



Date: October 13, 2026

To,
BSE Limited
Listing Department
Corporate Relationship Department
P. J. Towers, Dalal Street,
Fort, Mumbai - 400 001

BSE Scrip Code: **544913**

To,
National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051

NSE Symbol: **GLASSWALL**

Subject: Transcript of Earnings Call with respect to Financial Results for the quarter ended June 30, 2026

Dear Sir/ Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed the transcript of the Earnings Call with respect to the financial results of the Company for the Quarter ended June 30, 2026 held on October 7, 2026.

The abovesaid details will also be posted on the Company's website at <https://www.glasswallsystems.in/>.

We request you to take the same on record.

Thanking You,

Yours faithfully,

For and on behalf of Glass Wall Systems (India) Limited

SAGAR Digitally signed by
LAMBOLE SAGAR LAMBOLE
Date: 2026.10.13
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Sagar Lambole
Company Secretary and Compliance Officer
Membership No. A45005

Encl.: a/a

Glass Wall Systems (India) Limited

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AN ISO 9001: 2008 COMPANY | CORPORATE IDENTITY NUMBER: U74999MH2010PLC207187





Glass Wall Systems (India) Limited

Q1 FY27 Earnings Conference Call

October 07, 2026

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recording uploaded on the stock exchange on 07th October 2026 will prevail.



MANAGEMENT:

MR. JAWAHAR HEMRAJANI – CHAIRMAN AND WHOLE-TIME DIRECTOR

MR. ESHAN HEMRAJANI – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

MR. SANJAY SAWANT – CHIEF FINANCIAL OFFICER

Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY27 Glass Wall Systems (India) Limited Conference Call hosted by IIFL Capital. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involves risk and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference has been recorded.

I now hand the conference over to Mr. Mohit Agarwal from IIFL Capital. Thank you and over to you, sir.

Mohit Agarwal: Thanks. Good afternoon, everyone. Welcome to Glass Wall Systems (India) Limited first-quarter FY27 Earnings Conference Call. From the management side, today we have with us Mr. Jawahar Hemrajani, Chairman and Whole-Time Director; Mr. Eshan Hemrajani, Managing Director and CEO; and Mr. Sanjay Sawant, the CFO of the company.

I will now hand over the call to Mr. Eshan Hemrajani for his opening remarks. Thank you and over to you, sir.

Eshan Hemrajani: Yes. Hi. Thank you, and good afternoon, and a very warm welcome to everyone present on the call. Thank you so much, Mohit, for introducing myself and my father, who are both on the call today. We also have Mr. Sanjay Sawant, who is the Chief Financial Officer at the company, and SGA, Strategic Growth Advisors, they are our investor relation advisors, they are also on call.

I think to begin with, I would like to thank and congratulate all our stakeholders, investment bankers, and business partners for helping us achieve this milestone of getting listed on the Indian stock exchange.

Since, obviously, this is our first earnings call, I would like to take you through Glass Wall Systems journey, business overview, industry opportunity, and growth strategy, followed by which we can talk about the financial findings of the first quarter, and post that, we can jump into the Q&A.

We have also uploaded the investor presentation deck on the stock exchange, and I'm sure everyone has had a chance to go through that, right? So let me start by introducing the company briefly.

Glass Wall Systems has been operating -- we are facade solution providers, and we have been operating in this industry for more than two decades. Our business has started in 2002 and was founded by Mr. Jawahar Hemrajani, who is the Chairman of the company.

So it's been almost now 24 years for us in doing this business. Let's start by introducing what we do exactly. We are, as I said, facade solution providers. So facade is everything on the exterior of the building that you see today.

Our major product is obviously aluminum frames with glass that you see on a lot of commercial buildings, but our expertise is expanded into everything on the external building envelope. So we have capabilities to design, manufacture, and install not only aluminum and glass, but also railings, louvers, ACP cladding, stone cladding, any sorts of rain screen cladding, windows and doors. So expertise of our company is to provide turnkey solutions for everything on the external building envelope.

Obviously, this is a premium segment. We define the skylines of the city. So we are an important trade to the developers. It is only after we finish that the developer can start his handover procedures and also get his fire NOC and occupation certificate. So in that sense, we are a very important trade. We define the aesthetic of the building. We also need to make sure that the functional requirements of the building are met by the product that we put onto the building.

So because it is the external face of the building, it is subjected to all natural elements. So when we design facades, we take care of the fact that the facade is going to be subject to air, water, acoustic performance, thermal performance, building movements, seismic or earthquake movements. So all of these natural elements, the facade has to cater and fight and accommodate the worst natural elements.

So we are heavy on engineering, we are heavy on manufacturing. This industry is very niche, in the sense that every project is different and we engineer for every project from the ground up. We are operating in three business verticals today. The first business vertical is the domestic facade solution. On the domestic facades, we are working with the Grade A developers in the country today, where our nature is turnkey jobs. So that means, as I told you, we do everything from the beginning. We do the engineering, we do the manufacturing, and we also do the installing.

So we work closely with the developer. All our contracts are through the developer and our focus predominantly on the domestic side is to do non-residential real estate. So all of our order book today on the domestic side is commercial real estate, where more often than not, it is already a leased-out property and the developer is building to cater to a particular demand of lease, and we are executing the job.

So that is our first business vertical, which is domestic facades. We are a pan-India company, so we have presence around the country. But our major markets are Mumbai, Pune, Ahmedabad, Bangalore, Hyderabad, Gurgaon, Noida. So all Tier 1 cities is where we are our focused markets.

The second business vertical that we are in is the international facade business. Here, our job scope is that of doing the engineering, doing the manufacturing, and then only supplying the goods as a ready-to-install product around the world, right?

So our clients in the international business are people like ourselves, facade contractors in US, in Australia, and elsewhere in the country, who hold the main contract. So they do the install, but they buy the product from offshore. So we come in, and we engineer and supply the product to them as a ready-to-install product, and they install on site.

So it's a purely product supply sort of a business, where B2B product supply, where obviously margins are slightly better, and we don't hold the execution risk of projects. We started this business in 2022 with US, and today we are operating in the US and in Australia. We are also exploring new geographies. As I take this call, I'm sitting in Canada in my hotel room, and why I'm here is to basically try to develop Canada as a country where we could possibly export panels into. I'm also heading to Israel next week, which is another country that we are exploring very closely to expand our international business. This is the second business vertical, which is B2B product supply.

The third business that we are in is fenestration business. Fenestration for easy understanding is doors and windows that you see in residential projects, but we operate in the premium segment here, where we are doing ultra-luxury projects and ultra-luxury residences.

This is led by my brother, Amit, who's also on the call today. He's an architect by qualification. And here, we are doing very niche projects. We have tie-ups with companies in Europe and all around the world where we import the engineering, we do the local assembly, and we do the local installation.

So the engineering is basically with partner companies based out of Europe, and we have exclusivity with a lot of companies supplying product into India, fenestration products, very high-end, and we do the manufacturing, and we do the install.

So here there are two client bases. One traditional client base was very B2C. So because we were doing private houses and residences, so it was a B2C sort of a business model. Now that has migrated a little bit into B2B because now we are seeing that in the country, there are multiple luxurious projects that are coming up that demand the best window products available in the world, and this is the market that we are increasingly catering to. So it's while the B2C will continue, we see that there's a B2B element also that is coming up here.

So you have the domestic turnkey facade vertical, you have the international product supply, and then you have the fenestration, which is a high-end window, very niche, obviously higher margins, lower volumes, but higher margins, very niche fenestration business. So these are the three verticals that we operate out of.

In terms of our product portfolio, I've already mentioned to you earlier, we do everything on the exterior of the building, and we also have products that we have listed on the International EPD System, which is our sustainability play, where we see that a lot of a lot of developers today are becoming very conscious of the sustainability angles.

And we have products we have our own products that we have listed on we have third-party audited and listed on International EPD System, which says that our products that we put onto the building are much more sustainable than the global average values. So while we do everything on the external, we have a huge sustainability play where we are ahead of the market in terms of our having our products registered.

We are a Mumbai-based company. So our corporate office is in Lower Parel. Our manufacturing is 2.5 hours away from Mumbai city in an industrial area called as Vile Bhagad, Mangaon. It's an ownership land parcel in MIDC. It's a 1 lakh square meter land area.

What we have developed with the recent expansion is around 32,000 square meters, and we are building up our own glass processing unit, which I'll come to in a bit. So right now, we are a Mumbai-based company. All the design offices, all the central operations are run through the Lower Parel office, and all the manufacturing is done through the Vile Bhagad factory, wherein, in that in the same land parcel, we have only developed around 30% as of now.

We are developing the glass processing unit, which is going to add maybe another 25% or so. So that land, as of today, even with the future expansion of glass processing unit, is around 55%, 60% occupied. So there's good and enough room available for us in the same piece of land to expand further.

Right now, our capacity is around 130 panels a day, and we have four dedicated production lines with a lot of people working in the factory. All our CNC machinery, which is for cutting, notching, drilling, is all from Germany and Italy, so very top of the line. Our glazing pumps are from Graco, USA, which is, again, top of the line. Our entire sheet metal factory is with Amada and Japanese machinery.

So the infra that we have put in is very high-end in our factory. It is the best available in our industry. And we are fairly automated operations through the factory floor. We have 400 running meters of conveyors, and we have around 350-odd workers working, of which around 120 are on our payroll. The rest are contractual workers.

So we also have a test facility that we have made in the same piece of land. The test facility is basically to put up all the facade products before it goes onto the building and actually test it to real-life situations. So we do testing for air and water leakage. We do testing for seismic or earthquake movements. We do testing for structural load. We do testing for building movements, that is inter-story, that is a vertical movement. We do sway, which is which is horizontal movement.

So before One is to do all the mathematics on paper, and one is to actually put it on a test lab and test it out for real-life scenarios, right? So we do have a test lab in-house. We are the only ones in the country to have this as facade fabricators, and it is a third-party lab accredited from NABL, which is the certifying body for all Indian labs in as third-party labs.

So our manufacturing setup is world-class. We are also expanding and doing the backward integration for which we have raised the primary money. Obviously, the construction is underway for that. What we are desiring to do is do our own processing of glass, which we are today doing from third-party entities.

So obviously, for us, this is more control over supply chain, and also, there is a bottom line saving for us because we are going to be vertically integrated to that extent. So the money that we raised for the primary on account of the glass processing is already being put to use where the construction is underway.

The entire project cost was Rs.80 crores. We have raised Rs.50 crores through primary and the rest was through internal accruals. In terms of client base, in the domestic segment, obviously, we work with the crème de la crème, so companies like Bagmane, Prestige, K Raheja, Embassy, Lodha, these are the kind of clients whom we deal with.

On the export side, we now have customers in the US, which is Reflection Window, Wall and Winpro, that is our major client in the US. And we have clients like SRG Global in Australia. They are also fairly big in Australia. So SRG Global and Multiplex are the two clients that we have in Australia.

Overall, we have completed around 158 projects, 158 projects since our inception, and in US and Australia today, we have around 15, 16 projects that we have completed. Our strengths are that obviously, the business model is diversified into three business verticals. Our capacities are fungible, so it is the same factory, it is the same design team.

So tomorrow, if an opportunity presents itself, the company is flexible to address that opportunity in a particular segment because our capacities are interchangeable or fungible between the three business verticals.

We have a strong client relationship. Obviously, a lot of the business that we do is with repeated clients, which I think everyone knows on the call. So very relationship-driven business. Yes, we are trying to introduce new clients, and that's the reason that we are all traveling, and we are doing it on a yearly basis, too.

But a lot of our client is repeat, and that is also reflection of the fact that we've been delivering quality and timelines over a substantial period. So a lot of developers today feel very comfortable with continuing business relationship with us.

Obviously, our design engineering and manufacturing are amongst the best in the world, and we spoke about it. The software's on design that we use are again top of the line available in our industry. So in terms of infra and people availability, I think we are well poised for future growth.

We spoke about sustainability and also experienced management. Obviously, my father has been a veteran businessman. He's been in business for the past 40 years. He acts as a good guide for us in Glass Wall. I myself, I have more than 12 years of experience in Glass Wall. I'm a civil engineer by qualification, and today in my capacity, I lead the entire operations of the business.

So overall, we are a very niche business. We account for, let's say, on a project, as a total project cost, facade is anywhere between 7% to 11%, 12%. So we are a substantial bit of work for the developer. We hold great leverage over our clients in terms of the nature of work that we do. Company is diversified into multiple business verticals, and our infra is geared up to allow for growth for the next couple of years without any incremental capex.

So this is the business. In terms of the industry opportunity, obviously, there are research reports around this. What I can briefly touch upon is how the business verticals are growing. The domestic facade is poised to grow at a CAGR of approximately 15.9%. Today, it's a 9,000-crores

market, and it is assumed to grow at around 16%-odd CAGR and reach around 14,500 crores by FY30.

The global facade market is extremely big. Obviously, you can't even quantify it. It is, but we have in the US, the facade market for someone like us, who is supplying product into the US, is close to 30,000 crores. And that is growing at around 6.5% or 7%.

So I think there's huge opportunity in the export segment also for a company like us, who is playing around with a China-plus-one model, and where we see that all these countries want to actively de-risk themselves from being 100% dependent on China. So we see that there's a good opportunity there for our company to keep growing.

Fenestration is again growing fairly quickly. I think that is going at 25% CAGR and it is today a 9,700-crores sorry, it is a 1,000-crores market, increasing to a 3,000-crores market over a period of time.

So what's our strategy for going ahead is doing the same things that we are doing. It is a new journey for us to be listed. So while we are learning how to communicate and put our story across on the public market, but the basic intent of the business remains the same. It is to keep these three verticals growing, explore new markets on the international side. It is to grow our domestic presence and definitely scale the fenestration side of things, where we see that there's good opportunity.

So, the future growth is to keep all these three verticals growing. The three verticals are very different to each other, but the aim is to maintain a good balance going forward between all three.

I think before handing over to the CFO, I would quickly recap the deal that we did at the listing time. The IPO size was Rs.428 crores. The fresh issue was Rs.60 crores. The OFS was Rs.368 crores. The Rs.60 crores is obviously what we spoke earlier for the backward integration of the glass processing unit that we spoke about.

One needs to understand that our business is obviously a project business, so we get projects and we complete projects. So a lot of our revenue recognition and profit recognition depends on project schedules.

And I'm sure everyone on the call knows that there is a certain amount of let's say a preponement or a delay or a move from initial estimated project timeline on a project-related business. So our business also, because it is project completely project based, can move a little bit here and there depending on the project schedule.

So I encourage all the investors today on call to look at this business from a long-term perspective at a yearly level, as opposed to quarterly levels, which could fluctuate a little bit here and there based on the project schedules.

While we've been delivering consistent growth on a year-on-year basis, and the same is going to happen this year, my only request is to have cognizance of the fact of the earlier statement as to

the little bit seasonality of our business, where we typically see that the first 2 quarters are fairly slow and the last 2 quarters are fairly heavy. So this trend has been historical and is probably going to continue to be the same.

In FY27, we have said this earlier with all our meetings, we are expecting around 25% growth on revenue, and EBITDA margins will be historically in the same range that we have delivered over the past 2 years, where EBITDAs are what we are aiming to deliver is around 23% to 25% EBITDAs and 18% to 20% PAT at the consolidated levels.

Today, our order book as on 31st July is Rs.982 crores, which is the unexecuted order book that we that the company has on hand, and this is almost twice the revenue of last year. So this is good visibility for us for the next 18 to 24 months, and a good amount of that will be executed in the balance of the year as well.

So from a visibility standpoint, I think the company has good visibility. We have a strong pipeline. We are trying to develop new markets. So overall, I think from a order book standpoint, the company is very comfortable and from a margin standpoint also, we are fairly confident that the end of the year will be what we are saying, because we know that the margins that we've taken the jobs at are at the same level that we are committing.

So, I think that's it from my end. I will probably hand over to Sanjay Sawant, who is the CFO of the company, to just briefly touch upon the Q1 results.

Sanjay Sawant:

Thank you, Eshan. And good afternoon to everyone. Basically, let me now take you through the key financial and the operational highlights for the first quarter FY27. For Q1 FY27, revenue from operations stood at Rs.107 crores, registering a strong year-on-year growth of 36%.

Revenue mix, I will just go through this. Domestic business revenue was Rs.62 crores, up of 93% year-on-year driven by the strong project execution. International business, revenue of Rs.39 crores, down by the 12% year-on-year, reflecting the timing of order execution with deliveries schedule over the coming quarters, which is generally happens in the third and fourth quarter.

Then fenestration business, the revenue of Rs.6 crores, up of 127% year-on-year, driven by the rising demand from the luxury residential segment. EBITDA for Q1 FY27 came at Rs.23 crores, reflecting the growth of 9% year-on-year on EBITDA margin stood at 21.3%. Now the EBITDA margin were impacted due to a lower contribution from the international business, which is a 36.3%, which typically carries a higher margin and also impacted the overall margin performance during the quarter.

Employee cost, there is an increase in the manpower requirement for the expansion and operationalization of the new capacity, coupled with the periodic salary revisions, led to increase in the employee cost.

In other expenses, basically include the freight cost, which is now being borne by the company in this quarter, and is billed to the customer on cost-to-cost basis. On that, we don't get any margin. And as per the revised commercial agreement versus ex-factory billing during the same

period in the last quarter. In Q1 FY26, we were supplying the goods at the ex-works, so the all the freight cost was borne by the client.

Then profit after tax, which is a Rs.17 crores, grew at a lower space compared to the EBITDA growth led by. This is basically lower other income, since Q1 FY26, we had a Rs.1.6 crores income on account of the property sale, and during this quarter, Q1 FY27, we have a higher depreciation on account of new capacity expansion & commercialization.

So basically, this is all from our end. We now open for the question Q&A section.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question is from the line of Srikanth from Pinpoint X Capital. Please go ahead.

Srikanth: Thank you for opportunity. So my question is, to what extent capabilities are similar to execute projects in residential and commercial? Because we have residential customers and commercial customers. So what are the advantages to the synergies to us in this execution of this segments?

Eshan Hemrajani: So what I will take this question. I think what you're trying to ask is the infrastructure from a design and manufacturing standpoint able to cater to residential, commercial, and all these other segments. Is that correct?

Srikanth: Yes, correct. What are the synergies for our company? Because we are catering to residential, commercial, and the hospitality. So what is the edge to us compared to other players? So we...

Eshan Hemrajani: What's the edge to us? -- Okay, super. So I think one is the infrastructure that the design capabilities and the manufacturing capabilities that we have today in the country are much superior than all of our peers, right.

So while everyone is growing, but our infrastructure, for example, we spoke about the test rig, we are the only facade fabricators in the country to have this. The glass processing unit that we are putting up for backward integration, we are the only ones in the country to have our own glass processing unit.

So from a integration standpoint and a scale standpoint and a skill standpoint, I think infrastructure is a big benefit for us in terms of in terms of the value add that we bring to the client, as opposed to our peers, right.

The second big differentiation is that we are a diversified business today, where we have three business verticals. Our peers, the Grade A peers that whom we compete with in the domestic market on a day-on-day basis, do not do any export, for example, and also do not have a luxury fenestration arm.

So today, our company is de-risked and diversified in the business that we do across the business verticals, right? So I think between the infra and our business model in itself, we have a distinct advantage over our peers.

Srikanth: Sure. My next question is, we are in a niche segment, so what are the technical capabilities need to possess by new player to make a presence in this facade segment and fenestration segment?

- Eshan Hemrajani:** The technical capabilities that are needed, is that your question?
- Srikanth:** Yes, correct.
- Eshan Hemrajani:** From a technical standpoint, obviously, we, as I told you earlier, because we are the external skin of the building, the facade has to make sure that there is no air leakage, there is no water leakage, there the acoustic performance is good, the thermal performance of the system is good, it should cater to earthquake, it should cater to building movement, it should cater to difference in temperature.
- So from a design capability, what we need to do is that the system that we draw, which has two purposes. One purpose is to meet the aesthetic intent of the architect and developer because they care about how the building looks. The other aspect is to meet the functional requirements.
- So our capabilities on design engineering through high simulation softwares that we have and people and structural engineers and architects that we have on board, what we do is we try to meet the aesthetic intent of the architect as well as the functional requirement of the project through the design that we do of the system. So that is where the heart of the process is, where the design of the system and the systems that we have in-house today is -- let's say not superior, but is the differentiating factor between us and maybe other players.
- Srikanth:** Thank you. And one more question for export segment. We are not into installation segment, but we are providing previous steps in the before installation. So what is the management rationale, why we are not entered into installation there, and taking help of facade contractors in USA and Australia?
- Eshan Hemrajani:** Also the whole idea is that we need to get greater market access to scale. With doing installation also, first of all, it will be a new market for us, where the labor laws and the whole ecosystem is different. So it is opening the company to that much greater risk if we take the installation also, right?
- The whole purpose of doing export is first to go to various geographies, is to minimize risk on the installation side and it is also to get greater margin access as opposed to the domestic market, right? So once you make the goods and it leaves Nhava Sheva, it doesn't really matter to the company whether it is going to the US, Australia, Israel, or elsewhere. So you can be operating in that much more market and scale up that much larger and quicker if you're only doing a supply business. So the rationale behind international business is exactly that.
- Srikanth:** Sure. One final question. So what is the expected timeline for capex of in-house glass processing unit, sir?
- Eshan Hemrajani:** Next 8 months, we are looking at commissioning.
- Srikanth:** Sure. Thank you.
- Eshan Hemrajani:** Thank you so much.

Moderator: Thank you. I now invite our next question from the line of Nirav Bhanushali from Systematix PMS & AIF. Please go ahead.

Eshan Hemrajani: Yes. Hi, Nirav.

Nirav Bhanushali: Hi, sir. Thanks for the opportunity and congrats on good set of numbers. So, there are a couple of questions. Sir, what was the order inflow for this quarter, broadly? And other question was with regards to the margin, as you said that in the international business due to freight cost increase and well -- we are passing it to on the cost basis. So, how should we look at it moving forward in this couple of quarters? Was there any delays in Q1 which will get surprised in the Q2 numbers?

Eshan Hemrajani: That's a good question, so I'll answer both of it. I think first one, let's talk about the freight because you touched it up and Sanjay also spoke about it. See, up until last year, our works was ex-works, right? So, we had no freight cost at all, because the client was taking care of it. It was getting picked up from our factory, so the domestic transit, the shipping and then the let's say local transit in the US was all being taken care by our client, right?

What we have migrated to since is a DDP, which is a deliver duty paid sort of a model, where all the freight cost is now borne by us. So why we did this is first of all to help our clients in the sense because with the war, the volatility of the shipping cost was too high. But while we did that to extend some sort of assistance to our client, we have a complete pass-through on this. So whatever is the cost of freight is a complete pass-through to my client. So we are not opening ourselves to risk on any sort of volatility on the shipping.

But what is definitely happening is because there is now an increased shipping cost, which is part of our revenue and equivalent part of our cost as well. And what Sanjay mentioned earlier is because there's a at par increase in revenue and cost, there is no real impact on margin but the percentage of margin looks lower to that extent, right? So that is what has happened.

Going forward, I think container costs are going to cool down. So the add-on revenue on account of this would be fairly minimal, I would like to assume. And today, let's say, in these 107 crores of revenue in the first quarter, around 6 crores or so, 6 or 7, just give me a second. Yes, 5.5 crores was actually freight. So if you adjust the freight down on the revenue and the cost side, the margin obviously increases by around 1.5%, right?

And also on the Q1, there was a sale of Q1 of last year, there was a sale of property for which capital gain was recognized as other income. So net adjusted all of these, we are exactly in the range of the margin profile that we delivered on a yearly basis last year, right?

So the margin hasn't deteriorated at all to that extent. It is at par with what we have delivered over the last financial year and what we are committing to deliver this year. From a new order standpoint, I don't think there's any order of substance that has come in the past three months. There are a couple of jobs that we are very close on, which would come onto the company very soon.

- Nirav Bhanushali:** Okay. So we had declared that we have we have got certain a couple of new clients in the US market as well as the Israel and Canada. Any say we are getting any RFQs from there then...
- Eshan Hemrajani:** Yes, I'm traveling for the same reason. I have meeting. Today, I was in US. I'm in Canada right now, and next week, I'm in Israel, is to kind of discuss and try to close on jobs that we've been quoting on. So that's why I say that I have greater confidence that there are jobs. Obviously, on the domestic side is huge. I'm talking purely on the international side that we are very close to clicking a couple of jobs on these new markets that we're trying to establish.
- Nirav Bhanushali:** Okay. Thanks a lot, sir, and best of luck for the journey.
- Eshan Hemrajani:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Sunil Jain from Nirmal Bang Securities Private Limited. Please go ahead.
- Eshan Hemrajani:** Yes. Hi, Sunilji.
- Sunil Jain:** Yes, thanks for this opportunity, sir. First of all, on the revenue recognition. Like if you are, say, example, doing any a particular building, so when you recognize the revenue? Means you recognize once the material is getting delivered or it's the complete building which get completed and then you only recognize the revenue?
- Eshan Hemrajani:** So I will break your question into two parts. One is recognition of revenue from a P&L standpoint in terms of how we do it and one is our payment terms, right? So there are two different things.
- Let's start with the payment terms. Payment terms is a milestone basis, where we get paid advances 10% to 15%. I'm talking a generic payment term across the domestic sector, right? We get paid on design submission, which is around 10%. Then we get paid on material delivery on site. So let's say it's a 50-floor building, if I deliver material of two floors, I get paid for two floors. I don't have to wait till I deliver the entire material.
- So it's a pro-rata sort of a payment cycle, right? So advance, design percentage around 10%, then on material, we get paid around 55%, 60%. So overall, which is my major cost is the material and manufacturing, right? We get paid on material delivery up to 75%, 80% of the job, right? Then balance 15%, 20% is installation and handover. So this is how the payment flows.
- On the invoicing side is we raise tax invoice, again, on these milestone basis. On the revenue recognition side, we follow the percentage of completion method, where the budget of the project and the cost incurred on the project determines what the revenue recognition is. So for the P&L revenue is a percentage of completion. For the payment and invoicing is this milestone-based agreement that we have with the developers in the country.
- For export, I bill when the when the material leaves my factory. So I raise an invoice when the material leaves my factory, and I get paid 60 days from the invoice date. So by the time the

goods reach let's say my clients, I'm already paid for it. So this is how we do it in all the business verticals.

Sunil Jain: Yes, well understood. Second thing about freight. You said that now the freight is included in selling price and also in the cost, comparable. But you had also said that duty paid is also included in that. Means if suppose last year when the US imposed duty, that was not part of your expenses, but now if suppose anything comes, then it will be part of your expenses.

Eshan Hemrajani: Yes, that is true.

Sunil Jain: Okay. So what could be the, means what how you expect if suppose any duty comes now from US?

Eshan Hemrajani: Pass-through, right? All of this is a pass-through for me.

Sunil Jain: Okay.

Eshan Hemrajani: The company doesn't have any risk of any changed duties or even sorry, shipping to that extent.

Sunil Jain: Yes, but will that have any impact on the demand side from the US?

Eshan Hemrajani: I can't say that there is no impact on the demand, but I don't think that US has any other choice, because obviously, all of this tariff thing is not really spurring up domestic manufacturing, right? Because no one is willing to put in that capital in this country, and then they don't have the manpower also at their disposal to start entire manufacturing. I'm talking for my industry, right? Specifically for my industry.

So they don't have that manpower or the will to invest the capital to start manufacturing. So when that is not happening and the product is still coming from offshore, because the import percentage hasn't dropped as a volume of goods, it is nothing but inflationary to the final consumer, because even my client is passing it through to the developer.

So yes, demand overall of construction is going to get a little bit slower, I assume. I feel that. But for now, I think it's such a big market that for us, where we are very small in this market, it's not going to be too much of a big deal.

Sunil Jain: Great, sir. One more question relating to, you said that there was some delay in delivery of the export business. So will that, means this is...

Eshan Hemrajani: No, There is no delay of delivery in export business. Project schedule is determining that now Q3 and Q4, I have three projects that I have to complete which is going to be on the floor of export.

So, there is no delay per se. There was lesser jobs, the jobs that we had did was not on schedule on quarter one. So, in Q1 and Q2, there was not much business of export. Now, in Q3 and Q4, you will see that export business will be good because the schedule is for me to start from now.

Sunil Jain: So, the revenue growth guidance of...

Moderator: Sorry to interrupt in between, Mr. Sunil, I would request you to please rejoin the queue again.

Moderator: Thank you. I now invite our next member, Bhupesh Kawdia from ICICI Securities Limited. Please go ahead.

Eshan Hemrajani: Yes. Hi, Bhupesh ji.

Bhupesh Kawdia: Hi. Thank you for this opportunity. I just wanted to know about your average life cycle of a contract. So what is the time period from which you receive the order and then what is the?

Eshan Hemrajani: It is 18 to 24 months, typically, is the turnaround from order receipt to completion of order.

Bhupesh Kawdia: And is what how is the revenue flown throughout the period?

Eshan Hemrajani: How is the revenue?

Bhupesh Kawdia: Flown throughout this 18 to 24-month period? So is majority of the revenue recognized later half, in the later half or in the earlier half?

Eshan Hemrajani: No. See, again, it's, as I told earlier, it's a project-based business. So if the project demands a certain schedule, we, as a company, try our best to manage the timeline of the project along with the existing work, right? So ideally you want to have, you know, a balanced level of work throughout the year. But necessarily that does not be absolutely true for our business, because sometimes projects go one or two months here and there, right? It's finally construction.

So what we try to do is we manage try to manage our capacities to make it sort of linear throughout the year. So give or take a couple, maybe a month or two months here or there, typically, the projects are always on time. So there could be blips here and there, but overall, over a span of 24 months, I think the project completes.

It is obviously different for different verticals also. Like export is typically within 12 months, because I don't do any install, so the timeline is a little bit shorter. On the domestic side, it is longer, at around 24 months, because we also do the install.

Bhupesh Kawdia: Okay. Thank you for that. And just another question. So what is the difference in your margins for export and domestic verticals?

Eshan Hemrajani: I don't think I can give you that kind of a straight answer. But yes, you can understand that the export and the penetration are higher margin verticals for us. So there is there's a fair bit of difference between domestic and export.

Bhupesh Kawdia: Okay. Thank you.

Eshan Hemrajani: Yes. Thank you so much.

Moderator: Thank you. The next question is from the line of Naitik Mutha from NV Alpha Fund. Please go ahead.

Naitik Mutha:

Hi, sir. Thanks for taking my question. So my first question is, if I look at our company's, you know, P&L over the longer term, and I was looking at, say, pre-COVID levels to, you know, right now, what I observe is, you know, the revenue has more or less been at, say, pre-COVID, it was around Rs.300, Rs.350 crores. And at that time, at that scale, the margins were, you know, 10%, 11%, give or take.

While today, where we stand at Rs.450, Rs.460 crores, the margins have, you know, gone up 20% plus. So what I wanted to understand from you is has something fundamentally changed in the in the past couple of years? Are we doing something differently which is giving us such higher margins? Or, you know, just wanted to understand this bit.

Eshan Hemrajani:

No, this is a great question, so I will answer that question. A lot of things have changed since pre-COVID, right, to now what we're doing. The first major change is that we have introduced the export and fenestration vertical, which is which is scalable and at a higher margin, right? So obviously, there's an impact of this business verticals to the resultant margin of the company.

Also what we realized was pre-COVID, we were very heavy on residential projects on the domestic side. So domestic projects, and it is extension to the earlier question, have a larger life cycle in terms of their completion time, right? And because the developer makes and sells and makes and sells, as opposed to what we are doing today on the domestic side, is completely commercial, where a tenant is waiting to occupy, and the timeline for turnaround of the project is much lesser.

So whenever the timeline is lesser, the realizations are faster, and you can understand and imagine that the margins are better, right? So the entire pivot from a residential heavy order book on the domestic side to a completely commercial order book has also impacted our margins along with the business vertical diversification that we've done.

One more important thing that has happened is that we have aggressively tried to improve our contractual terms post-COVID. So when the commodity prices went up in COVID, we did not have any pass-throughs on materials, right? So we suffered on account of that, of increased commodity pricing.

And what we have achieved post that is that today all our contracts across all business verticals have pass-through on aluminum and glass, which is the major raw material for us, right? So to that extent, any hit on margin that was coming on account of commodity price increases is no longer coming to us, because it's a pass-through for all our clients across business verticals.

We also consolidated our manufacturing. We were, you know, we had two, three factories around the country. Now we are operating from one factory. So there was benefit of cost and scale that happened because of consolidation.

So I don't think it was any one particular subject, but it was a combo of all these three, four things that we've done that now you see that the margins are sustainable. And today, we are a debt-free company, right? And going forward also, we are very confident of sustaining this, because the business model will remain the same.

Naitik Mutha: Got it. Got it. That's very helpful. Sir, one more question, in addition to this, you know, if you could help us understand what was the share of exports, say, 2018, '19, pre-COVID, and what is it today, to see how...

Eshan Hemrajani: Zero.

Naitik Mutha: Zero. Okay.

Eshan Hemrajani: FY18 was zero. Our exports have started from '23 onwards, FY23 onwards.

Naitik Mutha: Got it, sir. Got it, sir. That's it from my side. Thank you so much.

Eshan Hemrajani: Thank you.

Moderator: Thank you. The next question is from the line of Sagar Tanna from Alchemie Ventures. Please go ahead.

Eshan Hemrajani: Hi, Sagar-ji.

Sagar Tanna: Hi, sir. Hi. So on a full-year FY27 basis, what percentage of revenues do we expect from exports, fenestration, and the domestic facade business?

Eshan Hemrajani: Can we give forward guidance in this detail?

Sagar Tanna: Because you've mentioned 25% revenue growth or something like that, right? So if you can just give a broad breakup in terms of business mix?

Eshan Hemrajani: I can give you such a flavor that it will be in a similar breakup of let's say range of revenues as comparable to last year.

Sagar Tanna: And what was that?

Eshan Hemrajani: That was around, I think, 40%-45% or so was domestic, 42% or something was international. And I think some 10%-odd was fenestration. Sanjay-ji, correct me if I'm wrong, please.

Sanjay Sawant: Yes, yes. For financial FY26, 49% is a domestic, 45% is a international, and the 6% was the fenestration.

Eshan Hemrajani: And I think we'll be in the same ballpark. Please tell Sanjay-ji, complete it.

Sanjay Sawant: And in the year financial FY25, it was a 47% domestic, 42% international, and 12% fenestration. So the intent is to maintain the same balance.

Sagar Tanna: Yes. Sure. Second thing, you mentioned about how freight cost is now part of numerator and denominator, right? So on a full-year basis on '27, what percentage of EBITDA margins can we expect, considering this revised policy which was not there which was unlike '26?

Eshan Hemrajani: I don't think there'll be a huge impact on the margin, because a lot of jobs that we're doing now are high margin. So maybe if there is a downward because of this, but if it is because of another

job, it can be accommodated, so I don't see a huge play. Maybe a few blips here and there, maybe. I can tell you that we'll be in the same range, 23%, 25% EBITDA and 18% to 20% on PAT.

Sagar Tanna: Right. Got it. Thank you so much and all the best.

Eshan Hemrajani: Yes. Thank you.

Moderator: Thank you. The next question is from the line of Sunil Jain from Nirmal Bang Securities Private Limited. Please go ahead.

Sunil Jain: Yes, thanks for this opportunity again.

Eshan Hemrajani: Yes. Hi. Yes.

Sunil Jain: Yes. So you said that.

Moderator: Sorry to interrupt, Mr. Sunil, you are not audible.

Sunil Jain: Yes. Just a second. See, just I was asking about the market and your market share in India. Market, you said, but how much is your market share in like-to-like market? Means market can be very big, but what the job you are doing in that how much you have the market share?

Eshan Hemrajani: We will be, I think, around 6%, 7%.

Sunil Jain: In the...

Eshan Hemrajani: Domestic market.

Sunil Jain: Yes, the other players are there are equally like you or they can be bigger or smaller players?

Eshan Hemrajani: We are second largest in terms of revenue in the domestic area, right? The largest one is probably Rs.100 crores above us. So they're three or four guys whom we compete with who are doing revenues about Rs.200 crores, and then obviously the tail from Rs.100 crores to Rs.200 crores is quite huge.

They are also the organized segment. Anything above Rs.100 crores we consider to be in players in the organized segment. But typically the Rs.100 crores to Rs.200 crores players don't compete with us directly. Anyone who's doing about Rs.200 crores, and they're four three, four guys in the country who do it, they are our direct competitors.

Sunil Jain: Okay. And on the international side, out of the total export, how much is to the US and how much is to the Australia?

Eshan Hemrajani: I think this year will be completely to the US. We don't have any current Australian job. Majority is to the US, yes, right now.

Sunil Jain: Okay. And Eshan Hemrajani: Last year there was some revenue Last year there was some revenue to Australia, I think around Rs.30-odd crores was to Australia. Rest was all US?

- Sanjay Sawant:** Correct. In FY25, Rs.10 crores is from Australia and FY26, Rs.24 crores is from Australia. So the revenue share is almost 5% only.
- Sunil Jain:** Okay. Right. Fine. Okay, that's great. Thank you very much.
- Eshan Hemrajani:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Vaidik Parwal from Hem Securities. Please go ahead.
- Eshan Hemrajani:** Hi, Vaidik-ji.
- Vaidik Parwal:** Hi. Thank you so much for taking my question. My first question is regarding the GPU unit that we plan to install. So by when do we expect that the facility would be operational, and how much EBITDA margin improvement do we foresee post the glass processing unit that we have in-house?
- Eshan Hemrajani:** Yes. So we are under construction as we speak. The orders for the machineries have gone out. I think the estimated timeline from today is around 8 months for starting to commission, and the expected movement on the bottom line is around 1%, 1.5%.
- Vaidik Parwal:** Okay. And my second question is regarding what kind of order book trajectory do you foresee for the next 2 years?
- Eshan Hemrajani:** The idea for the company is to maintain at least 2 years of clear visibility, because our turnaround times, as I said earlier, is around 18 months to 24 months. So as long as I can see and have a 2-year visibility, I'm very comfortable. Anything above that is just me overcommitting in terms of my order book, right? So the idea is to grow at 23% CAGR, 20%-25% CAGR on the revenue side, and is to maintain an order book to cater to that sort of growth on the top line.
- Vaidik Parwal:** Okay. Thank you so much.
- Eshan Hemrajani:** Thank you.
- Moderator:** Thank you very much. Ladies and gentlemen, we will take that as the last question, and with that, concludes the question-and-answer session. I now hand the conference over to Mr. Eshan Hemrajani for the closing comments. Thank you and over to you, sir.
- Eshan Hemrajani:** Thank you so much. I think thank you everyone for coming. I think it was a good session. It is our first session. So it's great. I look forward to meeting you guys every quarter and talking about the business. It's very interesting time for us, and we hope that all of you all see value in the business and continue to remain invested. Thank you so much.
- Moderator:** Thank you, members of the management. On behalf of IIFL Capital Services Limited, we conclude this conference. Thank you everyone for joining with us today and you may now disconnect your lines. Thank you.