Date: 16.11.2026

To,
BSE Limited
Listing Department,
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Scrip Code: 504028 Symbol: GEE Ltd

SUB: Transcript of Post Earnings Conference Call for Q2_H1 FY 27

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI Listing Regulations, the transcript for the Post Earnings Conference Call held on Friday, November 13, 2026, on Unaudited Financial Results of the Company for the Quarter and Half Year Ended September 30, 2026, has been uploaded on the Company's website and can be accessed through the following link: -

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You are requested to take the above information on record.

Thanking you,

For GEE Limited

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GEE Limited

Q2 & H1FY27

POST EARNINGS CONFERENCE CALL

November 13, 2026 4:30 PM IST

Management Team

Ms. Payal Agarwal - Chief Financial Officer

Call Coordinator

Strategy & Investor Relations Consulting

Presentation

Moderator: Ladies and gentlemen, on behalf of Kaptify Consulting Investor Relations Team, I welcome you all to the Q2 and H1 FY27 Post Earnings Conference Call of GEE Limited. Today on the call from the management, we have with us Ms. Payal Agarwal, Chief Financial Officer.

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 highlights for the period ended September 2026, the growth perspective and the vision for the coming year, post which we will open the floor for Q&A. Over to you ma'am.

Payal Agarwal: Thank you, Mohsin. Good evening, everyone and thank you for joining the company's investor presentation earnings call on this Friday evening. Your company, of course, as the results we've presented, the turnover has seen a 24% growth year-on-year from last year, H1, '26, FY26, from INR 165 crores to INR 204 crores turnover this year. The EBITDA again has seen a 17.5% jump from INR 13.5 crores to INR 16 crores approximately. And again, the PBT has gone up from INR 7 crores approximately to INR 10.7 crores for H1 FY27. So these are the broader numbers.

Notwithstanding these numbers, of course, as we all know, the current, the last six to nine months has been sort of a slightly difficult period for the entire world across the globe. In fact, particularly of the war situation that is prevailing in the Middle East and that region, the oil prices going up, the metal prices, steel, of course, going up exponentially. So there have been quite a few pressures on the pricing side, input pricing side from that front.

But going forward, definitely the situation, the market seems very promising and especially considering, as we have mentioned before as well, considering India's dynamic growth phase that right now is persisting and the potential in growing the infrastructure, even if I don't talk about globally, just in the country that in itself sees a huge potential in the growth in this market and corollary -- as a corollary for the company to grow as well. So the management stands very strong now, achieving the numbers projected earlier as well for the year, financial year, ended 2027.

Of course, as Mohsin is projecting on the screen, there has been a very -- the company has achieved the milestone of handing over the possession of the Wagle Industrial Estate land to the developer, where the real estate project is supposed to take off in record time. And that actually covers a very milestone step in actually executing this real estate project and also unlocking value from this. As mentioned before, the company expects a revenue of INR 400 crores plus from this project accruing to the company over the next five years.

The company is engaged in welding consumables and is a prestigious established player running up in this industry. We have a wide basket of welding electrodes, wires, fluxes, all categories, all technologies, welding electrodes and consumables. We also have very niche and specialized niche value add products for B2B clients and cater to quite a few domestic as well as international customers of the category like BHEL, NPCL, NTPC, ONGC, Reliance, Adani and the likes of such.

Company has more than 500 dealers across India and exports to almost 20 countries. And as the welding consumable industry, the nature is that it is a product which is used across all sectors. So it is agnostic, it is used anywhere and everywhere, wherever there is any metal which is used and which is practically there for any infrastructure development, be it pipeline, be it shipbuilding, be it residential, be it factories, be it cement, steel, aircraft and name it anything, oil and gas, power. So everywhere welding consumable is put to use.

Mohsin, you can please go ahead with the next slide.

Moderator: I am sharing. Is it visible, this manufacturing?

Payal Agarwal: Yeah, Mohsin, can you please go to the next slide?

Moderator: Yeah, yeah, yeah. It's in manufacturing distribution capabilities.

Payal Agarwal: Okay, yeah. So company currently has to…

Moderator: I think, ma'am, your network is…

Payal Agarwal: Welding -- manufacturing for some western part of the country in West Bengal and in Maharashtra. The plant at Kolkata is a state-of-the-art plant in this industry, has been a capacity of around 38,000 metric tons and at an area of more than 16,000 square meters. The company has another welding consumer facility manufacturing capacity of 21,000

metric tons. So consolidated capacity of around 59,000 metric tons. Mohsin, can you hear me?

Moderator: Yes, yes. Key growth driver. I think, ma'am, there is an issue with your…

Vinay Pandit: I think there is a slow network at your end.

Payal Agarwal: So, yes, the key growth driver in this industry, as I mentioned earlier, is potential for a dramatic transformation and growth from a global $1.2 billion industry today in 2024. In fact, two years back, the projections are the market estimates are that it would go up to $2.4 billion by 2032-'33. And that growth, the key growth drivers, I would say, over these next six to eight years would be, of course, primarily defence and shipbuilding opportunities.

There is a huge potential where the country now, as India has now converted from being a defence importing country to almost a defence exporting country in the last financial year. India has actually also exported defence products to some of the countries. Power and energy remains a very huge driver, which will drive the growth in the country itself.

And I'm not talking about only conventional sources of power and energy. Also, nuclear power, solar and other power is going to really drive this and especially nuclear power, because as India promises to become absolutely clean energy emission country, there's a huge potential there. Of course, manufacturing efficiency and utilization for our company, especially why these drivers also are more meaningful and why they would drive a larger base of growth for us is primarily because we have a huge capacity already installed.

Our products are very well received across B2B and B2C. So that gives us a huge niche over any other player as well. And we're already quite well penetrated in this industry. And as I mentioned, GEE Limited holds a very prestigious name as far as quality. And quality is one of the key components in this industry. Quality becomes quite a marker. So only if companies who are approved by the leading or not only independent certifying agencies, but also otherwise only get these opportunities to participate also in these prestigious projects.

So as the management targets are, of course, growing 25% to 30% year-on-year top line growth, seeing, capturing more and more of the market share. Also, along with taking the turnover growth, also stabilizing and

reaching a sustainable, healthy EBITDA margin of around 12% to 13% in the next three to four years. Taking up the capacity installation from 59,000 metric tons to 71,000 metric tons and efficiently utilizing more than 90% of it by FY29, FY30. Thereby, also this holistically, this entire exercise will also unlock a lot of value along with the real estate project and improve cash generation and capital efficiency. Thank you. I think Mohsin, you can. Yes.

Moderator: Thank you, ma'am. We'll start the question-and-answer session. All those who wish to ask a question please use the option of raise hand and we'll invite you to ask a question. If you are unable to raise hand you can also put your question in the Q&A box. We'll take the first question from Mr. Praneeth Bommisetty. Please go ahead.

Payal Agarwal: Yes.

Praneeth Bommisetty: Hi, ma'am. Thank you for the opportunity and congratulations on the impressive results you're able to deliver. I like to start with understanding our cash accrual from the development project. So, when do you -- when will you start realizing any money from it or is there a timeline we see or is it only based on sale that we'll get some portion of it or is there advances involved or something like that?

Payal Agarwal: So, frankly, the timelines would be from the coming financial year itself. In fact, the first quarter is where we are projecting. The money would, of course, start coming in. The cash accruals would start happening as soon as sales start happening, which is at start from the launch of the project itself. So the company is already exploring a mix of outright sale of few units, long-term entering into long-term lease agreements as well, and also retaining a few units and monetizing it at the right time when prices go up. Because as Thane itself has been declared a smart city over the last few years.

And whatever projections that we have given even now of the revenue accretion to the company is actually on a conservative side. So, we are definitely looking at higher numbers clocking in from there.

Praneeth Bommisetty: So, but it will be on sale only. There's no like an advance payment that we're getting from the developer?

Payal Agarwal: No, no, because it is a revenue share model that is an area share model that is happening. So, the company is taking charge of its area that we are getting from the deal.

Praneeth Bommisetty: Got it. So, we are doing the sales by ourselves.

Payal Agarwal: The sales will be done by the company. But the sales there is the element that the developer will only be facilitating the sales as well. He will be a facilitating it. It will be done parallelly. It won't be that the developer sells his share and, the company retains its own share. That is not the case.

Praneeth Bommisetty: Got it. And coming to our business in terms of distributors, we on presentation notice around over 25 we have. So, could you explain right now, are we do we fulfil all our orders to the distributor itself or do we directly sell to the company itself? So, how does the entire split work?

Payal Agarwal: So, as you have seen, there is almost a 55:45 ratio that we do. So, we do both B2B and B2Cs to a lot of these customers like BHEL, DRDO, L&T, JCB, all of them we supply directly. And again, also sometimes they also pick up material through the distributors and dealers whom we know that the material is going because they don't want to hold on to that much inventory or sometimes the payment terms aren't very favourable for us to do supply directly to the client. So, then we also do the business through dealers and distributors, which is the general market practice.

Praneeth Bommisetty: Got it. And when usually the company is procuring, what will be the price difference between a distributor versus us directly giving it to them?

Payal Agarwal: See, it would be very difficult because the prices are going to be very dependent on which kind of product also. Definitely, there would be a slight margin that the dealer and distributor would also enjoy because otherwise, them being in this entire chain would not make any commercial sense. But however, having said that, eventually, looking at the longer credit cycles and everything that works out favourably only for the company. Because from the dealers, we can also expect advance payment, we can take upfront payment, or we can, have shorter trade cycles.

Praneeth Bommisetty: Got it. And coming towards the gross margin wise, I think we were able to improve during the last year at the same time. But again, we have started declining. Could you give us a sense in terms of, is this a factor of product mix or is the factor of us margins getting compressed because of raw material price increasing?

Payal Agarwal: So, I don't think the product mix is really getting hampered over here. The main thing is of this, I would say is a temporary phase because of the war conditions that have been prevailing. Of course, as oil and gas prices had risen up and steel prices over the last six months have been quite steep. So, I would say this is more of a temporary phenomena. And we are already seeing things coming back into shape as far as the markets are concerned.

Praneeth Bommisetty: Got it. And ma'am, can you give some guidance in terms of gross margins where we might end up at in the next one to two years? Because you mentioned a focus on two things. One thing is higher procurement and a better capitalized position and also getting higher value products.

Payal Agarwal: Yeah. So, I think I would say that, see, two things that we are keeping our eyes very closely on. One is increasing business, which is, of course, if I translate it, it is increased revenue turnover. But I'm not -- when I'm talking about increased turnover, I'm also having my eyesight very fixated on my bottom line numbers as well. And that's why I said that we are looking at sustainable EBITDA margins of 12% to 13%. And that's where we are seeing over the next one or two years of the company taking forward to.

Praneeth Bommisetty: And this would be, the 12% to 13% would be a jump from capacity utilization, is that correct?

Payal Agarwal: Yeah, capacity utilization and also better product mix.

Praneeth Bommisetty: Got it. And so, the remaining costs are likely to remain stable for non-employee and other expenses?

Payal Agarwal: Yes, yes, yes. Absolutely.

Praneeth Bommisetty: Got it, ma'am. And coming towards working capital, so our working capital is a little high and it's on the trend of staying that way. Could you explain, is there any possibility for us to get it down or this is the nature of business and it can't change?

Payal Agarwal: Yes, Praneeth. There is a possibility for us to bring it down. Frankly, the working capital also being a bit high is because of higher inventory holding days for the company rather than anything else. And that has been done primarily because of the high steel prices. So, we've also been stocking up a bit considering, the sharp spikes in prices. But however, by the year end, we are looking at a reduction in inventory. We are

working towards leaner inventory management and you will see a reduction in the overall working capital utilization.

Praneeth Bommisetty: But on a sustainable trend, where do you think the lowest we can be at, ma'am? So, right now, it's around?

Payal Agarwal: Right now, I think we are at 100 days plus. And I think even if I don't give drastic reduction numbers, but I would like to bring it down to sub-100 first and then bring it down to market peer levels by FY28.

Praneeth Bommisetty: Got it.

Moderator: Praneeth, may I request you to rejoin the queue, please?

Praneeth Bommisetty: Yeah, yeah. Thank you.

Moderator: Yeah. Thank you. I will take the next question from Kumar Saurabh. Please go ahead.

Kumar Saurabh: Hello, ma'am. Congratulations on a good set of numbers. Ma'am, my question is -- first question is on the other expenses. I think against INR 9.5 crores this quarter, it's INR 12.5 crores. So, is there any specific reason for a higher percentage increase in other expenses?

Payal Agarwal: No, there is really no, I wouldn't say that there's any specific reason for that. Overall, because the company is working very extensively on securing more approvals and penetrating into the market. This is, I would say, more of like real downtime costs that we are incurring to do that.

Kumar Saurabh: Okay. Okay. And ma'am, on the margin side, we have a long term goal of achieving 13% EBITDA margin.

Payal Agarwal: Yes.

Kumar Saurabh: And some of the peers do operate on 11% to 14% band. So, my question is, first, where do we lag on the margin compared to peers? And when you look at increasing the margins, what will be the levers of margin expansion? And if you can give some broad timeline, like maybe a 0.5% or 1% increase every year, what is your expecting? If you can, cover all these points.

Payal Agarwal: Fair enough. Thank you, Saurabh. So, I'll answer your question one by one. First, of course, you asked that why is the difference, of course,

currently between the peers and GEE. So, currently, of course, if you talk about Ador and ESAB, ESAB definitely has a higher margin percentage, but Ador historically was also operating at anywhere between 7% to 9% bracket. It is gone up because the only reason is because definitely ESAB and Ador have higher sales realization for the same product. They are currently enjoying a better realization, price realization vis-à-vis us, although we are operating in the same ecosystem. But because of their historical goodwill, they are currently earning a better price realization.

Where we -- where I see, how I could bridge the gap is because GEE is coming as a very strong, the last couple of years, of course, notwithstanding, we come across as a very strong and formidable force in this industry, coming backing backed with very excellent, quality standards, research, team and everything. So, that is where we see that the reduction, there is a huge potential of reduction, better product mix, adding more high value add products to our basket, supplying those. And of course, when we operate at a higher scale, better economies of scale also kick in. So that would be answering your second question.

And the third about the timeline for increase in this EBITDA margin and reaching the 13%, I think I can comfortably say that you would see a 0.5% increase in FY27 and of course, another 0.5% to 0.75% to 1% in FY28. So, we definitely look at a double digit in FY28 for sure and taking it up by a notch higher next year, FY29.

Kumar Saurabh: Great, ma'am. And ma'am, our previous participant asked regarding the inventory day increase. And I think it has gone from 100 to 127 days and as you said, because of steel prices. But also I see our growth in the last two years has been much higher compared to previous years. And we hope to grow at a similar rate. So, is this rise in inventory days is also because of the higher growth and the growth inventory we are holding? Is that also a reason apart from increasing?

Payal Agarwal: Yes, definitely it is. See, it is a strategy when you want to enter the market, you want to be able to supply quicker, you want to be able to just give your deliveries hands on to your customers, to your dealers, distributors to also capture their market share. So that is also, of course, a strategy. But having said that, again, as I mentioned, we are definitely working towards better and leaner inventory levels.

Kumar Saurabh: Great. I have a few more questions, but I'll come back in the queue, ma'am. Thank you.

Moderator: Thank you. All those who wish to ask a question please use the option of raise hand. We'll take the next question from Mishka Dani. Please go ahead.

Mishka Dani: Good afternoon, ma'am. Thank you for the opportunity. So ma'am, our revenue has grown by 18.6% in Q2, but our operating profit has declined by around 12% Y-o-Y, and our PAT has declined by around 6%. So what explains this divergence? Like, is it due to raw material inflation, product mix, pricing pressure, or higher manufacturing costs? And how confident is the management of restoring the EBITDA margin to around 10%?

Payal Agarwal: So I think if you're talking about Y-o-Y, I would say more so. Frankly, Q2 definitely, I will say that there has been, as I mentioned, increase in raw material prices. The pricing, input pricing pressure is something which worked negatively for the EBITDA margins or the overall margin levels itself. However, as I mentioned, this seems to be more of a temporary phase because the company is already working towards higher value-add products. It is also supplying and adding more and more of such products and not only concentrating on the commodity products.

So that, I would say that going forward in Q3 and Q4, we are looking at already restoring the margins to 9% and above.

Mishka Dani: Okay, ma'am. And the management has indicated that specialized and niche products account for around 27% to 30% of our revenue. So what is the current contribution from these products and what is the margin differential between specialized consumables and the conventional welding electrodes?

Payal Agarwal: So see, the specialized -- the conventional, I would say mass-moving welding consumables could go from anywhere between INR 100 per kg to INR 120, 125 per kg. Whereas the spectrum of a specialized product, if it is a silver brazing alloy wire or if it is a nickel wire or any of these specialized GTX series or something, they could go anywhere between even INR 275 to around INR 1,500 per kg. So the spectrum is actually extremely broad depending upon the technical configuration of the product and the raw materials used. So of course, as you rightly mentioned in earlier calls, I have said that the specialized and the niche products currently own a 27% share in the product basket. We're looking at taking it up to 35% to 40% in the coming year itself.

Mishka Dani: Yeah, ma'am. And our current borrowings have increased from around INR 39 crores to INR 56.6 crores in just six months, while our non-current borrowings have also increased. So can you tell us what is driving this increase?

Payal Agarwal: So I don't think there is no increase in the non-core borrowings, I would really say. This company has only working capital limits. There are no term loans or long-term capital term loans that the company has. However, in the last couple of months, because there has been quite a lot of work happening, the company is also paying advance to key steel suppliers like JSW, SAIL, and TATA, because of which as on September end, actually these numbers are looking quite high.

If I actually talk about today, as on today, frankly, these numbers are again back to normal, because as on end of September, we had to place orders and as on closure of that date, the books, whatever balances that they showed, we have to reflect that. And company is having quite a good cushion because we have limits of around INR 100 crores of working capital limits from the banks, whereas we are utilizing only around INR 40 crores.

Mishka Dani: Okay, ma'am. Thank you for taking my questions and all the best.

Payal Agarwal: Yes, yes. Thank you.

Moderator: Thank you. We'll take the next question from Sargun Sohal. Please go ahead.

Sargun Sohal: Am I audible?

Payal Agarwal: Yes, Sargun.

Sargun Sohal: Thank you for the opportunity. Ma'am, my first question is, what is the expected timeline for achieving the INR 1,000 crore revenue target?

Payal Agarwal: So, that is we are looking at FY29, FY30. I would say more realistically, FY30 is when we are targeting to reach the INR 1000 crore mark.

Sargun Sohal: Okay, ma'am. Second question is, what is the company's target export contribution over the next two to three years?

Payal Agarwal: So, we expect to do an export turnover of around 15% to 20% in the next two to three years at least. Exports have already gone up. In fact, in this year also compared from the previous financial year, the last two

years, we're already seeing a rise in exports. Of course, this year again, in the last three to four months, because of the container issues, and especially in the Middle Eastern region, a few of the consignments are on hold. But however, there's a huge order potential coming in from that entire belt and region.

Sargun Sohal: Yeah, ma'am. Ma'am, one more question. How does the management plan to achieve its long-term EBITDA margin target of 12% to 13%, as you said earlier?

Payal Agarwal: So, as I mentioned even earlier in this call, so see there are two to three factors which are going to drive the increase in the EBITDA margin. Achieving the 12% to 13% from the current 8% to 9% is A, primarily, of course, changing the product mix, which we are already, the company has around 27% of value-added niche products in its basket, taking it up to 35% to 40%, which directly, of course, adds to the EBITDA margin.

Secondly, currently, the differential between the other peers, the top two peers in the industry, because GEE has come back with a more stronger force and aggression in the market, I think that is also being received very well by the market, because we already were a very established peer, we need to understand, we have more than 50 years of experience in this industry. So, I think that is now paying off, and with all the prestigious approvals and accolades under our belt, that price premium is something that we are now starting to realize.

Thirdly, because we have unutilized capacity as of now, once we start, the capacity utilization going up, economies of scale will kick in and that will reduce the overall per tonnage operational cost, resulting in higher EBITDA margins.

Sargun Sohal: Okay, ma'am. Thank you so much for taking my questions, ma'am.

Moderator: Thank you. We'll take the next question from Neha Sharma. Please go ahead.

Neha Sharma: Hello, ma'am. Thank you for the opportunity. I wanted to know what is the expected CapEx for FY27 and '28, and what returns does management anticipate from these investments?

Payal Agarwal: So, we are looking at a CapEx outlay of anywhere between INR 35 crores, INR 35 crores to INR 40 crores over the next two years. Primarily, as we mentioned, the CapEx is going to be for establishing

the two new product verticals, the Flux-cored wireline, which one line we have already installed. Commercial, production is expected to begin by last week of November, and SOFT FLUX lines as well. Thirdly, already the company has around 12,000 metric ton capacity of MIG wires, which is continuous wires and wire rods. Company expects to take up that production because that is 100% utilized to 24,000. So, adding another 12,000 metric ton to that product line.

So, and taking up the Flux-cored wireline from around 250 metric tons currently to 12,000 metric tons. So, these entire -- all these three product verticals, plus ancillary machine to unclog the entire and utilize the full capacity. So, looking at around INR 30 crores to INR 40 crores of CapEx, I think the returns that the company is expecting it is anywhere between 18% to 20% from this CapEx.

Neha Sharma: Okay, ma'am. I also wanted to know how will the proceeds from asset monetization be utilized. Debt reduction, CapEx or acquisition, what will we do?

Payal Agarwal: So, see the proceeds from the real estate project primarily will go into three things. First and foremost would be brownfield acquisition and growth. So there are quite a few tier two, tier three, companies which can be acquired and broaden the entire horizon of the company. So as far as welding equipments and other product lines are considered, company has already outlined a strategy for that as well. So to broaden the entire product spectrum of the company. Second is also, of course, to adequately reward its shareholders and owners. And by owners, I mean to say shareholders and only because they all are the owners of the company.

And thirdly, I will say, I wouldn't call it debt reduction as in debt reduction, because currently the company is not having any debt as such to say, apart from working capital debt. So I would say, if efficient, fund monetization, utilization and strategy would be a more apt term for it.

Neha Sharma: Okay, ma'am, one last question. How much incremental revenue can the company generate from existing capacity without significant additional CapEx?

Payal Agarwal: So, see currently, if we are operating at anywhere last year, if I take last year numbers, fiscal numbers of around INR 370 crores, without any significant CapEx also definitely the company can add incremental around INR 300 crores. But that also would require some CapEx as far as just streamlining all the procedures, all the processes is concerned.

Neha Sharma: Okay, thank you so much. That's all from my side.

Moderator: Thank you. All those who wish to ask a question please use the option of raise hand. We'll take the follow-up question from Praneeth Bommisetty. Please go ahead.

Praneeth Bommisetty: Hi, ma'am. Thank you for the follow-up. So, I just wanted to understand in terms of contracts. So, with our supplier, our customers such as BHEL, do we have long-term contracts or is it on a moment-to-moment basis that our material gets off-take?

Payal Agarwal: No, see, there are no such long-term contracts that are there in this industry as such. With all these clients and I'm talking about with all these customers like BHEL, L&T, DRDO or say ONGC and all, there are contracts. A few of course are on tender base, few of course and again those are on only companies who are approved can participate or also on basis of past orders that we have fulfilled and given.

Moderator: Payal ma'am, I think we'll lost you for a second.

Payal Agarwal: Okay, I'm sorry. So, was I audible or should I repeat myself?

Praneeth Bommisetty: No, that's fine. Ma'am, I could hear you. So, got your point. Hello?

Payal Agarwal: Yes, yes.

Praneeth Bommisetty: So, long-term contracts are not there but so, I think one emphasis that we always had was to grow our market share as a percentage in the market. So, how has it been since we have been growing in the last few quarters? Have we actually grown in terms of market share or the market or we just drove the market's wave? That's my first question. And in terms of wallet share with these large customers also. If you were to bucket all these let's say the BHELs of the world or the five, six other companies that take that kind of material. So what kind of wallet share will we have with these kind of bucket of customers?

Payal Agarwal: Coming to your first question, see when I'm talking about capturing more of the market share currently I'm at around anywhere around 6% to 6.5% of the market share and I'm talking about the organized market only right now. Going forward even to INR 1,000 crores I will be at small 10% to 12% of the market share. So, currently I won't be able to assess and say that okay last year I was at 6.5% and six months down

the line I am at 7% or am I at 7.5% but yes this is a target that we are working towards and this is where we see ourselves growing.

We're definitely, I can say that we've added more than 130 new dealers in the last six months. We are penetrating in areas on markets where we weren't really present earlier in sectors where you know our presence was more dominant like the cement sector or a few of the infrastructure execution companies or in the southern part of India.

So, definitely the focus is overall not only covering more geographies, covering more sectors across the economy and also capturing in the smaller pockets looking at more and more dealers and distributors to really making it a more welder friendly experience because see ultimately this product is not going to be used by you or me. It is going to be used by a welder. So, it has to be a welder friendly product and the welder only finds it friendly when he is able to use it seamlessly, execute it on the project. So, that experience has to be very good. So, that is something that we are working on relentlessly.

Coming to your second question about how much of the wallet share would we have of these five to six big customers like BHEL or NPCIL. I think currently in India there are very few and I when I say very few I think there are only two or three max customers who are actually approved to supply to these client customers. Like even when I said NPCIL we took the approval of NPCIL we were the second or the third company only in the country to actually bag this approval prestigious approval even to BHEL. In fact DRDO we are one of the most committed customers who supply to DRDO regularly and we in fact do tailor-made products for them. So, I would like to believe that we are holding a high market share of their wallet share of their expense on this product.

Moderator: Thank you. We'll take the follow-up question from Kumar Saurabh. Please go ahead.

Kumar Saurabh: Hello ma'am. My question is on the margin side. One if you can explain the nature of contract like once a contract we get is it executable in six seven months. The main question let's say in between the prices increase. So do we have some kind of pass-through clause or we have to wait for two three months and next set of contracts we will increase the price. How do we protect our margins?

Payal Agarwal: No. So, as I said that we do not there is no market practice of entering into a long-term contract in this. It is not that okay BHEL is executing

this project and it enters into a long-term contract with us to supply the welding consumables. Welding consumables itself by nature will have a very small percentage in the entire project execution. It is about 2% of the steel which is going to be consumed. So, that ways there are no long-term contracts per se.

Definitely approved vendors can only participate and when they place orders with us then that project they will continue to procure as and when the need comes either directly through us from us or through the dealer distributor in that area where the project is being executed. Like for example, I will say L&T executes projects pan India. So, there are 100 sites operational where L&T is procuring. So, they will have a centralized procurement division where they will send us the requirements but also the localized site because they cannot hold on to such huge inventory they will also keep procuring it from the local dealer distributor there who we are stocking with also.

So, as far as price increase, that element of risk where if the input prices have increased and are we able to pass them on? Yes, we are able to pass them on. There is a lag of anywhere between 15 to 25 days to pass on that price increase because definitely it doesn't happen overnight that if today's steel prices have gone up tomorrow I'm able to increase the price immediately for my finished good but that is also as far as reduction in prices is concerned.

As soon as the reduction happens FGE prices don't get slashed the very next day. So, that ways definitely I will say that there is a overall pushing a protection mechanism to the rise in steel prices otherwise definitely the gross profit margins wouldn't have remained intact if you see.

Kumar Saurabh: Got it. And ma'am second question is on this growth we are projecting a 25%, 30% growth. One will obviously come from the volume because we are at 60% utilization and some capacity expansion. How much of growth you are expecting from volume versus value like our per metric ton realization do you see that also improving because we are getting into defence and some of these sectors. So, how do you answer the growth between volume and value we should look at?

Payal Agarwal: I would say it would be roughly between 60% to 40%. I would say a lot of it would also come from volume and by volume I'm not only talking about mass commodity products but value you as I see this the nature of this industry is the entire as I am being repetitive here but I'll say that the entire project will only use 2% of its cost as welding consumable.

So even if I talk about a huge product like if it's a $100 billion it would be a $2 billion welding consumable, fairly good for us but for the entire project it's less.

So, I would say definitely a huge part of this growth 25% to 30% as you mentioned is going to come from volumes because we are looking at massive scaling up capacity utilizations.

Kumar Saurabh: Okay, thank you madam.

Moderator: Yes, welcome. Thank you. We'll take a follow-up question from Sargun Sohan. Please go ahead.

Sargun Sohal: Hello, am I audible? Ma'am, I had one follow-up question. Ma'am, beyond the land monetization what are the near-term priorities for inorganic growth or strategic partnerships and are there specific product gaps or geographic markets that you are currently or actively evaluating as of now?

Payal Agarwal: So, apart from land monetization frankly I wouldn't say I would say the land monetization and the revenue the cash accrual is actually flowing from the land monetization is going to be where -- is going to be pumped into the inorganic growth acquisitions. That is going to happen from the cash accruals. So the strategy behind it is not to make these acquisitions a debt-heavy proposition for the company. That is the strategy behind it because sometimes it so happens that in the race to add on to the top line numbers the debt burden becomes quite heavy and that is something we are strategically manoeuvring and we do not want to add to the company.

Hence, I said that taking the cash accrual from the real estate. As far as geography and areas that you asked that we are looking at we are definitely we are already eyeing at few geographies also as I mentioned southern India. In fact, pan India there is a lot of work going on, on project be it the freight called the industrial freight corridors be it the power set up the nuclear power capacity set up only. Right now it is at 8 gigawatts and the country the government is looking at taking it up to 3x times by 2031 and taking it up to 100 gigawatts by 2040.

So, there is a lot of work going on over there. So, if I talk about sectors definitely I would say if I had to put my -- if with the areas that we are eyeing are definitely energy, steel and infrastructure, I would say defence and I think railways is another one. So these would be the four sectors that we are definitely going extremely bullish on. We are we of

course are very present in all these sectors but we are definitely working very aggressively in them.

Sargun Sohal: Okay, thank you so much ma'am.

Payal Agarwal: Thank you.

Moderator: Thank you. We will take another follow-up question from Praneeth Bommisetty. Please go ahead.

Payal Agarwal: Yes, Praneeth. I am actually glad that Praneeth you are so interested in the company it is always very good to have questions coming from all of you.

Moderator: Yes. Praneeth, are you there? I think Praneeth is not responding. Anybody who wishes to ask a question please use the option of raise hand. Ma'am since there are no further questions would you like to give any closing comments? I think there is a question from Kumar. Kumar Saurabh, please go ahead.

Payal Agarwal: Yes.

Kumar Saurabh: Ma'am, I had one question I think somewhere in presentation and somewhere I read we have resources and human resources and somebody who is very senior in the welding industry and all. So, I want to give you some highlight about the intellectual and human resource skills we hold and how why this is important for this industry and how it can help us to grow beyond the commoditized part if you can help us to understand.

Payal Agarwal: Yes, very brilliant question Kumar actually. So see before I answer this question actually as a prelude I probably would it would be justified for me to give make you understand what the nature of this product is. So, now this product of course as the name is it is a welding consumable it joins any two metals. Wherever you see any two metals which are joined be it in the window grill of your house or be it in the largest nuclear reactor plant in the country, wherever any two metals are joined or in the railway coaches that we fly in or the aircraft carriers or anything, anything and everything the welding consumable is what joins the two metals.

So, what happens is that see when we are talking about very mass application like a window grill or generalized applications the quality of it might not be of super -- might not be a very high priority but when

we are talking about projects which are costing trillions of dollars and which actually also take into account human lives in consideration be the nuclear reactor plants even the pipelines carrying those, the chemicals, the pipelines, the freight corridors the highways the everything. So there it is of paramount importance that high quality welding consumables are used in order to protect the joint that is there because no one can actually risk even a 0.0001 defect in the weld that has been done in the joint that has been done because I am sure you can understand that even a 0.1% of millimetre of a leakage can cause actually huge losses to human lives as well as all the infrastructure and all the money that has gone into making that infrastructure.

So that is where actually high quality and very experienced personnel are important in this industry because it is not a D2C product/ It is not a consumer product which is okay I didn't like it I didn't like the taste or I didn't like the packaging I didn't like it, I switch tomorrow and I use something else. That is not the nature of this product. Because of its industrialized nature, because of its criticality in application it is of prime importance that key people are at the helm of the research and development of these products and that is why our company is proud to say that today in the country we have the best minds and the most experienced people with us in this journey forward.

So, that in fact also makes us very bullish makes us extremely confident of taking off from the levels that we are and going up to INR 1,000 crores and beyond.

Kumar Saurabh: Okay and ma'am one more question on the industry structure because in the listed space we hear only about competition from Ador and ESAB but I don't know if there are only three four big players or GEE has more competition because when we are guiding for a 25% kind of growth the industry growth is 6%. So either we are gaining market share from somebody or maybe new product lines or new -- the business is expanding overall sector is expanding. So, from where this additional growth will come will it come from competition and what kind of competition unorganized competition or you will be taking market share from the other two players if you can highlight.

Payal Agarwal: So, as I said see definitely when I talk about 25% vis-à-vis a 6% these numbers look very dramatic also. But if I talk about the overall market share then I am talking about going from a 6%, 6.5% to only a 12% which is fairly achievable. So, that A, of course the market is going to come from the unorganized because there's a huge tectonic shift happening from the unorganized sector to the organized market. So,

today if it's a INR 12,000 crore market then around a 45% to 50% is lying in the unorganized sector where today if we are now substituting European inputs and imports in this industry, so, what we are doing is earlier all these defence carriers and everything that was also being built was all being built from imports from Germany or from European countries.

Today with the impetus from the government on make in India these imports are being substituted and of course Indian players are developed to manufacture these components. So when if we being asked to substitute European imports it is extremely relevant that this unorganized market now converts into organized. That is one area where a huge growth factor is going to come in from there. Of course also stepping into and taking a bit of market share from here there are a lot of regional players also currently which are operating which actually if you've seen the longer scheme of things start becoming more and more unviable.

So, that is something that we are also looking at. So, I wouldn't say only eating up the share of the two or three names that you are looking at but also definitely there are smaller players here there across India. In fact if you go to the middle if you go to the -- I think Madhya Pradesh and all this the central belt of India there are a lot of fabrication shops there in the entire Raipur and that belt, Nagpur, Raipur belt. So, that is also a huge potential to convert into the organized sector.

Kumar Saurabh: Got it. Thanks a lot ma'am and wish you all the best.

Payal Agarwal: Thank you. Thank you so much.

Moderator: Thank you. I think Praneeth has raised hand. Praneeth, are you there?

Praneeth Bommisetty: Yeah. So I think my previous participant also asked most of the question. So, just one little nuance in that. Ma'am you also in the past commentary you mentioned that southern part of India is not necessary for the growth you are looking at but right now you are mentioning that we probably will be expanding into the south. Could you explain why did we shift our strategy in that?

Payal Agarwal: No, I think there has been some disconnect over there. I don't think I mentioned ever that southern part of India is not important for our growth. The whole of the country is undergoing a lot of -- in fact the entire Chennai belt and region is also seeing a huge impetus in the industrial growth scenario. So definitely south India is a very key part

and as I mentioned that that sector is something we are definitely eyeing and we are looking at improving and increasing our presence in that sector. I hope that explains if there is any disconnect.

Praneeth Bommisetty: Yeah, got it ma'am. Understood. So but would transport play a huge part in this also because I understand our plants are in the north and right now and in central part, but coming to the southern part will we be at a disadvantage coming there or how is it going to work?

Payal Agarwal: No, see right now we are strategically located in both east and western part of India. So I think from both locations actually supplying to the south of India is equidistant more or less. I don't think that way there is so much of because there are no other very a lot of industries or factories there. So I think we can comfortably cover that market in fact the entire Andhra belt and the Telangana and the Tamil Nadu belt as well.

Praneeth Bommisetty: Got it ma'am. One last final question is with regards to you were mentioning the key part of our growth has also been import substitution. Could you explain how what can -- how has the trend been in the last few years because I understand we were able to actively substitute and government is also putting a lot of duties up that were not allowing them. So, at its peak what kind of imports were we kind of India was importing and how much of the Indian producer was able to substitute today?

Payal Agarwal: I think that would be a more trade question. I don't think I would be adept at answering that how much import was the country doing at what levels at its peak levels. I think that would be something that I would have also have to read up but definitely across sectors the entire industry instructed I would say instructions are to take from the indigenous manufacturers.

Praneeth Bommisetty: Got it, ma'am. That's it from my side. Thank you for your answers.

Moderator: Thank you. Due to time constraints we'll take the last question from Kumar Saurabh. Please go ahead.

Kumar Saurabh: Yeah ma'am. One last question I have. So, ma'am the last six months it has not been that great with the war and all this geopolitics and in such a market we are giving a projection of a 25% growth and a margin improvement and also we are not in a business where we have three year, four year kind of order book which gives us visibility. So, what is it which gives you that kind of confidence that in medium term this kind of growth rate and margin improvement is sustainable?

Payal Agarwal: So, see overall also this industry if you see the pattern over the last however many years, the first two quarters for India also it's a slightly seasonal kind of an industry because with the monsoon and with everything infrastructure execution implementation is a bit on the downward side. The last two quarters of course the last quarter is very good for all industries but the last two quarters are where work also picks up in this industry.

So, that is why if I see that if you see historically also company has done around 55%, more than 55% I think revenue in it's H2 rather and 40% to 45% in H1. Again as I say that of course this quarter was a more of a temporary quarter as because of the war situations and ongoing geopolitical turmoil. However, India has shown its resilience and the micro resilience is actually reflecting in all its macro numbers also and that is why that's where the confidence is coming and we are seeing work happening on ground. So, that is why the confidence is coming that yes, we will be able to pull off the numbers that we are promising.

Kumar Saurabh: This is not only for FY27 but for next two three years.

Payal Agarwal: Yes, yes, yes absolutely. I'll -- in reverse just ask you Kumar that do you think that there is any way apart from upward and onward that India cannot go into? Leave aside the ongoing global political tensions or anything because India is at that I would say the helm of at that helm where there is no other direction but for it to go upward.

So, that is why there is a lot of work happening, there is a lot of consumption which is internal, which is domestic which spurs this kind of investment also and which makes it reasonable and practical.

Kumar Saurabh: Great, thanks ma'am. Wish you all the best.

Payal Agarwal: Thank you so much.

Moderator: Thank you. Ma'am since that was the last question would you like to give any closing comments?

Payal Agarwal: Yes, I think I would just like to thank everyone for joining in and asking and definitely it always is a wonderful time to hear and I'm -- if I'm -- I hope I've been able to put your questions and I've been able to satisfactorily answer them all and we are looking at a great year ahead. Thank you so much everyone.

Moderator: Thank you ma'am and thank you to all the participants for joining on this call. This brings us to the end of this conference call. Thank you.

Payal Agarwal: Thank you.