

Man Industries

12 August 2026

Operator: Ladies and gentlemen, good day and welcome to the Man Industries (India) Ltd. Q1 FY27 earnings conference call. As a reminder, all participant lines will be in 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 the operator by pressing star and then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Pratik Singh from IIFL Capital. Thank you, and over to you, sir.

Pratik Singh – IIFL Capital: Thank you, Shruti. Good afternoon, and welcome, everybody. On behalf of IIFL Capital, we invite you to the Man Industries (India) Ltd. Q1 FY27 earnings conference call. From management, we have Dr. Rameshchandra Mansukhani, Chairman; Mr. Nikhil Mansukhani, MD; Mr. Sandeep Kumar, CFO; Mr. Rahul Rawat, Company Secretary; and Mr. Vijay Gandchandani, DGM, Investor Relations. Without any further ado, we will now hand over the call to management for the opening remarks. Over to you, gentlemen.

Nikhil Mansukhani – MD: Thank you, and good afternoon, everyone. This is Nikhil Mansukhani here. On behalf of the entire Man Industries (India) Ltd. team, I welcome you all to the Q1 FY27 earnings conference call.

A few quarterly highlights: We have started FY27 well, with the highest-ever consolidated quarterly EBITDA. This was mainly led by an optimized product and geographic mix and the continued deepening of our global order pipeline. Consolidated revenue growth was our strongest year-on-year revenue growth in the last 5 quarters. If I take only the core pipe business, this is the strongest year-on-year growth in the last 8 quarters. Consolidated PAT more than doubled year-on-year.

Our consolidated order book stands at approximately 3,600 crores across India and Saudi Arabia, with the majority of executable orders scheduled over the next 6-12 months, giving us strong revenue visibility for the rest of FY27. Beyond that, our combined bid pipeline stands at approximately 24,000 crores, giving us a substantial base for future order inflows.

On the industry demand outlook, stepping back from the numbers for a moment, I want to share our view on where demand is headed and how we see ourselves positioned within it. What we are seeing across our markets is not a one-off upcycle; it is a structural, multiyear shift. Governments and national oil companies are investing to secure and diversify their energy supply, build water and desalination infrastructure for growing populations, and industrialize their economies through giga projects and dedicated manufacturing clusters.

That is a very different demand profile from the project-to-project cyclicalities this industry has historically experienced, and we think it favors companies with genuine scale, local presence, and long-standing customer relationships over pure-play exporters.

Aramco's network expansion, water transmission projects, the East-West pipelines rehabilitation program, and the Master Gas System expansion, along with a parallel wave of water and desalination investments, are all translating into tangible and executable pipe opportunities. Saudi Arabia's infrastructure pipeline includes significant investments across oil and gas, gas transmission, water, desalination, and large-scale development projects.

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What gives us particular confidence is the breadth of demand across multiple end markets and projects, rather than dependence on any single project or customer. This diversification, combined with the Kingdom's long-term infrastructure ambitions, provides us with strong multiyear visibility and a compelling platform for sustained growth in Saudi Arabia.

The traction is visible across nearly every region we track, not just Saudi Arabia. In the wider MENA and GCC, the post-conflict environment is, if anything, accelerating investment. Producers such as ADNOC and QatarEnergy are pushing ahead with expansion, and government-backed water and gas programs are continuing regardless of near-term shipping disruptions.

In Southeast Asia, we are seeing a genuine second wave of pipeline investments from Indonesia, Vietnam, and Malaysia, all of which are expanding gas transmission and LNG import infrastructure. Asian governments are collectively targeting the completion of a trillion dollars of energy infrastructure investment over the coming years.

Across the broader Far East and Asia Pacific, the Strait of Hormuz disruption has had an unusual side effect because roughly 80% of the crude oil and nearly 90% of the LNG that transits through the strait is destined for Asian buyers. Countries including Japan, Korea, Vietnam, Bangladesh, and the Philippines are now urgently diversifying their supply chains, locking in long-term contracts with non-Gulf producers, and expanding LNG import and distribution infrastructure to reduce concentration risk. That is a genuinely new structural tailwind for pipe demand in the region.

Nikhil Mansukhani – MD: One that did not really exist 18 months ago.

With National Pipe Company, we have moved from being an exporter into Saudi Arabia to being an in-Kingdom manufacturer with Aramco-approved vendor status. Our upcoming coating and double-jointing facility deepens that local value chain and adds value-added products. Our Jammu project extends our capabilities at home into a new, higher-margin stainless steel segment, while our core India business continues to benefit from the country's own water and gas infrastructure buildout. Taken together, we now have a genuinely diversified platform spanning geographies and end markets, rather than a concentrated bet on a single region or commodity cycle.

On the business development front at NPC, having completed the acquisition of NPC, our teams have made strong progress in integration and the takeover, and we expect the Saudi operation to ramp up meaningfully from Q2 FY27. This gives us confidence in a significantly stronger and more complete contribution from the platform going forward.

Our upcoming Dammam coating and double-jointing facility will further strengthen our integrated manufacturing and value-added processing capabilities in the Kingdom, with operations targeted to commence by March 2027. On our Jammu greenfield stainless steel project, construction remains on track, with production expected by March 2027.

A little bit on our real estate business, Marino Shelters: Monetization is already in process. We have now also received the commencement certificate for the entirety of the project, along with the RERA registrations, and the project is set to launch around the middle of September. This would further bring cash revenues to the company in FY27. I would like to hand over the call to our CFO, Mr. Sandeep Kumar Garg. Sandeep, over to you.

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Sandeep Kumar Garg – CFO: Thank you, Nikhil. Good afternoon, everyone. Thank you for joining us for the discussion on our Q1 FY27 financial performance.

Let us start with the key financial highlights. On a standalone basis, revenue grew 37.5% year-on-year to 1,028 crore. EBITDA grew 95.1% year-on-year to 157 crore, with EBITDA margin expanding by 450 basis points to 15.3%. PAT more than doubled year-on-year, increasing by 167.7% to 78 crore, our highest-ever standalone quarterly PAT. The PAT margin expanded by 370 basis points to 7.6%, which is also a record for the company.

On a consolidated basis, we delivered our highest-ever consolidated quarterly EBITDA of 155 crore, which was up 92.3% year-on-year and 5% quarter-on-quarter, driven by the strategic optimization of our product and geographic mix and the continued deepening of our global order pipeline. Consolidated revenue from operations grew 37.7% year-on-year to 1,065 crore, while consolidated PAT more than doubled year-on-year to 61 crore, underscoring the operating momentum that we carry into the rest of FY27.

As all of you know, we acquired National Pipe Company in the last quarter. The acquisition date was May 21, so only part of the revenue has come into the current quarter, and the full-quarter revenue will be reflected in the results from the next quarter. As per the guidance we have given, revenue for NPC in the current FY27 should be around 1,500 crores.

As Mr. Nikhil just mentioned, Marino Shelters has received the fire certification, and the project is being launched next month. We are anticipating cash inflows of 35–50 crores in the current financial year. With this, we open the floor for questions. Thank you.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touch-tone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking questions. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Viraj from Moneygrow. You may proceed.

Viraj – Moneygrow: Hi, Nikhil and Mr. Gupta. Congratulations on the fantastic results, and it is good to see NPC numbers coming through. I have 2 quick questions. The first is regarding your press release. I wanted to reconcile a disconnect between your standalone and consolidated performance. In the EBITDA line, the number for Q1 is roughly the same. However, at the PBT and PAT levels, the number is lower on a consolidated basis versus standalone, reflecting a PAT of 61 crore in consolidated results versus 78 crore on a standalone basis. Can you explain what is happening there?

Sandeep Kumar Garg – CFO: Yes, sure. This is a very good question. As you know, Man Industries (India) Ltd. as a standalone company has given intercompany deposits and loans for the Saudi acquisition as well as the Jammu project, MSPL. All that income, which is intercompany income and corporate guarantee commission treated as income on a standalone basis, gets nullified when we prepare the consolidation. When our business is growing and we look forward to the Saudi operations, the consolidated numbers are what you should look at because they give a correct picture of the company.

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Viraj – Moneygrow: Understood. These intercorporate deposits will be repaid by the various entities to the standalone company, so over time that will normalize somewhat?

Sandeep Kumar Garg – CFO: This will be paid back over time.

Viraj – Moneygrow: Understood. Thank you. My second question is again regarding your press release. In the first quarter, you achieved 1,000 crores of top line, and you have a 3,600 crore order book that is executable over 6–12 months, which takes you into the middle of next year. However, you have given revenue guidance of 5,000 crores. Can you reconcile that? Unless we win a good amount of orders fairly soon with a 6-month—sorry—

Nikhil Mansukhani – MD: If you see, we gave this as of August. A certain part of July, and the full month of July, has already been accounted for and executed.

Viraj – Moneygrow: Understood. So that is the gap.

Nikhil Mansukhani – MD: In addition, we have already received some orders, but we normally announce them once they cross 500 crores.

Viraj – Moneygrow: Okay, fantastic. Thank you. All the best.

Operator: Thank you. The next question is from the line of Dikshi Jain from Incred Research. Please proceed.

Dikshi Jain – Incred Research: Hi, thank you for taking the question. My first question is regarding the NPC numbers consolidated into Man Industries (India) Ltd. Can you give us an idea of the revenue portion for NPC that has been consolidated, and how long this consolidation period was during the first quarter?

Nikhil Mansukhani – MD: The consolidated revenue effectively represents hardly 15–20 days because we took over the company on May 21, and there was an Eid holiday. For around 15 days, there was no work because Saudi Arabia was completely closed. Operations reopened in the first week of June. Therefore, the approximately 20 days of revenue that we consolidated was around 43 crore during this period.

Dikshi Jain – Incred Research: On a standalone basis, according to the last presentation, NPC had higher EBITDA margins than Man Industries (India) Ltd. on a standalone basis. How did the consolidated number become dilutive after consolidation this quarter?

Nikhil Mansukhani – MD: When you say diluted, you mean the profit. As Sandeep said before this question, the loans given are eliminated on consolidation, right? Because—

Dikshi Jain – Incred Research: I am talking about EBITDA margins. On a standalone basis, they are at 15.3%, but consolidated EBITDA margins are at 14.6%.

Nikhil Mansukhani – MD: Yes. Basically, because the revenue is not significant, the EBITDA margin is not higher for those particular days for NPC. The EBITDA margin for NPC is still higher, at almost 21%, which is the level at which NPC is operating. However, as I told you, only a small portion of that income has come into consolidation. From the next quarter onward, you will see the full

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contribution of NPC's Saudi operation in our results.

Dikshi Jain – Incred Research: My next and final question is regarding gross margin and other expenses. Gross margin has come down significantly quarter-on-quarter. Is this because of an order that was lumpy in nature and caused gross margins to drop? Other expenses have also come down significantly this quarter as a percentage of revenue. Can you explain the reason?

Nikhil Mansukhani – MD: Regarding other expenses, as you know, we were doing some DDP business. The composition of orders changes every quarter depending on which project we are implementing, and that has reduced total other expenses. As far as gross profit is concerned, I do not think there has been much change from the last quarter.

Dikshi Jain – Incred Research: Gross margin in the current quarter is 35%, whereas it was 53% last quarter. There has been a significant change in the margin.

Nikhil Mansukhani – MD: I will come back to you on this, Dikshi. I have noted this, and I will come back to you on it. Primarily, the only reason is that if you look at our PAT and PBT, all those numbers are better because DDP orders have changed somewhat from DDP to another order mode. Both revenue and expenses have come down, but net profits have increased.

Dikshi Jain – Incred Research: Okay, I will get back to you regarding this. Thank you for taking the question.

Operator: Thank you. Before we take the next question, we would like to remind participants that they may press star and one to ask a question. The next question is from the line of Ganesh Rao from Punarvi Capital. Please proceed.

Ganesh Rao – Punarvi Capital: Thank you for the opportunity. The team has delivered a great set of numbers. My first question is on capacity utilization for NPC. You said that NPC will start ramping up meaningfully from the next quarter. Is it possible for you to give us the quarterly run rate going into FY27 and the utilization levels that you are targeting by March 2027?

Nikhil Mansukhani – MD: Capacity utilization in India is approximately 50%, or 50–60%. For NPC, from Q2 we are assuming a quarterly run rate of 300–500 crores. This could be the quarterly run rate, and we are obviously ramping it up for the new businesses that are coming up from December in Saudi Arabia.

Ganesh Rao – Punarvi Capital: On the margin side, NPC had reported roughly 25%, but our understanding is that it will normalize toward a 15–18% margin at the consolidated level. What specifically causes this normalization, and what would you need to do to make NPC return to the 20% margin level eventually?

Nikhil Mansukhani – MD: We are talking about a consolidated margin of between 14% and 15%. In general, because of the design mix of the business, you do not always get all the businesses with coating, bends, or double-jointing. There are a lot of value-added businesses when you receive a single order, but that is not always the case.

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That is the reason we have said that on a consolidated level, we will consistently deliver higher EBITDA and PAT. NPC will perform between 15% and 18%, and we will try to take more orders from Aramco because the EBITDA margin and profit are slightly higher, whereas margins are lower in water. Our first focus is always to take more Aramco orders because profitability is higher, and then we take the water orders. That can push profit up to almost 20% or more.

Ganesh Rao – Punarvi Capital: You alluded to my next question. What percentage of NPC's current order book contains coated or double-jointed orders, and how much can potentially be converted into pipe-plus-coating orders from your existing pipeline?

Nikhil Mansukhani – MD: Currently, NPC does not have coating orders because it is only a bare-pipe manufacturing unit. There is nothing to allude to at present. It is executing orders for bare pipes for Aramco and water projects. NPC currently does not have a coating facility; it is under construction and will be operational by March 2027. Therefore, all the orders we are executing now are only for bare pipes.

Ganesh Rao – Punarvi Capital: Understood.

Management: After that, we are hopeful that we will receive coating and double-jointing orders from Aramco and the other vendors.

Ganesh Rao – Punarvi Capital: Within this, do you see the potential for {? MPC ?} orders today to eventually also become coating orders in the future? What percentage would you estimate?

Management: All the orders that are there are coated. Once the coating mill is operational, we will start receiving the coating, double-jointing, and pipe-making orders because all the pipes there are 24 meters long and are LSAW. Aramco gives orders for 12-meter pipes, which must compulsorily be double-jointed and then coated to make 24-meter pipes. Therefore, we are hopeful that we will receive the entire packages, which should essentially include all the packages. Once you receive the pipe order, you should also receive the coating orders.

Ganesh Rao – Punarvi Capital: Excellent. Thank you. I have one last question, which is a broader demand-based question covering demand and capacity. With many other competitors, such as Welspun, East Pipes, Arabian Pipes, and other players, adding capacity in Saudi Arabia, how do you see industry capacity versus demand over the next 2–3 years? Do you expect utilization or pricing to become a problem or constraint for us?

Management: Currently, there is a shortfall between demand and supply. Supply is lower and demand is higher. We expect this to continue for the next 3–4 years, considering the current war scenario and everything else, along with many new projects such as the East–West line and the Master Gas expansion. We do not see any problem over the next 3 years. Beyond 3 years, I cannot say. I do not know whether any other new player will enter, but based on what we are aware of, we do not see any demand–supply issue as of now.

Ganesh Rao – Punarvi Capital: Thank you. I will get back in the queue if I have any follow-up questions.

Management: Thank you.

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Operator: Thank you. The next question is from the line of Darshil Javeri from Crown Capital. Please proceed.

Darshil Javeri – Crown Capital: Hello. Good evening, sir. Thank you very much for taking my question. First, congratulations on a really great set of numbers. By March 2027, I think our Dammam plant and Jammu plant will come online. In terms of FY28, how should we look at the business in terms of guidance?

Management: We would be delivering approximately 25–30% growth.

Darshil Javeri – Crown Capital: That would be in the base business, but Jammu is also coming in, right? Would that push it further?

Management: Jammu will not immediately provide a top line of 1,000–2,000 crores. Jammu would add probably 200–300 crores because we have considered 25–30% of revenue in the first year. It will be scaled up eventually. I am saying that this would be the minimum growth of 25–30%. If things go well, it could be higher.

Darshil Javeri – Crown Capital: Fair enough. I also wanted to understand the competition. You said that demand is not an issue, but some players are trying to establish plants in Saudi Arabia, perhaps not this year but by next year or the end of next year. How do you view the competitive intensity? Is it increasing, and how do we mitigate it? Could it become more like a price war?

Management: Currently, and even 2 years down the line, according to us there will be a demand–supply gap. The newer players will start operations, with some starting next year and some the year after. Their approvals, including API approvals, will come, but we still do not see a massive demand–supply gap. There might be some pressure on prices; that is always the case, but it is not a price war as you are suggesting. There is still a sufficient demand–supply gap, so we do not see any issues.

Darshil Javeri – Crown Capital: I have one bookkeeping question regarding {? Marino Shelter ?}. When we say that we expect 35–50 crore of cash flow, how would that be recognized in our books? Would it directly flow into PAT through other income?

Management: Yes, it would go directly into PAT under other income from the cash flow point of view.

Darshil Javeri – Crown Capital: Would that be lumpy in nature, or how would it come through? Would it come in any particular quarter, or would it be a steady flow?

Management: It is real estate, so it would be lumpy. However, we estimate that the project timeline is around 4–5 years for completion. We have divided the total revenue over 6 years. Therefore, it will be slightly lumpy, but you would receive it over that period. That is why we have given a ballpark of 80–100 crores. With a plus or minus 10% variation, a particularly good year could give you some more revenue. Principally, I think this is the ballpark around which it will be.

Darshil Javeri – Crown Capital: Thank you. That is all from my side.

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Operator: Thank you. The next question is from the line of Subhadra Sarkar from Mount Infra Finance. Please proceed.

Subhadra Sarkar – Mount Infra Finance: Sir, I have one question regarding {? MPC ?}. One of our assumptions is related to a business turnaround and growth in the case of {? MPC ?}. One of—

Management: Hello? We cannot hear you. Your voice is getting cut off. Can you speak a little more clearly?

Subhadra Sarkar – Mount Infra Finance: Is it audible? Is it audible now?

Management: No, it is still very unclear.

Subhadra Sarkar – Mount Infra Finance: Is it audible now? Is it better?

Management: Yes, it is better.

Subhadra Sarkar – Mount Infra Finance: One of our internal assumptions is that, in order to achieve a better margin in {? MPC ?}, we could replace our raw material with Chinese steel. Since there is an {? IKTV A ?} program under which Saudi Arabia wants to increase internal approval and usage of its own resources, is it a viable strategy to replace some of the steel with Chinese imports and thereby achieve a better margin? That is one question. I have another question as well.

Management: Hello?

Subhadra Sarkar – Mount Infra Finance: Yes.

Management: Should I answer this question or wait for your next question?

Subhadra Sarkar – Mount Infra Finance: My next question is broader. We are undertaking 3 initiatives: {? MPC ?}, Jammu and Kashmir, and the coating plant. What is our managerial preparation to execute all these initiatives simultaneously? What is our bandwidth, and in terms of capability, how prepared are we? These are the 2 questions.

Management: Mr. Sarkar, regarding your primary question about replacing steel in {? MPC ?} with imports from China to achieve better EBITDA, there are currently no plate suppliers in Saudi Arabia. Therefore, there is no question of using only locally made material. Everything is being imported from Posco, China, and other countries wherever we can obtain the best prices from an Aramco-approved vendor, and we are importing the steel from there.

When it comes to HRC, some of the coils are supplied by the local Hadeed, and the remaining coils, if required, are also imported from China, Korea, and elsewhere, wherever we can obtain the best pricing. There is no restriction on this by the government. We are currently sourcing it at the best possible prices. Therefore, the EBITDA margins are as per the guidelines because we are undertaking the best sourcing.

When we took over, the EBITDA margins were already based on the best possible prices sourced locally as well as internationally. Regarding our execution capabilities for Saudi Arabia, the coating facility, and Jammu, we already have our teams in place and execution is ongoing, so we do not

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foresee any issues. We have been doing this for many years, including our coating plant and other projects. We have a large team that is already executing the new projects.

Subhadra Sarkar – Mount Infra Finance: My last question is on the cash flow side. Given our capex and other expenditures, if you can help us understand our plan on a FY27 basis, what kind of cash requirement do we have, and how will we meet it? Also, what would be the requirement in FY28?

Management: For FY27, we have currently taken up 2 projects. The {? MPC ?} acquisition has already been completed. We are putting up a coating plant in Saudi Arabia, which is ongoing. This involves an investment of approximately \$50 million, which will be funded partly through a loan of \$25 million, while we will contribute the remaining \$25 million from our own funds.

The Jammu project is ongoing at a cost of 600 crore. The loan component will be 389 crore, and we have already invested our component in the project so far.

Subhadra Sarkar – Mount Infra Finance: Is there any other cash flow requirement in FY27 or FY28?

Management: No. Both companies already have surplus cash.

Subhadra Sarkar – Mount Infra Finance: Do you have an estimate of our peak debt, considering all these projects?

Management: Peak debt as in this year?

Subhadra Sarkar – Mount Infra Finance: By FY28.

Management: Yes.

Subhadra Sarkar – Mount Infra Finance: If you have an estimate—

Management: Total debt will be around 1,600 crore after all the projects are completed and all loans are drawn.

Subhadra Sarkar – Mount Infra Finance: Will that be by FY28?

Management: It will be lower than that because loan repayments will start. Therefore, it will be lower than that, at 1,400 crore by FY28.

Subhadra Sarkar – Mount Infra Finance: Will the 1,600 crore be reached this year, or sometime in between?

Management: We are projecting that both projects will be completed, so this will be the position at the end of this year. The only condition is that all drawdowns are completed and the projects are completed by March 2027. Then this will be the number. This is the maximum number; I would say this is the maximum loan number.

Subhadra Sarkar – Mount Infra Finance: 1,600 crore, sir.

Management: Yes.

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Subhadra Sarkar – Mount Infra Finance: Thank you.

Operator: Thank you. The next question is from the line of Anuj from Interglobe Services. Please proceed.

Anuj – Interglobe Services: Hi. Congratulations on a great set of numbers. I am fairly new to the company, so I have a basic question. Could you share the revenue breakup between HSAW, LSAW, ERW, and seamless pipes for this quarter and the same quarter last year?

Management: Anuj, you can send us the details. We will see how we can break them up. We do not provide those data points at present.

Anuj – Interglobe Services: I also wanted to know the total capacity of the LPE coating facility that is coming up in Saudi Arabia.

Management: 4 lakh square meters per annum.

Anuj – Interglobe Services: You mentioned that capacity utilization in India is between 50% and 60%. Is that our peak utilization in every quarter, or is it more of an order book issue that prevents us from pushing utilization higher?

Management: It is primarily related to the orders. There are different types and different sizes of orders, so we determine where each order best fits and in which mill it should be produced. It is also a business consideration. That is why utilization is at 50-60%.

Anuj – Interglobe Services: I also wanted to follow up on one of the earlier participants' questions. If I look at FY25 as a whole, our gross margins were in the range of 22%, which increased to nearly 38% in FY26, and we see that trend continuing. I want to understand what the major change was in the business—

Anuj – Interglobe Services: Was it that gross margin increased by a significant amount?

Management: A lot of the business we received was DAP, or delivered-at-place, along with different value-added products and CWC coating. We were able to add margins through various value-added services. That is why gross margin increased.

Anuj – Interglobe Services: Do we see this trend continuing this year and next year as well?

Management: Not always, to be honest. It is on a project-to-project basis. However, considering the current global scenario, we are seeing significantly more traction and more orders. This trend may not continue, but capacity utilization will increase. Either way, it will increase.

Anuj – Interglobe Services: Understood. My final question is regarding the current India plant. The LPE coating capacity is approximately 1.5 lakh tonnes per annum. Approximately what percentage of the order book currently includes LPE coating, and what additional EBITDA margin can we charge on an LSAW pipe with coating compared with one without coating?

Management: Approximately 70-80% of the pipes, probably more than 80%, have 3LPE coating. However, I cannot give you the EBITDA across the projects at present because every project has a

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different EBITDA, and some include internal and external components. Overall, I think 80-85% of the pipes are coated.

Anuj – Interglobe Services: Thank you. That will be all from my end.

Management: Thank you.

Operator: Thank you. The next question is from the line of Jenam Doshi from Trish PMS. Please proceed.

Jenam Doshi – Trish PMS: Congratulations on a great set of numbers. I have 2 questions. First, out of the consolidated order book of 3,600 crores, can you help us with the breakup between NPC and India? Specifically for India, what would be the breakup between domestic and exports?

Management: India accounts for around 2,200-2,300 crores, and the remaining amount is with NPC. The breakup in India is, I think, more than 80% exports and 20% domestic.

Jenam Doshi – Trish PMS: Understood. My second question is: After commencement of the coating facility, how will realizations and the margin profile shape up?

Management: The coating facility would probably increase margins by a few more percentage points once coating starts at NPC. The margin profile will definitely improve by at least 3-4%.

Jenam Doshi – Trish PMS: Thank you. That is all from my side.

Management: Thank you.

Operator: Thank you. The next question is from the line of Viraj from Moneygrow. Please proceed.

Viraj – Moneygrow: Given all the moving parts, particularly the financing for acquisitions, could you indicate the level of finance costs that you expect overall at the consolidated level in the P&L this year?

Management: If you look at this quarter's numbers, finance cost for the quarter was 39 crores, or approximately 40 crores. At year-end, I expect full-year finance cost to be around 190 crores.

Viraj – Moneygrow: 190 crores. That is helpful. Thank you.

Management: Thank you.

Operator: Thank you. The next question is from the line of Garvit Goel from Serene Alpha. Please proceed.

Garvit Goel – Serene Alpha: Hello? Am I audible?

Management: Yes, you are.

Garvit Goel – Serene Alpha: Congratulations on the excellent results. My question is on borrowings—

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Management: Mr. Goel, we cannot hear you. There is a lot of background noise.

Garvit Goel – Serene Alpha: Okay.

Garvit Goel – Serene Alpha: Hello?

Management: Hello?

Garvit Goel – Serene Alpha: Am I audible?

Management: Yes, much better.

Garvit Goel – Serene Alpha: Congratulations on the excellent results. My question is on borrowings. In Q1 FY27, total Jammu capex is around 600 crore, correct?

Management: Correct. Jammu is 600 crore.

Garvit Goel – Serene Alpha: 350 crore has already been spent, and 250 crore is ongoing.

Management: Correct.

Garvit Goel – Serene Alpha: Can you help me understand the plan? Will you use internal cash or take on debt for that? Can you also provide the breakup of the remaining 250 crore of capex?

Management: The major components of the remaining 250 crore are construction, PEB, and some machinery for which letters of credit have been opened. Most of the machinery has already been delivered. Payments for commissioning and for achieving COD remain pending until COD is completed. That is all.

Garvit Goel – Serene Alpha: Will that be funded internally or externally?

Management: It will be funded partly internally and partly externally, approximately in a 70:30 ratio.

Garvit Goel – Serene Alpha: Thank you.

Management: Thank you.

Operator: Thank you. Before we take the next question, we would like to remind participants that they may press star and one to ask a question. Participants who wish to ask a question may press star and one now. The next question is from the line of Rahul Kumar from Vaikarya Fund. Please proceed.

Rahul Kumar – Vaikarya Fund: I have one question. The guidance you gave for the company as a whole is around 5,000 crore for this year, and that includes, I believe, 1,500 crore from the Saudi business. Does that mean that from the standalone business we are expecting approximately 3,500 crore of top line? That appears relatively flat on a year-on-year basis. Can you help us understand this?

Management: Currently, including Saudi Arabia, Saudi revenue would be around 1,200-odd crores, while India would be around 3,800 crores. Therefore, there would be nominal growth in India, and

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the rest would come from NPC Saudi.

Rahul Kumar – Vaikarya Fund: You mentioned earlier that by the exit quarter, Saudi might achieve a quarterly run rate of around 300–400 crores. Looking at FY28 onward, how do you see this business scaling up?

Management: From FY28 onward, we are looking at a top line from Saudi Arabia of between 2,400 and 3,000 crores.

Rahul Kumar – Vaikarya Fund: Will FY28 still be on a plain basis and not include the coating plant, which will come later?

Management: The coating plant will come by March, so we would receive the majority of the coating revenue in FY28 as well.

Rahul Kumar – Vaikarya Fund: You mentioned that this would have a slightly higher operating margin than the current plant.

Management: Yes, it would.

Rahul Kumar – Vaikarya Fund: Understood. Thank you.

Management: Thank you, Rahul.

Operator: Thank you. Before we take the next question, we would like to remind participants that they may press star and one to ask a question. The next question is from the line of Fenil Bramhabhatt from Choice Institutional Equities. Please proceed.

Fenil Bramhabhatt – Choice Institutional Equities: Hello. Good morning, and congratulations on a good set of numbers. I want to understand the NPC acquisition. I do not see any impact of that acquisition on our interest expense. When we completed the acquisition, we expected some impact on interest expense, which would affect our bottom line, but it is not showing as of now. How have we absorbed this without any impact on interest?

Management: Mr. Fenil, as you know, we have taken approximately 70% debt for this Saudi acquisition, and the acquisition happened in the middle of May. Therefore, only 1.5 months of interest cost has been factored into this cost. You are not seeing a cost increase because some other costs have reduced in the Man Industries (India) Ltd. operations. Total cost is 40 crore, which includes approximately 40–45 days of interest on the loan taken for the NPC acquisition.

Fenil Bramhabhatt – Choice Institutional Equities: You are saying that the annual target will be around 190 crore?

Management: Yes, 190 crore for the year.

Fenil Bramhabhatt – Choice Institutional Equities: That includes the impact of the acquisition as well?

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Management: Yes. To clearly answer your question, the loan is not on the books of Man Industries (India) Ltd.; it is on the books of NPC. Therefore, it will come into the consolidated results, but the interest and everything are at the NPC level. Whatever revenue comes from there will be reduced by the interest, and accordingly it will be reflected in the consolidated results.

Fenil Bramhabhatt – Choice Institutional Equities: Thank you for the clarification, and all the best.

Management: Thank you, Fenil.

Operator: Thank you. The next question is from the line of Sandeep from Moneygrow Asset. Please proceed.

Sandeep – Moneygrow Asset: Good afternoon. Under the DDP model, freight costs have moved below gross profit but are recovered in revenue, correct? Could you provide a like-for-like gross margin expansion excluding the DDP freight pass-through?

Management: That is not possible because it is an integrated part of the order that we invoice to the customer. When we receive the order from the customer, the price already factors this in. It is not possible to remove that from product cost and DDP and then provide the proper number.

Sandeep – Moneygrow Asset: Are you able to recover the entire freight cost?

Management: We are able to recover the freight cost and more because we load our margins on multiple handling activities, locations, and transportation. In fact, that is one of the reasons EBITDA increases.

Sandeep – Moneygrow Asset: Thank you.

Management: Thank you.

Operator: Thank you. The next question is a follow-up question from the line of Ganesh Rao from Punarvi Capital. Please proceed.

Ganesh Rao – Punarvi Capital: Thank you, team, for taking the follow-up. What is the current EBITDA per tonne at NPC, and where do we expect it to settle at 70% and 85% capacity utilization?

Management: We do not disclose EBITDA per tonne. We only provide the revenue number and EBITDA in the final number.

The point is that our business is very different. In the API business, many grades are very different. For example, you can produce an X52 and an X80, and a pipe of the same diameter could cost \$2,000, while another pipe could cost \$1,000. One may be an X42 and the other an X80. Therefore, you cannot determine exactly how EBITDA will perform.

It depends on the design mix of the orders, the criticality of the orders, whether they are for water or oil and gas, and whether they are for underwater or above-water applications. There are many complexities involved. That is why we are not able to break it down.

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Ganesh Rao – Punarvi Capital: That makes sense. What would be the normalized working capital requirement for every 1,000 crores of revenue generated from NPC in Saudi Arabia?

Management: For NPC?

Ganesh Rao – Punarvi Capital: Yes, the working capital for NPC.

Management: NPC's working capital is approximately \$100–125 million on a top line of, say, \$200 million.

Ganesh Rao – Punarvi Capital: \$100–125 million. So \$125 million is the working capital?

Management: Yes. Because when you work with local companies there, you do not need to provide a lot of APGs, BGs, and other instruments when you work with Aramco. Essentially, it is only the non-fund-based LC requirement; nothing else.

Ganesh Rao – Punarvi Capital: My last question is regarding the history of NPC, how it came into the picture, and how we got the opportunity to acquire it. What are 2 or 3 specific operational changes that, if implemented, could materially improve NPC's economics over the next 2–3 years compared with what it has historically achieved?

Management: This is very important. We have already changed many of the operations personnel because there was significant wastage, which was going into double digits. We have already reduced it from double digits to single digits. This was absolutely—

Nikhil Mansukhani – MD: Money wasted on the table. Number one. Number two, they had a limitation in the spiral mill. They were not upgrading their mill to 100 inches, which is the general norm. The common sizes are approximately 84 inches and 100 inches, and water orders generally require 88, 92, 96, and 100 inches. They were completely absent from that business and were not generating any revenue through it, not even enough to cover their fixed costs. We have already managed to address that, and the work is almost complete. They are already conducting trials.

Over the last 3 months, we have been focusing on these 2 things. In addition, they were buying a lot of consumables from Japan because they were inherently 52% owned by Japanese shareholders. That was one of the major reasons. We have now sourced the consumables through India, and because of our costing and relationships, we have managed to bring these 3 costs down. This will help reduce the company's costs, improve efficiency, and increase revenue and the bottom line.

Ganesh Rao – Punarvi Capital: That is all from my side. Thank you for answering all my questions.

Nikhil Mansukhani – MD: Thank you.

Operator: Thank you. The next question is from the line of Darshal Duvedi from Crown Capital. Please proceed.

Darshal Duvedi – Crown Capital: Hello. Thank you for giving me another opportunity. I have one question. When you say that the coating plant will improve our margin by 3–4%, will most of what we produce in Saudi Arabia also be coated? Would that push Saudi margins toward 23–24%? I ask because if we expect Saudi Arabia to represent roughly one-third or 40% of our business by FY28,

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that would push our margins significantly higher from current levels. Can we look at around a 17% margin in FY28 with coating coming in?

Nikhil Mansukhani – MD: Darshal, that is the company's aspiration, but sometimes we also need to be realistic. As we said, capacity utilization is not yet high, so we also need to obtain the right design mix of orders and utilize capacity. Our objective is to consistently deliver between 14% and 16% over the next 3–5 years. With the Saudi acquisition and the coating numbers pushing up EBITDA, we should hopefully be able to reach that level. However, I cannot commit to it as of today. That is the objective, yes.

Darshal Duvedi – Crown Capital: I was only looking at the direction we are moving in. Regarding Marino, I think we received a payment of 70 crores in Q4 FY25. Would that be reflected in other income? I was trying to determine where that money would be reflected—the upfront amount we received.

Nikhil Mansukhani – MD: That has already come in, and Marino will always be included as a subsidiary under other income because it is not part of the core business. However, let me explain. We signed the JDA transaction in March 2025, and based on that transaction we showed revenue of approximately 370 crores, or a figure of {? piece ?}, around 367 crore, in FY25. The 70 crore was used against that particular receivable for which the sale was booked in Marino Shelters.

Darshal Duvedi – Crown Capital: So we showed the revenue, and it did not come into other income, but going forward it will come into other income?

Nikhil Mansukhani – MD: Going forward, it will also come into the sales portion there, and ultimately cash flow of approximately 30–50 crore will come in.

Darshal Duvedi – Crown Capital: Understood. Thank you very much. That is all from my side.

Operator: Thank you. The next question is a follow-up question from the line of Viraj from Moneygroup. Please proceed.

Viraj – Moneygroup: Hi, Nikhil. It is me again. Thank you for taking the question. In your press release, you mention a bid pipeline of 24,000 crores. Can you give us an indication of the types of orders included—how much is from the Middle East, how much is from India, how much is from other export markets, and the split between oil and gas and water? Also, what kind of bidding pipeline are you seeing going forward?

Nikhil Mansukhani – MD: Out of this 24,000 crores, approximately 70% is from the MENA region and the extended MENA region. Of the 24,000 crores, approximately 35–40% is water. This includes India and international markets.

Viraj – Moneygroup: What kind of bids or pipeline are you seeing beyond the tenders or orders for which you have already bid? I am asking only about the magnitude or order of magnitude.

Nikhil Mansukhani – MD: In terms of magnitude, we are seeing some very large pipelines planned throughout the world, and we hope that some of them come through because those countries have the financial capabilities and financial closure in place. Some will take time, but we are seeing

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significant opportunities.

Unlike the last few years, after COVID ended in 2022, we saw a lot of traction and a lot of international business came in because for 2 years there was absolutely no [inaudible]. With the war hopefully closing sooner or later, there is going to be significant traction. I think it will be unlike anything we have seen before. We are well placed, and we hope to obtain our share of the opportunities in India and Saudi Arabia.

Viraj – Moneygroup: Are you seeing opportunities from many new markets, such as Central Asia, Venezuela, and other markets?

Nikhil Mansukhani – MD: Yes. There is South America, there are CIS countries, and there is the Far East. As I mentioned in my opening remarks, there is a lot of traction in the East because many projects are coming up. These are the countries that have faced the gas deficit because of the war.

Viraj – Moneygroup: Would they not logically source from China? Why would they come to India, just out of curiosity?

Nikhil Mansukhani – MD: Most of these countries do not source from China because they involve US and European investments. That is where we have an advantage.

Viraj – Moneygroup: Great. My next question is regarding FY28 revenues. This is obviously a transition year, with NPC ramping up. In FY28, NPC should be operating at a more advanced level, and Jammu and the Dammam coating facility will also come online. Can India, including Jammu, achieve a top line of 4,500–4,600 crore, and can the Middle East, including Dammam, achieve a top line of 2,400 crore, for a total of approximately 7,000 crores?

Nikhil Mansukhani – MD: I cannot provide those specific numbers. I can give you a ballpark growth range of 25–35%, which is where we expect to end up. We do not know the global scenario, which can change everything, so I cannot make an open-ended commitment. However, growth should be between 25% and 35%.

Viraj – Moneygroup: Understood. Thank you, and all the best.

Nikhil Mansukhani – MD: Thank you.

Operator: Thank you. That was the last question for today. Thank you very much to the management speakers, and thank you, everyone, for joining the call.

Nikhil Mansukhani – MD: Thank you.

Operator: On behalf of Man Industries (India) Ltd., that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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