OBL:HO:SEC:00: New Delhi : 30.01.2026

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Stock Code - 530365

National Stock Exchange of India Ltd.
Exchange Plaza,
Plot No. C/1, G Block,
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Mumbai-400 051

Stock Code: ORIENTBELL

Sub: Transcript of Post Earnings Call for Q3 9M FY26 held on 27th January, 2026

Dear Sir/Madam,

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed transcript of Earnings Call held on 27th January, 2026 post announcement of unaudited financial results of the Company for the quarter and nine months ended December 31, 2025.

The transcript of the Post Earnings Call for Q3 9M FY26 is also available on company's website at www.orientbell.com under below path:

Investor Relations Section> Disclosures under Regulation 46 of SEBI (LODR) Regulations> Transcripts of Post Earnings/Quarterly Calls.

Yours faithfully,
For Orient Bell Limited

YOGESH MENDIRATTA
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Yogesh Mendiratta
Company Secretary & Head - Legal

Encl.: as above

"Orient Bell Limited

Q3 & 9M FY'26 Earnings Conference Call"

January 27, 2026

MANAGEMENT: **MR. ADITYA GUPTA – CEO – ORIENT BELL LIMITED**
MR. ANUJ ARORA – CFO – ORIENT BELL LIMITED

MODERATOR: **MR. SUYASH SAMANT – STELLAR IR ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to the Orient Bell Limited Q3 and 9M FY '26 Earnings Conference Call. As a reminder, all participants' lines will be in listen-only mode. 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 star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand over the conference call to Mr. Suyash Samant from Stellar IR Advisors. Thank you, and over to you, sir.

Suyash Samant: Thank you. Good afternoon, everyone, and thank you for joining us today. We have with us today the senior management of Orient Bell Limited, Mr. Aditya Gupta, Chief Executive Officer; and Mr. Anuj Arora, Chief Financial Officer, who will represent Orient Bell Limited on the call. The management will be sharing the key operating and financial highlights for the quarter and 9 months ended 31st December 2025, followed by a question-and-answer session.

Please note, this call may contain some of the forward-looking statements, which are completely based upon the company's beliefs, opinions and expectations as of today. These statements are not a guarantee of the company's future performance and involve unforeseen risks and uncertainties. The company also undertakes no obligation to update any forward-looking statements to reflect developments that occur after the statement is made.

I now hand over the conference to Mr. Aditya Gupta, sir. Thank you, and over to you, sir. Thank you.

Aditya Gupta: Thank you. Good evening, ladies and gentlemen, and welcome to our quarter 3 FY '26 earnings call. Through quarter 3, we have continued to focus on demand generation for dealers, product premiumization, brand awareness and digitizing our process. This has helped us to consolidate our momentum. Early-stage products like cement and steel did well in quarter 2 and are expected to perform strongly in quarter 3 also. This is good news for us as it increases the project pipeline for tiling.

Another green shoot has been industry exports. Data till November '25 suggests that for 8 months FY '26, exports are estimated to grow by 8% over last year. This should help by diverting capacities from domestic to international markets. We expect a positive waterfall effect for the tile industry from these developments and are optimistic that our initiatives on product and market working will help drive growth for OBL in calendar year 2026, more so as not much new capacity will be added through 2026.

We at OBL are seeing positive traction in engagement with consumers, especially digital tools usage, B2B buyers and dealers. The company's focus on demand generation has started resonating with our business partners who are finding it easier and more convenient to do business with us.

On the revenue front, quarter 3 top line has increased by 3.4% over last year. For the 9-month period, these figures are INR474 crores, up 1.1% from last year. 61% of our sales today comes from vitrified segment, which is higher than what it was previously, while GVT alone contributes 44% of our sales during Q3. Branding activities in TV has continued. We have been on TV consistently for the last 3 quarters with Hindi, Kannada, Bengali, Marathi and Hindi channels. This is helping drive brand awareness. Overall, we see momentum building up for the industry and are confident of participating in this.

With this, I would like to hand over to our CFO, Mr. Anuj Arora, to take this quarterly update forward. Thank you.

Anuj Arora: Thank you, Aditya. The industry growth has remained muted over the past few quarters. In this environment, the company adopted a deliberate and disciplined strategy focused on premiumization of products, strengthening core operations, optimizing cost, improving profitability and preparing the platform for the next phase of growth.

We are now seeing clear signs that these initiatives are delivering results. A sharp focus on operational efficiency has led to a 4.5% reduction in the manufacturing cost on a like-for-like basis after normalizing for product mix and energy prices.

The gross margins continue to rank among the strongest in the industry, consistently sustaining levels between mid to high 30s. While some of those savings were passed on to the customer, but a part was retained to ensure continued margin expansion, ensuring profitable and resilient growth. On a consolidated basis, Q3 FY '26 EBITDA increased by a robust 35% year-on-year to INR10.8 crores. Profit before tax rose to INR4.7 crores compared to INR1.4 crores in Q3 FY '25.

For the 9 months ended FY '26, EBITDA stood at INR26.1 crores, marking a 25% increase year-on-year basis. PBT improved significantly to INR8 crores from INR0.2 crores in the corresponding period last year, highlighting the strength and sustainability of the company's earnings recovery.

From the balance sheet perspective, the company continues to demonstrate strong financial discipline. The working capital cycle remains healthy at 31 days, in line with December '24 levels. Importantly, the company is now virtually debt-free on a net basis with a net debt of just INR0.1 crores. This reflects a strong liquidity position, robust cash flow and effective working capital management, providing significant financial flexibility to support future growth and value creation. With this, I would request moderator to open the floor for Q&A.

Moderator: Thank you very much. The first question is from the line of Resham Mehta from GreenEdge Wealth. Please go ahead.

Resham Mehta: Just wanted your thoughts and opinion on the export market. So you did call out that we are anticipating an 8% growth in the export market. However, if we see, China has been setting up its factories in Gulf and Africa, which has been eating into our Indian exports. So just wanted your comments there?

Anuj Arora: So the current data that -- from different analysts, different sources that I see is, yes, there is a recovery as compared to '25, though not at the '24 levels. Also, one more change, which is anticipated from 1st of April is that there were some export benefits, which Chinese government used to pass on to the exporters. Likely, some of those incentives effective 1st of April will not be there. So this should further help the Indian domestic market compete better with the Chinese player. So hopefully, if -- so still that complete clarity is not there. But if this works out, then probably this will be a further boost for Indian exports.

Resham Mehta: And what do you think will it take for demand to kind of come back in the domestic Indian market? So one is of course, if exports pick up, then it is beneficial for players like us. Second, how -- so how is the construction activity, et cetera? How do you see that picking up and demand coming from there?

Aditya Gupta: Resham, I think the domestic market, the first indication is how cement and steel have been performing. Now this quarter 2 was good. Quarter 3 is also expected to be good. And these are the initial stages of construction, which basically implies that down the line, when the finishing stage comes, there will be a robust demand for tiles. So that is another factor which we feel will help drive momentum.

And interest rates are down. They are flat for housing and all. So I think that should also spur demand. We have mentioned in the past that dealers have been down stocking for some time. I think that trend is now coming to an end because dealer level stock levels are down quite a lot from, say, the last 1 to 2 years. And I think this should also stop being a factor for the industry going forward.

Resham Mehta: So do you see there is some gap between primary and secondary growth?

Aditya Gupta: See, unfortunately, Reshma, we do not get a reliable secondary sales figures at an industry level. It is a very primary led industry and dealers are usually not comfortable sharing any data on secondary sales. So I think -- but as I said earlier, I think they are now at par because there was a time when a lot of -- when dealers were overstocked. I think over the last 1.5, 2 years, they have brought down their stocks to a level that they are comfortable with. So going forward, I think primary and secondary should be in tandem.

Resham Mehta: And just a last follow-up. So you said cement and steel demand are lead indicators. So typically, what is the time lag that we see for tile demand to come back in line with cement and steel?

Aditya Gupta: I think it would take, say 3, 4 quarters for it to start playing up. So I think middle of this calendar year -- and it will progressively keep improving quarter-on-quarter, but I think the full impact should start coming in, in the second half of this calendar year.

Moderator: The next question is from the line of Ashvath Rajan from Arihant Capital Markets.

Ashvath: Congratulations to the management for a good set of numbers. My first question is, do we see these margins to be sustainable in the next few quarters?

Aditya Gupta: Definitely, yes, Ashvath. I think we've already spoken about the focus on cost management and how our gross margins have been behaving. So as operating leverage improves, we expect to actually do better than what we have done in quarter 3.

Ashvath: So we see this -- we see margins to be better in Q4 than Q3?

Anuj Arora: So generally, Q4 is better as compared to volumes. So automatically, operational leverage will come into play, and it will be better than Q3. Though we don't give future guidance, but historically, it has been the case. Q4 has always been better. So yes, if gas prices are stable, it will be better than Q3.

Ashvath: Okay. Coming to gas prices, there's been news lately of 30% hikes in the U.S. Does this affect us directly or indirectly in any way?

Anuj Arora: No. So gas prices are pretty much stable. I think on a weighted average basis compared to the last quarter, gas prices are up by INR0.50 only. So I don't know about this 30%. So there is no way, there is a 30% increase.

Ashvath: Okay, sir. And on this top line, is this volume led or ASP led for the most part?

Anuj Arora: So it is all volume led. So from the last quarter onwards, the growth has been volume led only. Quarter 1 in terms of volume was flat. Quarter 2 continued the volume momentum and quarter 3 is further up.

Ashvath: Okay. Got it, sir. And just to ask on utilizations, could you help us quantify what our utilizations were this quarter?

Anuj Arora: So current utilizations are similar to the last quarter. It's in the 65%-odd range only.

Ashvath: Okay. And sir, we did -- this is my last question. We did have a pilot project on tile adhesives. So any progress on the same?

Aditya Gupta: So it's continuing. I think initial response has been good for us. We are still in selected markets of North India, not yet gone national, which will happen next financial year. So positive movement, but a slow buildup. We are not rushing into multiple markets at the same time.

Ashvath: Okay. So have we started selling tile adhesives already on a commercial basis? Or is it still on the pilot phase?

Aditya Gupta: No, no, we are selling now. It's moved beyond the pilot phase. We are selling it commercially.

Moderator: The next question is from the line of Rohit from Samatva Investments.

Rohit: Sir, my first question is on your Orient Bell OBTBs. So, if I look in FY '22, we had around 285 OBTBs, if I'm not wrong. And 3 years -- it's been 3 years, but we are still just about 300. So I just wanted to know why has the growth not been that great for our OBTBs because that was where we wanted to grow the fastest. So just your takeaways and what's been your learnings about the tile boutiques in the past 2 to 3 years? And where do you see it going in the next 2 to 3 years?

Aditya Gupta: So Rohit, OBTBs continue to be extremely central to our strategy. Even today, more than 40% of our sales is coming in from OBTBs -- actually 42% odd. Now your query about number of OBTBs 3 years back and now, so we have made a very conscious shift to start chasing quality versus quantity. Over the last 3 years, we have closed down a number of -- a large number of OBTBs where we were not happy with the kind of display work or the customer service which they were giving. So you don't see the net number. So gross adds have been there in the last 3 years, but the net adds have not been that spectacular.

Another thing which we have been doing is that for the last 1.5 years, we have been working more on our existing OBTBs, making them larger and totally upgrading and renovating them. So that is something which we will continue for the next 1 or 2 years. That existing OBTBs will be made bigger and will be renovated to better showcase the products that we have today rather than going all out for new OBTBs.

Rohit: Got it. Fair enough. So my second question would be, so -- the volume growth that we have seen this quarter, geographically from where has it come? Has it been from our core markets? Or has it been more from the new markets like South and West?

Aditya Gupta: So the core markets of North and East have continued to do well. We are doing very nicely in Western India also. Actually, that is leading in growth. And South also has -- South, some geographies have started picking up for us nicely. Some states have started picking up nicely.

But within South, there are some states which are not doing well and there are some states which are doing very well. So overall, South is growing, but muted. Does it answer your question? So among the new markets, West is doing well. North and East continue to do well. West is doing very well for us this year. And South certain, states have started doing well for us.

Rohit: Got it. Sir, I had just one question. So historically, in the past 1 or 2 years, our focus has shifted towards the retail part of it, but we have historically been also very strong on the projects part of it. So going forward, are we going to be more retail focused? Or are we also looking at -- to grow the project segment? Because I'm not wrong now, retail is now around 80% and this was comparatively lower a few years back. So will the focus be more towards the retail? Or are we looking at also the projects where we have historically been very strong?

Aditya Gupta: So it's not either/or kind of a situation. I think it is relative. So we are focusing more on retail. That's right. And that is where you see a lot of these premium products that we are launching, a lot of these digital tools that we are launching are basically aimed towards the retail consumer. So that continues. We feel that is kind of more sustainable, more profitable. So that focus will continue.

While at the same time, you're right, in last about 12-odd months, we have had some challenges on our large institutional businesses large project businesses. Our new teams are now stabilizing, and we expect to pick up the slack which has come into these businesses from now onwards.

We started seeing some early signs of revival there, but looking to do much better there. And these are totally different segments. There are different teams with different kind of pricing and different -- even different kinds of product that they push. So going forward, we like both. But compared to previous years, definitely, we are giving a very big push on the retail.

Rohit: Got it, sir. So just one last question was, so since the EU FTA has been approved, just wanted to know an Indian tile that's sold to the European Union. With the FTA, how -- what will be the impact on the prices? So by how much will it reduce? Any broad figure on that?

Aditya Gupta: I don't know. We do know that with the U.K. FTA, which was signed some time back, there have been -- some queries have started coming in. The EU FTA, I've not gone through the details, but by the time the due diligence happens, legal scrubbing happens, and it goes through the EU parliament and member states, my sense is that it will be effective on ground from 2027, not before that. And let's see. But the details of the treaty are not yet out. So I have no clue of how it will impact the export duties.

Moderator: The next question is from the line of Ashwin from Samatva. Please go ahead.

Ashwin: Just wanted to -- I understand that the industry has been through quite a tough time in the last few years. And given that our sales have kind of stagnated for almost 4 years now, so what is the time frame that you guys see where we can probably get like a revenue of INR1,000 crores?

Aditya Gupta: Could you please repeat your question? Not very clear.

Ashwin: I'm saying, given that the industry has been through a tough time in the recent past, so what is the time frame in which you see our company hitting revenues of close to INR1,000 crores?

Aditya Gupta: So I think you're asking me to forecast the future. As a policy, we don't give out futuristic guidelines. I did talk about though that the green shoots that we are seeing in the market. I spoke about how early-stage construction products are doing very nicely. I spoke about how projects -- more projects are being launched and they will get into the finishing stage over the next few quarters. And also I talked about exports started to grow at an industry level.

So I think some of the headwinds that the industry has been facing for the last 2, 3 years will definitely slow down. And this combined with our internal initiatives on demand generation, on product side and on digitization will definitely help us grow much, much faster than what we have been doing in the past.

Ashwin: Yes, the point taken, but just trying to understand. See, you may have like a vision -- or some vision or some targets which you have, right? I mean, what you plan to reach? Or maybe if it's not revenues, then at least the volume growth numbers. So I understand revenues might not be in your hands always, but what about the volumes what you're looking at in terms of the volume growth in the next 3, 4 years?

Aditya Gupta: So we stay away as a policy from any future guidance. So I will not give any specifics. But I think overall, the industry seems to be coming out of a stage of -- a time period of slow growth and this thing. Another thing which I spoke about briefly is that we don't see any major capacity addition in 2026.

There are hardly another 8, 10 plants which we know of, which will come into play through 2026. So capacity will remain similar or same as what it has been in the last 1 or 2 years and some green shoots on exports, green shoots on early-stage construction products. So I think the industry is now well set for better growth than in the past.

Ashwin: Got it. Got it. So in that case, in the next 2 years, where do you see yourself spending your cash flows? So is it on opening more boutiques will fetch you the best returns? Or is it the marketing? Or -- again, I'm sure it's all of these, but I'm thinking if you would prioritize, what are the top 2, 3 focus areas where you'll be spending money in the next 2 years?

Aditya Gupta: So I think great -- so see, we will definitely be spending to add distribution, whether it is through OBTBs and all other distribution expansion activities. That is one area. Second area is marketing. Historically, we started our TV advertisement from about 2 years back and all. We are extremely late at it. And now from current financial -- this financial year, we are moving to a stage where we are investing and spending every month on TV.

I think -- but not across India. We don't have -- for example, we don't have anything in Tamil Nadu. We don't have anything in Andhra Pradesh, Telangana and all. So we are going to spend much more aggressively on TV in FY '27 and of course, spend on adding up distribution and displays.

We have -- I'll just mention another thing that might help you. Anuj had talked about capacity utilization. So we did go through over the last 4 years, a big capacity expansion -- multiple capacity expansion projects. As a company, we now have almost 42 million, 43 million square meters capacity along with are associate company. So we don't -- we do not see any major capacity enhancing investment. We have enough spare capacity to kind of fill up for the next 2, 3 years. So focus is going to be on the market, on market building, distribution, brand awareness.

Ashwin: Sure. And what has been your experience in the southern markets with your Hoskote facility and all? Has that met your expectations as to what you had when you started? How is it tracking now? And I'm just trying to understand, does it make more -- so I'm trying to understand the importance of a pan-India presence versus going stronger in the core markets?

Because given that you already have strong competitors in the South, so I'm just trying to understand: one, your own assessment of what happened in Hoskote so far and the southern markets? And then how do you think about the core markets versus the new markets?

Aditya Gupta: So one positive thing is that West, which has been a very weak market for us, actually even weaker than South, has started responding well for us. So I think that's one positive which we have from this financial year. Coming specifically to South that you're asking for, the story is a bit mixed. We have done well in 2 states, but we have not performed well in the other 3 states. So overall, it's been a mixed bag.

But we are -- see, in some areas where we have certain residual -- sorry, distribution reach and all, things have started picking up. We had one very big South focused -- South dealer-focused product launch that was in Q1. This product is from our Hoskote plant 4x2. That's been doing very well for us. We are seeing good volumes building up on GVT, which we are supplying from our Baroda plant to South India -- our Dora plant to South India.

So that's working well for us. So overall, it's been slow. It's been slower than what we had hoped for, but there is -- there is a decent response we are getting from the market enough to kind of give us the confidence that we need to invest much more aggressively in South India. It's a very big market. And once we get that going, I think it would really put the wind behind -- put wings to OBL top line.

Moderator: The next question is from the line of Ashvath from Arihant Capital Markets.

Ashvath: My question is specifically on the dealer inventory. So you did mention on -- there was some downsizing happening over the past few years. So currently, what has the trend been? Is the dealer adding up or upsizing its inventory on any end? What is the review from their end in terms of customer demand?

Aditya Gupta: So Ashvath, the dealers, as I said, have been consistently kind of going slow on inventory buildups and all and even reducing the inventories. And I think that story seems to have in my estimate played out. And it is not going to be a very big consideration going forward. So I think we seem to be at an inventory level which the dealers are comfortable with. So I see that as a bit of a good sign for the industry as a whole.

Especially for us for the last 9 months or 1 year, Ashvath, we have been very aggressively pushing our team towards demand generation. So our sales team today carries a target for what is the total secondary sale orders that you have generated for the dealers and given to them, and we have a clear digitized process for capturing that on our apps and all. And that number has been steadily building up.

And this is also one of the reasons that we are optimistic about the future that we are not kind of pushing stocks into the dealer godown. We are not trying to do primary deals for them to stock more. We are kind of going and talking to a dealer about, "Okay, this is what we are going to help you out with to sell out your stock", and on the basis of that doing a discussion on the primary sales.

Ashvath: Okay. Noted. And on the OBTB, how many more stores do we foresee adding for FY '27 -- till FY '27?

Aditya Gupta: So Ashvath, we have not done the FY '27 AOP planning yet. I think this is something which we are just kick starting. So I can't give you a figure. But as I said earlier, our first and primary priority is to kind of revamp our existing 300-plus OBTB, make them bigger wherever possible, definitely change the branding and the display that we have, the whole planogram or display planogram in this. So that has been a bigger focus. Some new OBTBs will keep on coming up, but that will be priority number 2 for us.

We have also -- just for information, while we've not talked about it in the past, but especially in the South market, that question had come up. One of the reasons that we have found it a bit slow in South market is that we were not getting display area. It's a very competitive market. The existing display area of dealers are already promised and accounted for by competitors.

So last 1 year, we have started a project where we are doing not OBTBs, but putting up displays in these dealers. They're saying one cassette at a time, 10 lease, 15 lease, just to mark our presence. So that buildup is happening. So while the number of OBTX is very rightly so at 300 plus. No major change at all. But the overall display in the dealer shop has been increasing because a lot of displays -- a decent number of non-OBTB displays have also been put up.

Moderator: The next question is from the line of Ashwin from Samatva.

Ashwin: I just wanted to understand, in the last 4 years, what has been the number of OBTBs which are closed down on a gross basis, number of closures?

Aditya Gupta: So you are basically asking for -- I don't have that number readily, but my sense is we would have closed down maybe 20, 25 OBTBs every year and OBTX. So you don't have that figure separately. I think you can -- we will pass it on to you. Anuj, you can just -- but I'll give you -- don't hold me to it, but I'll give you a sense that we would have closed about 20-odd every year.

Ashwin: Okay. Got it. And for each one that we open, what is the amount of money we put in from our end and not what the franchisees contribute, but what we had to put in from our end, what is that amount?

Aditya Gupta: So we have 3 or 4 different models, and it very much depends on the particular -- the town and the size of the OBTX coming in and all. So we definitely -- the branding is always ours. Getting the OBTB up on all social media handles and all and managing that and digitizing them with visualization tools and everything is all our expense. Some samples -- sometimes we also give some deep discount on samples and all. So very, very -- it depends quite a lot. I don't think our average figure is something which will make sense.

Ashwin: Okay. Okay. No, I'm just trying to understand what has been the cash drain on us because of this -- the context is that. That's what I was just trying to understand. Understood. And secondly, on the digital part that we have because I think there has been at least something which has been -- always been talked about, the differentiation based on the digital approach that the company has had.

So right now, what is the advantage that still remains with us versus the peers? And have they caught on? And what has been the impact that you've been able to quantify, "Okay, this has been the impact due to digital, which others could not get?" Or I'm just trying to understand, is it like a real game changer? Or is it good to have?

Aditya Gupta: So see, I think -- that's -- actually, that's a question which is worth a PhD thesis by itself, but let me try to answer this. See, there are 2 or 3 parts of it. One part is pure simple efficiency, efficiency and ease of doing business. So how much it has added to your top line and your bottom line is anybody's guess.

But the fact is that when I interview prospective sales employees and I ask them the simple question that what do you know about Orient Bell, and I'm talking about people who are from the tile industry. 9 out of 10 times, I get to hear that when I ask them what do you know about OBL? They tell me that Orient Bell is a tech company. So the speed and the ease at which formation is available to my dealers and my salesmen, salespeople and all, is light years ahead of what is the norm in our industry.

So there is an ease of doing business. Anuj has spoken about our very healthy gross margins, which kind of go up to 36% to 38%, 39% and all. I think that's also because we are so highly digitized that wastage is minimal or any wastage kind of gets flagged off and gets collected. So this is one side of the story, which is ease of doing business, which is efficiencies and stuff like that. That's one piece.

The other piece where digitization has helped us is at the customer, is helping the customer to make a choice. Now we started our realization tool in 2019, May 2019 was when we launched it. Today, we have -- the tool has continuously improved. Today, there is a voice-enabled tool, and we have 500-odd dealers who are using it. So all of this helps because these are things which a customer is not able to get from any of the competing brands.

Today, you walk into my OBTX -- out of these 500 shops, which many of them are not even OBTX. And you can walk out with actually a design of your space: living room, bedroom, kitchen, whatever, on a WhatsApp instantaneously, which is something which is not available, which helps the consumer to make a choice and something not available in any of your competitors.

So I think this is catching up. The world is digital. Our consumers are totally digital. Let's not forget that. It's not that the consumer is digital when he buys product A or he is kind of old-fashioned 19th century consumer when he buys product B. So I think this will keep catching on. There is a bit of a laggard on adopting on this, but they're also now slowly and surely catching up. So we see a big differentiator for us from this whole digital approach from the consumer acceptance and brand side also, not just the first part, which is efficiency and ease of doing business.

Ashwin: Got it. Got it. Got it. That is helpful actually. And my final question. So in terms of the closures of the OBTBs, so right now, for this year, what are you projecting? Is it the same -- at the same run rate? Or is it reducing, increasing? How do you see that in terms of OBTBs...

Aditya Gupta: No, because -- see, we have not added so many new OBTBs and all. We have been much more careful and cautious in adding new OBTBs now because longevity of the OBTB is now a prime concern to us. So I think as we get better on this, the need to axe older OBTBs should reduce. But as I said, these are all -- this is something which we are yet to do our planning for FY '27 in detail. And some of these questions will definitely come up for discussion at that time.

Moderator: The next question is from the line of Karan from Asian Markets Securities.

Karan: Sir, just wanted to understand the pricing environment in Morbi. When was the last price hike? And do we anticipate any pricing actions in the near future?

Aditya Gupta: So, Karan, there is a lot of price action, but not in the price increase direction. It's in the other direction. And so I think Morbi pricing has been going down as always. I think that's really the norm. And for us also to share our own manufacturing ASPs have been maintained, but our Morbi ASPs have actually declined. Now don't ask me how much, but they have declined because our purchase price from Morbi has also declined. So that benefit has kind of gone to the dealers.

Karan: Right, right. Sir, also wanted to understand, sir, our share of GVT over the last 5 years has increased from 13% to as high as 44% now. But the resultant impact on gross margin has been just 1.5% to 2%. So how do we see the GVT portion now increasing over the next 3 to 5 years and the benefit on the gross margins?

Aditya Gupta: So Karan at 44%, I think we would be at par with the industry leaders or very close to it. So this was clearly over the last -- 5 years back, 6 years back, this was clearly an area where we were not playing. That more or less seems to have been corrected now. Now within GVT, your question was that with increasing margins on GVT, why is it that our margins have not responded that well?

So let me answer that. See, within GVT, now our focus is our high-end GVT. The entry level GVT product is now facing a lot of price competition. So we are moving into the higher end of GVT products, more surface finishes and all. All our new launches are aimed at that particular segment within GVT a higher grossing -- higher ASP product. So that should help.

And another reason is that historically, for us, our manufacturing capacities, if you were to see 5, 6 years back, we hardly had any GVT manufacturing capacities in our own manufacturing, not that plain part. Now that has increased dramatically over the last 5 years, all coming in through mostly through internal cash accruals and all.

But what has also happened is that our ceramics went down and we had a lot of dependent -- own manufacturing was dependent on ceramics. So as ceramic market went down, some of those products have gone out of the market. And so you see a bit of a netting of impact between lower-end ceramics and higher-end GVT. That has resulted in revenues not growing as fast or margins not growing as fast.

Karan: Noted. And sir, one last question, if I may. I wanted to understand the slabs market in detail. How many players are there in the market? How is the competitive intensity? And how do we plan to get into the largest slabs, which is slightly better ASP and margin accretive?

Aditya Gupta: So -- see, I think slabs market is -- there are about 28-odd manufactures of slabs in Morbi, I'm talking of. Outside Morbi, there are just, I would say, only 2 companies which have got plants outside of Morbi doing slabs. So there are 28-odd vendors in Morbi doing slabs. A few of them -- I think 3, 4 of them are under shutdown. We expect another 6 or 7 new plants to come in, in calendar year '26 on slabs. So we can safely say that we'll have about 25 to 30 manufacturers of slabs in Morbi, different sizes and all.

The margins are not as great as what they were 1, 1.5 years back. If anything, there has been a significant erosion in the slab rates also. But having said that, I think that the slab market will improve. And within slabs, there is now a significant portion which is coming out in 15 mm thickness, which is a very good substitute for granite and basically natural stone. So I think the slab market will definitely pick up.

Karan: Right. And our plans to get into this market?

Aditya Gupta: Not as a manufacturer. We are already in the market. We don't have plans to get into it as a manufacturer. The kind of capex it takes and the capacity utilization you need to make money, that equation doesn't look very attractive as of now.

Moderator: Ladies and gentlemen, that was the last question for today. I now hand over the conference to Mr. Aditya Gupta sir for closing comments. Thank you, and over to you, sir.

Aditya Gupta: Thank you. Thanks for your patience. Thanks for being part of this call. And look forward to seeing you in May with our full-year earnings call. Thanks a lot. Bye.

Moderator: Thank you. On behalf of Orient Bell Limited, that concludes this conference. Thank you for joining us, and you may disconnect your lines.