** Sir, I have understood your question, Meet.
- Meet Mehta:** Yeah. Can I continue or you would answer this?
- Amit Kaushik:** Yeah. The BIS on chimneys was already implemented two years back and the results are now evident. There are still some companies who are bringing in CKD or SKD, but they are facing a lot of problems in converting them because of availability of glasses and other issues. So, now these companies have realized, come to a realization that importation of SKD, CKD is very difficult. So better change them with the Indian products. And keeping that in mind, sir, we had done an exhibition in which we had offered fresh 25, 30 models to all the customers and everyone came. Right from Havells to IFB to Crompton, every customer, single customer who is buying from us and who are not buying from us, everyone came to the exhibition and they understood that now the time has come that these products should be manufactured in India.
- So BIS has been completely implemented on chimneys. In this financial year, Hob will also be established. Its business has not grown as it should have because companies are still continuing to buy Hobs from China. But I am sure in the next one year's time, sir, Hob will also come completely from China. It will come in CKD and SKD, sir, because components are not being made in India now. And even all these bigger products that we are talking about will be depending upon China for imports of these products. Because for so little quantum, sir, it is not viable to create a support industry here. Otherwise, sir, as far as chimney is concerned, which is our major product, it will be completely indigenized, sir.
- Meet Mehta:** Okay, thank you for the answer. And the second question was, what is the approval cycle? If a new plant is on board, how long does it take to convert it?

- Amit Kaushik:** Sir, it depends from customer to customer. If the customer is like KAFF, we can approve a new product in 15 days to 1 months' time. But when it comes to customers like Hindware, Havells, IFB, Crompton, they take about 2, 2.5 months, sir.
- Meet Mehta:** Okay, understood. Thank you so much. I will get back in the queue.
- Amit Kaushik:** Thank you, sir.
- Moderator:** We will take the next question from Pawan. Pawan, you can go ahead.
- Pawan Kumar:** Hello, Amitji.
- Amit Kaushik:** Namaste, Pawan sir.
- Pawan Kumar:** How are you?
- Amit Kaushik:** I am fine, sir.
- Pawan Kumar:** Okay. I have two, three questions. One is, what is the revenue guidance for FY27 and '28? And when do you see the company reaching a revenue of INR500 crores? Just a little bit 10%, 15% here and there is okay, but you know, roughly.
- Amit Kaushik:** So, we will be targeting INR400 crores plus in '28, for sure. Because now we have the products and we have the facility with the new expansion. All the space constraints will be over, sir. Although only one part is complete out of three, but one part has also, will also contribute substantially. So, I feel that in '28 and '29, we should go for a revenue of INR500 crores, sir. Otherwise also, sir, we are targeting 50% of growth this year.
- Pawan Kumar:** Okay. Thank you. Thank you so much. The other thing is, in the last concall, you said that there is a visibility of 4 lakh chimneys in FY27.
- Amit Kaushik:** Yes, sir. We are targeting 4 lakh chimneys this year.
- Pawan Kumar:** So, we are still on that, right?
- Amit Kaushik:** Yes, sir. We are targeting, sir. So, 270 we have done this year. If we talk of 50% growth, sir, it will be about 4 lakhs.

Pawan Kumar: Correct. Okay. Next is, are we looking for any automation from automation point of view, like, in the manufacturing side?

Amit Kaushik: Sir, we are doing lot of automation.

Pawan Kumar: To optimize some cost and then, you know, margins will be higher.

Amit Kaushik: We have been doing it for last 1.5 years. I would like Mr. Anusheel Kaushik, Director with us, who is looking after all automation and technological-related issues in the company. He should be able to answer this question, sir. Mr. Anush.

Anusheel Kaushik: Yes, sir. We are targeting automation on some processes which are critical. But more than automation, I think, we are targeting with help of some of our friends in Mumbai to automize the quality control in the company through AI-based camera visions and through the database, which will help us to gather information about the quality process. See, in manufacturing, the quality checking takes a lot of time. So our idea is to increase that -- to decrease that time and to increase our production. So, automation with respect to quality checking is already happening. And the rest, as of now, all the critical processes are being shifted to automation slowly and slowly.

Pawan Kumar: Okay. Thank you.

Amit Kaushik: Sir, we have a plan for a glass plant wherein, sir, there is zero manpower deployed and the production goes 250%. But it requires a lot of investment. Once we cross INR250 crores, INR300 crores, we would certainly go for those types of plants also. The plants have already been discussed. The plans have been discussed. The entire concept has been discussed three, four times during last visits to China. We have visited the suppliers who will do it. So, automation to any extent is possible. But as Anusheel said, sir, in quality control, if you are strong in quality inspection, then your rework is saved, sir. Your problem is detected at that stage, because of which, sir, your production will have an impact of at least 15%, 20% on time.

Pawan Kumar: Yeah, understood. Okay. Amitji, there is one more question I had. This motor manufacturing initiative, I heard -- I think in the PPT, I saw or some declaration that INR1 crore investment is done in some company, right? 38% or something you have acquired. Can you throw some more light on it, like what is the larger plan?

Amit Kaushik:

Sir, we have a Flamecraft company by the name of Flamecraft, which is located in Hyderabad. There, 51% of sheet metal is held by Inflame. Sir, there are three types of processes in our industry. One is special process, like glass plant or BLDC motors. I am not talking about AC motors. I am talking about special grade BLDC motors, right, sir? And the second product is sheet metal. In India, there are a lot of manufacturers of sheet metal, sir. Even in automobiles, you see, in the general industry, in the air conditioning industry, there are a lot of sheet metal requirements, right, sir? It's not a very productive thing, in which you have to put a lot of bandwidth. So we are slowly taking those processes out of our factory premises. And we will do a lot of focus assembly in our factory, sir. And we will do those processes which are very difficult to take from outside. Or if we give it outside, then sir, we give someone a chance to supply that process to us and master it. And then they start supplying to other buyers also.

For that, sir, we also do joint ventures. So, the motor manufacturing specific that you have asked, sir, we have not made any investment in that, sir. We have not made any investment. We have just formed the company along with these two people. Now, everything is running on machines and land, sir. And you can also understand, sir, that it is not the appropriate time to disclose all those things now. That what, when, who, how, there will also be an appropriate time for that, sir. We will disclose it on the exchange. And then we would be ready to take questions and ready to give answers to all your queries on that project. But for now, it is necessary to understand, sir that this is a future preparedness to stay on the pole position. Glass is ours, sir. Motor and this is also ours. So, then there is only sheet metal left in the chimney, sir.

Pawan Kumar:

Okay, tell me one more thing that we have a dependency from China. Apart from the motor, is there any other dependency of ours? Or is it broadly motorized?

Amit Kaushik:

The whole thing comes from China. The entire electronic is coming from China, which includes switches also. After that, sir, a heat element is also not successful in India yet. That is also an expensive product, sir. It is a product of INR150, INR160, INR170. So, every chimney has one heating element through which a heat auto-clean chimney is made, sir. Now, you have seen everything, motion sensor and heat auto-clean runs, sir. So it comes for heat auto-clean. Now, there is a major dependency on these three products as far as chimneys are concerned, sir.

In all other products, sir, apart from glass and packaging and electrical, which has the main lead, it is in BIS preview, sir. We import all other things from China, sir, all the components, in all other products. Whether it is your Hob or your built-in refrigerator and all those things, sir.

Pawan Kumar: Okay, thank you. I will join back in the queue. That's all for now and wish you all the best.

Amit Kaushik: Thank you, sir. Thank you very much.

Moderator: We will take the next question from Achut. Achut, you can go ahead.

Achuth Pabbath: Hello, sir. Firstly I want to congratulate on great set of members year-on-year.

Amit Kaushik: Thank you, sir.

Achuth Pabbath : Yeah. I'm checking quarter 4 members, sir, the press release you have done in April. So, why there is slowdown in quarter 4, sir? The chimney volumes increased only 20% and the revenue increased only 11%. What is the reason for it?

Amit Kaushik: So, the raw material prices had gone up sir. If you really look at the raw material consumed during H1 and H2, you will find a difference of about 4% to 5%, sir. So, when the H1, sir, we had about 70% odd raw material consumed. But in H2, it went up to about 75%. And the major increase had come in quarter 4 only, sir. Sir, we all know that after this disruption in Middle East, the prices for raw material have really shot up. Even we had a lot of problems initially, sir, to source our -- to source gas also, sir. Because some operations in the factory are dependent upon gas. So, we had -- the time has gone. Now, we are getting the gas supplies regularly.

But there was a period of about three weeks when we had a lot of issues in gas procurement also, sir. So, Q4 was under a lot of pressure because of price increase in various components and the weakening of INR vis-à-vis dollar.

Achuth Pabbath: So, that impacted your volume, sir, or revenue as well, sir? Because volume increased by 20%.

Amit Kaushik: Sir, volume impact always comes from the market situation, sir. The revenue impact comes from the raw material prices and other various

factors also, sir, which includes, of course, foreign currencies appreciation or depreciation or fluctuation, I mean, or other things also. So, the volume impact is because the market demand was very soft in the Q4 and the revenue thing is because of the higher input cost.

Achuth Pabbath : And how is it now, sir? Like we are only two months down the quarter one. Is the demand recovered or still we are seeing?

Amit Kaushik: Sir, demand has recovered. The demand has recovered. The prices are still under negotiation. Some customers have already given it. Some customers are under consideration. So, from June, everything should be restored. But the demand is up, sir, definitely. I have just mentioned that we are targeting 50% growth and two months have gone and we have almost, I mean, achieved those growth parameters. We are on track.

Achuth Pabbath : So, are you confident on getting, I mean, maintaining a similar margin, sir, on 50% growth?

Amit Kaushik: Sir, even if the margins are slightly lower, the net profits would go up, sir, both in terms of percentage and thing because we are concentrating on a good number of growth, sir. Sir, 50% growth on INR100 crores or 50% growth on INR150 crores in terms of total revenue is a big difference, sir. So, if we are able to achieve 50%, EBITDA margins and every margin will go up, sir.

So, even if we have to lose a couple of percentage due to the raw material price behaviour or fluctuation in foreign currency, we have other avenues. As just now, Mr. Anusheel said that we are working on AI-backed, visual inspection systems through camera. That should give us 15%, 20% of increase in our total output because our time study says 10%, 15%, 20% is going towards inspection thing. So, manpower cost will come down, sir. Rest, overall cost will also come down. We have a lot of expectations in this year which will mitigate the behaviour of our raw material prices, sir.

Achuth Pabbath : Okay, sir, understood. And are you able to pass on the raw material prices to customers, sir?

Amit Kaushik: It is not 100%, sir. If I tell you the truth, sir, it is not 100%. So, when such a situation comes, you have to take some through efficiency, some through change of material mode, some through change of supplier, you have to work continuously on 10, 12 parameters, sir. We have seen this before, we all know that raw material prices had gone up by almost 100% 4 years back, sir. Even then, we were in a lot of stress. Even then,

we found a way, sir. We did not pass on 100%, none of us passed on 100%, sir. So, everyone found a way. In fact, we had gone from 15%, 16% gross margin to 30% gross margin. We will go in the future, sir. Because we have done it before and we know how to go ahead, sir. So, our teams are working on it, sir.

Achuth Pabbath : And, sir, last question. Why you are not listing on main board, sir? What is the reason for still in SME?

Amit Kaushik: I think Vinayji should answer this question. There is some criteria issue, sir. As soon as we qualify, we will go on the main board also. It is not that we are not wanting to go.

Achuth Pabbath: What is, I mean, what is stopping you, sir? Is it because of equity capital or?

Amit Kaushik: Vinayji, can you please answer this?

Moderator: Once we are eligible, we will definitely go for it. I mean, that is all we can say right now.

Achuth Pabbath: I mean, why you are not eligible? I just want to understand.

Moderator: I think from here on, we will be eligible. So, we will definitely work on this.

Achuth Pabbath : But actually, the rule is only for 3 years, right? After 3 years, you can migrate to main board. Most of the SMEs are planning to migrate to main board. So, I just want to understand what is the reason you want to stay in SME and not planning to migrate to main board.

Vinay Pandit: We can definitely consider this. Thanks.

Moderator: Thank you. We will take the next question from Sheikh. Sheikh, you can go ahead. Hello, Sheikh. We will take a follow-up question from Bala. Bala, you can go ahead.

Bala Murali Krishna: Kaushikji, thanks for the follow-up opportunity. So, question is regarding the Hyderabad plant. So, when do you think the utilization will improve? I think it is almost 2 years complete, right? But still, utilization levels are very low as compared to our parent plant.

Amit Kaushik: We are not really looking to optimize from the capacity utilization point of view from Hyderabad. We have realized that we need one plant

where very exclusive products and value-added products should be taken care of. So, we are concentrating on that part, sir. For capacity enhancement and other things, we have Panchkula plant where we are working for masses. In that plant, we want to work for premium products only.

Bala Murali Krishna: Okay. And in Panchkula, I think we are taking some new capacity additions. So, that is already completed or it is about to complete, sir?

Amit Kaushik: Where, sir? Panchkula?

Bala Murali Krishna: So, INR8 crores to INR10 crores CapEx we have done.

Amit Kaushik: I have already explained, sir. Just now, I have explained in detail that one part is already completed out of 3 and next 3, 4 days, we will start utilizing one part. I mean, ground floor is ready. So, we will start using ground floor. First and second are already under construction. So, once they are available to us, second part should be available to us by 15th of August and third part by probably 30th of September. So, as and when we get one part completed, we will start using it.

Bala Murali Krishna: Okay. Thank you.

Amit Kaushik: Yes, sir.

Moderator: Thank you. Just to answer the other participants' question on the main board, there are two criteria we are not meeting right now. One is the paid-up capital of minimum INR10 crores and the net worth of at least INR75 crores. So, once we cross that, then we will be eligible to move to the main board. Yeah, you can continue.

Moderator: Yeah. Next question from Sheikh. Sheikh, you can go ahead.

Amit Kaushik: Hello. Yes, Mr. Sheikh.

Shaikh Mujeeb Ahmed: Hello. Can you hear me?

Amit Kaushik: Yes.

Shaikh Mujeeb Ahmed: Yeah. Sorry for the interruption. Sir, one question. During the previous concall, you told that the second half of the year, the demand you are seeing, that means good enough. But what is the reason for the sudden drop in the demand in the later half of the year?

Amit Kaushik: Sir, there was no demand from the market. I think the biggest reason could be what I can understand is the situation in Gulf. Probably, there were people who were not very happy to spend money at that time. So, the demands had gone down tremendously. We were expecting the last quarter to be like INR55 crores, INR60 crores, but it was like INR35 crores, INR36 crores, INR37 crores maybe. So, there were not much of orders in that period. And not from one customer, from the entire customers we have. So, everyone was soft.

Shaikh Mujeeb Ahmed: Okay. So, and now you are seeing slowly the things are changing. That means, in the first half of FY26-'27, you are seeing the better half in the first -- for half of the year you are seeing better than the previous year.

Amit Kaushik: Sir, if we have to grow 50%, 40%, 40%, 50% growth, then we will have to bring it month on month. Sir, it will not happen in one month. So, we are taking the target like this, sir. Every month should be better than the month of last year. So, we are achieving that now for two months. And we hope it will happen in the future too, sir. If there is no such issue, that the market sentiment gets bad, sir, if overall, the market slows down, sir. So, I don't think, sir, that there will be any such major issue. Because right now, the order position of 2-3 months is looking good, sir.

Shaikh Mujeeb Ahmed: Okay, sir. Okay. Thank you very much, sir. Thank you.

Moderator: Thank you. We will take a follow-up question from Meet. Meet, you can go ahead.

Meet Mehta: Hi. Thank you for the follow-up opportunity. My question is, from an industry perspective, on an industry thing, how many appliances uses the BLDC motor currently as a percentage or something? So, we wanted to know that.

Amit Kaushik: Sir, BLDC is getting fast into the trend now. We have our own 60% share in production. But at the same time, sir, we are the largest producer of BLDC chimneys as of now, at least in the OEM sector. And one reason for that is that we have an inventory of everything. I have the full inventory of BLDC motors and switches. So, if a customer comes, we never say that we can't give the goods, vis-à-vis, sir, there are some other suppliers, manufacturers who have orders, then they order from China, order the goods, and make it. So, we have that advantage. And I think, sir, that I said a while ago that by the end of this financial year, our BLDC, share of BLDC chimneys would go up to about 80%.

And it is a little specialized, sir, to make BLDC. Not everyone can do it. So, sir, there will be competition in AC, but BLDC will remain a special grade product, sir. It has become our specialization and we will keep getting its advantage, sir, BLDC. And once we start producing these BLDC motors and other components, which might take one year, one and a half years for motors and another one, one and a half years for electronics. So, two, two and a half years down the line, once we have these components manufactured in India by a company where we also have 34% stake from Inflame. So, I am sure, sir, we will be ruling BLDC market in India.

Meet Mehta: Thank you so much. That's it.

Moderator: Thank you. We will take another follow-up question from Nishant. Nishant, you can go ahead.

Nishant Joshi: Sir, can you share the unexecuted order book numbers as on date?

Amit Kaushik: Sir, orders are unexecuted every month. If there is any component issue or a container gets delayed. Sometimes it happens. But...

Nishant Joshi: I mean to ask, sir, for how many periods we have the orders in hand with us for two weeks, two months, three months or so? That was my question.

Amit Kaushik: No, sir, every company only gives the firm schedule for a month, but we know that Hindware will be requiring 10,000, Havells 5,000 or 8,000, 10,000, KAFF will take 6,000, 7,000, we know what share they have in the market, how much they want to buy and how much business share you have. We know that depending on all those things, sir. We have a very comfortable order position now and we have more order positions than the growth we are planning, sir, as of now. But no one gives orders for three months or four months, sir. Because if you have to give for three months, then the situation in China is the same, sir. You have to plan three months in advance.

See, buying from an Indian supplier, the biggest advantage is that you don't have to carry the inventories in advance. Whatever demand they get from the market by the 20th or 22nd, they pass it on to us, sir.

Nishant Joshi: Thank you, sir. Thank you.

Amit Kaushik: Okay, let me give you another answer. Our models are also fixed, right, sir? For example, we give 40 models to Hindware, 35 models, for example, or 12 models to Havells, or 18, 20 models to KAFF. So we know, sir, that orders are going to come from these models. We have already done a lot of common components in them, sir. There are switches, there are panels, there are LED lights, there are motors. So we manage inventory in the same way, sir. On a daily basis, you have to buy a box, I mean, you have to buy packaging and make glass. So we do that.

For many customers, there is only one body, sir. The products that go to different customers, There is a difference in glass, there is a difference in printing, there is a difference in the box. So we just have to buy those variables. In that, in a week or 10 days, when we order, the material keeps coming. So it's not such a difficult job, sir. If we get an order for the next month by 27th or 28th, then we can execute it, sir. I think that will answer your question in a better way.

Nishant Joshi: Yes, sir. Thank you, sir. Thank you.

Moderator: All right, sir. Sir, we have some questions in the Q&A window. One is from Dishika, which is, what is the outlook on the order book for the next 6 to 12 months? Do you see any challenges on that front?

Amit Kaushik: Yeah, so I have answered the same thing right now. Orders come monthly, but I didn't see any challenge last year either. The order book that we understood came, only Q4 was down. And that was unexpected. At the same time, the Gulf issue started in Q4. And the second thing is that our customers and their models are fixed. The model that we give, the same model is only made by us. The other supplier doesn't do it. So the performance of our product, which no question is asked, is that our complaint ratio from the market is less than 1.5%. While China is much higher than us. So customers are very happy buying from us because our products are not giving them a lot of headache. And this is a serviceable product.

It's a 10-year warranty product. Motors go on 10, 12 year warranties. And our products are qualifying. That is why all these big buyers are with us. Whether it's Crompton, IFB, Havells, Hindware, KAFF. They do not compromise on the quality. If they get a complaint from the market, they won't buy material from us. So order book depends upon the performance of the product. And the performance of our products are very good, excellent, I would say.

Moderator: There's one question. Why is inventory so high on the books from Mr. Lalit Bansal?

Amit Kaushik: Sir, inventories are higher because a lot of products have gone, are coming from China now. And these products are not only related to chimney, but 100% or 90% or 80%, whatever we call them, also for refs and built-in ovens and all these things, which we are not manufacturing even components in India. So we are buying them in SKD or CKD form for hobs also. So we have to keep inventory of all those products, sir. So inventories are high. But when we start manufacturing motors and PCBs in India, then the 40%, 50% inventory that we are carrying will be over, sir. It will be just in time because sourcing has to be done from India, sir, like all the other products.

Moderator: And his follow-up question is, any plan for exports?

Amit Kaushik: Yes, sir. There are a lot of plans for exports. And we are working on it also. We have got some inquiries also. But at this time, sir, our OEM pressure is on us. I think, sir, we should sustain our India's OEM pressure up to 6 lakh chimneys. We should make an effort for exports. But it is very important to keep a pole position in the Indian market, sir.

Moderator: And one more question. Now, any status or update on the hobs BIS?

Amit Kaushik: Sir, hobs' BIS has been postponed twice. This year, sir, it will hopefully be finalized in September. After that, sir, hobs will stop being imported as a product. Its assembly should start in India, sir.

Moderator: Another question is, any plan for promoters to raise stake as stock price is down.

Amit Kaushik: We will consider doing it, sir. But right now, in the short run, the possibility is less. But probably after Diwali, we might think of it.

Moderator: Thank you. Any closing comments before we end the call?

Pawan Kumar: Just a follow-up on the stock price. By when do you see the stock price going up, Amitji?

Amit Kaushik: I don't know, sir.

Pawan Kumar: It is fluctuating.

Amit Kaushik: Sir, my work is to work.

- Pawan Kumar:** I agree.
- Amit Kaushik:** I don't know when the stock price went up and how it went down, that is not my forte. My work is, I am sure you would only ask me what performance I am giving. And if you ask me that, it is better that you put pressure on me for performance. Don't put pressure on me for stock price.
- Moderator:** Sir, there is one follow-up question from Bijal. Bijal, you can go ahead.
- Bijal Shah:** Yeah, thank you Kaushikji for the opportunity. Sir, the first question is that you said that the raw material cost has increased, it will pass on in 1, 1.5 months. So, if we look at the first half results, can there be pressure on the margin in the first half results?
- Amit Kaushik:** Sir, there is already pressure on the margin, but I have told you that the pressure on the margin is not clear only by that. It is not clear by pass-on. It was not clear before and it will not be clear now. So, sir, you become more efficient, you make more changes in your system. And as Anusheel said that our inspection system will start in 1, 1.5 months, so at least 2-3 months contribution will come from there. And then we are concentrating on increase in turnover, increase in production. So, we will mitigate it marginally from there, sir. We have already taken some steps for efficiency improvement. We started doing that since February-March when the problem came. Their results have also started coming. But I am sure you will see good results in H1 also, sir.
- Bijal Shah:** We should expect stable margin. So, whatever pressure is there from raw material cost will be offset by all the initiatives you are taking.
- Amit Kaushik:** We will absorb everything, sir.
- Bijal Shah:** Okay, sir. Secondly, sir, the JV that you have done, I understand you have said that you cannot disclose much in it. But I wanted to understand that those with whom you have done JV, they have expertise for BLDC also, PCBA and switches. Or how it is going to work? I mean, are you going to get into more JVs or this JV will take care of all of this, you will hire other people. It would be good if you can give an idea on that.
- Amit Kaushik:** Sir, now my focus is on import-substitute.
- Bijal Shah:** We import all three. BLDC and--

Amit Kaushik: Sir, we import all the BLDCs. We also import motors and switches. Both AC and DC are imported. So, first, sir, we want to concentrate on BLDC motors because they are less valuable than electronics. Because we feel that in the coming time, the government might put BIS on motors. So, if BLDC is put on BIS, then we will have two options, we search for someone from India. If we look for someone in India, then there is no problem in importing BLDC motors from India. There is a lot of problem of pricing, sir. Then it will put more pressure on the price.

So, that's why we felt that we should do this process ourselves. And we should put our stake in it so that we don't give that material for chimneys. If a good setup of BLDC is made, then there is a market availability where there is a shortage of BLDC motors. So, we have a very good option that apart from chimneys, we can also give BLDC for other products from there. So, thinking about that, these people are setting up the plant. And I have made it clear to you, sir. The purpose of keeping 34% is that the development of chimneys that we will do in the motors should remain with us, sir. No other competitor should be able to take its benefit.

Bijal Shah: Okay, sir. I understand that. But sir, after making this JV BLDC, your PCB assembly will be in this JV.

Amit Kaushik: Yes, sir. It will be in this.

Bijal Shah: So, the team which is there is capable of doing all the three things. PCB, switches and this thing.

Amit Kaushik: Sir, for PCB and switches, there will be different project heads definitely. A person who is an expert of BLDC motors cannot be an expert of PCB. And the expert of PCB will not have any special knowledge in BLDC motors. So, the company plans to do different heads for both. But in the beginning, sir, all the bandwidth and concentration will be on the motors. Once the motor is established, its performance is set and it comes into production. After that, sir, we will start working on PCB. We are not taking all the projects at one go. We want to take them one at a time, sir.

Bijal Shah: Okay, sir.

Amit Kaushik: So that the risk is less and our objective is achieved properly, sir.

- Bijal Shah:** Sir, once you make a BLDC motor here, do you have to get approval from all your customers separately?
- Amit Kaushik:** We have to, sir. Correct. We still take it, sir.
- Bijal Shah:** I understand.
- Amit Kaushik:** We take it even when we import it from China. It is a process of 1-1.5 months, sir. But in that 1-1.5 months process, sir, we have to do the testing first, right, sir?
- Bijal Shah:** Yes, sir.
- Amit Kaushik:** Suppose, sir, we have to test a BLDC motor for 5,000, 4,000 or 3,000 hours. So, whether we do it or the Chinese do it or anyone else does it, that process has to be done, sir. It is important, sir. And, sir, motors require 10-10 years of warranty, so we cannot take any risk in that, sir.
- Bijal Shah:** Got it, sir. Sir, you have so many companies to assemble the PCBA so, what is the reason? I understand that you need to Indianize the imported switches plus BLDC motor. But there are so many companies for PCBA, so what is the reason for doing PCBA in-house?
- Amit Kaushik:** Sir, there are many reasons. First of all, sir, the reason is that we develop anything with someone. My past experience is that on the fourth day, we show it to someone else, sir. How do you -- you can bind it as you like, sir, but they don't agree. So, the things we want to make, sir, in the coming time, there are a lot of technological advancements going to take place in chimneys and other products. Why, sir, should I give a chance to someone to make ready-made material available, sir? I mean, should I give away all my secrets and all my technology to someone else, sir? What will I have left, sir? The same thing will be given to someone else.
- This happens with China as well, sir. The product we develop, sir, after 6 months, after a year, they take the same sample and show it to someone else. It is possible in China, sir, because there are 500 people doing it. And secondly, sir, the rate of PCBs made in India is a big problem, sir.
- Bijal Shah:** Okay, sir. Okay. Sir, now on Hobs and new products. So, on Hobs, you expect it will be in September. So, I guess its benefit will come, I guess next year, right?

Amit Kaushik:

Sir, this year we are not putting much pressure on our team, sir. Sir, we have to line up all these products even in 2027, sir. For example, sir, we have made 1,000 cooling products so far, whether it is a wine chiller or a refrigerator. I am giving you an example, sir. So, our team, our people are set, sir. There is no workforce to do this work, sir. You have to train them with freshers, right, and sir? And not even this, sir, I am giving this INR40,000, he is selling at a cap of INR1.5 lakh, that you will make anything, you will give anything, right, sir? So, sir, you have to create its infrastructure. And the most important human resource in infrastructure, sir, is a man. More than technology, it is the role of technicians, sir.

So, I am not under any pressure, sir. As much as we can make, as much as we can do, that is fine, sir. We have to bring this year's growth from the chimney. Next year's growth, sir, we have to bring from chimney plus other products. This year, all our products should come in line, sir. Dishwasher should also come. Everything should come. We make 100, 200, 500, everything. Make 1,000, 1,000 pieces. Next year, when we are sitting, we will be sitting as a trained team for doing any product. Anything should come. But this year, sir, don't take any pressure, sir.

Bijal Shah:

Got it, sir. So, this year, your primary driver will be chimney. And you will be preparing for next year, where all your processes...

Amit Kaushik:

We will prepare all our product lines, sir. And as our two product lines are completely ready, sir, those are built-in refrigerator and wine coolers. Now, if someone tells us to make 200 pieces per month and give 500, we can give, sir. In the same way, sir, built-in ovens are already in the process. Sir, in 2-3 weeks, the quantum of built-in ovens will go so much that the workforce will be completely trained on it. After that, our dishwasher and built-in microwave will be left, sir. So, that too, sir, will be set by December-January. The boys' hands are set, sir. So, in March, we can stand up and say that from 2027-April onwards, we are ready to give any number of these products.

Bijal Shah:

Sir, what is the status of BIS in all this?

Amit Kaushik:

It has come gradually, sir.

Bijal Shah:

Sir, like after BIS came in the chimney, it was imported in CKD. Only when BIS came in the glass, work started in India. So, according to that, you can explain the status of the remaining four products in a little detail. So, it will be very helpful, sir.

- Amit Kaushik:** No, no, sir, this is a phase, sir. When BIS will come, it will take 2-3 years to be properly implemented. There is no such detailing in this, sir. But in the mind of an importer, it comes to mind that if it is in BIS, then there will be a problem. Now, sir, in all your ports of unloading, there are visible cameras installed. They do scanning, sir. Whatever material is inside, it is scanned and goes. So, all these scams that people used to bring by declaring something else or by giving money, now it is gradually ending, sir. Government is getting strict on these things. So, you understand this, sir, this shop is going to run for 1-1.5 years. All this is going to stay in Make in India. And in Make in India, sir, we are in a very strong position now.
- Bijal Shah:** So, sir, in the remaining 4 products, there was no assembly in India till now. Is that a correct assumption?
- Amit Kaushik:** Yes, sir.
- Bijal Shah:** And now, with you, how many players are there who are doing this?
- Amit Kaushik:** No one is doing it, sir. I have just made it, sir. No one is doing it. Whoever wants this material, he says go to Inflame. Sir, it has such a small market, who will touch it? We have done the expertise, sir. We have started making it. It has become viable for us to make 500 pieces. We have made that kind of setup. How will any person set up for it, sir? The cost of the setup is there, sir.
- Bijal Shah:** Got it, sir. Sir, thank you very much and all the best.
- Amit Kaushik:** Thank you, sir. Thank you very much, sir.
- Moderator:** Thank you. There is a follow-up question from Achyut. Achyut, you can go ahead.
- Achuth Pabbath:** Sir. Hello. Yes, sir. Sir, I want to know, like, are we planning any planned visit in Hyderabad, sir?
- Amit Kaushik:** There is a planned visit in Hyderabad, sir. We keep visiting on and off, sir. I mean, for discussions, meetings, there is a planned visit once or twice a month, sir. So, it is not that we have to do anything special for that. But we go anytime, sir.
- Achyut Pabbath:** Your voice is breaking.

Moderator: No, I think he is trying to imply whether we plan a planned visit for investors. Achyut, you can get in touch with our team. We will help you out on that front.

Achuth Pabbath: Yeah, sure. Yeah. One more thing. You have told that because of equity, we can't go to Main Board. So, do we have any plans, sir, in the near future to increase the equity?

Moderator: Sir, these are very direct, forward-looking questions. We may not be able to answer it right away. But at the right time, we will definitely get in.

Sir, would you like to give any closing comment before we end this call?

Amit Kaushik: Yeah, I would like to thank each and every member who attended the meeting. And I can only assure that Inflame is on the right path. We have the infrastructure set. And we will be in the leading position for quite some time. Because whatever we have achieved, I can say from the competition point of view and from the setup point of view, whatever Inflame has achieved is tremendous. We are all set. Growth path is visible. Orders are visible. Customers have a lot of trust on us. Our products are performing very well in the market. So, they are all very happy with us. So, I would only like to say and assure everyone that things are going to happen from here onwards. Last year also was good despite last quarter being very tough. We have still sailed well. And the time coming is really a good time for us. Thank you very much.

Moderator: Thank you. This brings us to the end of today's call. Thank you to all the participants and management. Thank you.

Amit Kaushik: Thank you very much, sir.