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November 17, 2025

To The Deputy Manager Department of Corporate Services BSE Limited PJ Towers, Dalal Street Mumbai 400001 <b>Scrip Code: 514043</b>	To The Manager National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai 400051 <b>Symbol: HIMATSEIDE</b>
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Dear Sir/ Madam,

**Sub: Transcript of Earnings Call for Analysts and Investors.**

**Ref: Disclosure under Part A of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Part A of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of transcript of Earnings Call for Analysts and Investors held on Thursday, November 13, 2025.

Please note that the transcript of earnings conference call shall be available on the website of the Company.

Please take the same on record.

Thanking you,

Yours faithfully,

**For Himatsingka Seide Limited**

**Bindu D.**  
**Company Secretary & Compliance Officer**



**“Himatsingka Seide Limited  
Q2 FY26 Earnings Conference Call”  
November 13, 2025**



**Elara**Securities



**MANAGEMENT: MR. SHRIKANT HIMATSINGKA – EXECUTIVE VICE  
CHAIRMAN & MANAGING DIRECTOR – HIMATSINGKA  
SEIDE LIMITED**

**MR. SANKARANARAYANAN M – PRESIDENT FINANCE  
AND GROUP CHIEF FINANCIAL OFFICER –  
HIMATSINGKA SEIDE LIMITED**

**MR. BANKESH DHINGRA – VICE PRESIDENT AND  
CHIEF FINANCIAL OFFICER – OPERATIONS –  
HIMATSINGKA SEIDE LIMITED**

**MODERATOR: MS. PRERNA JHUNJHUNWALA – ELARA SECURITIES  
INDIA PRIVATE LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Himatsingka Seide Limited Q2 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 that this conference is being recorded. I now hand the conference over to Ms. Perna Jhunjhunwala from Elara Securities. Thank you, and over to you.

**Perna Jhunjhunwala:** Thank you, Heena. Good afternoon, everyone. On behalf of Elara Securities India Private Limited, I would like to welcome you all for Q2 FY26 Post Results Conference Call of Himatsingka Seide Limited. Today, we have with us the senior management of the company, including Mr. Shrikant Himatsingka, Executive Vice Chairman and Managing Director; Mr. Sankaranarayanan M., President, Finance and Group CFO; and Mr. Bankesh Dhingra, Vice President and CFO, Operations.

I would now like to hand over the call to Mr. Shrikant Himatsingka for opening remarks, post which we will take the Q&A session. Thank you, and over to you, sir.

**Shrikant Himatsingka:** Thank you, Perna. Thank you all for taking the time to join us for the earnings call this evening. As always, I'll just start with a quick business update and share with you a few thoughts about what we are seeing out there, and then I'll be happy to take questions should you have any. So we've essentially had a sort of range-bound quarter.

The consolidated revenue from operations saw a marginal dip by about 9.3%, and it stood at INR629 crores versus INR694 crores during the same quarter last year. The decline was primarily on account of the tariff overhang that has affected revenue streams from the U.S. markets.

So as you all know, the tariff continues, although there are enough media reports about reaching conclusion soon in terms of a tariff revision, but nothing is out there as yet in terms of what the new tariff rates could potentially be. So as we speak, it still continues at 50%. The offtake of goods has been largely stable. We haven't seen a lot of -- we haven't seen any material interruptions on our order book or on the offtake of shipments.

Of course, there has been some marginal impacts as is natural to expect in a situation of this kind. But given the intensity of tariffs, I should say that it's been largely stable as far as our revenue streams are concerned. During the quarter, in Q2 FY '26, we also saw a higher other income component, which stood at INR77.70 crores compared to approximately INR6 crores during the same period last year.

This other income is primarily driven by foreign exchange gains of approximately INR66 crores. The increase was due to the depreciation of the rupee against the U.S. dollar during the quarter. Of the total forex gains, approximately INR8 crores was realized during the quarter. There were realized gains during the quarter and pertains to -- the rest pertains to unrealized mark-to-market gains. The rest of the other income is from the operational piece under various heads.

The Capacity utilizations were also range bound during the quarter, where the Spinning division stood at about 99%. The Sheeting division at 60% and the Terry Towel division was at 66% for

the quarter. Himatsingka currently services 38 jurisdictions, and we are focused on enhancing revenue streams from non-U.S. jurisdictions.

This remains a key area of focus given the macroeconomic landscape that one has been witnessing for a while. And so we are focused on furthering our global presence into non-U.S. jurisdictions, and we aim to bring our U.S. revenue streams to below 50% over the next couple of years.

We currently operate in India with three brands, Himeya, Atmosphere, and Liv. And the brands are positioned to cater to various price points and demographics in the market. Our India business continues to demonstrate consistent year-on-year growth, and it's reinforcing the strength of our domestic presence and brand portfolio. So we continue to see expansion in the MBO space during the quarter.

We have continued to see expansion of our presence in the large-format stores during the quarter. We enhanced our penetration in the e-com and quick commerce space. And we also expanded our footprint in the private label clients group. So all in all, we have seen some good traction coming from India and also from other jurisdictions, non-U.S. jurisdictions.

As far as debt is concerned, our net debt was range bound vis-a-vis what it stood in Q1, and it came in at INR2,436 crores. It was INR2,680 crores during the same period last year. So this is really a quick update for you all. Going forward, I think once some of the tariff overhang is done away with, things should be back to normal.

And we would like to then continue our focus on essentially enhancing our capacity utilizations, which is what we've spoken to investors about, which unfortunately has been delayed because of this overhang. But we feel that the demand coming through both from India and other non-U.S. jurisdictions is encouraging.

The U.S. demand is also stable. We believe it should see some pickup once the tariff issues are dealt with. And Himatsingka's focus on maximizing its installed capacities is what's at the center of all this at this point. And that's what will resume once the tariff issues have been addressed. So that's all from my side in terms of a quick business update, but I'll be more than happy to take questions should you have any.

**Moderator:** Thank you very much. We will now begin the question and answer session. We take the first question from the line of Prerna Jhunjhunwala from Elara Securities.

**Prerna Jhunjhunwala:** I wanted to understand the impact of tariffs on our numbers. Like what is the kind of hit that you would have taken during the quarter and whether it is reflecting in revenues or it will be reflected in EBITDA? That is my first question?

**Shrikant Himatsingka:** Yes, Prerna. So essentially, there are two forms of impacts that the tariff has had on our operating performance. One is in the form of subdued revenues, which we just chatted about. Pretty much all of the revenue reduction is attributable to that. And the second piece is really dilution in our margin profile.

We have seen a few hundred points -- basis points of correction in our EBITDA percentages. So I think these are the two forms of tariff impacts that one is witnessing. So we have a margin that's typically in the 20% range, having slipped by about 400 basis points or thereabouts, which is attributable to some price benefits that we have had to extend to customers to make sure that we participate in this tariff, let's just say, challenge that's in front of both us and the retailer.

So whatever has to be passed on has been passed on vis-a-vis benefits. But I've been asked by various stakeholders in terms of how the 50% is being handled. And my answer is really that it's handled four ways. One, Himatsingka contributes from its side; two, the retailer contributes from their side in terms of absorbing some of the impact.

Three, should the goods have U.S. cotton component to it, then to the extent of U.S. cotton component, the tariff is not applicable. A substantial part of Himatsingka's U.S. portfolio comprises of U.S. cotton-denominated products. And so to that extent, the government of the United States has borne some of the impact.

And the fourth stakeholder is the consumer who then bears some of the impact should the retailers increase prices. So our experience has been that most retailers have had to resort to marginal price increases. So therefore, the impact of the 50% has been absorbed in these four ways.

**Perna Jhunjhunwala:** Sir, any number that you would like to quantify an average impact of this much percent or any quantum that you would like to -- that you can highlight to have an understanding, okay, this is the average impact for maybe a month or two because 50% tariffs largely came in the month of August. So if there is any further impact on our numbers?

**Shrikant Himatsingka:** No, I would say that in the region of anywhere between 4% and 5% on a weighted average basis is what the impact would be as far as we are concerned. And that 4% or 5%, we are then further trying to mitigate by optimizing efficiencies and/or harnessing some benefits from exchange rates and/or in consultation with clients, tweaking product specifications. So a confluence of initiatives to try to further mitigate the 4% to 5% impact.

**Perna Jhunjhunwala:** Okay. So do you think there will be a higher impact now in Q3 going forward given that 50% came only for part of the quarter in Q2? And how are you -- will there be any way that we can minimize that impact or it will be unavoidable?

**Shrikant Himatsingka:** I think it should be range bound. And I also feel that hopefully, some of our mitigation measures of the 4% to 5% should also kick in. So we should be -- our endeavor would be to rein that in and improve from here.

**Perna Jhunjhunwala:** Okay. Understood, sir. And sir, what would be our U.S. exposure today that land?

**Shrikant Himatsingka:** U.S. is in the -- it hovers between 60% and 65% somewhere there, nearer to the 60% mark core U.S. revenues.

**Moderator:** The next question comes from the line of Maanasaa Jeyaraman from Vivriti Capital. Please go ahead.

- Maanasaa Jeyaraman:** Just had a couple of things that I wanted to check. First, in terms of the next equity round, there was a resolution passed with a quantum of INR500 crores. So have we finalized anything in terms of the mode that we are opting for the time line? And would this be from existing or new investors? Some light around that, sir?
- Shrikant Himatsingka:** So we have taken up a resolution to raise up to INR500 crores. We have not yet zeroed in on which instrument. It will be subject to market conditions and getting our timing right. But this is essentially in line with our thinking of continuing to deleverage our balance sheet. We think that's a strategic priority for us. And therefore, we are undertaking exploring such initiatives. So as soon as we are honed in on the instrument and further details, we'll, of course, let stakeholders know accordingly. But this is something we are working on and in line with our priorities.
- Maanasaa Jeyaraman:** Understood, sir. Any broad time line that you would be able to communicate at this point?
- Shrikant Himatsingka:** I would say we are looking at subject to market conditions and other external factors, we are looking at this in the short term. So -- it's not something that's medium or long term. We have passed this resolution because we are focused on doing this. And I think the definition of short-term would be under 12 months, if not sooner.
- Maanasaa Jeyaraman:** Understood, sir. My second point in terms of the tariff, you did mention that to the extent of U.S. imported cotton, there is a benefit that we do get. So on a blended basis, what would be the tariff that is currently applicable to us, if we actually negate the impact of this benefit that we are getting? So how much would the 50% actually reduce to?
- Shrikant Himatsingka:** Could you repeat your question? I couldn't really hear you clear.
- Maanasaa Jeyaraman:** So I was checking where you had mentioned that in terms of the U.S. cotton, there is some benefit that we get in terms of the rate not being applicable to the extent of U.S. imported cotton. So what would be Himatsingka's blended rate currently? So how -- compared to the 50% in other players, would this be a much lower number for us?
- Shrikant Himatsingka:** So I mean, this benefit is for all players. The benefit is driven by virtue of the fact that if the product has U.S. cotton in it, then to the extent of U.S. cotton, the importer of the goods though doesn't have to pay tariff on the quantum of U.S. cotton in the product. So it's not Himatsingka's benefit.
- It's our clients' benefit who is importing the product because most of our sales is direct. Of course, we also have indirect sales where we service customers from the U.S. So in that context, we would have to bear that. But for the most part, it's a benefit that is derived by our clients to the extent of U.S. cotton being present in the product. So let's assume it's a \$10 product, for example, and there is \$4 of U.S. cotton that's in the product, then to the extent of \$4, the tariffs aren't applicable. So that's how it works.
- Maanasaa Jeyaraman:** Got it, sir. And finally, I wanted to check with respect to Hima. So there's been some receivables that we can see in terms of certain bulk up. So have we finalized any plan in terms of repayment or capitalization or anything on that front? And what kind of time line would we be looking at for that?

- Shrikant Himatsingka:** We are working on that, but I would urge you all to look at our consolidated numbers because that's what the true picture is. This is more an intercompany movement between HIMA and HSL. But the group's consolidated receivable is what you should be really focused on. But as far as working on the HIMA piece is concerned, something that's still work in progress and maybe we can share with you once we are a little more firmed up with our plans.
- Maanasaa Jeyaraman:** Sure, sir. Thank you so much. That's it from my side.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Shrikant Himatsingka for closing comments.
- Shrikant Himatsingka:** So thank you all for your questions. If you have any further questions which you would like to ask us, do feel free to reach out and we'll be happy to answer your questions and queries and give you more clarity on whatever we can. Thank you so much again and we'll interact with you all soon. Thank you.
- Moderator:** Thank you. On behalf of Elara Securities India Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.