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Date: 23th October, 2025

To,
The Manager,
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400051, Maharashtra, India.

Scrip Symbol: MONOLITH

ISIN: INE1DV401010

Subject: Submission under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 – Transcript of Investor Call.

Dear Sir/Madam,

Pursuant to Regulation 30 and Part A of Schedule III of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find below (Annexure A) transcript of Company's Earning call held with Investors/Analysts on October16, 2025.

In Compliance with Regulation 46(2) (oa) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the transcript will also available on the website of the Company.

You are requested to take the above on your record.

Thanking You.
Yours faithfully,

For Monolithisch India Limited

HARSH TEKRIWAL
Digitally signed by HARSH TEKRIWAL

Harsh Tekriwal
Managing Director
DIN: 07147021

ANNEXURE A

"Monolithisch India Limited

H1 FY '26 Earnings Conference Call"

October 16, 2025

MANAGEMENT: MR. PRABHAT TEKRIWAL – CHAIRMAN AND CHIEF FINANCIAL OFFICER – MONOLITHISCH INDIA LIMITED
MR. HARSH TEKRIWAL – MANAGING DIRECTOR – MONOLITHISCH INDIA LIMITED
MR. KRITISH TEKRIWAL – EXECUTIVE DIRECTOR – MONOLITHISCH INDIA LIMITED

MODERATOR: MS. JANHAVI KANKRIYA – GO INDIA ADVISORS

Moderator: Ladies and gentlemen, good day and welcome to the Monolithisch India Limited, H1-FY26 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 your touchtone phone.

Please note this conference is being recorded. I now hand the conference over to Ms. Janhavi Kankriya from Go India Advisors, Investor Relations to the company. Thank you and over to you, ma'am.

Janhavi Kankriya Thank you, Steve. Good afternoon everyone and welcome to the maiden earnings conference call of Monolithisch India Limited to discuss the H1-FY26 results. We have on the call with us from the management, Mr. Prabhat Tekriwal, Chairman and CFO, Mr. Harsh Tekriwal, Managing Director and Mr. Kritish Tekriwal, Executive Director. 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 risk that the company faces.

May I now request Mr. Kritish Tekriwal to take us through the company's business outlook and performance, subsequent to which we will open the floor for the Q&A. Thank you and over to you, sir.

Kritish Tekriwal: A warm welcome to all the participants joining us today. On behalf of Monolithisch India Limited, I welcome you to our maiden earnings call following our recent listing on NSE Emerge platform. I'd like to begin by sending my heartfelt gratitude to all of you on the Diwali festival taking your precious time off with us.

It is my pleasure to present the key highlights of Monolithisch India Limited's financial and operational performance for the half-year ended September 13, 2025. Over the past two years, the company has demonstrated a strong and consistent growth trajectory. Revenue has expanded at a compound annual growth rate of 52%, underscoring both scale and customer confidence.

Looking ahead, we remain focused on sustaining this momentum with revenue CAGR FY 25-28 projected in the range of 60%, supported by capacity additions and diversified client base. On the profitability front, our EBITDA has grown at an impressive 77% CAGR over the last two years, reflecting strong operating efficiency and cost discipline. We aim to maintain this performance, targeting an EBITDA CAGR of around 70% over the next three years.

Our profit after tax has also delivered a robust 78% CAGR during the same period driven by healthy scale-up and margin improvement. Going forward, we expect to sustain this trajectory with bad CAGR projected in the range of 74% in the next three years. On a year-on-year basis, this company achieved 40% revenue growth, rising from INR41 crores in H1 FY 24-25 to INR57 crores in H1 FY 25-26.

EBITDA and PAT grew by 38% and 57%, respectively, with PAT increasing from INR5.6 crores to INR8.8 crores during the same period. With these results, Monolithisch continues to strengthen its foundation of sustainable growth, operational excellence, and financial prudence. At this point, I would like to invite our Managing Director to share further insights on the operational strategies and initiatives that have driven this performance and will continue to guide our further direction. Over to Harsh Tekriwal, our Managing Director.

Harsh Tekriwal: Hello. Good afternoon, everyone. Before we move to the numbers, let me take a few minutes to talk about our company, the industry we operate in, and our direction ahead. Monolithisch India was established in 2018 as a part of the Mineral Group of Companies and has since emerged as one of India's leading producers of high-quality premixed ramming mass, a key refractive material used in induction furnace by the secondary steel industry.

We introduce ourselves as the enablers of premixed ramming mass in India, before which the total sales of premixed ramming mass was almost 5% of non-premixed ramming mass. Our products are designed to enhance performance, improve energy efficiency, and ensure longer lining life, thereby supporting the productivity of steel manufacturers and cost effectiveness.

Today, we proudly serve over 80% of integrated steel plants in India, contributing significantly to the country's secondary steel production base. Our manufacturing facility in Purulia, West Bengal, is strategically positioned close to major steel clusters of secondary steel manufacturers, which are largely in the states of Odisha, Chhattisgarh, Jharkhand, Bihar, and the region nearby.

Our journey has been guided by a clear focus on innovation, operational discipline, and customer centricity, values that have consistently shaped our growth trajectory. At a broader level, India's steel industry continues to gain momentum, supported by the government's infrastructure-led growth agenda, strong domestic demand, and strategic initiatives like Make in India, Gati Shakti, and the National Infrastructure Pipeline.

With secondary steel manufacturing growing rapidly, the need for reliable, high quality refractive materials such as ramming mass has expanded considerably, hence enabling us to achieve whatever we have done till date.

At this point, I would also like to tell you that the primary steel sector and the secondary steel sector are all going forward for integration into how we can make cost-effective steel. This cost-effective steel that will be manufactured will need thought process as to how we have to move from the BOS to the induction furnace units, because the induction furnace units do not require continuity, they are driven by cost and not by continuity and foreign market. So we look forward to see some of India's major players putting their footsteps in the secondary steel sector as well.

We see this as a structural opportunity, one that aligns perfectly with our capability and market position. As part of our strategic roadmap, we are steadily progressing with our capacity expansion plans that will drive the company's next phase of growth. Let us talk about the capex plans that have been taken.

1. Following our IPO, we set out to execute two major capex projects, INR16.57 crores in the parent company and INR27.89 crores in Metallurgica, our wholly-owned subsidiary. Together, these

projects will enhance our total capacity from 1,32,000 metric tons per annum as of April 1, 2025, to 5,14,000 metric tons per annum over the next eight months. I'm happy to share that the execution is progressing well, fully aligned with our planned timeline and is being rolled out in phases, and we are dead ready to achieve the targets on time.

With all these initiatives, our capacity expansion will also enable us to reduce our cost and therefore increase better operating margins. On the deployment of IPO proceeds, out of the total INR44.46 crores earmarked for capex, INR11.73 crores has already been deployed, and the remaining INR32.73 crores will be utilized progressively through Q1 FY27.

I would also like to take this time to introduce the fact that we have gone for an EOGM yesterday to take in Mineral India Global Private Limited, a group company which was working on the same business line inside the Monolithisch net.

This will enable us to increase better corporate governance, and this will also embark us in a journey of making the entire ecosystem that was available to us, help the entire scenario, synergy, make it better. Now let us talk a little bit about the increase in revenue. The increase in revenue was majorly driven by the increasing sales of SGB-777, our star product.

It was also driven with the fact that we have gone through some cost-cutting methods, such as better utilization of time, of the labour and making things work in a more efficient way.

By this, I would like to start the Q&A round to take it ahead.

Moderator: Thank you very much, sir. We will now begin the question and answer session. The first question comes from the line of Deepak Poddar with Sapphire Capital. Please go ahead.

Deepak Poddar: Okay. Thank you very much, sir, for this opportunity. I just wanted to understand first up on the industry side…

Moderator: Sir, I am sorry. Can you please come closer to the mic and speak?

Deepak Poddar: Okay. So, sir, I just wanted to understand first up on the industry side. I mean, what's the volume that at the industry level is being done and what sort of growth and what sort of industry size for ramming mass is there in India?

Kritish Tekriwal: Okay. It's a very good question to start off with, sir. At present, what we see is that India is almost making 170 million to 180 million tons of steel, out of which 38% is being manufactured through the induction furnace process. Now, the calculation…

Deepak Poddar: How percent? I missed that number. How much percent, sir?

Kritish Tekriwal: 38%, sir. 38%.

Deepak Poddar: From EF?

Kritish Tekriwal: Yes. So, the calculation is that every ton of steel that is manufactured through secondary steel routes will require between 25 to 30 kg of ramming mass. So, if you go through that, that would be around 68.4 million tons of steel requiring the ramming mass. So, roughly the calculation would be somewhere around, the current market size for ramming mass would be around 3-3.5 lakh tons a month. That is what we see.

Deepak Poddar: 3-3.5 lakh ramming mass per month?

Kritish Tekriwal: Yes, sir.

Deepak Poddar: Okay. And what is the average…

Kritish Tekriwal: So, 1 ton of steel manufactured through induction furnace process would require 25 to 30 kg of ramming mass. So, that is the equation. Now, the expansion plan that we are driving on is based on a simple arithmetic, that India plans to reach 300 million tons of steel by 2030. That means that from here almost we are looking at doubling the capacity and the maximum expansions are happening in the induction furnace process.

So, we see that by the time our capacity expansion will be finished and we will be able to go on the complete capacity, the market will be somewhere around 4, 4.5 lakh tons of ramming mass per month.

Deepak Poddar: Okay. Understood. So, we are looking to have around 10%-15% market share, right? I mean…

Kritish Tekriwal: Sir, we are actually looking for more than that, but that is where we are in the first phase.

Deepak Poddar: Okay. In Phase 1. So, we have any, I mean, any future expansion plan also post these 574 lakhs…?

Kritish Tekriwal: No, sir. So, the basic ideology in which we work as a company is that when we have the vision that we will be able to sell this product, then only we go for capacity. If you see the last five years, we have almost been running on 85% to 90% of operational capacity utilisation. So, the objective is not to increase the capacity and then drive on 50% or 60% because the way we work, our PAT margins will not come at the right light.

If we do not work, at least 80% to 90% of the capacity that has been installed. Now, the thing is that since the capex one is coming on the existing unit, so in that we are sure that by, as and when it is being rolled out, we will be running on the full capacity.

For the Greenfield project, we are taking three months room because any Greenfield project may require some kind of adjustments and some kind of initial hiccups. So, in the initial three months, we are taking 20% to 30% capacity utilization and from there on, we are boosting the capacity.

Deepak Poddar: Okay. Okay. Okay. Understood. And just one final thing. So, what is the average ASP per kg of ramming mass?

Kritish Tekriwal: Average selling price?

Deepak Poddar: Yes.

Kritish Tekriwal: Sir, for us, it is between INR7.5 to INR8 a kg. This is largely dependent on the fact that on that particular year, what was the cost of additives.

Deepak Poddar: Okay. And so, I mean, this 574, if we optimize it optimally, so what is the revenue potential we see at optimum utilization?

Kritish Tekriwal: Sir, I think it would be little forward looking for me to go on that. But still, you can see that on a year on year basis, the rates of ramming mass has increased by INR500 metric ton because of the cost of labor, stone and other issues such as dollar rising. So, dollar is directly affecting boron rates and we do not take the rates.

Whatever extra thing comes on us, we put it forward to our customers. So, you see the average ticket price of ramming mass should be around INR8.5 and we plan to run on 80% or 90% efficiency at least in the next phase when the capacity comes for the WOS. So, I think you can work it out.

Deepak Poddar: Understood. That is very helpful, sir. That would be from my side. Thank you very much.

Kritish Tekriwal: Thank you so much, sir.

Moderator: Thank you. The next question comes from the line of Arpit Jain with Roop Rajat Agritech Private Limited. Please go ahead.

Arpit Jain: Hi, sir. I just wanted to ask that your peer company has a revenue of around INR200 crores with their existing capacity. And after your plan, what revenue target do you see? And also, what are your plans for the export sector?

Kritish Tekriwal: I am sorry I cannot hear you. Can you please repeat yourself?

Arpit Jain: I just wanted to ask, sir, that your peer company has a revenue of around INR200 crores with their existing capacity. And after your plan, what revenue target do you foresee for your company? And what are your plans for the export segment?

Kritish Tekriwal: So, if you see that the company that we have proposed to merge inside Monolithisch, if we merge that to the existing one, we are standing at INR160 crores of revenue without any capex coming into the picture. So, that is the story which was there in the first initial three, four months before the IPO came. So, now as and when the capacity is being expanded, you can calculate on that how the revenue and how things should work for us. That is one.

Regarding the exports, we have started doing good numbers in Nepal. We tend to sell to Bangladesh, but Bangladesh right now we are selling through indirect suppliers which are there in India so that there is no payment turmoil or payment issues coming in.

And the next biggest segment of export comes in the Middle East and African region for which we are aggressively trying to identify a unit in Ahmedabad or Rajasthan so that the cost of transportation that would occur for taking the product from East to West is not taken and we can export at the right margins.

Arpit Jain: That is helpful. Thank you so much.

Moderator: Thank you. The next question comes from the line of Deepak Ajmera from IGE India. Please go ahead.

Deepak Ajmera: Good afternoon. Thank you for the opportunity. So, with our current size of operations, my question is…

Moderator: Deepak sir, I am sorry to interrupt you. Your voice is coming very low. Could you please come closer to the mic?

Deepak Ajmera: So, what I am saying is with the current level of operations what is the achievable kind of revenue for us?

Harsh Tekriwal: Revenue in the sense of what in the financial year that will close now?

Deepak Ajmera: Not the financial year, but current capacity is what we have. What kind of revenue figure we can achieve?

Harsh Tekriwal: Sir, we are targeting somewhere around INR140 crores to INR160 crores revenue in this financial year that will close. And for the financial year coming forward, it would be -- see as and when the capex plans are being rolled out, what we do is we take the first two months in 50% to 60% capacity and subsequently add up to that.

That is the modelling on which we are working. So, at present we are looking at somewhere INR140 crores to INR160 crores of top line and somewhere around INR22 crores to INR24 crores of PAT.

Deepak Ajmera: Got it. Secondly, what is the entry barrier into our industry?

Harsh Tekriwal: Sir, the biggest thing is that this is a very critical component. Although the cost of steel is around INR60,000 per ton, but the average cost incurred for them is around INR150 or INR140 in that one ton and the impact of this is very high. So, people want a reliable supplier, a person or a company who has good credentials of manufacturing this. This could be very fatal if it fails.

There are injuries, there are furnace blasts and so many other things happening. So, you should have at least 5 years to 10 years of credentials to supply to good companies for single furnaces or small companies that would not be that much important.

But for a bigger company, let us suppose that a company who is doing INR1,000 crores or INR2,000 crores revenue on a monthly basis and if any injury or any fatality happens, any issue happens and they have to close the plant for 15 or 20 days, it is so much loss that the entire lifetime of revenue mass will not take.

So there has to be some kind of brand value added to it. Now, the thing is that if you see Monolithisch India, you will see that okay this brand value is created in 6 years, but that is not true. The company that we are taking in now, was initially a proprietorship firm started by my father, Mr. Prabhat Tekriwal.

So, we are given around 15 years, 20 years to this industry to understand that okay where are the critical components, how we have to take care of the quality, how to develop our quality line, how to ensure that if suppose that we talk about 50,000 tons or 20,000 tons of supply, that means that every day the plant receives 2,000 or 3,000 bags of revenue mass from us.

This has to be very, very critically seen through quality checks and other parameters. So, every industry will have some kind of barrier, but in this particular industry you should at least have good credentials so that you get that kind of volume.

Deepak Ajmera: Got it. Okay. Thank you.

Moderator: Thank you. The next question comes from the line of Hardik Gandhi with HPMG shares and Securities. Please go ahead.

Hardik Gandhi: Good afternoon. Thank you for the question. So, just three small questions. First is on a quality point of view, I think one of your competitors have a patent for their product. So, just to know how on the quality standard are we at par with them or are we substandard to them? What kind of quality difference is there between our product and their product?

Kritish Tekriwal: Sir, the patent that first of all I should not be commenting on the peer competitor. But still, since you've asked this question the patent could be of manufacturing, could be of any particular process or could be any protocol that I have been following. So, if tomorrow I tell you that the protocol that we have developed for a plant and we are trying to get a patent of it so that no one can manufacture that particular product through that process, that is not very hard to achieve in such a niche industry.

Now, regarding the quality parameters, if you see, there are more than, I think, 15 to 20 clients where we also supply, they also supply. And this is such a cheap product for them for the steel manufacturers. If we supply at INR164, the average cost for procurement from Monolithisch, if it comes at INR154, maybe it would come INR156 from the other party INR156 from the other party or 156 from us and INR154 from them, not more than INR2 difference.

So, if there would be any sky and high difference of product quality, will it be possible for us to cater to the biggest players of secondary steel in India? We cater to Rashmi Metaliks, we cater to Rungta Mines, we cater to Shyam Steel, we cater to SRMB, we cater to Vandana, we cater to JSW, around all of the clients that we cater to, we cater to Sambhav which got listed very recently. And most of the plants that we cater to, we are around 80% or 70% of their total consumption. So…

Hardik Gandhi: Right.

Kritish Tekriwal: I think that is pretty much what I could tell you.

Hardik Gandhi: Okay. Okay. And the next question is on the upcoming facility, right? So, nearly we are expanding 3 times the capacity. So, do you think that the market is ready for that kind of supply? There might be demand, but if you are increasing 3 times, then there is a possibility of price erosion, margin contraction, because you have such a high capacity. So, just wanted your thoughts on that.

Kritish Tekriwal: Sir, that is a very good question. There are two things that we have to understand here. That right now, we would be making -- I am just talking on roughly, we would be making around 10% to 15% of market share maybe. The other peer competitor would be doing around 20%, 25% or 30%.

But you have to understand that there is still 50% at least of unorganized players, which are there in the business, who do not follow the correct industry standards or who are not following the safety protocols and are still able to manufacture. Now, these people were able to work on the most that, this industry, you can set up a 500 ton or 1,000 ton plant a month at a very low capex.

The capex is low and the working capital is high. So, these kind of units are now disregarded because most of the secondary steel plants, their capacity, their consumption is 2,000 tons, 3,000 tons a month. And whereas, on the contrary of that, the supplier's production is 500 tons or 1,000 tons a month.

So, how could we cater to those kind of clients? It is not possible. So, there is a lot of room and a lot of elimination that has to happen on the unorganized players. That is number one on which we are playing.

The number two point is that mostly 80% or 70% of our clients that we cater to are on capex trajectory. So, as I mentioned in the call earlier that we forecast the capex that is coming off our customers first. We are proud to tell you that we have maintained around 60% to 70% customer retention rate. And all of these customers have been expanding vigorously.

So, if I take any ex-customer of mine who used to need 500 tons of ramming mass in 2019, they require 5,000 tons of ramming mass at present. So, this is driven by the end-use capacity enhancement that we see there. So, these are the two things which I think personally that will consume this and plus whatever the additional capacity that has to come in future.

Hardik Gandhi: Understood. Understood. Thank you for the answer. And just the last question. So, on the capex front, we have mentioned the capex number on our presentation, but does that include the capex required to have cost reduction like the solar panel cost, and as well as the automation cost, is that included or that is separate?

Kritish Tekriwal: Yes, sir. Yes, sir. Yes, sir. It is included, sir.

Hardik Gandhi: So, how much on the margin front are we looking to save by doing that process?

Kritish Tekriwal: Sir, the fact is that now West Bengal has net metering available. So, we see that there should be at least 20% to 30% of saving on the electricity bill that we would incur. So, on an ideal basis, that would at least help us by 0.4% or 0.3% on the net cost incurred if you talk about solar panels or renewable energy that we are trying to take in.

Regarding the automation, I can be that sure of the fact that the subsidiary operations margins will be better than the one which we are playing on. See, I am very sure that you would be a very experienced person to sit today and talk to us on the manufacturing facility. You understand that Monolithisch was started in 2019. It was a 3-acre plant, okay. We kept on doing ground field projects on that and we kept on improvising. So, when you try to renovate something, there is a certain level of constraint that comes in.

Now, that constraint is that we will not be able to exceed more than 20,000 tons or 25,000 tons in this particular unit which we were working. And the operation cost is slightly on the higher side because we have to make sure that we keep supplying also and we keep improvising also.

But whereas the greenfield project is concerned, it is a 15-acre, roughly around 15-acre, I am telling, maybe it is 12-acre to 15-acre land that we have proposed for the project. And in that, everything will be in this synchronization that unnecessary usage of heavy machinery like forklifts or propane, that will be avoided. So, the cost of that, the legal of that, that expense goes much lower than what we are incurring now.

Hardik Gandhi: Understood. So, just to, if you could just quantify it in the terms of margin expansion, would it be prudent to say after this exercise, we will be expanding our margin by at least 1%?

Kritish Tekriwal: More than that, definitely. So, more than that, definitely. We think that that would come as a byproduct of the economies of scale that we are trying to achieve.

Hardik Gandhi: Okay. So, just by economies of scale, we are expanding by a margin at 1% and then with the additional cost saving, we can further save.

Kritish Tekriwal: Yes. That is what it looks like to us. Because…

Hardik Gandhi: Understood.

Kritish Tekriwal: Because the thing is, you have your direct expenses, your indirect expenses. Now, that is getting divided by, my company right now has around INR7 lakhs to INR8 lakhs security guard bills. That wouldn't be increased for the fact that I started manufacturing more.

So, there are so many things like this that would increase the bottom line definitely. And apart from that, the process that we are going to improvise in capex 1 in December and capex 2 there, we are trying to reduce labour as much as possible and increase margins from that end also.

Hardik Gandhi: Okay. Okay. Thank you so much for the answers. All the best, sir.

Kritish Tekriwal: Thank you so much, sir.

Moderator: The next question comes from the line of Ankur Gulati with Genuity Capital. Please go ahead.

Ankur Gulati: Sir, can you explain a little about your working capital? How many inventory days and receivable and payable days are there normally?

Harsh Tekriwal: Sir, our working capital requirement is a little seasonal. Like, what happens in this, we get the payment terms for 30 to 35 days in the PO. But its GRM formation, its payment time, all this together is around 45 to 50 days for 80% of the customers. For the remaining 15% to 20% of the customers, it is around 5 to 6 days. It generally rotates between 50 to 60 days.

If you look at the 30th of any year, it will look more because our payment comes in the maximum majority on the 1st to 10th. Our monthly GRM pass, most of the payments that we get is between 1st to 10th. So, when you see the books on 30th, it looks that we have given a lot of loans. If you look at the 1st to 10th, suddenly there is a difference of INR7 crores to INR8 crores. That is one thing.

The second thing is the inventory. The stone that we have, its freight is generally around INR1,000 to INR1,100 per ton. And the cost of the stone is between INR1,500 to INR1,800 per ton. So, the quotient of the rent is very high. Now, in the Indian industry, the rent is less in the rainy season, it is a little more in the time of Durga Puja.

When there is a movement of money, then it is very high. So, according to every time, when we get the cheapest rent, then we stock the goods. We stock as much as we can. And then in the season when we feel that the rent will be high, we stop buying goods in that season so that it does not have an impact on us.

Similarly, boric acid and boron oxide are the two adjectives that we use. Out of these two, boron oxide is imported to us by the vendor, which fluctuates up to the dollar. So, we try to give them PO for 3 to 4 months when the dollar is at the right price so that our cost does not increase.

And as far as boric acid is concerned, the majority of the particular vendor we buy from, their boric acid grade is monopoly. And their price also fluctuates a lot based on hydrochloric acid and things like that. So, if we talk about the current trend, then 15 days ago the price of boric acid was INR100 per kilo and today it is INR150 per kilo.

So, we try to keep the stock for 2 to 2.5 months. This is seasonal. It is not that it will remain at INR150. Every year, there is a point where there is a crunch, then that crunch is released. You can understand this by doing business for 5 to 6 years that when I have to save goods and when I have to leave goods.

Ankur Gulati: Sir, if I see the numbers of September 25, then some trade payables of INR4.20 crores have increased in the cash flow statement. What is that?

Harsh Tekriwal: Sir, give me one more second.

Ankur Gulati: In the operating cash flow statement, a trade payable of INR4.17 crores has increased.

Harsh Tekriwal: Cash flow? Sir, please repeat it again.

Ankur Gulati: In the cash flow statement, a negative number of a trade payable of INR4.17 crores is shown. So, trade payables have increased. So, what has been spent? Has anyone been given an advance or what?

Harsh Tekriwal: No, no. We have given a payment. This is not an advance.

Ankur Gulati: Because of this, the operating cash flow is very different. Sir, what is there in this?

Harsh Tekriwal: I understood what you are asking. I will tell you. We work with the vendors who are our stone traders. They have a small account of INR10 lakhs, INR20 lakhs, INR30 lakhs. Their credit limit is INR40 lakhs. And we have given them a fast payment on the 31st of September. Maybe that is why you can see this. You can see the decrease compared to before. This is what you want to understand, right?

Ankur Gulati: Sir, the trade payable has increased from INR4.20 crores. That is why a negative number is shown. Someone has paid.

Harsh Tekriwal: It is not a big amount. It has been repaid. Is it in brackets? It is the cash outflow.

Ankur Gulati: Okay, I will tell you later. Thank you.

Harsh Tekriwal: Yes, sir. Thank you.

Moderator: The next question comes from the line of Ridhi Agarwal with HUF. Please go ahead.

Ridhi Agarwal: Thank you for the opportunity, sir. So, my first question would be, like, we have…

Kritish Tekriwal: Good afternoon, ma'am.

Ridhi Agarwal: Multiple -- my first question would be multiple capex is coming online. So, how are you planning to fund those? Can you specify the debt-equity ratio?

Kritish Tekriwal: Ma'am, we are a debt-free company. And whatever capex plans have been taken are all from the IPO proceeds. And we have made provisions of around INR20 crores as working capital that we have to infuse in the capex growth as and when it comes. So, there is no debt at the moment. And we do not see any debt coming to us in the near future either.

Ridhi Agarwal: Okay. So -- but just like we have released in the press release that we can take an interest-free loan from the promoter. So, are you planning to take that for, like, next FY '28?

Kritish Tekriwal: No, ma'am. So, that is for the fact that in Mineral India, which is a group company, we are making that a subsidiary of our company at NAV value. That company has around INR40 crores-INR50 crores of top line and between INR5 crores-INR7 crores of PAT. So, the cost of acquisition of that company is coming somewhere around INR17 crores-INR17.5 crores.

Now, we are going to use accruals that are there in the company and whatever extra will be required will be supplied as loans from the Director, so that the liquidity of the company is not killed. It is not for the fact that any capacity enhancement has been done from that.

That is just for the fact that we feel that the accruals will be sufficient for us to acquire that. But, if at all we require any extra fluidity, then the Director will provide loans on an interest-free basis so that there is no liquidity crunch coming in.

Ridhi Agarwal: Got it sir. My next question is would be like, what was the capacity utilization for FY '26?

Kritish Tekriwal: Sorry, ma'am. I could not hear you. Please repeat.

Ridhi Agarwal: My next question is, what was the capacity utilization for this year, FY '26?

Kritish Tekriwal: Ma'am, it was almost 97%.

Ridhi Agarwal: Okay. And, what would be the peak utilization when our capacity expanded to INR57,40,000 till FY '28? So, what are you targeting your peak utilization would be in FY '28?

Kritish Tekriwal: Ma'am, by '28, we are targeting 80% to 85% of capacity utilization.

Ridhi Agarwal: Okay. We would be running at 80% to 85% in FY '28, for revenue right?

Kritish Tekriwal: Yes. So, since this is going to be transcripted, we are a company who have one thing in clear that we will never kill our margins by our extra capacity. This is what we have been driving on in the last six years. When we see that there is a market available, then we go for the capacity.

And, once this is utilized and we see that there is further scope available, then we will again go for capacity expansion. So, there shouldn't be any point that we kill our margins by our own overcapacity. That is what I am trying to tell you.

Moderator: Thank you. The next question comes from the line of Samarth Gupta, an Individual Investor. Please go ahead.

Samarth Gupta: Yes. So, my first question is, in the total consumption of your raw material, what would be the proportion of stone versus the additives?

Harsh Tekriwal: Stone versus?

Samarth Gupta: The other additives that you use.

Harsh Tekriwal: Sir, additives. In one ton of ramming mass, additives could vary from 5 kgs to 15 kgs based on what recipe you are supplying to the customer and what is the technical type that they require. Whereas, the stone requirement is around roughly 70% to 80% and the rest 25% to 30% is grinded powder that is also like a different stone which has been already grinded and mixed here.

So, as you see, there is a product called Quartz or Quartzite powder. We call it as Q-powder in short. That is being added roughly around 20% to 30% based again on what specs the customers require. So, 20% to 30% would be Quartz powder, 70% would be 65% to 69% would be stone boulder and then the additives. So, if you talk about on a per unit basis, the additives cost will vary from INR1,200 to INR1,800 per metric ton.

Samarth Gupta: Okay. And the stone cost would be INR1,500 to INR1,800 per metric ton?

Harsh Tekriwal: No, stone price right now is around INR1,500 to INR1,800. It reaches us between INR2,400 to INR2,900 based on the grade of the stone and the transportation cost at that given time.

Samarth Gupta: Okay. So, can you explain more about the additives, what are used and how do these costs vary as you mentioned INR1,200 to INR1,800 per metric ton?

Harsh Tekriwal: There are two types of additives that are being used. One is called Boron Oxide which is 98% to 99.5% purity Boron which is not available in India. We do not import it directly. What we do is there are registered vendors who import it and then we buy it from them. That is one kind of additive.

The second additive is Boric Acid which is being manufactured by Organic Industries, Morarji Borax, Indo Borax and companies similar to that. The raw material of that again could partially come from outside India but that is being manufactured in India itself.

Samarth Gupta: Okay. These two are the main additives?

Harsh Tekriwal: Yes, sir. These are the two main additives. And the last one as I told you the Quartz Powder that is not an additive. That is part of the processing. We do not term it as additive.

Samarth Gupta: Exactly. Okay. So, one another follow up question I had. Can you please explain more about your top two to five customers? Are there any customer concentration risks?

Harsh Tekriwal: Sir, customer concentration risk is very low for us because like if you talk about our customer like there are groups that take products from us. So, if you talk about Rungta Mines, Rungta Mines has five units running and those five units are based on different locations. Similarly, Rashmi Metaliks could be our second biggest.

They have six to seven units running in different locations. So, you have to understand that in this secondary steel 70% or 80% of the concentration is in the groups. There are 20 to 25 large groups operating in India which make almost 70% of the steel.

Samarth Gupta: So, my question remains that what is stopping these customers from buying from your peers or other companies?

Harsh Tekriwal: Sorry sir, I could not hear you. Can you please repeat?

Samarth Gupta: My question is since we have our sales concentration is from these groups, what is stopping them from buying from other peers in the industry?

Harsh Tekriwal: Nothing is stopping them. The thing is that they require product in huge volumes and the location advantage that we have, the pricing that we have and the ability to provide the same consistent product that we have, gives us edge over them. Not that they do not, in any plant they will always have two vendors. They wouldn't go for a single party if the consumption is high.

So 70% to 80% they would be taking from us, 20% from some other. In some places 20% from us, 70% to 80% from others. So, it depends really what is their plan of procurement based on what pricing that has been given.

Samarth Gupta: Right. So, this will be an inherent customer concentration risk for us, right?

Harsh Tekriwal: If you call it sir, I mean, I just explained to you that we are almost working with 63 customers, 55 to 63 customers as on date, but if you see the volume that goes around 20% to 25% goes to two or three major groups and then the next 50%, 60% to the other companies, maybe 40 companies.

Samarth Gupta: In volume terms, are these two groups only forming 20%, 30%?

Harsh Tekriwal: 20%. In volume terms around 20% these two groups are forming, but the groups they are located at different, different sites and the different, different dynamics. They are not, if you call it a group, it is a group. If you don't call it, it is an entirely different integrated steel plant located in [Bikaner 0:51:29], located in Chaibasa, located in Barbil, located in Jharsuguda. So, the location is different, the name entity is different, but if you see the payment would be coming from a single source, that is what you call it a group.

Samarth Gupta: Understood. Yes, sir. Okay, thank you.

Harsh Tekriwal: Thank you so much, sir.

Moderator: The next question is from the line of Harshit Sachdeva with Columbus Capital. Please go ahead.

Harshit Sachdeva: Good afternoon, sir. Thank you. New to the company and the industry actually, but most of my questions have been answered. So, please let us know that how your product is made and one thing I have understood is that there are two products, stone and additives. You make and sell them according to the customer requirements.

Reliability of supply is very important, but any other factors? And second, sir, regarding the unorganized market that you mentioned, who are the small, secondary manufacturers that you want to supply and the brand that you have established?

Kritish Tekriwal: Sir, in our product, you can understand that we have a crushing unit, a mixing unit, a screening unit. It works in a completely synchronized way. We have our own process with which we manufacture it. The second thing is that the unorganized sector makes post-mix ramming mass. This means that they make ramming mass without additives, but the ramming mass with additives they can try to make it.

In that, what do they do? First, they will make the ramming mass then they will add additives to it. In our process, as we make the product, we infuse the additives. That is why our mixing quality is very superior. If you understand that 6 years or 7 years ago, how many people used to buy ready-mix and today they buy ready-mix. This is almost the same reason for us.

If you talk about before COVID, the major manufacturers of premix ramming mass in India are Tata Refractories Limited TRL Krosaki and they sell this product at the rate of INR10 to INR10.5 per kg, their rate is still very high. The whole method of making it is a secretive process which enables you to attain that quality. There is no secret that others cannot copy you, but still, you will have an edge on the entire thing.

All the unorganized players are slowly losing on players like us for the fact that they are not able to maintain that kind of stock of boric acid or boron oxide. If they took the order now, they wouldn't be able to cater the order because the prices went up. They would not be able to help those rates. They would not have the technology, their products will fail. As the requirement of premix ramming mass is increasing, the unorganized players are automatically getting out of this game.

Harshit Sachdeva: Also I have one basic question why do you use ramming mass in your furnaces for the customers?

Kritish Tekriwal: Sir, metal is melted in an induction furnace. The induction furnace is made of iron. Iron is melted at a temperature of 1,700-1,650 degrees. The main purpose of ramming mass is to act as a differentiator between the two. So that those six inch of lining which is there, that helps the furnace to work.

Otherwise, their instrument will get damaged. It cannot work. It is a refractory product. So they put a six inch, five inch, seven inch lining based on their application process. It reduces to three inches, two and a half inches, slowly it reduces. And when a cut-off time comes, every 45 hours to 50 hours or 60 hours a cut-off time will come depending on what they are melting. After that they have to break the lining and do a fresh lining.

Harshit Sachdeva: Okay. Okay. Very helpful.

Kritish Tekriwal: This is a consumable product for them, sir.

Moderator: The next question is from the line of Paras Chheda with Purpleone Vertex Ventures.

Paras Chheda: Hello, Harsh. First of all, congratulations.

Harsh Tekriwal: Good afternoon.

Paras Chheda: Good afternoon, Harsh. Sir, congratulations for the good set of results. Very good. I just wanted to understand one or two things, sir. The big expansion to 74,000 tons will happen by the end of this year, let's say. So I guess early Q1 of 2017, we should be having that capacity with us.

Harsh Tekriwal: Yes, sir.

Paras Chheda: Is that understanding correct? End of FY26?

Harsh Tekriwal: Yes. That understanding is 100% correct, sir.

Paras Chheda: Yes. Sir, what is the targeted utilization for next year FY27? And are we planning any sort of exports at some point?

Harsh Tekriwal: Sir, the plant that we are already operating, we are running at 97%-98% utilization. And we have to trade some goods and save our customers because we have a lot of work ahead. So we are increasing the capacity step-by-step. As you must have seen, we increased it once in July and then in October. But this work is not over yet. In December, it will reach about 2.5 lakh tons annually for Monolithisch.

And as far as the greenfield project is concerned, we will finish it. You can assume that its capacity will reach us at the beginning of the next financial year. It is possible that in the first two months, three months, we will have to set the quality there or there will be some initial technical problems, like it rained a lot this year. If something like that happens, then it is possible that we can work in less capacity for one month, two months.

We are taking the target that our subsidiary company will work for six months, 5,000 tons, 6,000 tons. And after that, in six months, five months as soon as it is set, it will shoot for 15,000 tons to 20,000 tons. So if you understand our target, next year this years' financial year end, so it should be somewhere around, our capacity should be, installed capacity we have told you, 35,000 tons to 36,000 tons per month ramming mass we would be selling.

Paras Chheda: Okay. End of FY27 like.

Harsh Tekriwal: Yes, sir. 100%.

Paras Chheda: And most of it, I mean, almost all of it is domestic.

Harsh Tekriwal: Sir, it is still domestic, because See, Bangladesh and Nepal are closest to us. It is around 200 kilometres from our unit. So, Bangladesh is not stable from last two years. Two years ago, we did not have the capacity. We did not leave the certain and go to the uncertain. We are working in Nepal now.

On a daily basis, we are growing there. Like last year, we did very little work. This year, we will do a lot of good work there. In Nepal, as soon as there is a little stability, Nepal has its own power problem. There is a shortage of power there. We will work in Nepal. Our work will increase.

The export of the Middle East is a little less feasible from here. It is difficult for us, because the goods made from here will go to Ahmedabad, Mundrapur. It costs INR3 per kilo to INR4 per kilo. So, it is difficult for us to tap it. For this, the company is looking for a unit on the other side. Not a very big unit, whose capacity is around 3,000 tons to 5,000 tons per month. So that we can cater the entire export business there.

We also have the same goal there. It is not that we put a plant of 50,000 tons and run it at a 50% or 60% efficiency. If we put up a plant, we will buy it at a reasonable price and work at a reasonable efficiency. Our product is a cheap product. When it runs at 80%, 90% efficiency, it gives money automatically. And when it runs at 40%, 50% efficiency, it is difficult to monitor or comment on its efficiency.

Paras Chheda: Understood. It is a good strategy. Best of luck for the upcoming capacity and growth.

Moderator: The next question is from the line of Gautam Gupta from GMPL.

Gautam Gupta: Hello, sir. I have a question. Sir…

Kritish Tekriwal: Yes. You are audible, sir. Please tell me.

Gautam Gupta: Yes. My question was that, as per my estimates, the market for ramming mass is around 2 million to 2.5 million tons . Out of which, 30% to 40% is in the eastern region. Which makes your market in India about 6-8 lakhs ton. So, as I heard, you are planning for a capacity of 5.6 lakh tons. How will you achieve 80% market share in that, sir? And also, if you plan to supply outside eastern India, how will you be able to supply considering the high cost as you had mentioned previously?

Kritish Tekriwal: Sir, I am not sure about the data that you are talking about. So, when you talk about eastern India, at present, we supply to Chhattisgarh, we supply to Telangana, we supply to the entire northeast, we supply to West Bengal, we supply to Odisha, we supply to Bihar, we supply to Jharkhand. So, the entire belt, if you see, the capacity is much higher than whatever research report that you have been able to gather.

And we have a problem that the plant, how many furnaces are there in that plant, when did that furnace increase, how much capacity did it have? We do not get a proper report of this. But you understand this thing that where we are sitting right now, the rent of Raipur from us is about INR1,500 to INR1,700 per metric ton. The rent of Vizag is about INR2,000 per ton.

So, my maximum freight outward cost is INR2,000 and the rest is within that. Whereas, if any player who is sitting in the western belt has to come and cater to any of these units, the minimum freight that they will incur is around INR3,000. So, this area, freight cost is not feasible for them on direct-to-direct comparison, one.

Second point is that since the work of freight inward and outward depends on what is coming to this place and what is going out. Like, for example, if you talk about the freight from here to Bangalore, that is around INR3,600 per metric ton. If you talk about that freight from Rajasthan, it would be INR4,500 per metric ton.

If you talk about freight from here to Maharashtra, it would be around INR2,400 per metric ton. And if you talk about freight from Rajasthan to Maharashtra of the belt that I am talking about, that would be again INR1,800 to INR2,000 per metric ton. So, this is not the point exactly that how will you supply from East India or how will you supply from Western India.

If your product is good, if your product is priced properly. So, you can definitely supply to the entire India. It is possible that somewhere you will earn 15%, somewhere 12%, somewhere 8%. But you will be profitable 100%.

Gautam Gupta: Understood. Thank you.

Moderator: Thank you. The next question is from the line of the Deepanshu Jain from Hem Securities. Please go ahead.

Deepanshu Jain: Good afternoon, sir. First of all, congratulations for your great set of numbers. So, my first question is, sir.

Harsh Tekriwal: Good afternoon, sir. Thank you so much.

Deepanshu Jain: Yes. Thank you, sir. So, my first question is like capacity expansion which we are doing in Monolithisch. So, we are expanding from 1,32,000 to 2,50,000 sir. So, like what is the timeline when it will get operational?

Harsh Tekriwal: Sir, 2,06,000 is already operational from 2nd of October. And it will reach 2,50,000 by December 31st. We will give you good news before the new year.

Deepanshu Jain: Okay. So, like 31st of December will be the timeline?

Harsh Tekriwal: Yes, sir.

Deepanshu Jain: Okay. And sir, what will be our capacity utilization targets? In FY26 and '27 on consol basis?

Harsh Tekriwal: Sir, we will finally reach to a point of 5,74,000 tons by the year ending.

Deepanshu Jain: And sir, what will be the capacity utilization?

Harsh Tekriwal: Sir, the capacity utilization as I mentioned before, the 2,50,000 tons that we are taking, we would be able to move on 90% or 85% utilization as and when it is installed. Regarding the new green field project that we are taking the initial, five months we are taking on 40%-50% and the next six months we are driving or trying to drive on 70%-80%.

Deepanshu Jain: 70%-80%. And sir, lastly, this Mineral India which we had acquired, so sir, like this has a capacity of 57,000. So, this will be added in our total capacity, 5,74,000 plus the 57,000?

Harsh Tekriwal: Yes, sir. It will be added on the -- sir, we are not counting on this because this is catering to a separate business from last five to seven years. And it has been working on the entire full capacity. So, we are not calculating on this for the 574 figure that we are talking as an expansion part.

Deepanshu Jain: Okay. So, like this is like over and above 574?

Harsh Tekriwal: Yes, it is.

Deepanshu Jain: And this manufactures ramming mass only?

Harsh Tekriwal: Yes, yes. This manufactures ramming mass and Q-powder. The Q-powder that is used in the ramming mass only. I mean, one of the products that is used there.

Deepanshu Jain: And this company has a turnover of around INR40 crores-INR50 crores?

Harsh Tekriwal: Yes, sir. It is around INR40 crores-INR50 crores. So, basically, what we are doing right now, we are doing some kind of bottlenecking there. There were few conveyors that were troubling us from last 4-5 years. We are revamping that. We can -- it has been moving very swiftly between INR40 crores to INR50 crores of top line.

Deepanshu Jain: So, by when we can expect this to be completed?

Harsh Tekriwal: Sir, there is a little seasonality in this. Our work of ramming mass, if you compare H1 and H2, there is a seasonality of 10%-15%. In H1, there is a lot of rain. Because of heavy rain, the production becomes tough for us. And this is moisture sensitive product. If there is moisture in the product, it is very difficult for us to, you know, meet our quality standards defined. So, that is one problem.

Second problem is, Indian Steel secondary market remains sluggish. So, due to that, some stocking inventory is made. In H1 and H2, there is a seasonality of around 10%. Sometimes, it goes up to 15%-20%. It depends on how much rain there is.

Deepanshu Jain: Okay, sir. Got it. Got it. And, sir, lastly, by when this transaction will be completed? Like, we are acquiring Mineral India. So, till when should we assume that the transaction will be completed?

Harsh Tekriwal: Sir, we have talked about taking this through EODM process. The date of EODM process is 1st November. As soon as we get approval from our shareholders, within next 5-10 days, we will try to take this in.

Deepanshu Jain: So, like sir, we will consol the numbers in FY '26, if I am not wrong?

Harsh Tekriwal: Yes, sir. From that date, it will get into that, we will consol it.

Deepanshu Jain: Okay. So, sir, you gave a revenue target of INR160 crores. So in this, Mineral India will get a separate revenue. If I am not wrong?

Harsh Tekriwal: No, sir. We are taking 140-160, in this, in a conservative way, we are assuming that Mineral India's October is over. November 15 will be 20-22. So, 2-3 months will be left. So, we are not considering that as relevant. Assume that INR10 crores-INR15 crores will be the revenue. What will be the total here? Assume that 140-160 will be the revenue for 1 year. If you talk about next year, whatever is the revenue of Monolithisch, Metallurgica, and plus INR40 crores-INR50 crores of MIGPL.

Deepanshu Jain: INR40 crores-INR50 crores, okay. And in this, I think, what are the margins? Like EBITDA margins?

Harsh Tekriwal: Sir, PAT margins in this are comparatively less. This is a 25-30 years old plant. We have converted this proprietorship firm into a private limited one. We are doing some deep bottlenecking to improve it. And this plant is located in a very small area. It has a land size of 1.5-2 acres. I am not quoting the land values exactly anywhere because I don't have it in hand. So, in this, you have to act accordingly.

Deepanshu Jain: Thank you, sir. That was very helpful for me. Thank you.

Harsh Tekriwal: Thank you so much, sir.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today's conference call. I now hand the conference over to the management for their closing comments.

Harsh Tekriwal: Before we conclude, I would like to sincerely thank all our shareholders, analysts, and participants for joining us today. And for your continued trust and confidence in our company. Your insightful questions and engagement truly encourage us to keep delivering sustainable growth and value. We look forward to your continued support as we move ahead on our journey of strong performance and expansion. Thank you once again, everybody. And have a very good day.

Moderator: Thank you. If you have any further questions or want to further have a meeting, they can get in touch with Go India Advisors. Requests can be sent to the email mentioned in the presentation at the end. Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us. And you may now disconnect your lines. Thank you.

Harsh Tekriwal: Thank you so much.