

May 11, 2026

To  
**The National Stock Exchange of India Limited** Department of Corporate Services/Listing  
Exchange Plaza, 5<sup>th</sup> Floor, **BSE Limited**  
Plot No. C/1, G Block, Phiroze Jeejeebhoy Towers,  
Bandra-Kurla Complex, Bandra (East), Dalal Street, Fort,  
Mumbai – 400 051 Mumbai – 400 001

**NSE Symbol:** APOLLOPIPE

**SCRIP Code:** 531761

Dear Sir/Madam,

**Sub: Transcript of the Conference Call held on May 08, 2026**

With reference to our intimation dated April 30, 2026 regarding the Conference Call, which was held on Friday, May 08, 2026 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the aforesaid conference call.

This above information is also available on the website of the Company.

Kindly take the above information on records.

Thanking you.

Yours faithfully,  
**For Apollo Pipes Limited**

**Gourab Kumar Nayak**  
**Company Secretary and Compliance Officer**

Encl: A/a

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“Apollo Pipes Limited  
Q4 FY26 Earnings Conference Call”  
May 08, 2026



**MANAGEMENT:** **MR. SAMEER GUPTA – CHAIRMAN AND MANAGING DIRECTOR – APOLLO PIPES LIMITED**  
**MR. ARUN AGARWAL – JOINT MANAGING DIRECTOR – APOLLO PIPES LIMITED**  
**MR. AJAY KUMAR JAIN – CHIEF FINANCIAL OFFICER – APOLLO PIPES LIMITED**  
**MR. ANUBHAV GUPTA – GROUP CHIEF STRATEGY OFFICER – APL APOLLO TUBES**

**MODERATOR:** **MR. BIPLAB DEBBARMA – EMKAY GLOBAL FINANCIAL SERVICES**

**Moderator:** Ladies and gentlemen, good day, and welcome to Apollo Pipes Limited's Q4 FY26 Earnings Conference Call hosted by Emkay Global Financial Services 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 this conference call is being recorded.

I now hand the conference over to Mr. Biplab Debbarma, Emkay Global Financial Services Limited. Thank you, and over to you, sir.

**Biplab Debbarma:** Thank you. Good morning, everyone. I would like to welcome the management and thank them for this opportunity. We have with us today, Mr. Sameer Gupta, Chairman and Managing Director, Mr. Arun Agarwal, Joint Managing Director, Mr. Ajay Kumar Jain, Chief Financial Officer; and Mr. Anubhav Gupta, Group Chief Strategy Officer. I shall now hand over the call to the management for the opening remarks. Over to you, gentlemen.

**Sameer Gupta:** Good morning, everyone. This is Sameer Gupta, CMD of Apollo Pipes. I have joined today with Mr. Arun Agarwal, JMD; Mr. A.K. Jain, CFO; and Mr. Anubhav Gupta, Group CSO.

I would like to extend a warm welcome to all of you to our Q4 FY26 earnings call. The FY26 was the year full of roller coaster rides. The PVC prices dropped by 15% in the first 8 months, then rallied 75% in next 4 months and then again fell by 25% in 2 months to settle down at the current price of INR84 per kg.

I believe my team manoeuvred this tide well wherein we crossed 1 lakh ton of annual sales volume. Apollo Pipes' standalone sales volume increased by 7% and Kisan was flat on Y-o-Y basis. Needless to say that the demand remained impacted due to slowdown in both the private real estate sector and government infrastructure spending throughout the year. Our consol EBITDA declined 30% for the full year due to inventory write-downs, aggressive pricing and fixed expenses for our new business verticals.

As we move forward, we have drawn a 5-year growth plan to achieve 35% revenue CAGR and hit INR5,000 crores revenue by FY31. We are ready with 3 plants, which can give revenue of INR1,000 crores each. We will set up a new plant of INR1,000 crores capacity in South India and then INR1,000 crores from allied products such as windows and bath fittings.

And to support this vision, our Group Chairman, Mr. Sanjay Gupta, has joined the Board. I'm sure that under his guidance and supervision, we will be able to achieve these targets. That concludes our opening remarks. Now we are glad to take questions. Thank you.

**Moderator:** First question is from the line of Aryamaan Agarwal from Money Stories Asset Management.

**Aryamaan Agarwal:** What I want to understand is how the demand scenario is shaping up overall now. Is this quarter look more encouraging than the previous few years? And also what sort of impact can we expect

by the rise of this crude prices due to the conflict on PVC prices and our overall, I would say, demand and supply scenario?

**Anubhav Gupta:**

So if you look at the demand scenario or the current trends, we feel they are pretty encouraging, okay? So whatever happened with the settlement of PVC prices and of course, last 2 years had been pretty slow in terms of the end demand from the construction sector or from the government infrastructure. So we believe that industry is sitting at very low base, so this gives us a strong headroom to increase our sales at least, okay?

And we have been very aggressive like in last 4, 5 months and you could see the results as well in terms of our volume and revenue in quarter 4 FY26. So we want to carry this momentum into quarter 1 of FY27, which normally is like strong quarters within the financial year. So we are targeting INR400 crores plus revenue for the quarter 1 FY27. And all our strategies in terms of pricing, marketing, branding, we want to achieve this number.

We already got Mr. Amitabh Bachchan as our brand ambassador renewed, so that will also help us in pushing for our brand towards our dealer network, channel partners, plumbers and consumer. So we are pretty bullish on FY27 now. And not only FY27, we want to carry this momentum over the next 4, 5 years, like Sameer ji mentioned that now Sanjay Gupta ji is the Chairman.

So under his supervision guidance, we will leverage the group network like we are already talking to large dealers within the group, and they have already come forward and started taking up PVC pipe dealerships, right? So the group synergies, in the last 4, 5 years, whatever we felt that can be leveraged upon, now we are working very closely on those benefits. And like I said, next 4, 5 years, we want to grow our business by 35% on CAGR basis.

And there is a very good platform, which has been established in terms of INR1,100 crores worth of revenue in FY26. And the capacity, which is already with us is INR3,000 crore. And then one plant in South India will come in next 2 years and the other ancillary allied products what we are building up in terms of portfolio, whether it is window profiles, whether it is water tank, whether it is bath fittings. So plus, plus basis, we are very confident of delivering 35% revenue CAGR for the next 5 years.

**Aryamaan Agarwal:**

And any near-term crude prices this time will it trickle to PVC prices or does not look like that should make the difference?

**Sameer Gupta:**

It may impact, but it's very uncertain right now to predict anything about the PVC resin or any other polymer prices, because markets or the situations are very uncertain. We are not sure what exactly will happen tomorrow. So we cannot give any clear guidance regarding the pricing. But of course, it will remain under pressure for the next few months. We are not very much bullish about the prices.

**Moderator:**

Next question is from the line of Varun Julasaria from 360 One Capital.

- Varun Julasaria:** Sir, I just wanted to understand for this quarter, despite like 13%, 14% increase in realization, our gross margin kind of deteriorated from both quarter-on-quarter and Y-o-Y. So could you just help us explain what is the reason for that?
- Anubhav Gupta:** So there are 3 main reasons, Varun. Number one being that, like in our last earnings call, we did mention that we want to be very aggressive in terms of pricing, okay, because we want to catch up on the momentum of volume growth first. And then once the base is set then we'll look at the pricing. So despite the NSR going up, despite PVC prices going up, we continued with our aggressive pricing strategy because that's what we had like, promise with our dealers, okay?
- So we continued with that. We didn't want to be very opportunistic that prices are going up. So we pull out of our aggressive strategies just to maintain the dealer confidence level, and this will benefit us in quarter 1. So one is that. Second is because the window profile business is getting built up. So there were some costs associated to that, whether they were like sampling, etcetera, at various showrooms we had to give right. So some of that, which got accounted in the gross margin.
- And third, now that, we want to have a base, okay, which can deliver 35% volume CAGR, right? So there were some like finished good inventory, which was lying in the books, right, in our plants, basically, which was like debt inventory, which was unsold inventory. So we thought that now that the volume we have to catch up, we had to clear some space, right? So there was some like sellout of the finished good inventory, which was like unsold finished good inventory. So there were some write-downs on that.
- Varun Julasaria:** Okay. And sir, did we have any inventory gain this quarter because of the sharp increase in PVC price?
- Anubhav Gupta:** Very miniscule because we were clearing the inventory, right? So inventory gains on the raw material inventory was nothing significant.
- Varun Julasaria:** And sir, for this quarter, like you mentioned around INR400 crores turnover you're expecting. So how has been April that we're guiding like 40%, 45% growth for this quarter despite PVC coming down? So like how has been the volume growth for April looking like so far?
- Anubhav Gupta:** We are on track.
- Varun Julasaria:** Because what we understand is there is a fair bit of destocking again because of declining prices. So has that not impacted in any way?
- Sameer Gupta:** So channel is already running at a very low stock. So that is not a big challenge right now because already channel is cautious regarding the prices. And again, there is not very sharp drop we are expecting in PVC resin prices. 2% or 4% maximum here and there. And again, it will be again approved that next month only, the duty exemption, which is up to 30th of June will be the last.

And again, 8.25% duty will be again hitting up the cost of imports. So we expect that, that will not long to last. So we are not very much bearish regarding that. It will go again to a next level of around 60 in the near future.

**Varun Julasaria:** Okay. And sir, how much like are we currently -- what is the procurement cost for us in terms of PVC price?

**Sameer Gupta:** Reliance price as per Delhi lending, it's somewhere around INR84, INR85, whereas the local trade market is around INR79, we can say.

**Moderator:** Next question is from the line of Keshav Lahoti from HDFC Securities.

**Keshav Lahoti:** So I wanted to get a sense, as you highlighted, you're getting aggressive for volumes. So how you want to balance the volume and profitability side? How should we see the margin going forward?

**Anubhav Gupta:** So if you look at like Apollo Pipes, right, on a stand-alone basis, our target is between INR8,000 per ton to INR10,000 per ton, depending on like what kind of sentiments market has. If it is like a lot of push, then margins would be like INR8,000 to INR9,000 per ton. If there is natural pull, then it would be INR10,000 to INR11,000 a ton. So Apollo, we are like targeting 10% margin, like around INR9,000 to INR10,000 per ton at EBITDA level.

Kisan, I mean, in the year 1, the margins were at INR4,000, INR5,000 per ton, but last year, it was like barely EBITDA positive, reason being that there was a lot of pressure on the demand. There was no pull from the market. So there was a lot of push sales, assuming that FY27 will be better than FY26. So for Kisan, the first target is to take it to INR5,000, INR6,000 per ton on sustainable basis.

And then eventually, as the like further ramp-up takes place beyond INR500 crores, INR600 crores of revenue from Kisan, then the margins will improve further towards INR10,000 per ton. So on a consol basis, you can assume that INR6,000, INR7,000, INR8,000 per ton then the journey towards INR10,000, INR11,000, INR12,000 per ton in next 2, 3 years.

**Keshav Lahoti:** Understood. Got it. Sir, normally, our understanding was, just to correct me, channel inventory was pretty high on the March end because PVC prices were going up at that point of time. However, due to correction now the channel inventory is low. So is that assessment, right? How has channel inventory moved? So that way, the April volume should have been a bit on the lower side. Can you give some sense on April volume?

**Anubhav Gupta:** See, definitely, channel inventory got like heavy, right, towards end of March. And it did impact April to some extent, right? But like I said, I mean, INR400 crores of revenue for quarter 1, we have factored in like whatever April went through, okay? And there was expectation that, yes, after strong March, April will be light. But then from May, June, again, things will pick up. So we are already seeing pick up in inventory in channel filling up, right? So yes, I mean, things are pretty much on track.

- Keshav Lahoti:** Sir, just can you give a sense what sort of maybe not on revenues, sort of volume growth you are targeting for this quarter? So what industry growth you're building? And what is your target for this quarter? And how is the demand moving right now, agri and plumbing demand?
- Anubhav Gupta:** So if you look at like the revenue for the quarter 4 was around INR350 crores, and we are targeting INR400 crores. So it's like 15% jump somewhat, right, on a quarter-on-quarter basis. And I think NSR for the full quarter of Q4 was INR110 per kg. So I don't think there will be like much of hardly INR2, INR4 here and there. So you can expect that the volume growth is like double digit only.
- Keshav Lahoti:** Got it. That is helpful. Lastly, I'll also ask on the demand side, flavour on demand, how is it moving?
- Anubhav Gupta:** Demand is like April was good. It could have been better, but it was expected because of heavy March. May, June, it's a seasonal quarter for the industry. Demand from agri is good. And projects which got spilled over I think like the construction projects we got spilled over in quarter 4. So contractors are now rushing towards closure of those projects. So demand is good so far.
- Moderator:** Next question is from the line of Anu Parakh from Anand Rathi.
- Anu Parakh:** Can you give me some color regarding how the demand is shaping up in urban and rural market?
- Anubhav Gupta:** So let's break the demand in 2 segments. One is plumbing construction, second is agri. And so rural is all agri. So that demand is good because of the main season for the water pipes. So that segment is doing fine. Now in terms of construction plumbing, rural and urban, I mean, I would say that demand is good in both the regions. Yes, I mean, rural is outperforming urban in last 2, 3 months. This is what we are witnessing.
- Anu Parakh:** Okay. Also, just wanted to understand how is the competitive intensity in the plastic pipe space given that the promoter of Ashirvad pipes is planning to come up with a large pipe plant in FY27. So do you expect the competitive intensity likely to remain high over the medium term?
- Anubhav Gupta:** See, I mean, competition intensity has increased significantly in the last 3, 4 years. And that's why out of the pressure, all the top players in the industry, they started reducing pricing. They got into price war and everyone fighting for its share. So that's continuing. At the same time, a lot of clean-up at the bottom level has also happened, because the larger players, organized players are having a very aggressive pricing.
- So the margins in the industry go down. And then the players with higher cost in the unorganized segment with 0 brand value, they suffer and then they shut down also. So a lot of capacity gets cleaned up as well. So I guess after 2, 3 years of like flattish volume growth for the industry, at some point, industry will benefit from the low base also, right? If it's INR50,000 crores, INR60,000 crores industry in size today and it starts growing at 7%, 8%.
- So every INR4,000 crores, INR5,000 crores worth of new market will be created. And yes, I mean, competition will come and go, okay? We are clear on our strategy that how we have to

ramp up our plants, which are 3 in number today, the main North India plant, then the West India plant and the new one in Varanasi. We have to take these plants to INR1,000 crores revenue in the next 5 years.

Then we want to put up a large plant in South India, which is going to give me another INR1,000 crores revenue. So within piping segment with the SQ range, with the new products, the distribution network, the brand Apollo support from the group dealer network, guidance from Mr. Sanjay Gupta and then on top of it, Amitabh Bachchan as a brand ambassador, I think we are well on track to achieve these numbers irrespective of competition which will come and go.

**Anu Parakh:**

And sir, what is the PVC resin price outlook for the next 2, 3 months?

**Sameer Gupta:**

Prices, like I told before earlier, the prices should be right now on the lower side. It may go down by, let's say, 3% or 4%, not too much downward is there. Again, on the higher side, there is not too much scope also there. So again, as I said 4% or 5% plus side we see. So we are not seeing too much of ups and downs in the PVC prices in the near future. It should remain stable in the within range of plus/minus 5% only.

**Anu Parakh:**

Okay. And sir, just last question, what is the status of channel inventory? Is it normal or below normal?

**Sameer Gupta:**

Right now, the channel inventory after March stocking and then again, the prices fell down, the channel has maximum destock themselves, and they are running on a very low inventory. With the increase on first, they have tried to a little bit of, you can say, increase the inventory at their end, but that is not on a very higher side. And again, the seasonal demand is there. So we don't see that channel is running on a very high inventory. It should be on a normal or you can say below normal inventory only.

**Moderator:**

Next question is from the line of Abhishek Sanghvi from Equinova Investment Manager.

**Abhishek Sanghvi:**

I wanted to understand management's long-term strategy for Kisan Mouldings. So Apollo Pipes has steadily increased its stake in the last few quarters. So should investors expect Kisan to continue as a separately listed entity? Or could there be a merger or consolidation with Apollo Pipes to be considered in the near future? And what are the broader strategic plans for Kisan over the next 3 to 5 years?

**Anubhav Gupta:**

Okay. So I'll address second question first. Kisan Mouldings plant right now is capable of generating INR400 crores, INR500 crores of revenue. I mean we closed at around INR200 crores, INR250 crores last year, okay? So first strategy is to take this to like INR500 crore. For that, there is some like INR30 crores, INR40 crores of capex, which we have already incurred, right? Then we want to build capacity for INR1,000 crores within this plant.

And for that, another INR50 crores, INR60 crores will be spent for brownfield expansion within the premises. So we want to take Kisan plant to INR1,000 crores revenue with a minimum 10% to 12% kind of EBITDA margin. So that's the product SKU range they have. That's the brand value it carries within the Western Indian markets. During this time, I mean, we will ultimately

merge Kisan Mouldings in Apollo Pipes Limited. we are already working on how to go about it. Maybe in next few investor calls, you will hear from us like about the time lines of the merger.

**Moderator:** Next question is from the line of Ameya Deosthali from Value Equity.

**Ameya Deosthali:** So I just wanted to know what do you think about the market structure going forward? I think because of a lot of sector weakness, we should be seeing or targeting for some market share gains, right, in the next 1 or 2 years. I wanted to know what you think about this?

**Anubhav Gupta:** Yes. So see, I mean, if you look at my revenue base of INR1,100 crores on market size of, say, INR55,000 today, we are at around 2%, 2.5% market share, right? And given the ramp-up, which is going to happen from the existing plants plus our new South India plant and then Varanasi plant has to show results, right, which it will. So we are looking at like 3%, 3.5% market share, okay, in next 3, 4 years, assuming industry will grow at 7%, 8%. So that's how we're going to achieve our 35% revenue CAGR, what we are guiding today.

And market share will, I mean, come at the cost of the smaller, weaker unorganized players, okay? Still there is a long tail, which keeps on getting disrupted because of whatever is happening within the sector, right, in terms of price volatility, etcetera. And on top of it, the formalization of sector keeps on happening and then consumer awareness towards brands, formalized channels. So all that will keep on helping us to take market share from smaller players.

**Moderator:** Next question is from the line of Sushant Soni from Dhrishya Capital.

**Sushant Soni:** I just had like a 2-part question. One is just on the product split within pipes. If you could just let us know broadly what's the current and what do you intend it to be, right, with also CPVC, I'm assuming ramping up?

**Anubhav Gupta:** So if you look at our sales split, right, let's start from the top. So one is the plumbing construction, second is agriculture and government infra. So plumbing construction is around 60%, 65%, okay, of the total pie and then the rest 35% is agri and government infra. Within the construction plumbing, see, I mean, CPVC is growing at like 10%, 12%, water tank is growing at 20%, 30%, window profile business is like ramping up like quarter 4 contribution was small.

But this year, we expect a minimum like 4%, 5% contribution in the total revenue for the construction plumbing segment. And then yes, the demand uptick in the base products, which are like UPVC pipes and fittings that also will drive volume growth for FY27.

**Sushant Soni:** Got it. And given your recent tie-up with Lubrizol, are you seeing early signs of the benefit that you're giving? Because what we also see from your competitors, right, they're kind of doing the compounding in-house and passing on that benefit to the customers, right? So how do you see that play out in the actual work?

**Anubhav Gupta:** So like I said, I mean, CPVC grew for us by 10% in FY26. And with this is all tie-up and support, we are expecting more than 20% growth in FY27 within CPVC segment.

- Sushant Soni:** And maybe just one last bookkeeping question. Your other expenses kind of increased a bit more, right in Q4. Was it related to maybe like as you mentioned earlier in the call, right, some starting of expenses for the window? Or was there like a particular reason for the increase in other expenses? I'm talking about standalone.
- Anubhav Gupta:** Of course, yes, mainly that only.
- Moderator:** Next question is from the line of Roshan Nair from Antique Stock Broking.
- Roshan Nair:** So in Kisan Mouldings, the last quarter the commentary was that the performance we should start seeing improvement in Q4. But as we see that the performance is more or less below the last 2, 3 quarters. So if you can help to understand what has gone wrong in this quarter for Kisan Mouldings?
- Anubhav Gupta:** So as I could understand, you're asking about Kisan Mouldings quarterly performance.
- Roshan Nair:** Correct, correct.
- Anubhav Gupta:** So see, I mean, quarter 4 revenue for Kisan was INR80 crores, which was like INR60 crores in quarter 3, okay? So there is a good jump on quarter-on-quarter basis. In terms of volume also from 5,000 ton, it did like 7,000 ton on a quarter-on-quarter basis. So yes, I mean, there is in terms of volume ramp-up and revenues, there was a good jump. In margin, yes, there was some disappointment. Reason being like the Jan and Feb months were not too good in terms of like demand only recovered towards like end of February and March month.
- So there was a lot of push sales and aggressive sales in the first 2 months, which led to like margin deterioration. But that was the strategy what we adopted. And now that the plant ramp-up is happening, right, the operating leverage benefits will start coming in. And from quarter 1, you will start seeing improvement in the margins as well.
- Roshan Nair:** And so the next question is as you have indicated that the import duty expected to come back by June. So are you witnessing any higher imports from China or is it expected to be there in May and plus minus 4%, 5% PVC price volatility that factors in this higher imports coming in from China in the month of maybe May?
- Sameer Gupta:** Yes. Mr. Roshan, we expect that may come, the high imports may come because on account of seeing duty being you can say that no duty being removed and again, the duty will be there from 1st of July. So there may be high level of imports in you can say the next 15 or 20 days, maximum 30 days, you can say that. But again, the channel will be cautious regarding that because once again, with the higher level of imports, the traders always faces losses because of those things, higher inventories.
- So I don't think that there will be too much of stocks in the channel for the resin inventories with the traders. But of course, they will definitely take a bet on that thing and we'll try to make higher imports and will try to make money on account of that. But seeing a monsoon season post 1st July or August, you can say that the demand will be under pressure in that quarter 2.

So I don't think that it will be at a very high level. Of course, it will be there, but not at very high level. So it can be a yes or no both ways, but we are not very much bullish about that thing.

**Roshan Nair:**

And last question from my side. What is the capex guidance for FY27?

**Anubhav Gupta:**

So capex, see, I mean, we spent INR150 crores for the FY26. FY27, our commitments are to ensure that the Kisan plant has the capacity to throw INR1,000 crores kind of revenue and plus some brownfield expansions in the existing plants which are going on. So for FY27, the total capex requirement would be near about INR100 crore.

**Moderator:**

Next question is from the line of Sneha Talreja from Nuvama.

**Sneha Talreja:**

Just couple of questions from my end. You said from quarter 1 onwards, you shall see margin improvement. But what we understand is there have been aggressive pricing, which even you have opted for even the competitive intensity continues to remain high. With share of agri being higher in quarter 1, how do you plan to achieve higher margins?

**Anubhav Gupta:**

So Sneha, see, I mean, if you look at the EBITDA, right, look at Apollo stand-alone and look at Kisan. So Apollo stand-alone has been in the range of INR8,000 to INR10,000 per ton on a regular basis. Given that, I mean, volume will increase within standalone Apollo, there will be a lot of operating leverage benefits we will see.

So that's the like, I would say, positive tone, which we highlighted that there will be a gradual improvement in the spreads for Apollo standalone from INR8,000 to INR8,500, INR9,000 per ton. So that much improvement you will keep on seeing. Kisan right now is at like barely breaking even. The reason being the plants are being like highly underutilized.

So a lot of work is happening how to increase sales, etcetera. And initially, of course, sales will come at lower MSRs. Kisan will take 1, 2 quarters to show like improvement -- significant improvement. But yes, I mean, we'll pull it out of like minus 1%, minus 2%, which it has been throwing for last 4 quarters.

**Sneha Talreja:**

Understood. And where is this confidence on the volume growth coming in? Is it any improvement on the sectoral demand that you are seeing and you have also invested into OPVC? Have you started seeing any infra sales coming in? Or is it just purely the plumbing and the agri side of it where you are seeing things pick up now?

**Anubhav Gupta:**

So Sneha, see, I mean, I think that's the core business, which shows positive signs, okay, for such growth guidance. Government infra still remains low, right, although a lot of promises have come towards like release of payment, etcetera, and kickstart the capex. But we have not seen anything significant coming on ground as of now.

Our positive sense is coming from the core existing products, our dealer network, addition of new dealers from the group, then the aggressive pricing what we adopted 4, 5 months ago, that has started to play. So all the factors at the micro level make us bullish on our volume numbers.

**Sneha Talreja:** Can you give the distributor addition number probably FY25 versus FY26, where do we stand at?

**Anubhav Gupta:** So see, I mean, net-net addition will be like 4%, 5% because now that I mean, we are looking for a very strong set of distributors who can run along with us, right, to match our growth commitments of 35% on an annual basis. So there will be a lot of clean-up, which will take place. And we'll make some relevant large dealers like how we operate in Apollo steel pipes.

So that's the kind of strategy we're going to adopt here. And we're going to filter down smaller dealers and we'll attach them to the larger ones. Plus, yes, there will be like some addition from the group. That number will be more relevant to give after, say, maybe 2 quarters.

**Sneha Talreja:** Noted. And lastly, on the working capital days, we've seen some amount of increase in this particular quarter. Could you help us understand when can that normalize? And what was the reason for increase this quarter?

**Anubhav Gupta:** So see, I mean, FY25 was a very solid year with 35 days of working capital cycle. This year, FY26, we closed at 46 days -- 45 days. So there is like 10 days of increase in the net working capital cycle, which has mainly come from the inventory days. Inventory was 70 in FY25 and 80 days in FY26. So as plants are ramping up, right, and some clarity on the PVC price settlement, this inventory days shall come down by like 5 to 10 days during this financial year.

And our channel financing program is also undergoing pretty smoothly. So I guess FY27, we should be like closing below 35 days. And although our internal target is 30 days, right, as at March '27. But yes, it will be like touching the FY25 number minimum.

**Moderator:** Next follow-up question is from the line of Varun Julasaria from 360 One Capital.

**Varun Julasaria:** Sir, just a follow-up on the South plant, when do we plan -- what is the progress like because we have the warrant expiring this year. So like what is the plan? Because in the capex you mentioned is only INR100 crores for this year. So are we factoring anything for the South plant?

**Anubhav Gupta:** So South, see, I mean, right now, we have a plant within Bangalore region, okay, Tumkur to be precise. I mean what we believe is that whenever we go and set up the base, it will be near that area only, Malur, Tumkur, Bangalore belt. I think the work for that will start after 1 year in terms of land acquisition, etcetera. First, I mean, this year, the target is to ramp-up Varanasi, which is now fully operational, okay?

So once we have like confidence, conviction that, yes, Varanasi is on track, then immediately, we'll start working on South India plant. I mean, as per our experience and expertise, what we have built in the project execution. And we believe that within 18 months from like the day we finalize the land and 18 months from that date, we can have the plant go live. So you can expect that South India plant will come somewhere in like FY28 end, towards FY28.

**Varun Julasaria:** And sir, for the window and the door profile business, sir, how is the realization for this segment? And which are the areas that you are targeting initially?



- Anubhav Gupta:** See, I mean, we sell window profiles on a per length basis, it doesn't get sold on a per kg basis.
- Varun Julasaria:** But this volume gets added, right? I mean, for our overall volume for the segment which we mentioned, right?
- Anubhav Gupta:** Yes, that's right. It is contributing like around 1.5% to the total sales.
- Varun Julasaria:** And which are the geographies where we have penetrated initially?
- Anubhav Gupta:** Right now, we are at North India and South India.
- Sameer Gupta:** North and South, yes.
- Moderator:** Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for the closing comments.
- Ajay Kumar Jain:** Hello, everyone. I thank you all for joining us today for this con call. We appreciate your continued support and interest in our company. We look forward to updating you on our progress in future calls. If you have any further questions, please feel free to reach to us. Thank you, and have a great day.
- Moderator:** Thank you very much, sir. On behalf of Emkay Global Financial Services Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.