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October 27, 2026

Listing / Compliance Department

BSE Limited

Floor 25, P J Towers,

Dalal Street,

Mumbai – 400 001

Scrip Code: 532993

Listing/Compliance Department

National Stock Exchange of India Limited

Exchange Plaza,

Bandra Kurla Complex,

Bandra (East), Mumbai – 400 051

Symbol: SEJALLTD

Subject: Transcript of Earnings Call for quarter and half year ended September 30, 2026.

Reference: Regulations 30 of SEBI (LODR) Regulations, 2015 read with Schedule III to the SEBI (LODR) Regulations, 2015 and our intimation dated October 14, 2026,

Dear Sir/Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the transcript of Q2 and H1 FY27 Earnings Call hosted by the Company on Monday, October 19, 2026, at 03.30 PM (IST), to discuss the operational and financial performance for the quarter and half year ended September 30, 2026.

The aforesaid transcript is also being made available on the website of the Company at <https://www.sejalglass.co.in/investor-presentations.html>

This is for your information and records.

Thanking you,

Yours faithfully,

For Sejal Glass Limited

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by ASHWIN
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Ashwin S. Shetty

Vice President Operations & Company Secretary - Compliance Officer

Membership No.: A20942

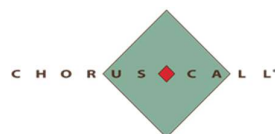
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“Sejal Glass Limited

Q2 & H1 FY27 Results Conference Call”

October 19, 2026



MANAGEMENT: MR. AMRUT GADA – PROMOTER – SEJAL GLASS LIMITED

MR. CHANDRESH RAMBHIA – CHIEF FINANCIAL OFFICER – SEJAL GLASS LIMITED

MODERATOR: MR. KARAN THAKUR – KIRIN ADVISORS PRIVATE LIMITED

Moderator:

Ladies and gentlemen, good day and welcome to Sejal Glass Limited Q2 and H1 FY27 Results Conference Call hosted by Kirin Advisors Private 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 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. Karan Thakur from Kirin Advisors Private Limited. Thank you, and over to you, sir.

Karan Thakur:

Good afternoon, everyone. On behalf of Kirin Advisors, I welcome you all to the Q2 and H1 FY27 Earnings Conference Call of Sejal Glass Limited. We have with us the senior management of the company led by Mr. Amrut Gada, Promoter and Mr. Chandresh Rambhia, CFO.

We will begin with the opening remarks from the management followed by a Q&A session. I would now like to hand over the call to Mr. Amrut Gada for his opening remarks. Over to you, sir.

Amrut Gada:

Yes, thank you, Karan. Good afternoon, everyone, and welcome to the Q2 and H1 FY27 Results Conference call of Sejal Glass Limited. On behalf of the management team, I would like to thank all our investors, analysts and stakeholders for their continued interest and confidence in the company.

Sejal Glass has been steadily evolving from its traditional glass business into an integrated architectural glass manufacturing company with an expanding presence in specialized and value-added products with manufacturing facilities across Silvassa, Taloja and Erode in India, along with our operational in Ras Al Khaimah, UAE.

We now have four state-of-the-art along with our manufacturing plant network with an annual production capacity of approximately 61.94 lakh square meters for all products put together that is, tempered, laminated and insulated glasses. Our focus remains on strengthening this platform by improving capacity utilization, expanding our product portfolio, enhancing operational efficiency and increasing our presence across domestic and international markets.

Coming to our financial performance for the Q2 of FY27, on a consolidated basis, total income stood at INR139.86 crores compared with INR105.04 crores in Q2 of FY26, registering a year-on-year growth of 33.14%. Our consolidated EBITDA increased by 43.44% to INR25.66 crores from INR17.89 crores in the corresponding quarter of the previous year.

Consolidated EBITDA margin improved to 18.35% from 17.03%, representing the expansion of 132 basis points. Consolidated net profit stood to INR14.42 crores compared with INR8.11 crores in Q2 FY26, registering year-on-year growth of 77.61%. The net profit margin improved to 10.31% from 7.73%, an expansion of 258 basis points.

Earnings per share increased to 12.52 from 7.95 in the corresponding year last quarter. For the first half of FY27, consolidated total income reached to INR259.29 crores compared to INR182.81 crores in H1 of '26, reflecting a growth of 41.84%. EBITDA increased by 43.79% to INR43.68 crores from INR30.38 crores, while EBITDA margin improved to 16.85% to 16.62%, an expansion of 23 basis points.

Consolidated net profit for H1 FY27 stood to INR21.63 crores compared to INR12.53 crores in H1 of FY26, registering a growth of 72.6%. The net profit margin increased to 8.34% from 6.86%, an improvement of 148 basis points. Earnings per share increased to 18.79 from 12.28, representing growth of 53%.

Overall, our Q2 and H1 FY27 performance reflects healthy growth in income and profitability, supported by improved margin and the continued development of our expanded manufacturing network. Operationally, our key priority is the continued integration and ramp-up of our Taloja and Erode facilities, acquired through the Glasstech business acquisition in April 2025.

Following the initial integration and machine overhaul, our focus is on increasing utilization, improving production efficiency and generating a better operating leverage across the network. Our established Silvassa facility continues to provide a strong domestic manufacturing base, while our UAE operation remains an important contributor to the group's overall performance.

Going forward, we expect improved capacity utilization across our facility and a more balanced contribution from India and the UAE to support sustainable growth. We have also continued to strengthen our order pipeline. In July 2026, our UAE subsidiary secured five significant architectural glass orders, aggregating approximate AED27.6 million, equivalent to around INR71 crores, for hospitality, residential and healthcare projects.

In addition, we secured domestic architectural glass projects, aggregating approximately INR150 crores across commercial, residential and institutional applications. Our UAE order book reached approximately AED78 million in September 2026, providing visibility for execution over the following 6 to 9 months.

This project reflects continued customer confidence and strengthen our presence in the GCC region. On the product development front, we are progressing towards a higher value product mix. Our digital printing capability has expanded our offering in decorative and specialized architectural glass.

While our bullet-resin glass has progressed through the testing in India. We are also an approved vendor for railway-grade glass at three railway coach factories and are participating in the tender opportunities. Although this business is currently at an early stage, we expect it to develop progressively over the coming quarters.

Another important initiative is our entry into fire-rated glass. The manufacturing line and associate technology has been imported and are being installed at our factory facility, with the trial production and approval progress towards the commercial production targeted to end of Q3 FY27. We see promising opportunity across real estate, healthcare, airports, infrastructure, defense and other applications where fire safety requirement are important.

As these specialized products scale up, we expect from them to contribute increasingly to our revenue and product mix, while supporting our strategy of moving towards higher value glass processing solutions.

Looking ahead, our outlook for FY27 remains constructive. Based on our assessment of market condition, real estate activity, infrastructure development, and progress of our operations, we continue to expect year-on-year revenue growth in the range of 25% to 40%.

We also remain focused on sustaining EBITDA margin at around 18% and maintaining a PAT margin of approximate 10%. This objective will be supported by better capacity utilization, operational efficiencies, and gradual increase in the contribution of value-added products.

Our broader priorities under the Lakshya 2030 vision remain centered on speed, scale, and sustainability. We will continue to strengthen our domestic presence, expand our reach across the GCC and other export markets, improve manufacturing efficiency, evaluate growth opportunity with focus on the long-term value creation.

We believe that our expanded manufacturing footprint, established customer relationship, and increasing capability in specialized glass position us well to participate in the opportunity emerging across residential and commercial constructions, hospitality, healthcare, infrastructure, and transportations.

At the same time, we remain focused on disciplined execution, cost management, working capital efficiency, and prudent capital allocation as we move into the next phase of growth.

With that, I would like to thank all our investors, stakeholders for their continued support and confidence in Sejal Glass Limited. We look forward to sharing further progress as we execute our plans for the remaining FY27. Thank you.

I will now hand the call back to the moderator for the questions-and-answer session. Thank you very much. Over to you.

Moderator: Thank you very much, sir. We will now begin the question-and-answer session. The first question is from the line of Gaurav Shukla from Finvestors. Please go ahead.

Gaurav Shukla: Am I audible, sir?

Amrut Gada: Yes, yes.

Gaurav Shukla: Thank you, sir, for giving me opportunity and congratulations for a great set of numbers. Sir, as we see that Q2 FY27 has shown strong growth in both revenue and profitability, could you please explain how much of this improvement is sustainable, particularly after the integration of Taloja and Erode facilities in 2026? What revenue growth and EBITDA margin do you expect from FY27? And how will company improve cash flow and reduce debt while funding further expansion?

Chandresh Rambhia: Hi. Overall, the performance improvement is on account of our improvement in COGS, so we had used many product mix to improve the margins. So our EBITDA is above 18%, and we are

expecting by FY27 to remain about 18%. As you said that the improvement in all the areas, so we tried to control the cost, improve the capacity utilization, and that's how we will be able to mitigate our guidelines for '27.

Gaurav Shukla: Okay, sir. That's great, sir. And sir, what percentage of current revenue comes from specialized products, such as fire-rated, bullet resistance, railway grade, and digitally printed glass? What contribution do you expect these higher-value products to make revenue margin by FY28?

Chandresh Rambhia: As of now, the contribution from railway grade or digital printed glass are very minimal. But yes, we are concentrating more-and-more. We are participating more-and-more in the tenders. So there is a process which will take some time.

In '28, we are expecting a good growth in the form of railway-grade glass supply, as well as digital printed, fire-rated, or a bulletproof. Fire-rated, we are expecting to start from the quarter four as a commercial sale. In quarter 3, we are expecting to have a trial run for a product on the floor.

Gaurav Shukla: Okay, sir. Sir, one thing I want to ask about, the Taloja and Erode facilities were integrated during FY26. What are their current utilization levels and revenue contribution and EBITDA margins?

Chandresh Rambhia: As we see that the capacity utilization in Taloja and Erode, both the plants have been now improving. In Erode, we are positive EBITDA of around 10%. Whereas in Taloja, we are more or less on the still on the break-even side. The capacity, yes, on the product side, has been improved, from last quarter, it was 55% on tempering in Taloja, now it is 69%.

On IG glass, it was 24%, now it is almost 40% in Taloja. Similarly, in Erode, the utilization of tempering line was 13%, now it is more than 24%. And on IG glass, it was less than 5% in last quarter, now it is more than 18%. On a quarter-on-quarter, we are concentrating to improve the capacity utilization, that will definitely add to our EBITDA because the fixed cost will get absorbed.

Gaurav Shukla: Okay, sir. Thank you, sir. Sir, one thing, as revenue growth is 33% in Q2 and profit growth is 28%, what is the main principal driver of this growth for business in this?

Chandresh Rambhia: The capacity utilization in Erode as well as in Taloja, that was the one thing. Secondly, efficiency improvement in our Dubai operations that where the COGS has been improved to 3%. And similarly, other costs are being absorbed because of the revenue growth. And the efficiency has been improved in terms of manpower, as well as in terms of machines.

And apart from that, the incremental turnover absorbs the incremental cost of salary increments, year-end increments, other expenses. And the another factor is the facade division in UAE, which has also contributed in this quarter in the EBITDA.

Gaurav Shukla: Okay, sir. Sir, management has guided in annual report growth outlook of 35%. Sir, we are with that?

- Chandresh Rambhia:** Yes, we are expecting between 25% to 40% by year-end. Minimum 25%, maximum 40%, we are expecting a growth.
- Gaurav Shukla:** Okay, sir. Thank you, sir, for giving me answers very clearly. All the best for future, sir. Thank you, sir.
- Chandresh Rambhia:** Thank you.
- Moderator:** Thank you. The next question is from the line of Disha from Sapphire Capital. Please go ahead.
- Disha:** Hello?
- Chandresh Rambhia:** Yes.
- Disha:** Am I audible?
- Chandresh Rambhia:** Yes, very much.
- Disha:** Yes. Thank you so much, sir, for this opportunity, and congratulations for a good set of results. Sir, on your EBITDA margins, sir? Are you targeting EBITDA margins of 18%, is this for the second half or for the entire year FY27 you're targeting 18% sort of EBITDA?
- Chandresh Rambhia:** Sorry, I didn't get your question.
- Disha:** You mentioned that you are going ahead with targeting 18% EBITDA. So is it for the second half that we're looking at or for FY27 as a whole we're looking at an 18% sort of EBITDA?
- Chandresh Rambhia:** No, we are at 18% plus right now in quarter two, and we are expecting to be more or less about 18% in the second half also. So overall, our margins will be about 18% as a whole year.
- Disha:** And sir, you mentioned that part of this increase in EBITDA is also because of the product mix. Could you elaborate a bit more on that?
- Chandresh Rambhia:** On account of?
- Disha:** The product mix, the change in the product mix.
- Chandresh Rambhia:** Product mix, in the sense that the raw material compositions has been changed to certain extent, where we are trying to negotiate more on the purchase front, where we try to use more different kind of product like in silicon or in PVB, where the different materials of vendors from worldwide has been tested and utilized. So that way, the composition can change to certain extent, which has resulted in COGS less compared to last quarter.
- Disha:** Okay, okay. And sir, on our Dubai the third location is supposed to come online by the third quarter. Are we on track?
- Chandresh Rambhia:** More or less, we are on track for the third line of our tempering as well as the fire-rated.
- Disha:** Okay, okay. And sir, what will be the order book for the India business currently?

Chandresh Rambhia: It is around INR85 crores.

Disha: And UAE is around INR200 crores, right?

Chandresh Rambhia: Yes, it is AED78 million.

Disha: Okay, okay. And what -- And in terms of, sir, this peak revenue, I think from the existing infrastructure, we're expecting around INR600 crores, INR650 crores. Any sort of internal targets by when are we planning to reach that number?

Chandresh Rambhia: I think so we'll be able to reach in '28.

Disha: So next year.

Chandresh Rambhia: Yes.

Disha: Okay. And sir, for the specialty segment, the fire-rated segment, could you just elaborate a bit more on what sort of market size are we looking at? How what is the margin differential, like what sort of EBITDA are we will be earning here? And what sort of revenue contribution are we looking at for the next year?

Chandresh Rambhia: That we'll be able to give the guidance only in the first quarter of the '28, because once the product is out, we will be testing, and then we will be considering in the market. Margins will be definitely more in terms of EBITDA, it is more than 30%, because it is a very value-added product.

Disha: And what sort of market size, if any comment on that?

Chandresh Rambhia: Market size, it is as of now, it is difficult to say. Approximately our understanding is above 500 crores, including India and UAE.

Disha: Okay, okay, okay. Fair enough. And sir, just the last thing from my side. What sort of peak utilization levels do we target? The max that we can reach for our plants?

Chandresh Rambhia: Peak utilization in terms of capacity, you are saying, for India?

Disha: Yes, across all. Like what's the peak high, the most utilization we can achieve?

Chandresh Rambhia: More than 85% in IG laminates and tempering. Because tempering, in a way, the product is also used for the production of IG and laminate. So our tempering capacity should be utilized near to 100%, and our IG and laminate glass should be more than 80%, 85% on a peak level.

Disha: Okay, fair enough. Thank you so much, sir. That is all from my side. Thank you, and all the best.

Moderator: The next question is from the line of Shreyash Jain from Mangal Keshav. Please go ahead.

Shreyash Jain: Am I audible?

Chandresh Rambhia: Yes.

Shreyash Jain: Yes, sir. So my first question is, can you please let me know which all segments have a higher gross margin in your basket of products, and what percentage of revenue is coming from that today?

Chandresh Rambhia: Product-wise, margins are always better in terms of IG glass and the laminated glass.

Shreyash Jain: Okay, so it will come like a high margin?

Chandresh Rambhia: Higher margin.

Shreyash Jain: Okay. And my second question is, so, do we expect that part of the business to grow at a higher speed as compared to the others? And which would give us a higher barrier to entry, like higher gross margins and hence higher EBITDA margins? Which segments, products?

Chandresh Rambhia: No, I didn't get your question.

Shreyash Jain: Yes, so I'm asking that which part of the business to grow at a higher speed as compared to the others, which would give us a higher barrier to entry, like higher gross margin and higher EBITDA margins? Hello?

Moderator: Ladies and gentlemen, the line for the management has been disconnected. Please hold while we reconnect. Ladies and gentlemen, the management line has been reconnected. Over to you, sir.

Chandresh Rambhia: Yes.

Shreyash Jain: Hello?

Chandresh Rambhia: Yes.

Shreyash Jain: Yes, am I audible?

Chandresh Rambhia: Yes, yes.

Shreyash Jain: Yes, sir, so my question is, do we expect that what part of the business to grow at a higher speed as compared to others, and which would give us a higher gross margin and hence good margin for EBITDA?

Chandresh Rambhia: As I said that, value-added products will definitely, give a good EBITDA margin in terms of supply of decorative glass, digital printed glass, fire-rated glass, bulletproof glass. So, these are the niche margin products. And as compared to competitors, we are definitely working more towards COGS, which will enhance our gross margins and EBITDA.

Laminated glass and IG glass is always a priority in selling these products. UAE is completely selling IG glass and laminated glass. In India, gradually, this product mix is changing from only plain tempered to IG and laminated glass.

Shreyash Jain: Okay, thank you, sir. Yes.

- Moderator:** Thank you. The next line will be from Abhi Jain from AJ Capital. Please go ahead.
- Abhi Jain:** Hi, good evening. Hope I'm audible.
- Chandresh Rambhia:** Yes, yes.
- Abhi Jain:** Firstly, congratulations on a good set of numbers. My first question is that I've been tracking your business and you have always been outperforming whatever you've guided for. I think in a TV interview also, you guided that maybe, Sejal will be able to grow top line this year by almost 40% to 50%, and you are tracking that.
- I just want to understand more about the business because it's something that is in a very niche market. And since you're not a glass manufacturer yourself, so want to understand how sustainable the advantages of the business are. You have been doing fantastically well in the last 2, 3 years, but want to assess whether this growth can continue for the years to come.
- One part is that Dubai, you are almost operating at a 95% capacity. You have been able to do 350 Cr, as you are almost on track to do your INR350 crores top line this year from Dubai itself. But could you help us understand your India business better? Whether you are getting traction, whether you see the same kind of growth that you've seen in UAE coming in India business?
- Because I feel that next leg of growth will come from India. Can you just help us understand how does the next 2 years, 3 years look for Sejal from here on?
- Amrut Gada:** As you rightly said that UAE, yes, definitely, we are working about 90% in capacity in terms of IG glass. And second line, we are also expanding in tempering capacities, which is coming in the quarter three. So that will add up our capacity. And apart from that, India, we have already three plants where Erode and Taloja is still underutilized in terms of capacity.
- And considering the potential in India real estate infrastructure development of high-rise residential and commercial projects, so that will definitely add up the revenue in our sales and the capacity utilization.
- Abhi Jain:** Okay. So this INR80 crores order book that you have in India right now, what is the timeline over which this has to be executed? Are these for FY27 or some of this will flow into FY28 as well?
- Chandresh Rambhia:** Yes, so there is actually the order book is always keep on adding, and something will be keep on delivering. So basically, this projects are in the range of 6 months to 8 months of timeline of deliveries. And generally, in our industry, it is a make-to-order product and it is very specific product.
- So, the sizes are generally released from the architects or the facade consultants, and then after the product is made and delivered to them. So, it is a continuous process where the projects will be added and something will be delivered. So, these are in the range of 6...
- Abhi Jain:** Hello?

- Chandresh Rambhia:** Yes.
- Abhi Jain:** Sorry, sir. There was 2-second drop-off.
- Chandresh Rambhia:** So, I am saying that these are the projects of 6 to 8 months of timeline. Generally, the sizes are released by the architects and the facade consultants. Every month, the new projects are added and against the old projects, some of them are delivered to them.
- Abhi Jain:** Okay. Sir, I wanted to understand that since you've been running this business very efficiently and you also feel Sejal grow, FY27 is almost, you can see what the company will look like, but I just want to understand from you whether you can also build for the future. Like if you look into FY28, FY29, do you see this growth continuing?
- What sort of a business do you see Sejal becoming in 2 years? If you can just help us understand what you are seeing on ground. And Yes, because it's a very niche industry. I don't have any macro markets also to look at to, draw some comparison that Sejal would be able to grow by this much, etcetera. So just wanted an inside-out view from the management as to what they are seeing.
- Chandresh Rambhia:** Yes, so we are expecting 25% year-on-year growth, on the same capacities. If we keep on adding some capacities in our coming years or in the coming quarters, that will definitely add up further to our business. So considering the India, the 2047 targets of Government on a Viksit Bharat, so definitely there is a huge growth and potential in terms of the industry.
- So Indian industry in terms of glass is more than USD3.9 billion. And in this also, if you see that the architectural glass or the processed glass is more than 60% in contribution. Definitely, the industry looks like bright. And considering this the space at which the market is growing, real estate and infrastructure developments, this will definitely help the company to grow.
- Abhi Jain:** So thank you. That was it from my side.
- Chandresh Rambhia:** Thank you.
- Moderator:** Thank you. The next question is from the line of Parag Shah, an Individual Investor. Please go ahead.
- Parag Shah:** Hello?
- Chandresh Rambhia:** Yes. Hello.
- Parag Shah:** So, my first question is, what is the strategy to increase India's share of consolidated revenue and move towards a targeted 60:40 ratio in India or India-UAE revenue mix?
- Chandresh Rambhia:** India-UAE revenue mix is, as we said, that it will be 60:40. 60% is from the UAE, 40% from India.
- Parag Shah:** Yes. But what is the strategy to increase India's share?

- Chandresh Rambhia:** The strategy is that capacity utilization of Taloja and Erode units. So that will help us. Apart from that, we are also looking at opportunities in terms of growth for acquisitions or capacity addition in the coming quarter, in the coming year.
- Parag Shah:** Okay. So any executable plans? How much of that...
- Chandresh Rambhia:** We are working on it. Nothing else is concrete to disclose as of now.
- Parag Shah:** Okay. And how are the exports to Africa and Europe progressing? What's the revenue contribution? Can this market generate over 12 to 18 months?
- Chandresh Rambhia:** So, it is less than 5% as of now, the export to Europe or in Africa. So, we are also developing a market in Africa. We have one salesperson to market our product over there. So again, it is a time-taking process, because it is not that mature market. Africa is still on a very lower side in terms of the product and quantities to be exported.
- Parag Shah:** Okay. And what's the remaining capex requirement for the UAE tempering and fire-rated glass line?
- Chandresh Rambhia:** So, the tempering third line and the fire-rated and the other facilities to be required to make this operation is around in the range of AED20 million of our total investment in terms of capex.
- Parag Shah:** Okay. And source of this investment, how it is going to be funded?
- Chandresh Rambhia:** Sorry?
- Parag Shah:** How it is going to be funded? Source of the...
- Chandresh Rambhia:** From internal accruals to certain extent, and to certain extent we will be looking for a banking finance also. So, in the range of more or less 60:40, 60% from our internal accruals, 40% from our banking finance.
- Parag Shah:** Okay. And you have indicated that the specialty products could contribute 5% to 7% of FY27 revenue and 15% to 20% in FY28. So is this guidance unchanged or...
- Chandresh Rambhia:** No, more or less the same thing. We are expecting 5% in this year from the value-added products and next year 15% or 20%.
- Parag Shah:** Okay. And one last question from my side. What is the current order inflow for railway-grade glass? And are you seeing any increased traction from the coach manufacturers or Vande Bharat or other railway applications?
- Chandresh Rambhia:** So, the railway is a continuous process where we have to bid or continuously process on the tendering. So as of now, more than INR100 crores of tenders every quarter comes from the railway side, in which we participate, where the other criteria, apart from L1, L2 criteria, how frequent or regular supplier and that has also been considered.

So, as of now, whatever in terms of tendering, we are participating. We are getting small orders. Once this process will continuously happen and the number of orders delivered is more, so this percentage, the order allotment will increase.

Parag Shah: And what's your generalized bid-win ratio?

Chandresh Rambhia: Sorry?

Parag Shah: What's your generalized bid-win ratio for these tenders?

Chandresh Rambhia: Tendering generalized as of now 5% conversion.

Parag Shah: Okay. Okay, fine. I will get back in the queue.

Chandresh Rambhia: Yes.

Parag Shah: Thank you.

Moderator: Thank you. The next question is from the line of Pankaj Kumar, an individual investor. Please go ahead.

Pankaj Kumar: Hello, sir.

Chandresh Rambhia: Yes.

Pankaj Kumar: First of all, I would like to congratulate you on great set of numbers.

Chandresh Rambhia: Yes.

Pankaj Kumar: My question is that your major business part is in UAE. So, is geopolitical instability disturbing your business in anyway?

Chandresh Rambhia: What is disturbing?

Pankaj Kumar: Geopolitical situation in Middle East, sir.

Chandresh Rambhia: As of now, yes, we are doing well in spite of these geopolitical tensions over there. Of course, there is an increase in cost of some of the things because of logistic cost as shipment cost has been increased. So, input cost to certain extent has been increased, but which we are still passing on to the end users and the customers. But the activities of the developers or the facade companies are still going on. So they are also in the process of completing their targets or delivering to their customers.

Pankaj Kumar: Right, sir. And my second question is that, is there any debt reduction plan in future?

Chandresh Rambhia: As of now, the debts are more of like long-term debts from the banks, which are being paid on EMI system regularly. So right now, as such, nothing on that front to reduce debt or making a prepayments to the bankers.

- Pankaj Kumar:** All right, sir. Thank you, sir. Once again, congratulations for great results.
- Chandresh Rambhia:** Thank you.
- Moderator:** Thank you. The next question is from the line of Rachna Kukreja from SiMPL PMS. Please go ahead.
- Rachna Kukreja:** Thank you for the opportunity and congratulations on a good set of numbers. My first question would be on gross margins. On consolidated levels, gross margins have been the highest this quarter. So what would be the key reasons for the same? And is it sustainable from a long-term point of view? And how our gross margins would look in the rest second half of the year?
- Chandresh Rambhia:** So the gross margin, this time, as I said that the COGS has improved in UAE plant because of some product mix has been changed. We have better negotiated certain items of input cost, and rest is that efficiency improvement in our manpower as well as on the machine side.
- Apart from that, in UAE, we have a facade division and this has also contributed in this quarter. And we are expecting that this will continue in the next quarters, and it is very much sustainable gross margin. We are, in fact, trying more to improve our EBITDA margin
- Rachana Kukreja:** So it is more from a cost perspective and not from a product mix perspective?
- Chandresh Rambhia:** product mix on a sales side, it remains more or less same. As such, the IG is highest in terms of sale in UAE. In India, of course, as the capacity utilization changed in Erode and Taloja, this has helped us to get better margins.
- Rachana Kukreja:** Okay. What would be the key drivers for improving the IG utilization in Silvassa from 43% in Q2? We have seen 43% in Q2 FY27, and we are targeting 50% by FY27. So what would drive that?
- Chandresh Rambhia:** It is a project sale, project-based sales. So we are getting more and more project sales of this product, IG and the laminate. So basis on that.
- Rachana Kukreja:** So it is more for real estate projects?
- Chandresh Rambhia:** Correct. Infrastructure, real estate, which includes commercial, residential.
- Rachana Kukreja:** Okay. Last question, as per our Lakshya 2030 plans, what would be our specific initiatives that we are taking on the speed to market and execution front? And if you could give me a broad view of how does our execution capability stand as of today in India compared to 3, 4 years ago? And what measures are we taking in export markets, including UAE, to improve speed and execution and stay ahead of competition in export markets?
- Chandresh Rambhia:** So in export market, earlier in 2, 3 years back, we were not there. From India, we were not exporting to any country. But since last one year, we have started exporting to Israel or to Cyprus. This year, we are supplying to Sri Lanka, as well.

So our, definitely marketing network has been enhanced on that front. So, the quality product which we are supplying has been accepted, and that's how we are expecting more export orders. We are price competitive, as well. We are trying to make our margins in that range where we can offer better price to the customers.

And in terms of our 3S, that is Speed, Scale, and Sustainability, we are working towards 2030 target. So everywhere, speed in our action, whatever we decide, we should immediately implement those things. Sustainable by sustainable, we mean a sustainable business and the growth to continue for a long-term vision of the group.

Rachana Kukreja: No, I mean, speed to execution in India markets, what would be our internal efforts in terms of reaching to the market? So I understood about the UAE business, but more on the India front, what would be the execution initiatives we are working on currently?

Chandresh Rambhia: The execution initiative in terms of, we are reaching more and more towards bigger projects. So we are supplying now in Bangalore, we are supplying now in Hyderabad, we are supplying to Bombay or in Gujarat. So that's how we are reaching out to a bigger projects. We are trying meeting with the all the good architects, consultants, facade companies.

They need constant supply and timely supply and a quality product. So these three parameters generally they want any architectural glass company to deliver. So that on that front, we are delivering on time. And that's how our execution is as much as 99% whatever the date has been committed, we are trying to fulfill that. So that speed we are implementing in our day-to-day business operations.

Rachana Kukreja: And more on the working capital front, our margins have been improving, but our cash flow still remains little weak. So just on the working capital front, if you could give some color on how are we improving on our working capital?

Chandresh Rambhia: Working capital, as the UAE market is more on the credit, so there the PDC concept still exists. Everything works on the PDC. But we are the company who is insisting on a LC terms, so our 25% business is still from the LC, where we get the LC from the customer and we get it discount to improve our working capital cycle.

In India, the larger projects, of course, you need to buy the goods or the glass in advance, because the specified glass, which are coated or reflective glass, where the manufacturer like Saint-Gobain has their own production run. So, when the run is there, you have to buy that glass, and you have to keep it in inventory.

And when the sizes are released from the companies or from the end user, we will produce the glass for them, so like that. So that's why the little bit blockage in the working capital is seen. And we are managing within the internal resources, the working capital. So, whatever the profits are there, ploughing back in the working capital.

Rachana Kukreja: Okay, understood. Thank you, and all the best.

Chandresh Rambhia: Thank you very much.

Moderator: Thank you. The next question is from the line of Bimal Panchal from Bimal Panchal & Associates. Please go ahead.

Bimal Panchal: Hello, Yes. Congratulations.

Chandresh Rambhia: Yes.

Bimal Panchal: Congratulations for the good set of numbers. You have answered all questions very optimistically. I just want to know, do we have presence in solar glass panel, or are we exploring to enter into it?

Chandresh Rambhia: No, we are not into solar glass panels. Solar glass is a different product. We are into architectural glass and to railway-grade glass.

Bimal Panchal: Okay. Got it.

Chandresh Rambhia: As of now, we are not

Bimal Panchal: And one of the previous participants has asked one question that, bid-to-win ratio, and you replied as 5% conversion. I think that question you have not understood. Bid-to-win is suppose if you fill 10 tenders, how tenders do you awarded? That was the questions.

Chandresh Rambhia: Less than 5%. So, in tender if you say, if I bid for 100, I will get 5...

Bimal Panchal: You got 5%. Okay.

Chandresh Rambhia: Five tenders in our favor.

Bimal Panchal: Is that competitive or highly competitive that much?

Chandresh Rambhia: Sir, competitive as of now, because we are the new entrant over there, so there are some criterias in the railway supply. There are categories of B, C category of supplier or the vendor. Once we will cross from C to B to A, definitely the tender flow will be more. The orders will be more, because they have their some criteria on that front that who is supplying on a regular side, who is completed more of this supply.

Bimal Panchal: Okay. And do we lose heavy on tender fees on something?

Chandresh Rambhia: No, there is no such tender fees or anything like this

Bimal Panchal: You directly work with architect or something, anything like that?

Chandresh Rambhia: Directly you have to do on that portal...

Bimal Panchal: Okay, right. Okay, is any plant visit is possible?

Chandresh Rambhia: We will be arranging very soon, plant.

Bimal Panchal: Okay, because that gives us very good interest in the management also, about your facilities and all this. Yes, lot of questions you have answered very nicely. And I wish all the best. Thank you very much, sir.

Chandresh Rambhia: Thank you very much. Karan, can we conclude this call?

Moderator: Yes, thank you. That was the last question for today. I now hand the conference over to Mr. Karan Thakur for closing comments.

Chandresh Rambhia: Yes, thank you.

Karan Thakur: Yes. Thank you, everyone, for joining the conference call of Sejal Glass Limited. If you have any further queries, you can write us at research@kirinadvisors.com. Once again, thank you, everyone, for joining the conference.

Chandresh Rambhia: Yes, thank you very much.

Moderator: Thank you. On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you for joining and you may now disconnect your lines.