VISAKA INDUSTRIES LIMITED®
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Ref: VILSTEX/FY2027/47

To,

National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	**BSE Limited,** The Senior General Manager, Listing Compliances, Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001
Scrip Code – VISAKAIND	**Scrip Code – 509055**

Sub: Earnings Call Transcript
Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Earnings Conference Call on Audited Standalone & Consolidated Financial Results of the Company for the Second Quarter and half year ended September 30, 2026, held on Monday, November 16, 2026.

The aforesaid transcript is also being uploaded on the website of the Company: www.visaka.co

This is for your information and dissemination.

Thanking you,

Yours faithfully,

For VISAKA INDUSTRIES LIMITED

Ramakanth Kunapuli
Digitally signed by Ramakanth Kunapuli
Date: 2026.11.19 14:50:15 +05'30'

Ramakanth Kunapuli
Vice President & Company Secretary
Encl: A/a

“Visaka Industries Limited
Q2 FY27 Earnings Conference Call”
November 16, 2026

MANAGEMENT: **DR. VRITIKA GADDAM – CHIEF BUSINESS STRATEGIST – VISAKA INDUSTRIES LIMITED**
MR. RAMAKRISHNA PENDYALA – CHIEF FINANCIAL OFFICER – VISAKA INDUSTRIES LIMITED

MODERATOR: **MS. GARIMA SINGLA – GO INDIA ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to Visaka Industries Limited Q2 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an Operator by pressing star, then zero on a touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Garima Singla from Go India Advisors. Thank you, and over to you, Ms. Singla.

Garima Singla: Thank you. Good morning, everyone. I am Garima Singla, and it's my pleasure to welcome you all on behalf of Visaka Industries Limited. Thank you for joining us today for Q2 and H1 FY27 Earnings Conference Call. This call is being hosted by Go India Advisors. Please note that today's discussion may include certain forward-looking statements. Therefore, they must be viewed in conjunction with the risks that the company faces.

Today on the call, we are joined by Dr. Vritika Gaddam, Chief Business Strategist, and Mr. Ramakrishna Pendyala, CFO. I now invite Dr. Vritika to present the company's business outlook and performance, after which we will open the floor for Q&A. Thank you, and over to you, ma'am.

Vritika Gaddam: Good morning, everyone. I hope you and your families had a wonderful festive season. It gives me great pleasure to welcome you to Visaka Industries Limited's quarter 2 and H1 FY27 earnings conference call. On behalf of the entire Visaka family, I would like to thank our investors, partners, and stakeholders for their continued trust and support.

Let me start with our performance. Q2 H1 FY27 has been very good for Visaka with a significant improvement in operating performance, profitability, and balance sheet strength. For Q2 FY27, consolidated revenue increased by 23% year-on-year to INR399 crores, while EBITDA more than tripled to INR38 crores with margins improving from 3.6% to 9.4%.

Profit before tax, excluding exceptional items, turned positive at INR17 crores compared with a loss of INR11 crores in the corresponding quarter last year. For H1 FY27, revenue grew by 19% to INR989 crores, while EBITDA more than doubled to INR129 crores with margins improving from 7.6% to 13%. In addition to the improvement in operating profitability, exceptional gains contributed significantly to the reported profit after tax during H1.

Let me now briefly take you through each business.

Cement Roofing- Quarter 2 volumes increased by approximately 20%, while turnover grew 34% year-on-year. For H1 FY27, volumes increased by 14% with significant margins. Improved demand, together with higher prices of substitute metal roofing sheets, supported better realizations. Cement Roofing continues to be an important contributor to Visaka's profitability and cash generation supported by the product utility and affordability to the poor people.

V-Next boards and panels- This continues to be an important growth area for Visaka. Visaka is the largest producer of fiber cement boards in India with our 5 manufacturing facilities operating at near full capacity during quarter 2. Boards volumes increased by approximately 9% and turnover by 13% for H1 FY27, while maintaining healthy high-double-digit margins despite lower exports to GCC markets due to Middle East war situation.

Panels continue to be our fastest-growing division with quarter 2 volumes increasing by 55% and turnover growing by 56% year-on-year. Going forward, our focus is to increase the contribution from premium and value-added boards and panels, addressing wider applications across residential, commercial, industrial, and institutional markets. Our objective is to make V-Next a much larger contributor to Visaka's revenue and profitability.

Synthetic Yarn- The performance has shown more improvement after 2 challenging years. The capacity utilization increased to 92% from 89%, while quarter 2 revenue grew by 16% year-on-year. Segment profit before interest and tax improved to approximately INR5 crores from INR2 crores, reflecting better operating efficiencies and cost optimization. At the same time, the business is facing some external challenges.

The Middle East conflict and the resulting volatility in crude oil prices have put pressure on polyester raw material costs. We have been able to pass on part of these increase to customers. Higher ocean freight costs have also affected our Export business. We are managing these pressures through pricing actions, cost control and operating efficiencies. As these external conditions stabilize, we expect further improvement in the performance of this division.

Coming to **ATUM**, its current contribution to overall turnover is relatively small, but we see good long-term potential with rising energy costs and increasing focus on renewable energy and environmental sustainability.More organizations are looking at rooftop solar, particularly factories, warehouses and commercial and institutional buildings. ATUM provides a differentiated solution by integrating roofing with solar power generation. We will continue to develop this business selectively and scale it with market opportunities and financial discipline.

Expansion and further business mix- Coming to our expansion plans, the proposed fiber cement boards and calcium silicate board facility at Tonk is progressing as planned, while construction chemical project at Tumkur is targeted for completion in January 2027. These investments are not just capacity additions. They are important to improving Visaka's future business mix.

The Tonk facility will strengthen our position in boards and allow us to address premium products, wider applications and new geographical markets. Construction chemicals will take us into adjacent building material category where we can leverage our existing market and distribution network.

Coming to the balance sheet, we have good progress. During H1 FY27, total borrowings declined by approximately INR66 crores to INR237 crores, bringing our debt-to-equity ratio

down to 0.25x. Receivable days improved from 35 days in March 2026 to 25 days in September 2026.

While cash generated from operations increased to approximately INR70 crores from INR55 crores in the corresponding period last year. Our capital allocation priorities remain clear: strengthen our existing businesses, invest selectively in growth opportunities and maintain the balance sheet flexibility. Looking ahead, we remain positive about Visaka's business outlook.

Our priorities are clear, maintain the performance in Cement Roofing, continue the growth in Boards and Panels, sustain the improvement in Synthetic Yarn and execute our expansion projects with financial discipline. At the same time, we will continue to increase our focus on premium, value-added and non-asbestos building products, which we expect to become a larger part of Visaka's business over time.

Over the medium term, we remain committed to our objective of delivering 10% to 15% revenue CAGR with sustainable EBITDA margins of 10% to 12%. Overall, our focus remains on profitable growth, stronger cash generation, capital efficiencies and balance sheet strength while building a more diversified and value-added building products portfolio. I would like to thank our employees, suppliers, channel partners for their continued commitment and our shareholders for their continued confidence in Visaka. Thank you.

Moderator: Thank you. Shall we begin with the Q&A session?

Ramakrishna Pendyala: Yes, please go ahead.

Moderator: Thank you. We will now begin with the question and answer session. The first question is from the line of Rakesh from Invicto Fund. Please go ahead.

Rakesh: Hi, sir. Good morning. Congratulations on good set of numbers. So sir, given the war that has been taken place, so how has the raw material and the forex fluctuations affected you? And in terms of business growth, how do we see the structural opportunity that lie ahead of us as all the manufacturing goes and India growth story keeping intact? And what are the recent orders and everything that are going through for us?

Ramakrishna Pendyala: We didn't have any problem in supplies due to the current war situation. However, the freight charges have gone up and our orders to the suppliers were long-term and then it didn't impact us much. Coming to the exchange fluctuation, yes, we do cover the forex through hedge. And currently, post midterm elections from U.S., the exchange rate has come down. We hope the raw material prices also will come down. But as of now, we didn't have much of the impact. And then our profitability has grown compared to the previous year.

Rakesh: And what is the capacity utilization that we are clocking across all the three segments currently?

Ramakrishna Pendyala: More than 90%.

Rakesh: More than 90%. And also from the land sales, are we going to deploy it in the current business for expansion only?

Ramakrishna Pendyala: Sorry, can you repeat the question?

Rakesh: I'm saying, to the new capacity that is coming live and also whatever we have invested, and also the land sale that has happened, are we going to invest back into the company for the further capex only?

Ramakrishna Pendyala: Yes, You are right.

Rakesh: Understood. And sir, what is the traction on the green building material side, for our two subsidiaries which we are focusing on? And there's another company called Eco Board also who is into the same space. So what is your take on the green building material side, our eco-friendly products?

Ramakrishna Pendyala: Not sure of the question, probably you can write to us, so we will update you on that.

Rakesh: Okay sir. I will join back in the queue. Thanks.

Moderator: Thank you. The next question comes from the line of Saket Kapoor from Kapoor Family Office. Please go ahead.

Saket Kapoor: Yes, namaskar team. Hope I am audible.

Ramakrishna Pendyala: Yes, you are audible.

Saket Kapoor: Yes, thank you, sir. Firstly, thank you for hosting the call for the investing community at large, and I and we hope that this will be a continuity going ahead. Firstly referring to note number 3, if you could just explain to us what was the dispute all about and when we are we expecting to receive, as you have mentioned that the holding company has received INR69 crores pursuant to a favorable court order against Hyderabad Cricket Association?

Ramakrishna Pendyala: Yes, so we had the long pending case which was going since 2016. We received a favorable order from the court and this was related to some investment in a Hyderabad Cricket Association. The investment was in dispute and then that got resolved in the last quarter.

Saket Kapoor: Okay and we have received this money?

Ramakrishna Pendyala: Yes we have received this money.

Saket Kapoor: Okay, the cash flow or the debt number which we have reported are after accounting for this amount?

Ramakrishna Pendyala: You are right.

Saket Kapoor: Okay, and sir, do we need to pay taxeson this income? I mean, if you look at the advance tax payment, that is also significantly higher. At the consolidated level, under the income tax, it is 19 and a half crore.

Ramakrishna Pendyala: You are right. We have accounted for taxes on the receipt, and advance tax has also been remitted on that amount, as it is a capital receipt.

Saket Kapoor: Okay, could you segregate this one-off amount from the operational profit? I mean, this is a one-off item. So on operational profits, what have we paid and is it comfortable for you to give or I'll take it offline?

Ramakrishna Pendyala: The operating profit would be about 12.5 crores for Q2 after tax.

Saket Kapoor: Okay. Didn't get you clearly, but anyway, I just take it.

Ramakrishna Pendyala: The operating profit after exceptional item and taxes, it would be about 12.5 crores.

Saket Kapoor: Okay. Sir when we take seasonality aspect into our business particularly with the board segment, what is the seasonality aspect and currently with deficient monsoon or erratic monsoon what is the underlining business environment if you could give us some thought process along with the key RM prices?

I think so those are from Brazil that we are importing the fiber and there also the prices have remained extremely high. I think so earlier your competitors would have also spoken about it that we were unable to pass on the higher prices. So if you could just give us some more understanding of how the RM, the business environment, the seasonality play for the key aspect of our business works and then I will ask my second questions?

Vritika Gaddam: For the monsoon impact we have not witnessed anything significant impacting our operations or sales and the team is geared up to persuade targeted volumes and business objectives despite all these seasonal challenges. So we are continuously monitoring the situation particularly markets where there is no prolonged rainfall could affect the demand or dispatches and we are also implementing appropriate mitigation plans whenever required.

Saket Kapoor: Ma'am when we answered to a participant that we are running at 90% capacity then why have the revenue taken a decline Q-on-Q. On June we did INR590 crores and for September it is INR400 crores on a consol basis, so can you explain?

Ramakrishna Pendyala: So as you know our roofing sheet sale goes with the seasons. First quarter and the fourth quarter will be high volumes and then second and third quarter would be less. While boards continue to have the same demand and supply. AC sheets determines the quarterly performance. Current year because delay in rainfall or lower rainfall compared to the previous year the roofing sheets business volumes have gone up.

And also the substitute products like metal sheet prices have gone up because of BIS introduction, China imports have come down and the local procurement cost also have gone up and the prices finally gone up for the metal roofing sheets. Hence the demand for our roofing sheets have gone up. So overall we could increase some price to the customers in Q1 for roofing sheets prices. So both volumes and then prices have gone up and then it translated into a better growth compared to the previous year.

Saket Kapoor: And on the RM part sir I think we are dependent on some other geographies for importing the key raw material or how are those price trends in the availability, can you throw some light on that?

Ramakrishna Pendyala: As I said that raw material prices mostly are long term contracts from supply side and on the pricing side we didn't see a big significant increase. However, as I said to some extent we passed on the price increase to the customers. So we continue to have the same price and then the margins

Saket Kapoor: Okay. May I ask one more questions or join the queue.

Ramakrishna Pendyala: Sir please go ahead.

Saket Kapoor: Sir with pertaining to this ATUM part of the story. Now sir since the government has their own Surya Ghar Yojana scheme under the guidance and the leadership of our prime minister. So do we find traction in this creating demand or this is a particularly different altogether corporate product of higher ticket size and adoption will depend upon how the I think what we have read from the investor presentation and all. Those are all high value commercial building that are adopting to it and not the marking. So how do you see this scaling up and where the demand exactly coming up and how can we align the same with the Surya Ghar Yojana scheme by the government?

Vritika Gaddam: So we are looking at creating an innovative product creating a new category for an integrated roofing and solar power generation. Yes we had some benefit from them as well, but right now our focus is the customer awareness, successful installation and EPC partnerships and referring projects and repeated orders. So we are obviously looking for long term opportunity in ATUM and to ramp up our business.

Saket Kapoor: Ma'am can you give some color on order book or who are other competitors and one more point to add, ma'am, who are representing us from the promoter side in the call? Sorry, I missed your introduction.

Vritika Gaddam: I'm Dr. Vritika.

Saket Kapoor: Yes, ma'am.

Vritika Gaddam: Yes. I'm, Dr. Vritika. Yes, yes. So right now, we've done very big projects from ATUM. We've done in Rainbow hospitals, we've also done in Leela Hotels, the A-Bahn projects and Sobisco projects. So data centers also we are venturing into.

Ramakrishna Pendyala: So there are a lot of opportunities. So we are creating our market and an awareness in the market so that our business will grow.

Saket Kapoor: Okay. And can you give some colour on the ticket size also ma'am, particularly our target market or the minimum ticket size that we cater to it and order booking part?

Ramakrishna Pendyala: we can take up 100 to 1,000 kilowatt projects we can take up.

Saket Kapoor: In the current order book?

Ramakrishna Pendyala: Current order book, yes, I mean, we will not be able to tell you exactly. But however, as I said, it's an emerging market. And then currently, the operations and the order book is very small, compared to the complete volumes of the company. But then, yes, as I said, it is an emerging market, and then we are looking forward to pitch in more customers and get more orders. At the moment, it is small in numbers, and then we will not be able to tell you exactly.

Moderator: Thank you. The next question comes from the line of Kamal Jeswani from You First Capital. Please go ahead.

Kamal Jeswani: Yes, hi. Thank you for taking my question. Congratulations on a good set of numbers., I'm new to the company. So I just wanted to understand about V-Next. How does V-Next differentiate itself from the established alternatives such as plywood and gypsum and other construction materials? And what will drive the wider adoption among the architects and institutional customers? That's my first question.

Vritika Gaddam: So the fibre cement boards are basically autoclaved cement board that fast tracks prefabricated construction and they are quick, affordable and durable construction. There are many advantages to this board being stability, flexibility, moisture resistant, fire resistant, water resistance and also the termite resistance.

These are eco-friendly products. And right now, we are at 100% utilization. But there are a few barriers that V-Next observe, which is lack of awareness among the architects and contractors and you need a specialized skill requirement to work with these. So currently, we are working on these and expanding our market presence.

Kamal Jeswani: Okay, got it. And regarding the panels, it's growing at 55% and all our manufacturing plants are operating at full capacity. What is the road map ahead? Where do we see the growth coming in for the company?

Vritika Gaddam: So panels are becoming an increasingly important part of our value-added building products. And these are mainly for partition walls and the current base is smaller, but there is a substantial

headroom for growth in this division for institutional applications, industrial products, prefabricated structures, and other applications. So we are positioned as a value-added product, and we see potential in contributing to the profitability.

Kamal Jeswani: Okay. And where do we see the growth going forward?

Vritika Gaddam: Boards and panels mainly.

Kamal Jeswani: Okay. But our plants are at almost full capacity. So you are probably expecting the realization to go up?

Vritika Gaddam: So currently, we are looking at the expansion. We are looking at fibre cement and calcium silicon board in Tonk, Rajasthan.

Kamal Jeswani: Right.

Vritika Gaddam: So based on our demand, we are expanding and also adding to our capacity.

Kamal Jeswani: When will this current project be operational?

Ramakrishna Pendyala: Currently, we are the market leaders in fibre cement boards and then we will continue to have that position. So as she said, we are increasing our capacities. And the last year also we have expanded capacities from our existing plants.

Kamal Jeswani: Okay. And by when are we expecting this Tonk facility to come in?

Vritika Gaddam: 2027 December into '28 yes.

Kamal Jeswani: Okay. Got it. Thank you so much.

Moderator: Thank you. The next question comes from the line of Jayesh Parekh from JMP Capital. Please go ahead.

Jayesh Parekh: Yes. Sir, thank you for the opportunity. Sir, I had a couple of very broad-based questions. So, firstly, what is our long-term outlook if we talk about an out-and-out period of, say, the next three years, okay, in terms of business, in terms of margins and in terms of the business mix as well, if you can elaborate? And sir, if I may, my second question is majorly on management bandwidth. So I just wanted to know whether from the promoter family, who all are actively involved in the business? So if you could give some colour on both these aspects, sir. Thank a lot. And all the best for times to come.

Vritika Gaddam: Talking about the roofing business, it's an established industry and the underlying demand remains healthy, particularly across the rural and semi-urban markets. And we have limited new capacity being added in this particular division. And we are expanding in our boards division, which is, we are the Number 1 manufacturers of fibre cement boards currently, and our expansions are in this division, particularly in boards and panels.

And we believe that there is scope to generate incremental output in this division, and our focus is improving the utilization and productivity from the existing manufacturing assets. So coming to textile, we don't have anything to increase in terms of capacities and expansion, but we are mainly looking into improving the profitability in this by utilizing the current capacities to 100%.

And ATUM, coming to ATUM, we have a very good manufacturing unit here, and we are expanding. We are looking for partnerships. We are looking for improving our business in this, even though it's been a little slow, but I think since it's a new integrated product, we are being extremely patient with it to and looking forward for it to add to our profits.

Ramakrishna Pendyala: Yes. So translate it to numbers, probably we want to grow in next three years at a CAGR of 10% to 12% top line and probably about 10% to 12%EBITDA.

Jayesh Parekh: Sure. Sure sir. And a little bit on the management bandwidth, if you could cover.

Vritika Gaddam: Our Joint Managing Director is Vamsi, and I'm Dr. Vritika, I'm the Chief Business Strategist. We both are from the promoter family and who are actually involved in the business right now.

Jayesh Parekh: Okay, okay sure. And apart from that, on the Board, do we have, say, a professional team? If you could just elaborate how old are they in the company, especially the ones in executive positions and the kind of industry experience they have? It will be very helpful, ma'am, to understand aspects because as per what I understand, I think ma'am is the Managing Director.

So what is her role as well in the company? Apart from Chairman, sir, of course, who continues to probably guide the vision. So this will be very helpful in order to understand a promoter-driven family-oriented professional business, ma'am. That is my whole object.

Vritika Gaddam: So currently, we have Mr. Vivek Venkatswamy, obviously, he is the Chairman of the company; and Mrs. Saroja, who is the Managing Director. And we also have other Board of Directors, Mr. Appnender Babu, who is an industrialist for 35 years. And we have Mr. Gusti Noria, who's been on the Board since 2000, and he's into Normak Fashions and Mr. Pravin Chelluri, he has about 15 years of corporate finance experience and Mrs. Vanitha Datla, who is a qualified Charter Financial Analyst.

And we also have Sanjay Jesrani, who is Founder and CEO of Go North Ventures. So we are very privileged to have this Board of Directors who have been guiding us and for long-term strategy and oversight. Yes. So the Board of Directors have been established more than 40 years in our company.

Ramakrishna Pendyala: Yes, our Chairman, Vivek sir had established this company about 40 years, and he is also actively involved.

Jayesh Parekh: Sure. Sure sir. And ma'am appreciate your response. All the best for times to come.

Moderator: Thank you. The next question comes from the line of Ashok Kumar Majithia from HUF. Please go ahead.

Ashok Majithia: Hi, thanks for taking my question. So I have a question regarding our substitutes. So Plywood and HDHMR players have massive carpenter loyalty programs over these years. And all the carpenters and installers still resist our fibre cement boards to the specialized cutting tools, lower screw holding stand, etcetera. I just want to know that how much percentage of our V-Next revenue is actually winning share in retail residential or commercial interiors against Plywood and WPC versus our B2B business?

Vritika Gaddam: 60% and so basically, the comparison should not be made only with the initial purchase price or because everything depends on the thickness, the grade and application of the product used. So for V-Next, maybe the initial material cost may be higher compared to the other alternatives that you've mentioned, but the customer probably needs to evaluate the total installed cost and the life cycle economics.

So the V-Next offers important advantages like fire resistance, termite resistance, moisture and water resistance, also the durability and lower maintenance requirements. So it supports faster and cleaner drywall construction. So we position our product as durable and value-added building solution offering attractive overall life cycle economics.

Ashok Majithia: Right. Just a follow-up to that. So I'm also noticing that there is some increasing softening on our, in the forest timber supplies, etcetera, and due to which the plywood makers may benefit in the near to medium term. Meanwhile, our fibre cement boards still rely on imported cellulose wood pulp, which will expose us to global pulp cycles and Rupee depreciation. So how locked in are we with our pulp contracts for the upcoming half? And what will happen to our 15-plus percent margin targets if the imported pulp spikes and plywood and, let's say, steel prices stay flat?

Vritika Gaddam: We have no issues with the supply. We have alternative supply chain right now. We get our wood pulp from France and Russia, New Zealand. So we've created good channels and not just put all the eggs in one basket. So we have sufficient ways to make our raw material supportive, and we don't see any near future problems with our imports.

Ashok Majithia: Right, right. My second question is more broad-based. I just want to know what about the overall company revenue targets. So to reach our INR2,500 crores revenue and INR250 crores EBITDA target approximately by FY29, if Roofing stays flat, our non-asbestos business must grow at like about 18% to 20% CAGR and deliver like about 13%, 14% blended EBITDA margins. Given that our Synthetic Yarns has historically been a high single-digit margin business, what is the segment-wise EBITDA margin bridge you are penciling in for FY29?

Ramakrishna Pendyala: To make it clear that INR2,500 crores turnover probably may not be in the next two years, it will probably be by 2030. And second thing, our margins in fibre cement boards is good. We are

having about 14% to 15% margin. While I said the Roofing Sheet business is a seasonal product. However, we have increased the prices and the margins were improved.

And then with the increasing capacities, we'll be able to cater our supplies to the demand. And then we see that our endeavour is to make the CAGR of 10% to 12% in top line. And again, as I said again, previously, 10% to 12% EBITDA increase. Then we are constructing the facilities. I mean, we are expanding our capacities and then we are going for new expansion. With all this, we will be able to achieve our target.

Ashok Majithia: Right. Just my last query. Are we planning to open more consumer touch points and like a retail experience kind of stores somewhere to help people understand the benefits and practical implementation and the look and feel of our fibre cement boards? That will be my last question.

Ramakrishna Pendyala: See we don't see any specific retail channel or retail stores. However, our company is there in the industry since more than 40 years. So we have large distribution say across India. So with the expansion of the dealers base, probably specific to different states, we will be able to achieve it, but we don't have any plans to open our own retail stores.

Ashok Majithia: Right. Thank you. Thank you. That will be all the best for the coming quarters.

Moderator: Thank you. The next question comes from the line of Sheik Mujeeb Ahmed from SM Capitals Please go ahead.

Sheik Ahmed: Yes, good morning and congratulations for the very good set of numbers. Sir, I have a couple of questions. The first one is regarding the ATUM commercial performance. Can you please elaborate what is the installed capacity and what are the actual production and sales volumes?

Ramakrishna Pendyala: Installed capacity is 30 megawatt per annum. Yes. Currently, we are doing about 25 megawatt. But again, as we have explained in the earlier question, we are improving our market base. It is an emerging market and then customers are not aware of the benefits of the integrated product because our solar panels are integrated to our cement Sheets.

So the output is much better than a conventional solar panel system. So we are creating the awareness, and we are also executing some projects, considerably large projects. So once we establish the market, then obviously, we will see for a growth. Currently, , the order book and then the volumes are not material.

Sheik Ahmed: Okay. And how does this ATUM compare economically with the conventional rooftop solar installations? Because most of the solar systems, what we are seeing nowadays are being installed on the existing sheds or houses. But when it is integrated with your roofing system, it will go only in a new construction or where the roofing is being replaced. So our market is not as big as those conventional systems. Is it correct?

Vritika Gaddam: You're absolutely right. So basically, ATUM, we offer unique integrated solution, which combines the roofing and the solar power generation in a single product. And we have many key

benefits to this. So one, to begin with, it's faster installation and project execution. It also lowers the structural requirements compared to a conventional rooftop solar system. We also have superior aesthetics with this with the architectural integration.

And then we have a long-term energy generation and recurring savings. Also, the life cycle cost is much reduced with improved return on investments because right now, what we are looking for is educating people on saying that there is a 40% to 50% saving in the space compared to a traditional solar roof which generates almost the same power. So we are exploring, we are looking for opportunities for the same to increase our profitability in this segment.

Ramakrishna Pendyala: clarify, currently, we are at, 10 megawatt utilization on a total capacity of 30 megawatt. So just wanted to clarify that not 25 megawatt

Sheik Ahmed: Okay. Okay. Just one more question regarding this inventory build-up. In the H1 FY27, the inventory increased significantly, I think approximately INR63 crores.

Ramakrishna Pendyala: Yes.

Sheik Ahmed: Is it being built up for the, are you seeing strategically any demand ahead? Or what is this inventory for?

Ramakrishna Pendyala: Yes, you are right. So as I said, our roofing sheets is a seasonal business. In the second and third quarter, generally, the volumes or demand is less than the first and fourth quarter. So traditionally, we build the inventory in the second and third quarter for sale in fourth quarter. So suddenly, the volumes picks up in fourth quarter. For that, we have to use our 100% production capacity and build the inventory. That's how every year, the seasonality and the inventory build-up happens.

Sheik Ahmed: Okay. Okay. Sir, with regards to fibre cement boards, what is the main advantage of Visaka compared to its peers because there are several boards are available in the market by some other companies, which are belong to the almost same region. So what is the Visaka's competitive advantage over to their products?

Vritika Gaddam: yes, so basically, our quality is amazing in the market. We have very good reviews on how our strength of the product is and also our different designs that we release every quarter, I think that has been our strength and all the specialized value-added products that we've come up with, and that's been a premium product in this division.

Ramakrishna Pendyala: So within the fibre cement board, we have some designer boards and the premium boards. We have a large number of designs available within the category, unlike other competitors. Our quality perceived to be better than others. And our distribution channel is larger than other competitors. So with all these advantage, we should be able to retain our Number 1 position in fibre cement boards.

Sheik Ahmed: And our pricing power also better than them with regards to the boards?

Ramakrishna Pendyala: In some states, the competitors have a little higher pricing and then some states, we have. But overall the difference is not so significant. It is a small difference across the products.

Sheik Ahmed: Sir, just for my understanding, these fibre boards are mainly used as a partition walls inside the building instead of the brick or any fibre boards? Or can it also be used to make the shelves or other things?

Ramakrishna Pendyala: It can be used for that as well. It can be used as false ceiling. It can be used as exterior walls, interior panels. It is a substitute for plywood and gypsum boards. So in all the applications, our board can be used... I mean the strength is more and then the life cycle is also more than the other alternative or substitute products.

Sheik Ahmed: Okay. Thank you. Thank you very much sir.

Moderator: Thank you. The next question comes from the line of Raghav Bhutoria from Lindsay Securities. Please go ahead.

Raghav Bhutoria: In our annual report, we have mentioned that we have a INR450 crores capex plan for the next three, four years. So could you tell us what is the capacity that is being built? And what is the revenue potential? And what is the time line for commissioning of these capacities?

Ramakrishna Pendyala: Obviously, INR450 crores with a plan of three years. Currently, we have announced the project Tonk and then construction materials. And then we are also, I mean, like going forward, our future and then our capacity increase in both divisions, and we will inform to the exchanges appropriately when the time comes. But at the moment, we will not be able to give you those details. What is not already disclosed to the exchanges.

Raghav Bhutoria: And sir, for the Tonk, what is the capacity increase?

Ramakrishna Pendyala: It is 6,000 tons per month, about 72,000 tons annual capacity.

Moderator: Thank you. The next question comes from the line of Neeraj who is an individual investor. Please go ahead.

Neeraj: Sir, just wanted to know, will you be able to give any revenue outlook for the ATUM business? That is one. Secondly, if I'm not wrong, we have patent of this business in U.S. as well. So how is the traction in those countries?

Ramakrishna Pendyala: Business is small, as I said. So we are doing about 10 megawatts with an annual, I mean, our annual capacity is 30 megawatts. We are doing about 10 megawatt. And about patent, yes, we have in U.S., we have in South Africa. And recently, we have got the patent in Europe as well. So we are exploring the opportunities in other countries, too, but did not get materialized as of now. But once we get a clear visibility, we'll be able to tell you.

Neeraj: So by when we can expect any traction in this business, be it India, be it abroad, any general time lines or any targets you have by when we'll be able to see some traction in this business by when the revenue will start picking up?

Ramakrishna Pendyala: Since it's an emerging model will take time, at least about a couple of years. But as I said, as and when we get a considerable projects, then definitely, we will be, take up and then it will be disclosed in the financials appropriately.

Neeraj: Okay. Okay. So in Yarn business, you said the capacity utilization is 92%. Any plans of any expansion there?

Vritika Gaddam: So right now, we have no plans on any expansion with regards to textile division. So we're right now using our maximum capacities. We are optimizing on our cost and also our operations are tightened. We are getting more serious with what we have right now, but not expanding anything new in this division.

Ramakrishna Pendyala: Ours is a specialized product, , we have Twin-Jet Yarn with Japanese technology. So it's, the old traditional system machineries, which we use. And currently, as madam said, we are not looking for any expansion in this product division, but we are trying to improve our efficiency in the operations and then trying to improve our profitability.

Vritika Gaddam: When the time is right, yes, we will be looking into expansion.

Neeraj: Okay. In our main business, Cement Roof business, can we expect that this business will gradually phase out?

Vritika Gaddam: Right now, no. Right now, even though there is very limited new capacity is being added across this roofing industry, it's a very volume-based division. So, I would not say that it's going to phase out. But while it lasts, we want to make the most out of it.

Ramakrishna Pendyala: And as we mentioned earlier, substitute product prices have gone up. So at the moment, we don't see any de-growth in the product demand.

Neeraj: Okay. Okay. And one last question is, what is the rationale behind entering in construction chemical business?

Ramakrishna Pendyala: , like a lot of companies are offering the allied products in the building space. So we also would like to come into this construction chemicals and then give it as a compound building material solutions.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, we have reached the end of question-and-answer session. I now hand the conference over to management for closing comments. Thank you, and over to you management.

Vritika Gaddam: Thank you very much to each and every speaker who had asked us questions. I hope all the questions have been answered by me and my team. Feel grateful to be here, and thank you, Go India Agency for organizing this call. Thank you.

Ramakrishna Pendyala: Thank you very much. And if you have any questions, please write to our investor e-mail ID. So we will answer to you soon. Thank you.

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