



MDN/CS/COMPLIANCE/2025-26

February 21, 2026

To,

**BSE Limited,**  
P.J. Towers Dalal Street,  
**Mumbai- 400001**  
**Scrip Code: 541195**

**National Stock Exchange of India Limited,**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
**Mumbai – 400051**  
**Trading Symbol: MIDHANI**

**Sub: Transcript of the Analysts and Investors Meet/Conference Call held on February 17, 2026.**

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Dear Sir/Madam,

1. Further to our letter dated February 17, 2026 intimating regarding the audio recording of Analysts and Investors Meet/ Conference Call on Q3 – FY26 Results, held on February 17, 2026, please find enclosed the transcript of the aforesaid Conference Call.
2. The transcript of the call is also made available on the Company's website.

This is for your information and record.

Thanking you,



Yours faithfully,

**For Mishra Dhatu Nigam Limited**

**Paul Antony**

**Company Secretary & Compliance officer**

**[company.secretary@midhani-india.in](mailto:company.secretary@midhani-india.in)**

**Encl: As above**

**मिश्र धातु निगम लिमिटेड**

(भारत सरकार का उद्यम)

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**MISHRA DHATU NIGAM LIMITED**

(A Govt. of India Enterprise)

Registered Office: P.O. Kanchanbagh, Hyderabad, Telangana-500058



“Mishra Dhatu Nigam Limited  
Q3 FY '26 Earnings Conference Call”

February 17, 2026



**MANAGEMENT:** **DR. S.V.S. NARAYANA MURTY – CHAIRMAN AND  
MANAGING DIRECTOR – MISHRA DHATU NIGAM  
LIMITED**  
**MRS. MADHUBALA KALLURI – DIRECTOR FINANCE  
AND CHIEF FINANCIAL OFFICER – MISHRA DHATU  
NIGAM LIMITED**  
**MR. P. BABU – DIRECTOR, PRODUCTION AND  
MARKETING – MISHRA DHATU NIGAM LIMITED**  
**MR. PAUL ANTONY – COMPANY SECRETARY AND  
COMPLIANCE OFFICER – MISHRA DHATU NIGAM  
LIMITED**

**MODERATOR:** **MR. VIKAS SINGH – ICICI SECURITIES LIMITED**

**Moderator:**

Ladies and gentlemen, good day, and welcome to MIDHANI Q3 FY '26 Earnings Conference Call hosted by ICICI Securities. As a reminder, all participant line 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 Mr. Vikas Singh from ICICI Securities. Thank you, and over to you, sir.

**Vikas Singh:**

Thank you, Danesh. Good morning, everyone. Welcome to Mishra Dhatu Nigam Q3 FY '26 Results Conference Call. We would like to thank the management to give us the opportunity to host them. From the management side, we have with us Dr. S.V.S. Narayana Murty, Chairman of Managing Director; Mrs. Madhubala Kalluri, Director Finance; and Mr. P. Babu, Director Production and Marketing.

Without taking any much time, I'll hand over to management for their opening remarks. Over to you, sir.

**S.V.S. Narayana Murty:**

Okay. So good morning, everyone. I, Dr. S.V.S. Narayana Murty, Chairman and Managing Director of Mishra Dhatu Nigam Limited, extend a warm welcome to all of you who are joining online to our earnings conference call for the quarter and 9 months ended 31st December 2025.

We have with us Mrs. K. Madhubala, Director of Finance and CFO; Shri. P. Babu, Director of Production and Marketing; Mr. Paul Antony, Company Secretary and Compliance Officer, with me.

We also have senior officials from marketing and finance functions. Since the quarter and 9 months functional results have already been submitted, I just go through the key aspects of quarter and 9 months ended -- 9 months ended financial results of the company. The salient points are turnover for the third quarter stood at INR275.66 crores, recording a robust 31.44% growth over second quarter turnover of INR209.72 crores.

Second point, value of production for the third quarter was INR304.05 crores compared with INR256.37 crores during the second quarter of FY '26, registering a growth of 18.6%. Profit before tax for third quarter was INR39 crores compared with INR19.11 crores for the second quarter.

Profit after tax for third quarter stood at INR27.46 crores compared with INR12.76 crores for the second quarter. For the 9-month period, that is April to December 2025, our turnover was INR655.88 crores vis-a-vis INR663.54 crores last year. And value of production grew by 8.86% to INR801.73 crores.

PBT and PAT remained stable at INR77.1 crores and INR53.04 crores, respectively despite the marginal moderation in top line performance. And our order book position as on 1st January 2026 is INR2,440 crores.

I want to highlight some very important achievements that MIDHANI has made in the last quarter. One of the significant contributions is the supply of titanium alloy windows for Ram Janmabhoomi at Ayodhya. So we have supplied 31 titanium windows.

Many of you would have seen it. And this is the first time that in India, titanium has been used for architectural purposes, even though MIDHANI has been supplying titanium alloys for the last 40 years to various customers like ISRO, DRDO, HAL, many other customers. India never this material has been used for architectural purpose.

You can see the beautiful windows in Ayodhya Ram Mandir, 31 titanium jalousie have been supplied, this is one important achievement. Another achievement that we can be proud is that we have supplied around 90 tons of material for Presidential Dais for Republic Day. So recent Republic Day, many of you would have watched it. One of the significant contributions is the material for the Presidential Dais has been made by MIDHANI.

And third point that is of interest to us, technically, MIDHANI has been certified MIDHANI produced alloys, very, very special alloys, particularly super alloys have been certified by CEMILAC, Centre for Military Airworthiness & Certification has been received for 10 cast and rods super alloys.

It only shows the capability of MIDHANI towards supply of super alloys. And also, we have a NADCAP certification. This is an international certification for heat treatment. We are going to receive it because audit is over. So this is -- I wanted to share with all of you these significant achievements technically.

I think with the above, I now request the moderator to invite questions from the analysts or investors, who are there joining the conference call. Thank you so much.

**Moderator:** Thank you, sir. Ladies and gentlemen, we will now begin the question and answer session. First question comes from the line of Amit Dixit from Goldman Sachs.

**Amit Dixit:** Congratulations for a good set of numbers, sir. A couple of questions from my side. The first one is that in India, if we look at the recent developments, the aerospace, particularly Indian ecosystem is kind of showing very good potential, whether it is like possible domestic manufacturer of M88 engines or going ahead co-production of that F414 or co-development of Safran for AMCA.

So just wanted to understand how MIDHANI is geared up for this opportunity because we have this titanium capacity for a very long time. I just wanted to understand the kind of approvals we have in place or we are looking at in the future. Also, if you could highlight utilization of titanium capacity, 1,000 tons as of now? That is the first question?

**S.V.S. Narayana Murty:** Okay. Thank you, Mr. Amit. It's a very nice question. First of all, I think ever since MIDHANI has started 52 years back, we have been working on these very specialized kind of alloys. As you know, that this whole organization has been put up with the purpose of indigenization of materials in 1973.

And we have been making these alloys, the so-called alloys that are required for -- very critical alloys, performance critical alloys for fighter aircraft. So we regularly supply the nickel-based alloys, the cobalt-based alloys and even some of the iron-based alloys regularly to our customers, okay. So you told you mentioned MI-18, F14, Safran, and AMCA, all these things, people are looking for these kind of alloys.

What goes into aero engine has to be manufactured to the utmost quality. And MIDHANI has been supplying because one of our major customers is ISRO. If we look at the right from the solid rocket motor booster that gets graded on the ground when you look at PSLV or GSLV launch to the upper stage cryogenic engine, MIDHANI's materials are used everywhere, every stage.

So that is the kind of perfection that we are -- we have been trained to do and supply to our customers. And not to say that our materials are there in the form of Chandrayaan-3, our materials are there on moon. So here, in manufacture of any aero engine, quality is the most important thing.

And MIDHANI is known for quality. So over the last 4 decades, MIDHANI has supplied these materials, not only -- I'm not mentioning our defense-related supplies, since it is civilian I could mention. But we have been supplying. And you asked about titanium. Titanium -- MIDHANI made titanium is used in all gas bottles and all propellant tanks of ISRO's Launch Vehicle.

Every satellite propellant tank or gas bottle, every Launch Vehicle stage, they have several gas bottles. The raw material is supplied from MIDHANI, and it is used for this thing. So MIDHANI is known for a super alloys and titanium alloys, and we are completely geared up for meeting the whatever requirement.

We are closely working with HAL, yes. We are there. We are supplying to them, both super alloys and titanium alloys. So even in the future AMCA, aero engine, whatever, whoever is the customer, we will be supplying the materials. And we are in talks with all foreign customers at very advanced stage. We are working with them including Safran and the supply of material. So India is fully geared up, and we are fully geared up at MIDHANI to supply these critical -- performance critical materials.

**Amit Dixit:** And what is the capacity utilization, if I may ask, of the 1,000 tons titanium plant as of now?

**S.V.S. Narayana Murty:** So if you look at, we have a total order book for INR657 crores, and we have multiple titanium melting facilities. As you can see, we have multiple -- this was made by vacuum-arc remelting and we have multiple furnaces and about 27% of our order book is on titanium, and we can meet the requirements -- our -- capacity utilization is almost near to the fully established capacity. So I can give you...

**Management:** As on date order.

**S.V.S. Narayana Murty:** Yes. As on date order, around 29% or INR741 crores worth of titanium alloys are there. And we are fully operating our titanium plant.

- Management:** During this period last year and now -- actually, last year, 390 tons will be melted, but this time, 45 tons will be melted, means at least 20% of titanium production has gone up.
- Amit Dixit:** [Inaudible 0:11:14]. Considerably particularly this quarter. So is it due to the product mix or the contracts that you're executing at the moment? And also, if you could just broadly highlight the revenue split by materials, titanium, super alloys, maraging steel, etcetera.
- S.V.S. Narayana Murty:** Probably a little part of your question was not heard. Can you just repeat it?
- Amit Dixit:** Yes, sure. So the question is that this quarter, we saw that margins improved considerably. So could you also highlight the drivers behind that, whether it was revenue mix or the kind of contract that we are executing that carry possibly higher margins?
- Also, if you could highlight the -- if you could mention the revenue mix in terms of products like titanium, what the percentage was titanium of revenue, super alloys, maraging steel, etc.?
- S.V.S. Narayana Murty:** Okay. Okay, fine. So if you look at the alloy-wise revenue in the third quarter for the 9 months, we have super alloy contribution is around 20% and titanium alloys is around 19%, maraging steel is about 15%, and special steel is about 37% and remaining all other grades about 9%. So predominantly, super alloys and titanium alloys constitute about 40% of our total revenue. So that is what we have been concentrating on currently.
- Amit Dixit:** And this is for 9 months, right?
- S.V.S. Narayana Murty:** Yes, this is for 9 months.
- Amit Dixit:** And what are the key margin drivers?
- S.V.S. Narayana Murty:** Key margin drivers, if you look at -- okay. We have ultrahigh-strength steels, which are -- where margins are significantly higher.
- Amit Dixit:** And this was just a broad application, correct?
- S.V.S. Narayana Murty:** It is for all missiles and rockets.
- Moderator:** Our next question comes from the line of Henil Bagadia from Equicorp.
- Henil Bagadia:** Congratulations on good set of results. I just wanted some clarification regarding the NADCAP certification. You said that the audit is done. So it is it was actually due in Q4 of this year, right? So is it on place? Or do you expect some delays for that?
- S.V.S. Narayana Murty:** Okay. Actually, the audit is over, some minor queries we are answering. So it should be -- we should be getting it by end of Q4.
- Henil Bagadia:** Okay. Coming to the aerospace side. So we have -- also there has been a good direct with GTRE and PTC, we had also tested the Kaveri dry engine, and we have actually got under the crystalline turbine blade on PMD basis. And I think PTC has also started getting orders. So how big -- can this opportunity be for us given that we'll be RM suppliers for this particular project?

**S.V.S. Narayana Murty:** Okay. GTRE, we have been working for last almost 24 years for Kaveri new program, and MIDHANI was there right from day 1 of the Kaveri engine program. MIDHANI has supplied and Kaveri engine, whatever was flight tested, all it contains only MIDHANI materials, okay? So we continue to work with the GTRE and we continue to supply materials to Indian aero manufacturers.

**Henil Bagadia:** Okay. So for this particular crystalline turbine blade on PMD basis, how big can the orders be because PTC has also started getting orders, I think, so they'll start sourcing the RMs from us?

**S.V.S. Narayana Murty:** Yes. There are multiple people who are doing these blades. The raw material that goes into the manufacturing of single crystal blades is melted only in MIDHANI. So whoever -- downstream whoever wants to make the blade, MIDHANI can supply the blade, blade material. Basically, blade is coming after the cast stick.

So cast sticks are made by MIDHANI. And blade is an outcome from the cast stick. So raw material has to be melted to the precise chemical composition, and it has to be made into the form of a blade. So MIDHANI is geared up to meet any requirements whatever are required.

**Henil Bagadia:** So sir, this utility will also be there in multiple programs like the Kaveri dry engine program for the UCAV program or the Manik STFE engine program? Or you don't see these blades being utilized then?

**S.V.S. Narayana Murty:** Yes. Yes. I mean the aero engines are picking up now. There are talks going on at multiple levels. And all materials requirement, whatever are required for any of these parties, MIDHANI is fully geared up to meet the metallic materials requirement. We will be there in the supplier list.

**Henil Bagadia:** Okay. Sir, coming to the ABHED bulletproof jacket, I think so we do plan to apply for the big INR1,000 crores tender that is coming up. So I mean what would be the possible win because there will be multiple players here. Also, there has also been another private company based out of Delhi, which has also got the TOT from DRDO and IIT for the ABHED jacket. So what is the scope for MIDHANI versus what is the scope for them? I just want some more understanding?

**S.V.S. Narayana Murty:** Okay. See, it is like this. MIDHANI already have a technology called Bhabha Kavach from BARC. It is a TOT. Last quarter, we have taken a technology transfer from IIT Delhi-DRDO combined center of excellence that is called ABHED, what you have been mentioning.

So we are having capability already. We are under testing of the ABHED. Multiple testing needs to be done at the ballistic material's testing laboratory, and we are conducting and we are ready to take the orders now. Okay. We'll be participating aggressively, and we will be getting the order. And when such a big order comes, definitely it will be -- multiple people it will be given. So we are hoping that we'll be in the race, and we'll work towards that.

**Henil Bagadia:** On the helical spring side, sir, what is the utilization there? And how do you see the opportunity because I think we have supplied it for the Vande Bharat and we also do plan to supply for the LHB coaches? So how big can the opportunity be? I think so we have got 60,000 springs per

month, if I'm not mistaken. And about 250 springs for the Vande Bharat, the train that is required?

**S.V.S. Narayana Murty:** See, it is like this. Keeping in view of such requirement, MIDHANI has established a Spring plant. And now we are going to operationalize it for the requirements of Vande Bharat. And whatever requirements are there, now we are having plans to meet -- to participate in that and get the RDSO for approval.

And once that is there, we will be supplying for them. That is the whole idea. This is an imported plant. It is a -- machinery is having very, very sophisticated things. Not many people can supply this kind of sizes that are there in the requirement for Vande Bharat and all. So we are in the race for that.

**Henil Bagadia:** So if I get it clear, we'll have to first apply for the RDSO certification and then we'll be doing the supplies, right?

**S.V.S. Narayana Murty:** We are under the process of that. Once that certification is obtained, we'll be participating in the tenders and we'll be getting it.

**Henil Bagadia:** And lastly, before I get into the queue. So we also plan to supply to BEML, on the metro coaches that we also expand -- we plan to expand the scope to the metro. So have we supplied any test batch quantities to BEML or Alstom because I think so...

**S.V.S. Narayana Murty:** But yes, we'll be doing because for anything, no, because it is a passenger vehicle, RDSO certification is essential and we are in the process of going in that direction. So we will be getting once -- our certification is given, then we'll have continued supply of materials. It is yet to be done, not yet done until now.

**Moderator:** Next question comes from the line of Shashi Ranjan from Anandhan Capital.

**Shashi Ranjan:** Congratulations on good set of numbers. The first question is can you get me the status on the metal bank that we were planning.

**S.V.S. Narayana Murty:** Okay. So as you all know that keeping in view of the supply chain disruptions, MIDHANI has established a metal bank. So already that we are working with 5 of our customers to establish this metal bank in the premises of MIDHANI.

And already, the purchase procedures are ongoing, and the civil works are also underway. So maybe down the line within 6 months, a fully-fledged metal bank of 6 important raw materials that are essential for all the defense and other customers will be in place inside MIDHANI.

So maybe you will see by end of Q1 '26/'27, we'll be giving better information on the actual situation. Now currently, things are underway.

**Shashi Ranjan:** From my understanding that setting of this metal bank will help bring down the working capital days and the high inventory days that are plaguing the performance of MIDHANI?

**S.V.S. Narayana Murty:** No, this is a customer-owned metal bank that is located inside MIDHANI.

**Management:** It won't -- it's not having any impact on the working capital of the company because the inventory that is being held in the metal bank is in the books of the customers, not in the books of MIDHANI.

**Shashi Ranjan:** Okay. So sir, what is the...

**Management:** If there is any requirement, we'll just be drawing that material on a loan basis and we'll be replenishing it.

**Shashi Ranjan:** Okay. So any steps that we are taking to bring down the working capital and the high inventory days as far as MIDHANI is concerned?

**Management:** Yes. That we are continuously working like if we can also see the improvement from Q2 to Q3 wherein the scrap utilizations have improved. So basically, the inventory today, when we look at the working capital, the major contributor is inventories, WFP and scrap.

So we are taking all the steps that continuous work is going on that. So effective utilization of the materials and remelting the things wherever the material. So scrap utilization has been increased and also the virgin and scrap composition mix also.

But of course, again, it depends on the product that we manufacture, certain products require the virgin. So there are certain restrictions, we cannot just use it. But otherwise, we are putting all the efforts to reduce the inventory, which will definitely have a positive impact on the working capital.

**Shashi Ranjan:** Before I turn up in the queue, the last question is I have about Utkarsha Dhatu Nigam Limited, which is a JV between you and NALCO. So -- and that this will get us aluminium alloy of high grades. So are we looking into some grades like 2219 T6 grade use -- that can be used in Bharatiya Antariksh Station, the country is trying to get into space by 2028. So are we going to contribute to that as well through this JV between NALCO and MIDHANI?

**S.V.S. Narayana Murty:** So your question is Utkarsha. So with respect to that, the due to the non, I mean, viability of the project, it has been recommended for closure. So that is a very brief answer to your question.

We are not going to pursue that project anymore. We are going to formally close down. We are continuously discussing with NALCO. Both of us are going to discuss on this and take the proposal for closures forward.

Then coming to the second one, yes, such alloys are required, but the total requirement, like you mentioned 2219, those alloys are required for ISRO, but currently, the total annual requirement is too small for anyone to have a dedicated plant because these are aerospace grade aluminum alloys and they need very, very careful processing until last stage. So because of the very small quantity, and we'll not be in a position to process them through Utkarsha.

**Moderator:** Our next question comes from the line of Ravi Naredi from Naredi Investments.

**Ravi Naredi:** Sir, basic raw material of titanium from where we get, how many we import and how many we received from recycled product?

**S.V.S. Narayana Murty:** Okay it is like this, titanium alloys, as you know, India is having a titanium alloys production -- sponge production plant at Chavara in Kerala, okay? That is about 500 tons per annum. It makes titanium sponge. And the actual production is about 150 tons per annum and the quality of sponges that comes in different grades. So it will not be able to meet the total requirement of the order book, whatever MIDHANI have.

So normally, we import to meet the requirements, and we meet -- so we import from East European nations and -- to meet our requirements. So this is a short answer for you. We import these titanium sponge.

**Ravi Naredi:** Understand. Sir, in Kerala, any mines is there or it is scrap materials?

**S.V.S. Narayana Murty:** No, no. It is not scrap. Actually, if you look at titanium is processed from the beach sands of Kerala. The beach sands of Kerala, they have a mineral called ilmenite. So the ilmenite is processed because they have -- originally, they were having a titanium dioxide pigment plant, okay? So white color pigment, whatever you use in industries, it is called titanium dioxide.

And because titanium dioxide is there, technology was available and within the defense lab, and it was used to make titanium's sponge. So there is no scrap recycling and there is no -- mineral is beach sand.

**Ravi Naredi:** So it is only in Kerala or other Indian state that...

**S.V.S. Narayana Murty:** No, no. Not like that. It is there along the coast of -- along the West Coast of -- East Coast also, you have, in fact, Odisha has some of the beach sands. It only -- it depends on the profitability and the amount of titanium in that. Otherwise, the sands are available, including Odisha, Andhra Pradesh, Tamil Nadu, Kerala, only these sands have this titanium content.

**Ravi Naredi:** Not in Goa and Mumbai side?

**S.V.S. Narayana Murty:** Goa beaches are there, they're silver. They are not having -- I do not know whether it is there in that. It all depends on the content there.

**Ravi Naredi:** Understand. Sir, other than this sand content, titanium we cannot get from the mines?

**S.V.S. Narayana Murty:** It is -- it depends on the ore you are talking about. So titanium ore is what is important. Normally, it is coming from beach sands, ilmenite, which is available in ore.

**Moderator:** Our next question comes from the line of Arya Shah from White Stone PMS.

**Arya Shah:** My first question is what is the order book time line execution, current order book?

**S.V.S. Narayana Murty:** Yes. So the current order book execution, okay, as the maximum period. Yes, total order book is INR2,594 crores as on today. Okay. So we have a time line of 2 years for execution.

**Arya Shah:** And the sustainable margin, the EBITDA margin?

**Management:** Around 23% on an average, we can take.

- Arya Shah:** And I think in the Q2, you were mentioning some capex plan, which will be announced in Q3. So could you talk about the capex plan for the next 2 years?
- Management:** That we are working on that, the projects are under evaluation. We are working on that. It's not yet finalized. Probably by end of this Q4, we would be able to give a clarity on that.
- Arya Shah:** And the powder plant capex, is the work ongoing and what would be the turnover estimated?
- S.V.S. Narayana Murty:** Yes, we are in the process of procuring some formalities are there, which have to be completed because some export license, that procedure is going on in foreign country. So once that is there, then we will be able to set up the plant and do. Now currently, equipment is yet to arrive.
- Moderator:** Our next question comes from the line of Sujal from Opportune.
- Sujal:** Congratulations on set of numbers first of all. Sir, I just want to understand that you have guided in last quarter, you have guided of INR13 crores revenue and also 23% of EBITDA margin. So I want to understand what are the growth drivers for that? And are we on the line or not?
- S.V.S. Narayana Murty:** Yes. Drivers for this Q3 performance. Yes. Basically, the drivers are titanium and super alloys, where we have executed whatever balance were there in Q2, we could liquidate them. And yes. So basically, they are the super alloys and titanium alloys.
- Sujal:** Sir, I just want to ask about like you are telling according to your guidance, you are telling to bring INR650 crores in approx revenue incremental in quarter 4. So what are the growth drivers for that?
- S.V.S. Narayana Murty:** Yes, growth driver. So we are now currently manufacturing some of the aeronautical grids, okay? So some of the aero grids to our aero customers, we are now currently processing. And then whatever are under processing from Q3, we are going to liquidate them. And some special steels are also there in that, which will be booking them in the fourth quarter.
- Sujal:** So can you tell me, are we on properly in the line for again, like able to get the INR650 crores of revenue? And also, can you please guide me on the upcoming capex for the year and order book?
- S.V.S. Narayana Murty:** Yes. One point. Regarding capex, yes, it is under the DPR stage. So we are just looking for it. Okay, once DPR is complete, we'll be able to share some more information and growth drivers you asked is predominantly superalloys and special steels, we are looking for the revenue that we are for Q4 revenue. And third point is yes...
- Moderator:** The next question comes from the line of Rushabh from RBSA Investment Manager.
- Rushabh:** I just want to understand, last quarter, I think you said that we had some ambitious growth and maybe you'll give some update on Q4. So I just want to understand because we are INR1,000 crores company now, suppose you want to become a INR2,000 crores company, what would be the constraints or product gaps that we have to fill? Are we fully just waiting for orders to come in and we are ready to execute them?

**S.V.S. Narayana Murty:** Yes. One is capacity enhancement at effective utilization of some of these facilities. So probably we can answer your question in 2 prongs. One is there are facilities which can be, I mean, like where we can effectively utilize more output from them with the existing facilities. And second thing is if you can establish some capex, that is the whole idea. Currently, as you told, we are INR1,000-plus crores company. If you want to take it to INR2,000 crores company in that direction, that is the whole idea of management.

How to take the sales to the next level. So if you want to double the -- our capacity, we need to put some infrastructure. So we are currently looking on that. As I told in the previous question, we are now currently working on what are the important equipment that we need to -- facilities that we need to establish so that we can take it to that. So as a part of that, we are having some capex plan so that we will be able to share once DPR and other approvals, internal approvals are ready, maybe by Q4, end of Q4, we will be able to give you more information. But the idea is how to take into the growth path towards INR2,000 crores, as you mentioned.

**Rushabh:** Okay. And the capex will be mostly brownfield or greenfield, sir, or you cannot share this?

**S.V.S. Narayana Murty:** Yes. No, we will be giving full details by probably once DPR is ready, we'll be able to give you full details.

**Rushabh:** Yes, sir, my second question was actually, we have -- recently, the FDA has been signed with the EU. So how does that help in terms of import of raw material for us?

**S.V.S. Narayana Murty:** Can you repeat?

**Rushabh:** Recently, the country has signed the trade agreement with EU. So how does it help us in respect to the import of raw material since we import a lot of materials from the Eastern Europe you mentioned? So how does it help us -- are we paying duty in that currently? Or how does it help us?

**S.V.S. Narayana Murty:** Yes. If you look at it, yes, we are importing some of the, I mean, raw materials. We are also trying parallelly how to indigenize them. So that is Plan B already we have, and we are trying to work. But predominantly, the metallic materials are imported. So as a part of that, we are already having an internal metal bank.

So to insulate MIDHANI from any supply chain constraint, Plan B, we are currently not having as of today any supply chain issue. So we only hope that the whatever agreements have taken place will boost the supplier debottleneck only. So we are not anticipating any major constraints in the supply of our import of raw materials.

**Rushabh:** So whatever import you doing, we're doing a duty free or we pay some duty to it? I'm trying to get that answer?

**Management:** It's duty paid only.

**Rushabh:** Duty only. Okay, understood. And you mentioned about this metal land bank, which will be owned by the customer. So how does this agreement actually change the inventory days for us

because we have to just -- I think more or less as a need basis for it. Currently, as we are holding 3 to 5 months of inventory now. So now customer the ownership will be the customer, the inventory ownership.

**Management:**

It won't make any change in the inventory days. That's what I mentioned that suppose if that inventory is in the books of the company, then it will have an impact on the working capital as well the inventory days. Since that inventory is only like in the -- we are only a custodian, and the inventory will be in the books of customers. So the materials, whatever is required on a need basis, whatever based on the requirement, just will be drawn on a loan.

And as and when our material comes, which will get replenished, basically, in a net of that inventory will remain same. So because if I get my material, then my raw material inventory will go up. So immediately, once the MIDHANI material has come, the same will be replenished. So the next material impact remain same. It will not have any impact on the inventory days of the company because of metal bank.

**Rushabh:**

Okay. And sir, just one data point, if you could share. So for example, suppose sir, we are supplying to the indigenously made supposed light combat aircraft. So in terms of -- in terms of, say, kgs or metric tons, what is the total amount -- total volume of which will be -- that MIDHANI is supplying to, say, one light combat aircraft. Is there any data point that you can share across tandem of super alloys or whatever products we supply to an aircraft?

**S.V.S. Narayana Murty:**

So in the aircraft, what happened, there are a lot of materials, not only MIDHANI manufactured items like the super alloys and titanium, special steels, there are aluminum composites and many other components are there. We are not very much sure what exactly the way and...

**Rushabh:**

I'm asking only from the MIDHANI perspective. What MIDHANI supplies, how much do we supply in terms of kg, metric ton and whatever data point can you share? Other one from MIDHANI, not the other materials, only MIDHANI perspective?

**S.V.S. Narayana Murty:**

Yes. Just to give you -- what will happen is they will take maybe, say, 10 aircraft, 20 aircraft and they put a common material requirement, bill of material. So what will happen is we will not be knowing for how many aircraft they are using. But the difficulty in answering your question is only that we'll only know what is the purchase order placed on that in that very small component, they may be making are very big component. So numbers for which the order is placed is unknown.

**Moderator:**

Our next question comes from the line of Henil Bagadia from Equicorp.

**Henil Bagadia:**

Coming to the question related to the helical spring, I had just one small question. Sir, if -- I mean, the orders start picking up after we get the certification. So do we have plans to even supply to Alstom and Siemens given that they are also supplying orders out here? And do you see large export opportunity in this particular area?

**S.V.S. Narayana Murty:**

Okay. To answer your question, yes, we will supply -- our plant is capable of supplying very high-quality large size springs also because the capacity is in such a direction. So we will be

supplying to any customer, whoever is meeting -- I mean, their specifications, we are ready. And we are also open to exports. So we'll be trying everything to get orders for spring plant.

**Henil Bagadia:** Sir, the Vande Bharat, we are also supplying specialty steel on the axle side, right? So other than this spring, we will also be doing some RM supplies for the axle right?

**S.V.S. Narayana Murty:** It is like this. See, one of the important things for MIDHANI is we are also a raw material supplier, and we also are doing this value-added business. So we can make our own material internally and make the springs. So even there are some special springs, even other than railway springs, okay, there are many -- I mean, springs are used everywhere, okay? So any spring material also is available in-house and spring also can be made.

So that specialty will be there with MIDHANI. Yes, -- we will be doing specialized springs also. And whatever composition is required for the spring from the manufacturer, even that also the raw material, that melting and that bar making also is within the capability of MIDHANI. So we are looking at very high-value products also from this, okay, which are non-railway also we can do it.

**Henil Bagadia:** Are you looking on the vehicles or the light combat tanks or any such places where specialty springs is actually needed for?

**S.V.S. Narayana Murty:** So we'll see. See first, we will start with railway, then we'll expand into other areas because the special springs are used by only in Western countries. And to the best of our knowledge, minus railway springs or elevator springs, or other carbon steel business, there are other grades of springs that are used by being imported. So we are looking for value-added materials rather than this carbon springs. We'll see how it goes.

**Henil Bagadia:** Sir, on the rolling mill side, sir, are we supplying rolling roll plate mill -- sorry, the plates for NGCs or any other big naval programs?

**S.V.S. Narayana Murty:** See, this wide plate mill, whatever product is coming, we are supplying it to, for example, ISRO, for example, shipyards, all wide plates now very large plates are used in ship construction and defence applications. Recently, as I told you, Presidential Dais, we have supplied. So multiple customers are there that mill can do anything. Whatever material is loaded, it will roll and give a plate. So depending on the customer orders we use, predominantly, it is used for ISRO.

**Henil Bagadia:** So since you have got suboptimal utilization in the rolling plate mill facility, we also plan to do some contract manufacturing on the aluminium or the super specialty steel side for any of the industrial customers to just cover more of the fixed cost and also increase the utilization. Sir, any progress there?

**S.V.S. Narayana Murty:** Yes. Actually, what happened, okay, your question may be related to some of the opportunities that we are exploring with the other aerospace companies, who are requesting as far as to take up aluminium. Yes, there are orders within DPSUs and outside DPSUs for utilizing the rolling mill for aluminium. Yes, we are doing. Already we have done for your information on a trial basis. the products are good.

And we are thinking of -- because it needs some additional facilities for setting up a full line. So at least for wide plate mill, utilization for rolling to sheets and plates can be -- are being explored currently. We are doing it.

**Henil Bagadia:** So the maraging steel side, sir, what is the capacity utilization? And are we supplying it just for the aerospace? Or are we supplying it for the missile steel and on the defence side also?

**S.V.S. Narayana Murty:** Which one, wide plate?

**Henil Bagadia:** No, no, no maraging steel.

**S.V.S. Narayana Murty:** Maraging steel, see, as you know, it is known to everyone that the PSLV, the GSLV, and Launch Vehicle Mark 3. The booster case material that gets ignited when you see a Launch Vehicle -- the launch of -- any of these launch vehicles from Sriharikota, everything is made in MIDHANI plant, okay, that maraging steel plant. So our main customer, our biggest customer for maraging steel is ISRO, yes. Then second thing is the same grade is used in some of the missiles, okay?

The third thing, there are other opportunities, the other grades of high-strength steels, we are also exporting, okay? So maraging steel, yes, it is a big -- a very strategic thing. And we also export some of these grades, some of the non-cobalt containing grades are being exported also.

**Henil Bagadia:** Sir, lastly, on the Gaganyaan part. So we have got about 3 Gaganyaan missions, that is G1, G2, G3 this year also, we've got the Mangalyaan mission and the relaunch of the PSLV that was not successful last year. Sir, are you seeing any last-minute orders flow or most of these orders have actually been booked and the supplies will be in progress to ISRO?

**S.V.S. Narayana Murty:** It is like this. MIDHANI is supplying material, and these are raw materials basically. They are in the form of plate, sheet, bar, ring-rolled rings okay. So ISRO takes the materials and gives to subcontractors, like there are many subcontractors for ISRO for making the like solid rocket boosters, liquid engines and cryogenic engines. So our raw materials go. And the time line is like the moment they receive material, they will be start using these materials for fabrication of rocket boosters or the liquid engines or whatever they want.

So the orders for MIDHANI are put maybe at least 2 years in advance. It is not that the last minute they'll come and give, okay? So it is a well-planned calendar for them. So their projects are already well in advance. And they will back-calculate the lead times, and they will put orders with us.

**Henil Bagadia:** A small follow-up, sir, when you said you plan to get into the value-add side, I actually assume you actually plan to get on the -- little bit on the forging side or probably on making some components here and there. So what exactly would you mean the value added when we see these contracts, where we are you just supplying RM suppliers?

**S.V.S. Narayana Murty:** Yes. So we can see, for example, spring. So spring is a value-added product. It is not a raw material. We are having fastener plant, for example, a INR40 crores fastener plant is there in MIDHANI, which will supply aerospace fasteners to our customers. So the fastener material is

also available. Fastener plant is also available. So our own raw material we'll take, we'll make fasteners and supply. So these are the -- like, for example, castings.

We have a raw material making -- alloy making plant. We are also having casting plant. So we make -- yes, MIDHANI makes all the titanium alloy castings and the super alloy castings for our customers. We have a welding electrode plant. So we have right from melting stage, we make the material, forge it, then roll it and then -- I mean wet dry it and make welding electrodes for some of our customers.

So we have a very large special welding plant, okay, welding electrode plant. So these are all the value-added products. So castings, fastener, these welding electrodes, these are all the plants. And some like, for example, that titanium windows for Ram Janmabhoomi, it is a fully fabricated one. So just we made everything within the plant, and we went and fixed it. So we are looking at products where we can add value rather than give only raw materials. So that is the whole idea of using that word value-added products.

**Moderator:** The next question comes from the line of Arya Shah from White Stone PMS.

**Arya Shah:** I just wanted to know the bulletproof jacket, how much is the capacity for the bulletproof jacket?

**S.V.S. Narayana Murty:** Capacity for?

**Arya Shah:** Bulletproof jacket?

**S.V.S. Narayana Murty:** Bulletproof jackets, okay. Okay. It is like this. So we are currently making -- I mean, numbers-wise, if you want to give me, we process in that in terms of the batches, okay? So each batch contains maybe 50 jackets, okay, 100 jackets depending on the order. So the limitation is not really the equipment availability are the facilities that are available.

So we can ramp up by putting a number of shifts we can increase and we can jack up also. So it all depends on order -- the facilities are available end-to-end like from raw materials to products. And we also have an agreement for testing all these things, testing of jackets. So we are looking forward for getting the order.

**Arya Shah:** And could you say in the absolute terms, the defence factory contributes to the revenue? The Rohtak plant, I think, the defence plant.

**S.V.S. Narayana Murty:** Yes. Defence, we have -- revenue from defence sector is 28% of the total revenue up to 9 months, December '25.

**Arya Shah:** And any order book there?

**S.V.S. Narayana Murty:** Yes. We have from defence, on order book. If we look at total -- yes, 72% of our order book is from defence. It includes -- all are there put together.

**Moderator:** Our next question comes from the line of Ravi Naredi: from Naredi Investment.

- Ravi Naredi:** I would like to ask what is our key factor to run our company's shortage of raw material, shortage of capacity constraint or something else?
- S.V.S. Narayana Murty:** Yes. Raw material supply constraints are over there, okay? Now we are trying to insulate ourselves from this raw material uncertainty by establishing metal bank. So unless there is a major geopolitical thing, we don't expect an issue with respect to raw materials. And that is with respect to capacity constraints, point number two, what you have raised, we are working at full capacity of the downstream mills.
- If required, we can -- melting-wise, we have sufficient capacity, okay? So wherever possible, there are opportunities for us to even go outside wherever it is permitted from the customer. We can use outside -- I mean we can outsource the downstream processing requirements.
- Only melting capability outside people may not have because the alloys that we are processing are very unique and they are -- I mean, their processing needs with special capabilities, okay? So there should not be issue with respect to capacity also by doing a good plan. So that is what currently we are doing.
- Ravi Naredi:** So what growth we are expecting for financial year '27 and '28?
- S.V.S. Narayana Murty:** Yes. So that is '26/'27.
- Management:** Are you talking about '26/'27 or '27/'28?
- Ravi Naredi:** Both, both, both.
- Management:** Okay, maybe around 20% incremental revenues, we can expect it until the capex things are finalized. Once the capex clarity has come, then probably we will be able to revisit that figures. Otherwise, in the current capacities and current utilization, we can expect a 20% increase year-over-year.
- Ravi Naredi:** And who gives you the capacity permission to increase the permission? Your Board is not authorized to do all such things?
- S.V.S. Narayana Murty:** No. No. It involves investment of money. So we have to go to Board and we have to take approval.
- Management:** Board is also empowered and above Board permitting, it requires ministry approval. Majority projects are within the survey of Board only we are operating.
- Ravi Naredi:** But it is normal routine one or some specific need is required?
- Management:** No, we are planning from capex projects, which are unique and which will enhance our capacity as well as top line. Those are in the DPR stage. Maybe by end of Q4, we can able to give correct picture of how much it is going and all.
- Moderator:** Our next question comes from the line of Parimal Mithani from Credential Investment.

**Parimal Mithani:**

Sir, I have two questions. One is, in your previous calls, you have mentioned that you have 500 grades of material of which 100 are aeronautical grades. So how it is unique in India in terms of a company like us compared to our competitors globally? And how does it enhance our strength, if you can throw a light on it.

And sir, if you can give guidance in terms of how do you see MIDHANI in next 3 to 4 years since the government is keen on having indigenous manufacturing and a lot of emphasis on given on being self-sufficient in the defence and space and all that. If you have some road map, it will be much better for us.

**S.V.S. Narayana Murty:**

Okay. Yes. Thank you. So you told -- first thing is our capability is to make alloys, okay, novel alloys. And the whole idea of establishing the company also is, again, towards Atmanirbhar, different platforms and different organizations have different requirements. The requirements of aerospace, for example, like ISRO and the examples like HAL or the materials requirement for, say, DRDO are different because it all depends on in which environment we are working.

So how do you see strength? For example, if a national program has to import material, today, for example, aluminum alloys, wide blades are being imported from outside the country, and that is how the -- it becomes critical. Suppose there is an issue with respect to import of those things. It is -- it will cumble the whole program.

So recently, we have seen also in the Ukrainian conflict or the COVID time, there were supply chain disruptions and there was large -- delays in obtaining materials. And because of the growth of the industry, the mills in abroad are also booked. In fact, foreign customers come to us because our lead times are shorter sometimes.

So the strength is that our national programs are protected. If I say that 500 grades of alloys are there, out of which 100 aeronautical grades are there, there is no necessity for any of these 500 grades for any user within the country to go and import. So we are fully protecting them. Any new grade of alloy technology is available in this bouquet of 500 raw materials. That is point number one.

And we consider it as a very great strength because national programs should not get suffered because of this, okay, because of lack of materials. And material is the first line of confrontation, okay? First line of defence is material. Material is not available. There are many people who can machine and give components, okay, because they can be used for. But material is one thing that no one will give.

And you are listening continuously this National Critical Minerals mission and all these things. So everybody is trying to control through materials, the strategic raw materials. So that is point number one. We are able to process the materials and give to our customers. You also told where you want to see MIDHANI in 3 to 4 years, and road map, yes, we have our own internal road map, a very strategic road map to develop alloys.

And we want to increase our production. We want to take the production to new heights so that by going for capex, so that we can meet the increasing demand. Even today, there are hundreds of crores of materials worth are getting imported, okay? So how to meet the full requirement,

how to stop this import of materials. And if we can meet that requirement through upgradation of our facilities and plan in such a way that we can meet for the next 10 years, the growth plan by installing some additional capacities wherever there are technical things.

That is point number one. Another point is some of the older equipments that are inside the plant, which are nearing their end of life. I think if we can substitute with higher productivity machines, -- that also will aid MIDHANI to grow at 20%, whatever we were selling in the coming years. That kind of growth plan, if you want to have, we have to have a certain capex plan. So currently, we are working on that.

And by installing additional capacity in critical areas, MIDHANI will be able to achieve higher growth. And that 3 to 5 -- we are looking at 10 years and beyond long-term plan. So that is what our -- slowly, we want to move towards a INR2,000 crores company in maybe coming 10 years. So towards that, yes, we are doing a lot of things, and this capex is one of them. I hope this is what is required now currently.

**Parimal Mithani:**

And yes, sir, second thing is, sir, since a couple of con-calls, we have been mentioning in the call that a lot of foreign vendors have shown interest and all that. But we have not seen any certification of -- in terms of deals or in terms of agreements with them. You think any -- in the next foreseeable next 2 years, can we see some certification with global vendors? And how does it -- because some of them are setting shops in India and how we'll stream that supply chain with them?

**S.V.S. Narayana Murty:**

If you look at MIDHANI, last year, we have exported about INR20 crores worth of materials, okay, INR90 crores worth of -- our export order was INR90 crores. And many of these people since the grades are aeronautical grades, the so-called super alloys and titanium alloys, they are obviously going to aeronautical customers.

Now with respect to your question that we are not seeing the foreign parties, yes, certification is a process. That is a process that takes a significant amount of time. There are audits involved. In fact, there are multiple audits involved. There are teams -- the technical teams with it. It is a process basically. So we are negotiating with different customers.

In fact, as I -- as we talked, there are some audits that are going on. So essentially, it is that once the audit teams are auditing, our certifications, whatever we are having, those things are in place. Obviously, we'll get order and the effort is towards that, okay, to increase the export market. So we are working on that.

**Parimal Mithani:**

So in next 2 years, any certification can you say in terms of -- I understand the process, it's a long thing. But any like-for-like over next 2 years, can you see in terms of in that?

**S.V.S. Narayana Murty:**

Yes, certainly, in the next 2 years, definitely, we can -- we'll have significant understanding for a couple of materials to some of the aero customers outside whomever you are popularly -- you are listening. So we'll be in their supplier's list.

**Moderator:**

Ladies and gentlemen, that was the last question for today. I would like to hand the conference over to the management for the closing comments. Thank you, and over to you, team.



**S.V.S. Narayana Murty:** So thank you so much. I think we have had a wonderful question. I think total 12 questions were asked by our members. We are very happy to answer. We only feel that there is enormous potential, and we are working towards on improving our plans, growth plans. And as I mentioned during our discussion. So probably we'll see Q4 real time again with more interesting things from MIDHANI. So thank you all.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of ICICI Securities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

**S.V.S. Narayana Murty:** Yes. Thank you.