

Sec/Coat/009/FY 2026-27

Dated: 11.05.2026

The Secretary
BSE Limited
New Trading Wing,
Rotunda Building,
PJ Tower, Dalal Street,
Mumbai- 400001
Scrip Code: 539046

The Manager
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block "G"
5th floor, Bandra Kurla Complex,
Bandra East,
Mumbai- 400051
Symbol: MANAKCOAT

Dear Madam/Sir,

Sub : Transcript of the Earnings Conference Call on Audited Financial Results of the Company for the quarter and year ended March 31, 2026

In continuation to our Letter dated April 28, 2026 and pursuant to Regulation 30(6) and Regulation 46(2)(oa) read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the Earnings Conference Call on Audited Financial Results (Consolidated and Standalone) of the Company for the quarter and year ended March 31, 2026, is available on the website of the Company at www.manaksiacoatedmetals.com.

We request you to take the same on record.

This is for your information and for public at large.

Thanking you,
Yours faithfully,
For Manaksia Coated Metals & Industries Limited

Shruti Agarwal
Company Secretary & Compliance Officer
Membership No. : F12124



“Manaksia Coated Metals & Industries Limited
Q4 FY26 Earnings Conference Call”
May 07, 2026



MANAGEMENT: **MR. KARAN AGRAWAL – WHOLE-TIME DIRECTOR –
MANAKSIA COATED METALS & INDUSTRIES LIMITED**
**MR. MAHENDRA BANG – CHIEF FINANCIAL OFFICER –
MANAKSIA COATED METALS & INDUSTRIES LIMITED**
**MR. TUSHAR AGRAWAL – SENIOR VICE-PRESIDENT –
MANAKSIA COATED METALS & INDUSTRIES LIMITED**

MODERATOR: **MS. SANA KAPOOR – GO INDIA ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to the Q4 FY26 Earnings Conference Call for Manaksia Coated Metals & Industries Limited hosted by Go India Advisors. 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Sana Kapoor from Go India Advisors. Thank you, and over to you, ma'am.

Sana Kapoor: Thanks, Dorwin. Good afternoon, everyone, and welcome to Manaksia Coated Metals & Industries Limited earnings call to discuss Q4 and FY26 financial performance. Today, we are joined by Mr. Karan Agrawal, Whole-Time Director; Mr. Mahendra Bang, Chief Financial Officer; and Mr. Tushar Agrawal, Senior Vice President.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risks that the company faces. May I now request Mr. Karan Agrawal to take us through the company's business outlook and financial highlights, subsequent to which, we will open the floor for Q&A. Thank you, and over to you, sir.

Karan Agrawal: Thank you, Sana. Good afternoon, everyone. A very warm welcome to the Q4 and FY26 Earnings Call of Manaksia Coated Metals & Industries Limited. I'm Karan Agrawal, Whole-Time Director of the company, and I'm delighted to host you today, our valued analysts, investors and stakeholders who have taken the time to join us.

Today, we will walk you through our financial and operational performance for the quarter ended 31st March, 2026 as well as for the full financial year FY '26. Following my opening remarks, we will open the floor for a Q&A session. Our financial results and highlights are available on our website, www.manaksiacoatedmetals.com as well as on the stock exchange portals.

Before we dive into the numbers, I want to take a moment to set the context for the year that was FY '26. It was, in many respects, a year defined by two parallel stories, one of remarkable strategic progress and financial strength and one of unprecedented external disruptions that tested our operational resilience.

The macro environment, particularly the escalating conflict in the Middle East, created significant headwinds across global supply chains, logistics, energy markets and commodity costs. Freight rates surged by nearly 100% quarter-on-quarter. Industrial fuels such as propane and LPG witnessed an unprecedented shortage with prices spiking by almost 200% within a fortnight.

Key raw materials and consumables, many of which are petrochemical byproducts saw cost escalations in the range of 50% to 75%. Metal prices, including aluminum and zinc, climbed to 5-year highs. Supply of critical inputs was severely disrupted, delaying the execution of high-value export orders.

These are not excuses. They are the reality of global operating environment that every participant in our industry had to navigate. And I am pleased to say that our company navigated these headwinds with discipline, agility and a clear strategic focus. Our full year numbers bear the testimony to that.

Let me begin with the headline. Financial year 2026 has been our strongest year on record across virtually every financial and operating metric. Revenue for the full year on a consolidated basis grew by 13.5% year-on-year, crossing INR896 crores. This marks a significant milestone as we move towards the INR1,000 crores revenue landmark.

Price realization per ton improved meaningfully to INR82,193 per ton in FY '26 compared to INR73,622 per ton in FY '25, reflecting our deliberate shift towards higher value-added products and better product mix. Our EBITDA for the full year stood at INR92.21 crores, a strong increase of 49.21% year-on-year.

EBITDA margin for the year expanded by 246 basis points to 10.29%, reflecting our improved operational efficiency and product premiumization. EBITDA per ton touched INR8,838 per ton, growing 43.54% year-on-year, a clear measure of value we are adding per unit of production.

At the bottom line, our profit after tax for FY '26 grew by an exceptional 164% year-on-year, touching INR40.69 crores. PAT margin expanded by 259 basis points to 4.54% for the full year. Our earnings per share registered an increase of 211% year-on-year, touching INR4.32 per share for FY26.

Equally significant is the improvement in our balance sheet strength. Our interest coverage ratio touched 2.85x compared to 1.63x in FY '25. The current ratio reached an all-time high of 1.75x, improving from 1.35x. Our debt equity ratio improved substantially to 1.13x from a level of 1.81x in FY '25.

Most importantly, we achieved our targeted net debt-to-EBITDA ratio of 1.01x in FY '26, a remarkable improvement from 1.93x in FY '25. This demonstrates that we are not just growing profitably, we are growing with financial discipline and balance sheet rigor. I'm pleased to share that our external credit rating was upgraded in FY '26.

Long-term rating was upgraded to A from A- and short-term rating was upgraded to A1 from A2. This upgrade is a recognition by independent credit rating agencies of our strengthened financial position and improved debt management practices. Turning to our quarterly performance. Q4 of FY '26 was a quarter of strong sequential recovery even as the Middle East crisis created headwinds that temporarily weighed on margins.

This quarter's performance reflects the stabilization phase following the successful commissioning of the alu-zinc technology upgrade. While steady production and quality have been achieved, the capacity utilization is being ramped up in a phased and incremental manner. Revenue for Q4 FY '26 stood at INR228.74 crores, registering a robust 20.45% growth quarter-on-quarter and a 9% growth year-on-year.

EBITDA for Q4 FY '26 stood at INR15.64 crores with an EBITDA margin of 6.84%. The year-on-year softness in Q4 margin was entirely attributable to the extraordinary cost escalation in energy and raw materials triggered by the Middle East conflict, which compressed margins in the quarter.

We want to be transparent. This was a onetime shock that materially elevated our input costs, and it is not reflective of the underlying earnings power of the business. The important fact that should be shared with you is that we are successfully able to pass through the entire impact of the incremental costs to our customers, and we have strong visibility of EBITDA earnings for the quarters yet to unfold.

PAT for Q4 FY '26 was INR5.37 crores, registering a growth of 6.73% year-on-year with a PAT margin of 2.35%. I would now like to invite Mr. Tushar Agrawal, Senior Vice President in the company, to share insights about operational highlights for the full year of FY '26, along with important updates on projects and investments in pipeline and future outlook. Thank you very much. Over to you, Tushar.

Tushar Agrawal:

Good afternoon, everyone. From an operational standpoint, FY '26 has been a year of meaningful progress across all dimensions. Production of galvanized and alu-zinc coated steel reached 1,03,036 metric tons for the full year, registering a growth of 2.21% year-on-year. Production of pre-painted steel grew by an impressive 12.78% year-on-year to 83,594 metric tons for FY '26.

Perhaps the most important operational shift in FY '26 is the sharp increase in value-added product mix. Pre-painted steel, our highest value product now constitutes 80% of total quantities sold in FY '26, up from 74% in FY '25. This is a deliberate and consistent strategy of premiumization, and we are pleased with this trajectory.

On the exports front, FY26 was a watershed year. Export tonnage touched an all-time high of 66,172 metric tons, growing 110% year-on-year compared to 31,453 metric tons in FY '25. The share of exports as a percentage of total revenue grew 68.21% -- sorry, share of exports as a percentage of total revenue grew to 68.21% in FY '26 from 39.21% in FY '25, a growth of 97% year-on-year.

This demonstrates both our global market acceptance and the competitiveness of our product quality. I'd like to take you through some of our strategic projects. In FY '26, the year has been of significant strategic investments that will shape our growth trajectory for the years ahead. Let me briefly update you on each.

The first is the alu-zinc coating technology upgrade. Our most transformative project of the year, the aluminum-zinc coating line was commissioned at the end of December '25. MCMIL has emerged as one of the few producers in India with 100% aluminum-zinc coating capacity. This upgrade increases our capacity from 1,32,000 metric tons to 1,80,000 metric tons.

A 36% increase, and positions us as a premium coated-steel segment, offering superior corrosion resistance, enhanced surface finish and longer product life. Customer acceptance has

been excellent. All long-term customers have appreciated the quality and pledged long -- strong orders for H1 FY '27.

Importantly, we are able to pass through 100% of the incremental cost to these customers and are seeing strong EBITDA per metric ton visibility on all new alu-zinc sales. The second color coating line, which is the Phase 2 expansion, we have placed an order with Mas Rollpro Limited for our second color coating line, which is in advanced stages of erection and commissioning with a targeted completion date of July '26.

This line will add 150,000 metric tons of color coating capacity, taking our total capacity from 86,000 tons to 2,36,000 tons, a 174% increase. This will significantly expand our ability to serve a larger and more diverse customer base and drive higher contribution margins. The 7-megawatt solar power plant.

In line with our commitment to green energy and ESG principles, we have issued a purchase order to Prozeal Green Energy for a 7-megawatt captive solar power project in Gujarat. This project is also targeted for commissioning by July '26. The project will offset 50% to 55% of grid power dependency, significantly reducing our per-unit power cost and lowering our carbon footprint, all of which contribute to long-term competitiveness and sustainability.

On our technology and customer management front, we have finalized Salesforce as our preferred CRM platform. This will give us 360-degree customer visibility, strengthen our sales pipeline management, improve demand forecasting and build stronger data-backed customer relationships as we scale our business.

The outlook for H1 FY '27 and beyond. Looking ahead, we enter FY '27 with strong operational momentum, improved financial health and significant capacity additions coming on stream. The ramp-up of our alu-zinc line, the upcoming commissioning of our second color coating line and the solar power plant are all expected to meaningfully contribute to revenue, margins and profitability from H1 FY '27 onwards.

Customer feedback on our new alu-zinc and pre-painted alu-zinc products has been very encouraging. Order visibility for H1 FY '27 is strong from both domestic and export markets. We expect the demand environment to remain robust. And with the normalization of energy and raw material costs, assuming no further escalation in global conflicts, our margin recovery in H1 '27 should be meaningful.

We remain committed to our stated strategy of premiumization, export growth, capacity expansion and balance sheet deleveraging. Every action we have taken in FY '26 from alu-zinc upgrade to credit rating improvement to reduction in net debt to EBITDA is in service of building a stronger, more resilient and more profitable MCMIL.

In closing, I want to express my sincere gratitude to our Board of Directors for their guidance and governance, our employees and teams at every level of their hard work and commitment, our customers for their trust in MCMIL's products and partnerships and our investors and analysts for your continued confidence and support.

FY '26 was a year we can be proud of, not just for the numbers, but for what they represent, a company executing on its strategy, strengthening its fundamentals and investing in its future. Even in the face of significant global adversity, we look forward to sharing even stronger results in the quarters ahead. With that, let me hand over to the moderator to open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. Our first question comes from the line of Jayam Birawat from Yes Securities. Please go ahead.

Jayam Birawat: Firstly, congratulations for a great set of numbers and really liked your detailed presentation. A couple of questions from my end. Firstly, can you please help me with what is the total capex outlay planned till FY '28? And how will it be funded?

Karan Agrawal: Well, I think the project-wise capital outlay that we have for the current projects in pipeline are for the second color coating line, which is going to commission in Q2 of FY '27 is roughly about INR65 crores. And the solar captive power plant, which is also going to commission in the Q2 of FY '27, the capital outlay is INR30 crores. And both these projects have been funded by a healthy mix of debt and equity, where the proceeds from the last fund raise have been used for the contribution of equity and debt has been taken from PSU banks in India.

Jayam Birawat: Okay. The company is aggressively expanding capacity, 2 to 3x across segments. So what gives the confidence that demand will keep pace, especially in export markets where the 80% of the order book is concentrated?

Karan Agrawal: So I think what gives us confidence is that we have achieved 80% export rate while climbing from lows of 20%, 25%, which was 3 years, 4 years back. So every year, we have been seeing an incremental growth in our order book, in our export numbers, in our Q-on-Q performance, where we have reached from a level of 20%, 25% export revenue to today, a level where we are touching 70% export revenue. And this has been a very consistent curve of growth.

It has not been erratic. It has not been seasonal. It has not been onetime. And this gives us the confidence that the way we are trying to penetrate the market and build long-term relations with OEMs in the overseas markets with long-term MOUs, obviously, with -- we are satisfying their commercial and quality needs and service needs is giving us the confidence that we can maintain growth of the export business.

The rate of growth will definitely not be the same where, from FY '25 to FY '26, we have doubled our exports. We have grown at 100% year-on-year. The growth rate will definitely slow down because it's not practical to expect 100% growth each year. But I can assure you that we are quite confident of growth in the units of the revenue that export contributes as well as the tonnage of exports that we are achieving.

Jayam Birawat: Okay. And like with the shift from galvanized to alu-zinc, what is the sustainable EBITDA upside? And is it driven by pricing power or cost efficiency?

Karan Agrawal: I think the sustainable level of EBITDA that alu-zinc can contribute to our business on a long-term basis would definitely be superior to what we have been earning while selling galvanized

-- while producing and selling galvanized and pre-painted galvanized. Now the question is how much of a premium. Now that can be answered by many aspects that are -- few are within our control and few are not in our control.

The ones that are in our control is our costs, is our efficiencies, is our yield, is our capacity utilization. And the ones that are not in our control are external factors like geopolitical environment, demand, competition, etcetera. So I think it will be wrong for me to give a round figure or a number to you. I can only tell you that the product per se, which is alu-zinc and pre-painted alu-zinc is definitely a product that is a more profitable product, both in terms of costs and price realization. The extent of premium achieved or EBITDA per ton margin achieved is a whole contribution of many factors, internal and external.

Jayam Birawat: Okay. And last question from my end. Like, what is the progress on setting up the CRM complex? And will the capacity make you 100% captive for HRC?

Karan Agrawal: Okay. So we do have ambitions to do backward integration and set up a cold rolling complex, which basically reduces our dependability on the current raw material, which is cold-rolled steel. It will definitely open our access to many more flexible options of buying raw material from domestic and international sources.

And it will improve the efficiency of our inventory management and raw material flexibility. Now we have not yet fixed any date to this project. We do want to do this within FY '28. That is our -- that is the blueprint that we have decided upon. We are yet to work on the nitty-gritties of financial tie-up, supplier selection and all the other needs of the project. So I can say that we definitely have the ambition to do it and to do it within FY '28. And I think as soon as we complete the projects on hand, which is the second color coating line, the solar power plant, this would be the next on our list to embark upon.

Moderator: Our next question comes from the line of Jatin Damania from Svan Investments.

Jatin Damania: So just wanted to understand your breakup in terms of your capex that we are doing. So once we complete our entire capex by FY '28, what sort of potential revenue one can expect from the facility that we'll be having at the peak utilization?

Karan Agrawal: So if we are talking about FY '28, I'm assuming that you are asking after the anticipated projects of cold rolling mill and the second alu-zinc plant. Am I right?

Jatin Damania: Right.

Karan Agrawal: Yes. So if these projects are actually started and completed within FY '28, we will have installed capacity of 3,60,000 tons for cold rolling, followed by 3,60,000 tons of alu-zinc, followed by 2,36,000 tons of pre-painted alu-zinc. So we have to assume a certain capacity utilization. It cannot be at 100% capacity utilization.

So assuming that a 3,60,000 ton unit is producing -- is having a capacity utilization of roughly about, let's say, 80%, 85%, which is normal in our industry, which means production and sale

of between 3 lakh tons to 3.2 lakh tons, which has the potential to generate a revenue of anywhere in the range of INR2,500 crores to INR2,700 crores per annum. Yes.

Jatin Damania: And sir, when you indicated now probably we will be starting our green -- focusing on green power and our 7 megawatt of facility is likely to come in FY '27, so what sort of incremental benefit one can estimate from the power savings for the full year?

Karan Agrawal: The captive solar power plant of 7 megawatts that we are investing in will give us access to renewable power, which will replace roughly about 50% to 55% of our energy dependency on the grid. In terms of monetary savings, it has the potential to basically generate savings of between INR7 crores to INR7.5 crores per annum just in terms of power cost.

Jatin Damania: So that will start reflecting from Q2 of financial year '27, right?

Karan Agrawal: The project is currently in a phase where we are expecting it to get commissioned within Q2. Now it all depends which period of Q2 it actually starts giving the contribution. Whether it's the first month, second month or third month of Q2, that is yet to be really -- I cannot tell you the exact day and date. But at least partial impact will be felt in Q2 and full impact will be felt in Q3 for sure -- Q3 onwards for sure.

Jatin Damania: And that full INR7 crores benefit shall get reflected in FY '28 and probably in FY '27, we'll see a part benefit of that.

Karan Agrawal: Yes, we can see half of the benefit in FY '27, yes.

Jatin Damania: And with the completion of all the projects and the revenue of INR2,500 crores that you indicated, what sort of ROCE you guys are -- I mean, what sort of ROCE one should assume on the company level? And if you can break up your IRR or ROCE breakup for the CRM and the new coating line, that would be great.

Karan Agrawal: See, Jatinji, the ROCE that you are asking for FY '28 is based on a lot of assumptions and projections, which are all hypothetical. So I can only tell you that we are aspiring to do projects and invest in projects that are having high ROCE rates, which are definitely above 20%.

So I mean, for me to tell you what will be the ROCE of the project is very difficult at this point of time because we have still not put in the money for the project, right? We are just -- these are all Excel sheet workings at the moment and based on projections and numbers that are hypothetical. Therefore, I can tell you that any project that the company invests in will definitely be under an assumed targeted ROCE of upwards of 20%.

Moderator: Our next question comes from the line of Deepesh Sancheti with Maanya Finance.

Deepesh Sancheti: Yes. Do you expect this elevated cost environment in raw material to persist for Q1 FY '27 as well as for the going quarters ahead? If yes, then can you quantify the likely impact on margins and EBITDA per ton?

Karan Agrawal: Yes. Good question, Deepeshji. See, as we stand today, it is already the second month of the quarter that you are asking the question for. And the situation with the geopolitical environment and the conflict is known to all. The cost of crude oil, the situation of the rupee against the dollar is again known to all.

And the costs of all petroleum byproducts, metals like aluminum and zinc remain at an elevated level. Therefore, I can tell you that the cost structure of inputs of raw materials, of consumables, etcetera, as we speak today, remain consistent at a high level, which we have experienced since the start of the conflict.

However, the good part is that in the last month or so, let's say, since the beginning of April, all the new orders and the new contracts that the company has been entering into with long-term customers, both domestic and international, we have been able to pass through the entire impact of the incremental costs.

Whether it's on the energy side, raw material side, consumable side, freight side, everything to the customers in the new pricing and the new costing that we are doing. So the impact on the margins will not be negative. Rather, I would say that we have kept a good buffer in our costings and in our calculations to -- because the situation is so dynamic and unpredictable that we feel that our margin situation should be drastically better than what we experienced in Q4 of FY '26.

Deepesh Sancheti: Right. And with net debt to equity at 1.12, how much leverage increase is expected during the capex cycle? And do you have any threshold as to how much debt-to-equity ratio you want to maintain or you want to go at max?

Karan Agrawal: Well, as of now, due to the equity fund raise that we did last year as well as the earnings that the company has enjoyed in FY '26, we have been able to take impact of both these infusions and earnings into our debt-equity ratio for a favorable outcome, and we have achieved 1.13x. I feel that even in the situation of having capex incoming in the upcoming quarters and the upcoming years, we definitely want to be conservative on the leverage front.

And I cannot tell you what will the ratio be going forward, but I can definitely tell you that the company does not have any plans to go aggressive for leverage, and we will definitely not breach a level of 2x. I mean that is also extremely high in my view, but we will definitely not breach a level of 2x, and we'll strive to actually be anywhere in the range of between 1x to 1.5x.

Deepesh Sancheti: Okay. Just want to understand how quickly are you able to pass on the cost pressures as well as any cost benefits? Now let's say, if the crude comes down and things become normal as they were, how fast will the cost reductions will take place? And what will be our -- will that affect our EBITDA margins in the positive way since there will be a lag in passing on the cost?

Karan Agrawal: Absolutely. I think you have rightly said that just like how we faced a shock when the conflict began, where we had to absorb a shock of increased costs in Q4 after the war started in late February, in the same manner, in case we have to assume a situation where all the costs of energy, freight, everything starts plummeting and going down, we will definitely have a

window of opportunity where we will be experiencing a lower cost environment in terms of our production and shipments.

But we will be enjoying prices that we have concluded beforehand, which are of the higher cost kind of a costing structure. But I think, overall, these are very short-lived periods and windows. These are not consistent. We cannot enjoy arbitrage period beyond a month because that is not sustainable, number one.

And number two, it is not fair for the seller or the buyer. So I think these kinds of impacts in our business are short-lived. I would say anywhere between 1 month to 2 months is the maximum period where one would want to -- one would need to absorb any shock or enjoy the benefits of a lower cost environment. It would become equilibrium, post that.

Deepesh Sancheti: So max 1 quarter, it will get affected. That is what I can -- I mean, is it safe to assume?

Karan Agrawal: I think that would be pretty much a good way to summarize it, yes.

Deepesh Sancheti: Yes. And is the company having any particular target of ROE because we maintained at around 14%, which is decent. But if we see, the historic ROE has been always lower. So are we able -- will we be able to maintain this ROE going forward also?

Karan Agrawal: So I think when we did raise external capital last year and we did all these investments in the alu-zinc technology upgrade, the second color coating line, the solar power plant, et cetera, these were all basically to elevate the ROEs and ROCEs, which were at a lower kind of a level, which we were not happy with.

And I think now that the fund raise is actually being put to use and the revenue generation has started from the start of this calendar year or, let's say, the true realization of the incremental impact on ROE and ROCE will be felt in FY '27 when all these investments are going to start churning revenue and giving contributions to the EBITDA earnings. And as far as the percentage is concerned, you are seeing it at 14% today. I think with the contributions of the upcoming projects of the second color coating line of the solar power plant and the better capacity utilization of the alu-zinc line, I think, in my view, things should rather improve further.

Deepesh Sancheti: Okay. And we don't have any further fundraising plans as of now, right, since you're not doing any capex?

Karan Agrawal: The capex that we intend to do after these projects that are getting commissioned in Q2 of FY '27, like I said before to one of the participants, is that the backward integration project of the cold rolling mill would be the next project that we would like to embark upon. However, it is too early to comment whether we will be wanting to raise any fund from the market or not for this project.

Moderator: Our next question comes from the line of Yash Purbhe with Inved Research.

Yash Purbhe: Thank you for this opportunity. I just wanted to ask like overall vision we have a vision to grow 3x of festive season. What is the road map to achieve that?

Moderator: Sorry to interrupt, Yash, but your line is very bad in clarity.

Yash Purbhe: So I just wanted to ask like what is the road map to achieve the vision of FY '29 of 3x growth and what are the key drivers behind that?

Karan Agrawal: The vision -- thank you for your question, Yash. The vision for our growth up to FY '29, having the ambition to become 3x in revenue and profitability are mainly driven by our ambitions to increase capacity to 0.36 million tons and having backward integration of cold rolling as well as horizontal capacity expansion in the alu-zinc production capacity. So I think if we are able to successfully achieve all these ambitions, we will achieve our vision of having a 3x P&L and balance sheet by FY '29.

Yash Purbhe: And sir, what do you think could be the key challenges in achieving this?

Karan Agrawal: Key challenges in achieving this vision -- well, I mean, again, this would be a very theoretical answer, but anything to do with government policies, external geopolitical conditions, GDP of the country, demand of the country, public sector and private sector projects in the country would -- all of these would define. How much investment is being done for the growth of the country in critical projects, in infrastructure building and our ability to fund the projects on time and at lower cost, I think all of these factors would be quite crucial to determine the success of these investments.

Yash Purbhe: Okay. And sir, my last question would be, what would be the sustainable EBITDA margin for the medium term? And what could be the peak EBITDA margins we can expect going forward, all your projects are live?

Karan Agrawal: At the moment, for FY '26, we have achieved an EBITDA margin of double digits. We have crossed 10% in terms of our EBITDA margins. And for the foreseeable future, with the new product, with the upgraded technology, with the ramp-up of exports, we feel that an EBITDA margin of anywhere between 10% to 12% is possible and sustainable.

Moderator: Our next question comes from the line of Jay Mehta with Navkaar Capital.

Jay Mehta: I just wanted to congratulate on great set of numbers despite recent macro changes in the global scenario. Sir, I wanted to ask about the alu-zinc line. I just want to understand whether any new export market is opening up for us since we are opening this value-added product?

Karan Agrawal: Thank you for your question, Mehtaji. I think, yes, it's a very relevant question, and this is something that we are working on every day. There are several markets in the world that have a preference for an alu-zinc product over a conventional galvanized product. I can tell you that in the Americas, which is North America, South America, Central America, Caribbean.

All this entire region is having a very good dominance and preference of alu-zinc product for their preferred -- as their preferred choice of product for roofing, construction, building

material rather than conventional galvanized steel. And we are working towards developing such markets.

One of them, like I said, is the Americas region, North and South and Central. And of course, in our existing markets of Europe, Africa, Middle East also, with the introduction of alu-zinc, we are able to approach more quality-conscious customers who want higher value-added product, better quality, higher consistency, better life, better performance.

We are able to make inroads to these customers and gradually increase our foothold and market share in such customers who are used to buying alu-zinc product rather than conventional galvanized product. So definitely, it is helping us in growing our footprint in the export markets.

Jay Mehta: Sir, since you mentioned the U.S. market, so from the U.S. market, you will get a higher revenue per ton for your products. So can you -- in the percentage term, would be able to tell how much extra it would be compared to your existing markets?

Karan Agrawal: I think when I -- what I tried to tell you is the regions of the world which have a preference or a dominance for alu-zinc. Our intention is not to immediately approach the U.S. market for our exports. Currently, we do not have any exposure to the U.S. market. And I think it has been a blessing for us that we did not have any exposure to U.S. markets because of whatever happened after the Trump administration took over.

Right now, in the Americas region, the markets that would be our likely destinations that we want to work on would be South America, Central America region. And it would definitely command a slight premium over our existing markets that we're exporting to because of the nature of alu-zinc and because that particular region already is offering such kind of price levels.

Jay Mehta: Our next question is from the line of Disha from Sapphire.

Disha: Firstly on this pre-painted steel capacity, this additional 1,50,000 metric tons that will be coming online by Q2, what will be the peak revenue from this at optimal utilization?

Karan Agrawal: Thank you for your question. So the new color coating line, which is coming of 1,50,000 ton capacity, we feel that over and above the existing revenue that we are already generating with the installed capacities, assuming that it would take some time to stabilize the line and achieve a decent capacity utilization.

We feel that in FY '27, we can anticipate anywhere between -- let's say, anywhere between INR300 crores to INR500 crores, in that range, of incremental revenue from the new capacity being installed. It's a big range between INR300 crores to INR500 crores. That is because it's difficult for me to predict the rate of increases in capacity utilization. It will be a gradual phenomenon and we will definitely aim to do our best.

Disha: Right. And this -- the new alu-zinc line that we have currently won 1,80,000 that is installed, we can expect to reach 80, 85 sort of utilization in FY '27? Will that be a fair assumption?

- Karan Agrawal:** Absolutely. Definitely within FY '27. I cannot tell you at what point in FY '27 because we are still in very early stages of the new line getting commissioned. It has just been 3 months. So I think usually such large and complex lines take a fair share of time to stabilize and for the production team, the operations team, the quality team to get the confidence of ramping up the line speed, the production rate, etcetera. So I think you can -- it's safe to assume that the second half of the year would definitely see a much higher rate of capacity utilization as compared to the first half of the year.
- Disha:** Right. And you mentioned this 3,60,000 total capacity will have a peak revenue of around INR2,500 crores to INR2,700 crores, right?
- Karan Agrawal:** Yes, hypothetically, yes.
- Disha:** Yes. So if we take, say, INR1,100 crores, INR1,200 crores from alu-zinc and you mentioned INR300 crores, INR500 crores. So can we look at INR1,500 crores to INR1,600 crores of revenues for FY '27?
- Karan Agrawal:** I'm sorry, you were not very clear in the second part of your question.
- Disha:** Yes. So I mentioned -- so around INR1,100 crores to INR1,200 crores from alu-zinc and INR300 crores to INR500 crores from the new color coating line. So can we do revenues of around INR1,500 crores to INR1,600 crores for FY '27? Would that be a fair assessment?
- Karan Agrawal:** Look, like I said that the new color coating line would be the only capacity that would give us the incremental revenue in FY '27, along with the higher capacity utilization of the alu-zinc plant. Now these 2 aspects combined, I have already answered your question that one can expect an incremental revenue of anywhere between INR300 crores to INR500 crores over what we have done in FY '26. I think you can do the math and potentially come to a conclusion on that. Yes?
- Moderator:** We have our next question from the line of Rushang Shah with Pramesh Wealth Private Limited. As there is no response from the current participant, we will proceed to the next question, which will be from the line of Sameera Middha an Individual Investor.
- Sameera Middha:** Sir, I have a few questions. First one is, since for past 2, 3 months, we have been seeing this global tensions and increased freight costs and everything. So are our existing customers refraining from placing new orders or the pipeline is still robust?
- Karan Agrawal:** Thank you for your question. Despite the tensions and the uncertain environment in the global markets, we are quite proud to be in a situation where we have long-term confidence of our customers -- our long-term customers. And we do enjoy a situation where our current order book is in the range of between INR350 crores to INR400 crores.
- And this is all from -- largely from export customers. So I think it would be wrong to assume that our customers are not inclined to place orders in the current situation. Rather, I would say that in order to build buffer and to tide over the uncertainty that the current situation has created, our long-term customers are rather being cautious and ordering more in advance or

potentially a little bit of a higher quantity to ensure that their bare minimum requirements are met in time and met adequately.

So I think that yes, there are benefits and upsides and downsides to this situation. We have already seen the downside with the elevated costs and the freight and energy situation. But now we are seeing some of the benefits where we are able to enjoy a good order pipeline and at a healthy price realization.

Sameera Middha: Okay, sir. That was helpful. And sir, another question is how much premium does this new product alu-zinc enjoy as compared to the previous galvanized steel?

Karan Agrawal: The premium of alu-zinc over galvanized steel is basically dependent on multiple factors, such as the demand situation in the market, such as the specification of the product that you're talking about, whether it's a thinner gauge product, a thicker gauge product, the grammage of the coating versus the grammage of the coating in galvanized. But I think, to broadly answer your question, as a layman, I would say it's fair to assume that a premium of between INR3,000 to INR5,000 a ton is a ballpark that one can say is a fair premium over galvanized steel.

Sameera Middha: So this figure that you are mentioning, it is the price realization, right?

Karan Agrawal: Correct. The premium. The premium and the price realization.

Sameera Middha: Okay. And sir, my another question is, I remember that in your previous calls, you mentioned that our existing customers also use this new product. So what do you think -- will our entire capacity would be used to cater our existing customers or we will have to find new customers?

Karan Agrawal: I think, ma'am, finding new customers and new markets is a constant exercise that we keep doing. It does not stop at any point of time. I think there has not been a single quarter in the last 4 or 5 years where we would have not added a new customer. So I think then the fattest share of the business and the revenues come from regular and long-term customers, which would be upwards of 70%.

But in the balance, 25%, 30% revenue, there is a churn of new customers being added and some customers not giving business. So that is, I think, the nature of business. And what we are happy about is that the lion's share of revenue is coming from repeat customers and long-term customers.

Sameera Middha: No. Sir, actually, I was asking regarding -- since we have transitioned to this new product. So that is why I was asking that our entire capacity, will that be used to serve the existing customers or -- because it is a new product?

Karan Agrawal: I understand your question. I think on that front, I can tell you that most of our domestic and export customers that we had, while we were producing galvanized and pre-painted galvanized steel, most of them were already having some exposure, some small, some large to alu-zinc. Now we are fortunate that we were able to transition to alu-zinc very smoothly.

And as on date, we are already using upwards of 60%, 65% capacity utilization on the new alu-zinc line, and most of it is going to existing customers. So the need to add new customers would be only proportionate to the increase in capacity utilization that we are going to do in future, for which, yes, we will definitely need to add new customers to sell that extra amount of tonnage that we are going to produce. And I do not see any challenge in achieving that kind of new customer growth or penetration in the export markets and domestic market. There is enough opportunity and market to cater to.

Moderator: We have no further questions, ladies and gentlemen. I would now like to hand the conference over to the management for closing comments. Over to you.

Karan Agrawal: Thank you very much to the analysts, to the investors and stakeholders who have joined the call and given their precious time to hear us out. I want to express my sincere gratitude to the Board of Directors, to our employees and the teams that are working very hard and giving all their commitment and energy to achieve organizational goals.

I want to thank our customers for their trust in our products. And I want to thank our investors and analysts for their continued confidence and support. We look forward to interacting with all of you regularly and also to welcome you in our next earnings call very soon. Thank you very much.

Moderator: Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.