

Corporate Office :

The First, A&B Wing, 9th Floor,
Behind Keshav Baug Party Plot,
Vastrapur, Ahmedabad - 380 015,
Gujarat, India
Phone : +91 79 2960 1200/ 1/ 2
Fax : +91 79 2960 1210
eMail : info@ratnamani.com



RMTL/SEC/POST-TRANS.CON-CALL/Q4/2026-27

May 20, 2026

BSE Ltd. Corporate Relationship Department 1 st Floor, New Trading Ring, Rotunda Building, P. J. Tower, Dalal Street, Fort, Mumbai – 400 001 Company Code : 520111	National Stock Exchange of India Ltd. “Exchange Plaza”, 5th Floor, Bandra – Kurla Complex, Bandra (E), Mumbai - 400 051 Company Code : RATNAMANI
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Subject: Transcript of the Investor Conference Call post Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended on March 31, 2026

Dear Sir/Madam,

We, vide our letter dated May 13, 2026, had intimated to the Stock Exchanges about the schedule of the Investor Conference Call on Monday, May 18, 2026 post Audited Financial Results (Standalone and Consolidated) of the Company for the fourth quarter and year ended on March 31, 2026 and future outlook of the Company's business.

The Conference Call recordings have already been uploaded on the website of the Company and a link was provided vide our letter dated May 18, 2026.

We, now enclose a copy of the Transcript of the Investor Conference Call which took place as scheduled. The said transcript is also being uploaded on the Company's website at www.ratnamani.com.

The Company has referred to publicly available documents / information for discussions during the interaction in the Conference Call and no Unpublished Price Sensitive Information were intended to share during the Conference Call.

Kindly take the above on your record.

Thanking you,

Yours faithfully,

For, RATNAMANI METALS & TUBES LIMITED

ANIL MALOO
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl.: As above

ratnamani.com

info@ratnamani.com
CIN : L70109GJ1983PLC006460

Registered Office

17, Rajmugat Society, Naranpura Cross Roads,
Ahmedabad - 380 013, Gujarat, India
Phone: +91 79 2741 5504/2747 8700 | Fax: +91 79 2960 1210 | eMail: info@ratnamani.com



“Ratnamani Metals & Tubes Limited
Q4 FY26 Earnings Conference Call”

May 18, 2026



MANAGEMENT: **MR. MANOJ SANGHVI – CHIEF EXECUTIVE OFFICER –
RATNAMANI METALS & TUBES LIMITED**
**MR. VIMAL KATTA – CHIEF FINANCIAL OFFICER –
RATNAMANI METALS & TUBES LIMITED**

MODERATOR: **MR. SAHIL SANGHVI – MONARCH NETWORK
CAPITAL**

Moderator: Ladies and gentlemen, good day, and welcome to the Ratnamani Metals & Tubes Limited Q4 FY26 Earnings Call hosted by Monarch Network Capital Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sahil Sanghvi from Monarch Network Capital. Thank you, and over to you, sir.

Sahil Sanghvi: Thank you. Good evening to everyone. On behalf of Monarch Network Capital, we welcome you all to the 4Q FY26 Earnings Conference Call of Ratnamani Metals & Tubes. We are delighted to host the management of Ratnamani. And from their side, we have Mr. Manoj Sanghvi, the Chief Executive Officer; and Mr. Vimal Katta, the Chief Financial Officer.

So, without taking much time, I'll hand over the call to Mr. Manoj Sanghvi for opening remarks. Thank you, and over to you, sir.

Manoj Sanghvi: Yes. Thank you, Sahil. Good evening, everyone. I warmly welcome you all and thank you for joining us for our performance update for the quarter ended on 31st March 2026. The company operated in a challenging business environment during the quarter with continued muted demand conditions and adverse geopolitical developments in the Middle East, impacting order booking, project execution and overall market sentiment. Despite these headwinds, the company demonstrated strong operational resilience and successfully navigated the evolving situation.

On a stand-alone basis, our sales for Q4 stood at INR893 crores as against the base of INR1,575 crores in Q4 of the previous year, which was also the highest ever quarterly sales in the company's history. For the full year as well, stand-alone performance remained impacted by subdued demand conditions impacting order inflows and resulted in lower capacity utilization. The Stainless-Steel division performed broadly in line with the previous year, while the decline in overall sales was primarily driven by lower volumes in Carbon Steel division.

Despite lower volumes, our continued focus on operational efficiency, cost optimization and improved product mix with higher value-added products ensured that there was no negative impact on the EBITDA margins in percentage terms, both for the quarter and for the year. We also continue to focus on expanding our market through new geographical areas and product application.

During the year, company further strengthened its portfolio and manufacturing capabilities with 18-meter spiral welded pipes and expansion of API 5CT product range. I'm also happy to share that company continues to remain debt-free on a stand-alone basis.

The order book has continued to be around INR2,000 crores during the previous year and as on 1st May 2026 was around INR2,160 crores, while export contributing around INR700 crores, providing good revenue visibility for the coming periods.

Now moving on to our subsidiaries. Ravi Technoforge continued its strong presence and achieved a revenue of INR105 crores during the quarter, representing a growth of 28% over corresponding quarter of last year. For the full year, revenue grew by 33% to INR377 crores. Growth was driven by both exports and domestic markets, while EBITDA margins improved from 10% to 12% due to operational efficiencies.

Our expansion projects at Ravi Technoforge are processing well and will further enhance capacity, automation and precision capabilities. These upgrades will also help us step into new customer segments.

Our subsidiary, Ratnamani Finow Spooling Solutions also continued its strong momentum. The company achieved a revenue of INR72 crores during the quarter, registering around 60% over the corresponding growth -- 60% over the corresponding quarter of last year.

FY 2026 was the first full year of operations for RFSS, during which it achieved a revenue of INR390 crores. RFSS continues to witness healthy order inflows and improving execution efficiencies. The new manufacturing facility being set up by the company is progressing well and is expected to start contributing revenues from the second half of the current financial year.

On a consolidated basis, our Q4 sales stood at INR1,085 crores as against INR1,715 crores in the corresponding quarter of the previous year. For the full year, consolidated sales stood at INR4,494 crores compared to INR5,186 crores in FY '25. At the consolidated level, the strong performance of Ravi Technoforge and RFSS significantly supported overall group profitability with the bearing rings and pipe spooling business emerging as key growth drivers.

Despite lower revenues, the group-maintained profitability margin and absolute EBITDA and net profit broadly in line with the previous year. Based on the current year's performance, the future outlook and the present challenging times, conservation of resources till things settle down, the Board has decided to recommend a lower dividend of INR10 per share, which will still be 500% on the face value.

Although order booking remained moderate during the quarter due to delayed project cycles arising from current global situation, inquiry levels have started showing signs of improvement across key markets. With expected improved demand visibility going forward, strong subsidiary momentum, contribution from ongoing expansion projects and the positive long-term industry outlook, we remain confident of strengthening our market position and delivering sustainable growth in the years ahead.

Thank you once again for your continued trust and confidence in the company. I'm happy to answer questions now. Thanks.

Moderator:

Thank you. We will now begin the question-and-answer session. Our first question comes from the line of Dhananjai Bagrodia with Alchemy. Please go ahead. Dhananjai, please go ahead with your question, and kindly unmute yourself, in case if you are on mute. Since there is no response from the participant, we'll move to the next participant. The next question comes from the line of Sailesh Raja with 360 ONE Capital Market. Please go ahead.

- Sailesh Raja:** Hello?
- Moderator:** Yes Sailesh. Please go ahead.
- Sailesh Raja:** Yes. So, there is excess capacity available in domestic stainless-steel pipe industry, while demand also remains weak, which is getting reflected in our order backlog numbers. So historically, this segment has not witnessed meaningful pricing pressure, but the dynamics now it is completely different. Almost every carbon steel company has entered into stainless-steel space.
- Sir, do you believe that there is a structural change underway in the profitability per metric in stainless steel? And also, this is also very capital-intensive business with historically, very good margins also. But if margins begin to decline structurally, where do you see the best deployment opportunity for Ratnamani incremental?
- For example, if we generate INR100 incremental cash flow, so how much we'll deploy it in LSAW, HSAW, bearing and pipe spooling business? Because if you see in the current capex cycle, we are spending only INR50 crores, yes pertaining to stainless-steel out of INR770 crores, the capacity that we are creating in India. So, could you please talk about the Stainless-steel division?
- Manoj Sanghvi:** So just to correct, give you the correct perspective. The stainless-steel volume in the last fiscal year actually went up, not down, but the prices were down. So, we were more or less flattish on the revenue.
- Sailesh Raja:** Okay.
- Manoj Sanghvi:** Yes. Yes, a lot of carbon steel players plus other players, the competition intensity in stainless steel or carbon steel is increasing. However, most of the capacity is for the pierced seamless products. So which market as it is, Ratnamani is not catering to. So, our -- still our focus remains on high value-added extruded products, where only one new player is supposed to come. I don't know by when, but it will take some time before the new capacities in the extruded segment comes.
- Sailesh Raja:** Okay. Okay.
- Manoj Sanghvi:** Yes.
- Sailesh Raja:** So, in the near future, is there any capex plan in stainless-steel division or focus will be fully?
- Manoj Sanghvi:** Debottlenecking capex is going on. We are investing -- we are already doing instrumentation tubes in straight length. Now we are executing a few orders in the coil form, and we will continue to increase the capacity over there. We are planning for a new tube mill on the welded side. Since it is -- all the capex put together is not significant, it is not -- or it is part of our routine capex. So, it is not highlighted separately.
- Sailesh Raja:** Okay. Thank you, sir. Sir, on the line pipe side, that opportunity appears very promising in both domestic as well as exports market. There are multiple pipeline projects being discussed in

Saudi, including the sea pipeline opportunity from Middle East to India. So as mentioned, there could be a sizable opportunity in stainless steel in the Middle East preconstruction activity gathers pace.

So ADNOC is also talking about doubling the exports. So how do you see the business opportunity evolving for us, both in Stainless-steel, Carbon Steel division for us over the next one, two years?

Manoj Sanghvi:

No. With the current situation internationally, definitely, once this is over, we don't know today by when it will be over or by when things will be normal. But yes, definitely, not only in Middle East, but domestic as well as other parts of the world, we will see a push in carbon steel pipes as well as stainless-steel tubes and pipes because refineries, petrochemical plants, whatever is damaged, plus the new expansion once the oil is transported from, say, the point of originating to wherever it goes.

So, the refining capex petrochemical plants, also we will see capex. And we feel that, yes, in two months, three months from now, we'll see -- if things normalize, we'll see the demand. Of course, many projects are announced, but detailed working of that will be done. So, in another three months, six months, we will see those demand -- those kind of demand for both stainless steel and carbon steel pipes coming in.

Sailesh Raja:

Yes. Okay, sir. Thank you, sir. All the best.

Manoj Sanghvi:

Thank you.

Moderator:

The next question comes from the line of Divyansh Gupta with Latent PMS. Please go ahead.

Divyansh Gupta:

Hi, sir. I have actually a question for each of the business verticals. Starting with the spool pipes business. So, is the understanding correct that the spool pipe assembly that we give is more of a onetime in the nuclear plant? And if yes, then the question is that how are we seeing the order book build out? Where is the order book -- where are the orders coming from?

And what is giving us confidence to expand our capacity given that even if someone says, I want to do a nuclear plant today, the requirement of the pipe might come, let's say, two or three years down the line when the actual fitment of nut and bolt is expected to happen?

Manoj Sanghvi:

Yes. Thank you. So, your first question was whether it is a one-time requirement. No, it is not a onetime requirement. Now -- and with the current situation globally and the amount of data centers being announced, not only in India, but elsewhere, the demand for power will go up. Only thermal or only renewable will not be able to suffice the future power requirement.

Saying that, we feel that not only in India and with the vision of our honorable Prime Minister by 2047, where he wants to have, say, 100 gigawatts of nuclear plant, not only in India, but internationally, also a lot of nuclear power projects have been announced so us being at the moment, the only nuclear approved facility from India for Nuclear Power Corporation of India Limited, plus internationally also, now we've been approved to supply for projects in Egypt, Turkey, Hungary. So, we see that there is good potential for RFSS to grow from here.

- Divyansh Gupta:** Got it. And when you say it is not a one-time product, so then, let's say, how -- at what frequency is the product replaced? The life of the spool pipe is let say?
- Manoj Sanghvi:** So, any nuclear power plant, greenfield new project, say, for 1 gigawatt, 4,000 to 5,000 tons of pipe spools are required. Now currently, considering what the number of plants India is planning plus the other geographies what they are planning, this plant will be booked itself for the new nuclear power plants.
- Divyansh Gupta:** Got it. Understood. Understood. On RTL, the question was that what is the percentage of either exports or deemed exports? And does the tariff equalization now in the U.S. brings any tailwind or any contracts which were delayed because of tariffs starting back -- coming back on the discussion table? And how should we see the business ramp-up happening?
- Manoj Sanghvi:** So, we have the data for physical exports, which is between 35% to 40% for Ravi Technoforge. Deemed export, we don't have the exact data, but 50% of what we supply to the domestic manufacturers, SKF, Schaeffler or the other bearing manufacturers. I think 40% to 50% of that is exported by them.
- Divyansh Gupta:** Got it. So about 60%, 60% to 65% at least is getting exported. And they get exported to -- so yes, the U.S. tariff and which geographies are they getting exported to?
- Manoj Sanghvi:** Europe, U.S., also rest of the world.
- Divyansh Gupta:** And is there a broad mix that you can give?
- Manoj Sanghvi:** No. See, we would not have that data in detail, but our customers would definitely, yes.
- Divyansh Gupta:** Understood. Coming to the Middle East plant that we were planning to set up, I see the date is still March of 2027. So, if you can give updates on two aspects. Does the current war leads to - - has led to any delays or, let's say, reevaluation of time lines? And where are we currently after the initial certificate that we got to -- or the approval that we got that, okay, we can start doing the greenfield -- start doing the capex activity in Middle East?
- Manoj Sanghvi:** Yes. So, considering that things will normalize say, in another month or so, we still are confident that we'll be able to finish the project, especially the trials within March 2027. The current status, if I say the design and engineering is complete. It has been submitted to authorities for approval. Once it is approved, the contractor will be finalized for construction and simultaneously, we'll be ordering all the machinery.
- Divyansh Gupta:** Understood. Sorry, yes.
- Manoj Sanghvi:** Yes.
- Divyansh Gupta:** Sorry, continue.
- Manoj Sanghvi:** Yes. So, we are also waiting at the moment for things to normalize, so we can award the contracts for construction. So as of now, we still remain confident that the project can be finished within March 2027. If there is any spillage, it can be of three months.

- Divyansh Gupta:** Got it. And coming to the stand-alone entity, which is the fourth business vertical, the order today, if you can split it between CS and SS? Second question is, given that, let's say, given the government financials are under strain, I'm guessing the Jal Jeevan Nigam is under stress and similarly, the oil and gas is also under strain. So, what is the traction we are getting in CGD? Because at least the article says that CGD is seeing a lot of traction. And you mentioned that inquiries are coming. So where are these inquiries coming from? And any particular segment where we are seeing a lot of inquiries coming in?
- Vimal Katta:** On order book, Manojji, if you permit.
- Manoj Sanghvi:** Yes, yes.
- Vimal Katta:** I'll just share. As of 1st May, it was INR2,162 crores, out of which INR531 crores was stainless steel and INR1,631 crores was carbon steel. And out of this INR2,162 crores, INR697 crores was the export component, okay?
- Divyansh Gupta:** Got it. Understood. And on the inquiry part, where are the inquiries coming from? And are we seeing any tailwind because of CGD?
- Manoj Sanghvi:** So domestic, there are a few inquiries from gas transmission companies. Then there are a few inquiries on stainless steel from the refinery segment and the petrochemical segment, some portion in the renewable energy segment. Also, if we see the thermal power segment, where our stainless-steel products go for high-pressure heater tubes and low-pressure heater tubes plus the condenser tube.
- So, we are seeing strong demand from there also. Oil and gas, still, yes, Middle East, we are hearing there are a few projects. However, they are going slow because still the shipping system or the shipping lines are not willing to or even if they are willing to -- the cost is too high. So once that normalizes, the real picture of demand from Middle East we will know.
- Divyansh Gupta:** Understood. Understood. Thanks for answers. I'll join back the queue so that others can ask.
- Manoj Sanghvi:** Thank you.
- Divyansh Gupta:** Yes. Thank you.
- Moderator:** Thank you. The next question comes from the line of Tanmay Agarwal with Niveshaay. Please go ahead.
- Tanmay Agarwal:** Hello, am I audible?
- Manoj Sanghvi:** Yes, yes, you are.
- Tanmay Agarwal:** Okay. Sir, my first question is with 80 gigawatts of thermal and renewable power capacity expected to be added over the next four to five years, could you help us to size the stainless-steel opportunity both in volume and value terms? Specifically, what is approximate tonnage of stainless-steel tubes required per gigawatt of additional capacity? And what share of this opportunity is Ratnamani positioned to address?

- Manoj Sanghvi:** Can you repeat the first part because your voice was not very clear.
- Tanmay Agarwal:** Sure, sir. With 80 gigawatt of thermal and renewable power capacity expected to be added over the next four to five years, could you help us to size the stainless-steel tube opportunity, both in volume and value terms?
- Manoj Sanghvi:** I don't have the exact number at the moment. But for power plant, as I mentioned just before this question, that we are major suppliers for the heat exchangers, high pressure, low pressure as well as the condenser tubes. So, all put together, the volumes for the power segment is substantial, which before, say, 2025 or 2024, the power demand was quite less. Our supplies to power demand -- the -- power sector had gone down. However, for the next five years, we feel and we see that the demand is going to remain quite strong in this segment.
- Tanmay Agarwal:** Okay, sir. Sir, my another question is regarding Middle East and O&G demand. Sir, what -- given the significant infrastructure disruption that had happened in the Middle East due to the ongoing conflicts, are you seeing any incremental inquiry or order inflow in the oil and gas segment, either from reconstruction activity or from the accelerated pipeline build-out?
- Manoj Sanghvi:** Not yet. We have been hearing various projects. However, the actual demand or the actual inquiry is not yet seen. Two major factors. One, the shipping -- because whatever orders we have, we are unable to ship still because only few ports we can ship to, and they are able to handle limited cargo. Plus, the other ports where we want to send the material.
- However, the vessel is either charging, say, obnoxious amount, which the customer is not willing to accept. So, until and unless things settle, of course, on paper, we see a lot of demand. But the actual demand on ground, we will only know once things settle down.
- Tanmay Agarwal:** Okay, sure, sir. Thank you from my side.
- Manoj Sanghvi:** Thank you.
- Moderator:** The next question comes from the line of Netra Deshpande with Mirae Asset Sharekhan. Please go ahead.
- Netra Deshpande:** Yes. Am I audible?
- Manoj Sanghvi:** Yes, you are.
- Netra Deshpande:** Yes. Thank you so much for opportunity. To start with about two questions which I have. Can you give me a breakup volume for the CS and SS pipe for the forward guidance and the realization per ton? And what would be the any other like new product mix, which is you are going to -- any other plans for the capacity expansions and the new product mix, which is going to be there for the further year? So, this is my first question. Exact volume breakup for the revenue guidance or you can say for the volume and sales for CS and SS.
- Manoj Sanghvi:** Yes. So, see, carbon steel, the volumes have gone down, considering that we were shifting some capacity the whole year, out of the whole year 9, 10 months, there was a shift of capacity from

one location to another location. So, during the year, if you see, we started production at Orissa. So that capacity is back up and running.

Another modification what we did in Kutch, where we used to manufacture pipes in the length of 12 meters. So now that plant is capable to manufacture pipes up to 18 meters. So, we are back to our capacity what it was before last financial year. And for stainless steel, there has been volume growth, as indicated earlier. However, in the price terms, we are more or less, say, 5% to 10% higher than the previous year.

- Netra Deshpande:** Okay. So, realization would be -- for the FY '27 would be -- we can expect 5%, right?
- Manoj Sanghvi:** Our budget for the year, say, is close to anywhere -- on a stand-alone basis, anywhere between INR4,800 crores to INR5,000 crores.
- Netra Deshpande:** Okay. Okay.
- Manoj Sanghvi:** Yes. Yes.
- Netra Deshpande:** And yes, thank you, sir. And with my second question about -- as we have seen in the balance sheet, we have maintained with the low debt and again the net cash. So, what will be the position for the -- like I just would like to get the breakup of net cash position? And what is the target for the further -- as given with the capex cycle, what would be the further forward guidance for you can say the further debt level position for the next two years?
- Manoj Sanghvi:** Yes. We are working on two, three projects. So once those materialize, we will be able to give you the guidance on the cash flows or the cash that the company has. At the moment, what is the amount available, Kattaji, if you can please reply to that?
- Vimal Katta:** As on date, also we will be having close to INR800 crores available as free cash with the company. And whatever little debt is getting reflected in the balance sheet that is basically in case of any requirement. So, we have FD-OD facilities. So minor utilization might be there. Otherwise, company is 100% debt-free as far as regular bank limits are concerned.
- Netra Deshpande:** Okay. Okay. Thank you so much, sir. Thanks.
- Manoj Sanghvi:** Thank you.
- Netra Deshpande:** All the best. Yes.
- Moderator:** The next question comes from the line of Saurabh Patwa with Quest Investment Management. Please go ahead.
- Saurabh Patwa:** Hello.
- Moderator:** Please go ahead, sir.
- Saurabh Patwa:** Yes. Sir, thanks a lot, sir, for giving this opportunity, sir. Just two, three questions. One is, sir, given this year, you had some spillover -- some delay in dispatch of the products which you

would already because of the export orders because of the Middle East issues and the order book which you have, if this spills over and over time during the year, if this normalizes, so will this INR4,800 crores to INR5,000 crores of target which you have is including this? Or is this for the current year's target and this can have a higher number?

- Manoj Sanghvi:** No, it is -- the INR4,800 crores, what we say is considering that things will normalize soon.
- Saurabh Patwa:** And last year, dispatches also will happen.
- Manoj Sanghvi:** Last year, we had -- say, we were sitting on about INR100 crores to INR150 crores worth of material, which was about to be shipped. It could not be shipped because of this conflict.
- Saurabh Patwa:** Correct. And sir, secondly, this year, we had a last 2 quarters, we are having close to 40% kind of decline in our volumes despite a growth in stainless-steel. So, assuming this thing normalizes, and we get some growth back in this carbon steel, how does this impact margins? Because I believe stainless-steel is much higher margin. So, will the margins get impacted negatively?
- Manoj Sanghvi:** No. The moment things normalizes, we will see a lot of projects, right? So, we will get our share of margin of carbon steel product.
- Saurabh Patwa:** Okay. Okay. So, the current margins of carbon steel are depressed? Is this -- or like last year's carbon steel margins were slightly depressed compared to historical past?
- Manoj Sanghvi:** Yes. Not -- I would say not depressed, depressed, but the mix changed, right? Because a lot of it was water projects, not oil and gas. Now going forward, the demand for oil and gas and the Jal Jeevan Mission, both will be there. So, if we manage the product mix well, definitely, we'll be able to sustain the margins.
- Saurabh Patwa:** So, we should be able to deliver 16% to 18% margins. This is a fair understanding?
- Vimal Katta:** See, basically, higher utilization of capacities will result into better absorption of fixed costs. So that negative impact of higher contribution coming from line pipes, carbon steel line pipes will not be that significant. 1% here and there might be there. In the longer run, this 16% to 18% seems to be sustainable range.
- Saurabh Patwa:** Understood, sir. Understood. And sir, just lastly, was there any forex impact positive or negative this year compared to last year in this quarter?
- Vimal Katta:** Forex, basically because exports have been significant. We have been positive on the receivable side. So positive impact has been there. That figure for the entire year will be closer to INR45 crores.
- Saurabh Patwa:** Okay.
- Vimal Katta:** Yes.
- Saurabh Patwa:** Okay, sir. Thanks a lot, sir, and all the best.

- Moderator:** Thank you. The next question comes from the line of Dhruv Saraf with Bowhead India Fund. Please go ahead.
- Dhruv Saraf:** Good afternoon, sir. Just wanted to understand, you've alluded to the fact that power demand for stainless-steel tubes from the power sector remains to be very buoyant. Sir, but this is also a space where piercing technology is gaining wide acceptance. So, do you see a situation where your margins in power will be lower than your margin that you earned in the past because of new acceptance of piercing? Do you see that as a threat to you?
- Manoj Sanghvi:** See, yes, I think it is echoing. Hello?
- Moderator:** Yes, sir. Please go ahead.
- Manoj Sanghvi:** Yes, see, substantial capacities have been added in stainless-steel seamless segment. Products are being accepted. If you say that, I would say, yes, they are being accepted. But at the same time, we see failures also happening. Recent fire or heat exchanger failure at one of the refineries in Rajasthan was a major failure and the tubes are to be replaced or is to be replaced in a month. So piercing technology, yes, it is accepted.
- Short-term, maybe, yes, margins. There will be a pressure. However, we continue to enter new segments like defence, which is increasing for us, aerospace, which is increasing for us. So, we will move up the ladder. We'll try to -- that market in India is growing. So, it's an opportunity for us. Yes, power, we might have a little compromise on the margins, but I think that phenomenon may be temporary.
- Dhruv Saraf:** There might be eventually reluctance to accept piercing going forward, let's say, 2, 3 years down the line in heat exchanger in power and refineries. Could there be like a rollback in that side or from piercing again?
- Manoj Sanghvi:** Many end users have limited the tubes to be manufactured by extruded mother hollows. And we see addition or the increase in number of such end users. That's all I can say.
- Dhruv Saraf:** Okay. So, there's been an increase in the number of end users who have restricted their demand to only extruded. That's what you said, if I'm getting it right.
- Manoj Sanghvi:** For tubes, yes.
- Dhruv Saraf:** Okay. That will be very helpful. Sir, just one more question on the export business, especially on stainless-steel, sir. So, Europe is coming with this carbon border adjustment mechanism later this year. And there is also some factor about reducing the quota of Indian stainless-steel exports to the continent. So, do you think it's going to be a big game changer either positively or negatively for your export business, especially in stainless-steel?
- Manoj Sanghvi:** Short-term, I don't see any major impact on us. See, finally, there has to be local manufacturing or this is to support the local manufacturing. Now the local manufacturing will also adjust the price accordingly. And if the demand is more than the supply, the price adjustment will happen

itself. So short-term, not a major impact. But yes, long-term, if it continues, we will see local manufacturers expanding their capacities. And yes, that is where the impact can come.

- Dhruv Saraf:** Understood, sir. Understood. But that would be a 5, 6, 7-year phenomenon, but it's not more of a 2, 3year...
- Manoj Sanghvi:** Yes. Yes.
- Dhruv Saraf:** Sure. Understood, sir. Thank you so much, sir. I'll get back in the queue.
- Manoj Sanghvi:** Thank you.
- Vimal Katta:** Thank you.
- Moderator:** The next question comes from the line of Deepak Sodhi with Sundaram Mutual Fund. Please go ahead.
- Deepak Sodhi:** Yes, thank you for the opportunity. Am I audible?
- Manoj Sanghvi:** Yes, you are.
- Deepak Sodhi:** Yes. Hi, sir. Sir, my first question is on pipe spools business. So, if I look at this quarter, we are seeing a decline of 63% Q-o-Q because the order book execution is a bit lumpy. But despite this 63% sales decline on a Q-o-Q basis, your margins has actually gone up by 3% to 4%, right? So, what explains this? Is it some inventory gain that we see in this pipe spooling business where our lower cost inventory was went into production, Hence, we see an improvement in margin despite a 50%, 60% sales decline?
- Vimal Katta:** See, basically in Ratnamani, we don't have any pipe spool business, first thing. Second thing, all our orders are on fixed price basis and inventory adjustment does not happen because of that because inventory is marked against those orders. Only excess inventory is revalued at the cost of market price which is lower. So that...
- Manoj Sanghvi:** Kattaji, his question is about pipes spool business, so.
- Vimal Katta:** Okay. Okay. But in pipe spool business, the volumes didn't go down.
- Manoj Sanghvi:** Yes. So, the pipe spool business volume did not go down. So yes, when did this...
- Deepak Sodhi:** Okay. So, you are saying volume did not go down, but the realization went up exponentially higher.
- Manoj Sanghvi:** Yes. See, operational efficiency coming in as the volume goes up. See, we are -- today, we are prepared to manufacture a certain capacity. Now as the utilization increases, the margin improvement you are seeing and plus the nature of the order.
- Deepak Sodhi:** Okay. And sir, what is our, let's say, growth guidance for this business in FY '27 and also margin guidance for pipe spool business?

- Manoj Sanghvi:** For spool business, we can see a growth of 20%. 20%, 25% for this particular year.
- Deepak Sodhi:** And will you be able to maintain that 30%, 35% margin band?
- Manoj Sanghvi:** At the moment, it seems like. However, going forward, I think the margins should be in the range of 20% to 25%.
- Deepak Sodhi:** Okay. And sir, one question I had on your stand-alone pipe business. So, if I look at your order book in FY '25 closing, we had a good amount of export order as well as stainless-steel order. But if I look at the current closing order book, which ended in March, our stainless-steel order book is down and our export order book is also down. So, do you think that 16% to 17% margin can be maintained in FY '27?
- I am aware that you did highlight that the mix within the carbon steel has changed from, let's say, water to more oil and gas. So still -- but do you think that 16% to 17% margin can be maintained in '27?
- Manoj Sanghvi:** Yes. Margins say, 16% plus/minus 1%, definitely, it can be maintained. However, if the conflict that we see today extends, say, beyond 3, 4, 5 months, then it will be a totally different scenario.
- Deepak Sodhi:** Okay. And sir, when you say that INR4,800 crores, is it something which you are internally factoring? Or is that an aspiration number which we have, assuming everything comes back to normal?
- Manoj Sanghvi:** It's assuming that everything will be back to normal in a month's time.
- Deepak Sodhi:** Okay. Okay. And sir, lastly, on Ravi Technoforge, I just wanted to know your thoughts because in the opening remarks, you said you're looking at new customer segment as your new capex comes into operation. So just wanted to understand, means what kind of new customer segment are we exploring? And let's say, in FY '27, what is our growth and margin outlook for this Ravi Technoforge business?
- Manoj Sanghvi:** So same, RTL this year, we can consider a growth of 10% to 15%. However, next year, when the new capacity, which we are installing comes into play, then the new customer and the new segment of some auto parts is what we can cater to.
- Deepak Sodhi:** Okay. Okay. So, we are toning down our guidance from 15% to 20% to 10% to 15% in '27, correct?
- Manoj Sanghvi:** Yes, yes, 10% to 15%.
- Deepak Sodhi:** Okay. Thank you so much, sir. Very helpful. All the best.
- Manoj Sanghvi:** Thank you.
- Moderator:** The next question comes from the line of Parth Bhavsar with Investec India. Please go ahead.

- Parth Bhavsar:** Hi, sir. Thank you for the opportunity. Sir, I -- my first question is related to the spooling business. Sir, what is the outstanding order book over here?
- Manoj Sanghvi:** Current outstanding order book is...
- Parth Bhavsar:** For spooling, yes.
- Manoj Sanghvi:** I think it is close to INR550 crores. Kattaji...
- Parth Bhavsar:** Okay. So INR550 crores. So, sir, basically, what we are saying is INR4,800 crores to INR5,000 crores from the stand-alone business, 10% to 15% growth for Ravi Technoforge and another 20% sort of 20%, 25% growth for Finow, right?
- Manoj Sanghvi:** Right.
- Parth Bhavsar:** Got it. Got it. And sir, like just continuing previous participant's question, you said that margins would be stable or you'll be able to hold it because your mix in carbon steel would be on the better side.
- But sir, like still like if you look at our order book outstanding for SS, it's quite lower, right? So, on a year-on-year basis, I'm assuming that carbon steel profitability per ton or however you see it, it will still be lower, right, versus CS? So that should have a bearing on our -- that should -- yes, versus SS, even though your CS share, both revenue and even the mix goes up, but it will still be lower than SS, right, which should have a bearing on our EBITDA margin numbers?
- Manoj Sanghvi:** Yes, but a lot of stainless-steel projects are also under bidding. So, we will continue to maintain that mix of order book, both for stainless-steel as well as carbon steel.
- Parth Bhavsar:** Got it. And sir, what is our capex number for '27 and '28 absolute number?
- Manoj Sanghvi:** At the moment, on stand-alone basis, we have one capex, which is for Saudi.
- Parth Bhavsar:** Yes, cold-finished.
- Manoj Sanghvi:** Yes, other than that, the routine capex items, I think INR150 crores to INR200 crores.
- Parth Bhavsar:** Okay. Got it. Got it. Perfect, sir. Thank you so much for answering my questions.
- Manoj Sanghvi:** Thank you.
- Moderator:** The next question comes from the line of Divyansh Gupta with Latent PMS. Please go ahead.
- Divyansh Gupta:** Hello. Hi, sir. The question was, does RTL also have an order book kind of a metric or it's more...
- Manoj Sanghvi:** They have a schedule kind of a metric.
- Divyansh Gupta:** Got it.

- Manoj Sanghvi:** Early forecast based on calendar year is submitted by the international customers and domestic customers based on the financial year, they give the yearly forecast.
- Divyansh Gupta:** Got it. And this growth guidance for RTL that we have given, how much of it is, let's say, through forecast? And is there a delta? Or how should we see the current forecast against the growth guidance? Is there a gap?
- Manoj Sanghvi:** No, there is no gap against the forecast and our guidance.
- Divyansh Gupta:** But that implies that there is no incremental order win expected because of capacity constraint. Is that...
- Manoj Sanghvi:** We have limited scope of increasing that a little bit.
- Divyansh Gupta:** Got it. Understood. Understood. And in the order book, what would be the exposure to the Jal Jeevan Mission or Water segment?
- Manoj Sanghvi:** At the moment, not much. I think all put together, say, Jal Jeevan Mission or not Jal Jeevan Mission, water all put together would be INR300 crores to INR400 crores.
- Divyansh Gupta:** Got it. Got it. And understood. And sir, on the spooling business, so the INR550 crores order book that we have is expected to be, let's say, converted into revenue over what timeline?
- Manoj Sanghvi:** So, this year, about INR500 crores will be -- INR480 crores to INR500 crores is what we plan within this year.
- Divyansh Gupta:** Got it. Understood. And the last question on the spool pipe itself. So, let's say, if someone is setting up a nuclear plant from a land acquisition to the actual, let's say, it going into super critical or whatever the plant going critical, right? At what stage does a EPC player, I'm guessing, place his order with Ratnamani to say that I need x tons of spool pipes of this design and configuration. And how much is the lead time to design and deliver the pipes?
- Manoj Sanghvi:** Yes. Once the land is acquired, I think anywhere between 1 to 1.5 years, pipe spools will be ordered.
- Divyansh Gupta:** Got it. And for us to manufacture and deliver, it would take how much time on an average? I know spec to spec things can change, but...
- Manoj Sanghvi:** 4,000, 5,000 tons every year, maybe 1,500 tons order is what is required to be supplied.
- Divyansh Gupta:** No, I was asking from a timeline perspective. You got an order today. So, you need to manufacture and deliver it in, let's say, 6 months, a year or there is a whole schedule that.
- Manoj Sanghvi:** Yes. It starts from 6 months and goes on up to 18 months maybe in this.
- Divyansh Gupta:** Got it. So that then implies that, that INR550 crores of order book is basically at more or less like a fag end of the order books, order pipeline, right? Because INR550 crores order book, INR500 crores is done -- is expected to be done within this year?

- Manoj Sanghvi:** Yes.
- Divyansh Gupta:** So, what is the active pipeline of orders that we have either being nominated or being under negotiation or under bidding? And what is our typical one?
- Manoj Sanghvi:** Total bidding right now is close to \$400 million, \$500 million. How much we will get, we will only be able to say when the time comes.
- Divyansh Gupta:** Got it. And I'm guessing there's no historical past win rate that we can refer given the newness of the business.
- Manoj Sanghvi:** No, no.
- Divyansh Gupta:** Got it. Understood. Understood. Yes, that's it from my side. Thank you.
- Manoj Sanghvi:** Thank you.
- Moderator:** The next question comes from the line of Dhruv Saraf with Bowhead India Fund. Please go ahead.
- Dhruv Saraf:** Sir, just wanted to check, in your FY '24 annual report, you had mentioned that the export business was roughly 40% of the stainless-steel business. Sir, what would be the rough ballpark figure now if you don't want to give specific numbers?
- Manoj Sanghvi:** Export of stainless-steel division? Hello?
- Dhruv Saraf:** Yes, sir. I'm talking about the export business in stainless.
- Manoj Sanghvi:** Yes. So, it varies between 35% to 40% of our volumes.
- Dhruv Saraf:** Of your volumes. Okay, sir. Sir, just one more follow-up on the carbon steel business. You've repeatedly highlighted that oil and gas capex in the country has been weak. But sir, if I were to just look at, let's say, the number of CGD connections that have been rolled out, which I can see from the PNGRB website, that seems to paint a different picture compared to what we've been speaking about. So, can you help me reconcile the difference? Is it a different sector within oil and gas you're speaking about? Or is it something that I'm missing? So, you can help me understand this?
- Manoj Sanghvi:** So, what is the question that the CGD numbers are going up and...
- Dhruv Saraf:** Yet somehow, it's not trickling down to line pipe demand for us. So, I'm just not being able to tie both the situation.
- Manoj Sanghvi:** No. So, pipe procurement is the first phase for any CGD operator. So, whatever was procured, say, from '21 to '24, you would see those connections going up because of that network.

- Dhruv Saraf:** Understood. Okay. And sir, the recent government ruling that has come out about accelerating - further accelerating the CGD rollout, can that lead to front-loading of a lot of demand in this space for us over the next, say what, 12 months?
- Manoj Sanghvi:** Yes. All the CGD operators have been -- by the government have been informed to increase the network. But of course, again, there are private players, viability and at this steel price and the capex cycle, whether it is viable or not, those studies will go on, yes. But eventually, once everything settles, yes, the demand for CGD also will go up.
- Dhruv Saraf:** Okay, sir. And where you're talking about CGD could be mostly, let's say, ERW or would it also be extra LSAW for the long-distance pipeline?
- Manoj Sanghvi:** No, mostly ERW pipes.
- Dhruv Saraf:** Okay. Okay, sure. That would help. Thank you so much.
- Manoj Sanghvi:** Thank you.
- Moderator:** The next question comes from the line of Saurabh Patwa with Quest Investment Management. Please go ahead.
- Saurabh Patwa:** Hello. Yes, sir. Thanks a lot for giving this follow-up opportunity. Just 2 things quickly, sir. One is that this INR4,800 crores kind of a target which you have, for the stand-alone business or for the entire company?
- Manoj Sanghvi:** It's on a stand-alone basis.
- Saurabh Patwa:** Okay. And this is on the basis of the current pricing? Or is that you already built in the orders which you have, some of these would actually have the raw material price increases already there. How do you plan to cope up with that, sir? Do you have those levers with you to increase the pricing in some of these cases?
- Manoj Sanghvi:** No. So, for orders, whatever we have, say, raw material is already tied up. We don't -- our orders are mostly back-to-back.
- Saurabh Patwa:** Okay. And this target which you have includes -- is based on the current pricing for the -- assuming you get the increment orders this year.
- Manoj Sanghvi:** It is considering, yes, the current price.
- Saurabh Patwa:** Okay. Okay. Great, sir. Thanks a lot, sir. All the best.
- Manoj Sanghvi:** Thank you.
- Moderator:** The next question comes from the line of Sonal with Prescient Capital. Please go ahead.
- Sonal Minhas:** Hi, sir. This is Sonal Minhas. I hope I'm audible.
- Manoj Sanghvi:** Yes, you are, sir.

- Sonal Minhas:** Sir, my question is again with regard to the guidance for the stand-alone business. When you compare it to your stand-alone numbers for this year and then see the guidance, it means roughly more than 25% growth in the stand-alone business basically. So just want to double check and understand what gives us the confidence in our order book compared to same time last year is a little bit lower. If there is anything significant in terms of wins, order accretion, which you can talk about to help us understand the stand-alone business, that's all.
- Manoj Sanghvi:** So, there are two things. One, the capacity which was not available, which was being shifted from one location to another location is now operational in this year. So, one sector of growth or one scope of growth is from that particular capacity. So, we are going to -- if we see we are going to reach back to what we were a year back.
- Sonal Minhas:** Got it, sir. And the demand remains the same as the year back? Basically, that is what the assumption is here.
- Manoj Sanghvi:** Yes. At the moment, with whatever announcements we see, definitely, the third and fourth quarter seems to be quite promising. However, as indicated earlier, things -- we hope that things settle down in the next month or so.
- Sonal Minhas:** Got it. Got it, sir. That's it from my side. Thank you.
- Manoj Sanghvi:** Thank you.
- Moderator:** A reminder to all participants, you may press star and one to ask a question. The next question comes from the line of Parth Bhavsar with Investec India. Please go ahead.
- Parth Bhavsar:** Hi, sir. Thank you for the opportunity. Sir, just one question. How are we exposed with the gas supply? Like what percentage of cost has been increased? And how are the supplies currently?
- Manoj Sanghvi:** Increase has been substantial. So yes, the cost part has gone up. Supply is currently still not an issue.
- Parth Bhavsar:** And this would only hit your carbon steel pipe side of business, right?
- Manoj Sanghvi:** Some part of stainless-steel also because we have some heat treatment furnaces working on gas.
- Parth Bhavsar:** Right. Okay. So, sir, what percentage would it be like in terms of total cost on stand-alone or whatever, like whatever you can help me with the cost increase?
- Manoj Sanghvi:** I don't have that number at hand.
- Parth Bhavsar:** Okay. No worries, sir.
- Manoj Sanghvi:** Thank you.
- Parth Bhavsar:** Thank you.

- Moderator:** Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to Mr. Sahil Sanghvi for the closing remarks.
- Sahil Sanghvi:** I just wanted to thank all the participants for joining the call and also thank you, management, for very patiently answering all the questions. Manoj, sir, any closing remarks from your side?
- Manoj Sanghvi:** Yes. Just a thank you message to everyone for participating. In case if you have any further questions, you can reach out to us. Thanks. Bye.
- Sahil Sanghvi:** Thank you. Thank you, everybody.
- Moderator:** Thank you, sir. Ladies and gentlemen, on behalf of Monarch Network Capital Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.