"Man Industries Limited Q3 & 9M FY25 Earnings Conference Call"

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MANAGEMENT: **DR. RAMESH CHANDRA MANSUKHANI – CHAIRMAN**
MR. NIKHIL MANSUKHANI – MANAGING DIRECTOR
MR. SANDEEP KUMAR – CHIEF FINANCIAL OFFICER
MR. RAHUL RAWAT – COMPANY SECRETARY
MR. VIJAY GYANCHANDANI – DGM INVESTOR RELATIONS

MODERATOR: **MR. PRITISH URUMKAR – ICICI SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Man Industries Q3 FY '25 Earnings Conference Call, hosted by ICICI Securities 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 at the end of today's presentation. Should you need assistance during the conference call, please signal an operator by pressing "*" and "0" on your touch tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pritish Urumkar from ICICI Securities Limited. Thank you and over to you, sir.

Pritish Urumkar: Thanks, Lisane. And good afternoon, everyone, and thank you for joining us today for Man Industries' Q3 FY '25 Earnings Con-Call. First of all, I would like to thank the management for providing us this opportunity to host the call.

From the management side we have Dr. Ramesh Chandra Mansukhani – Chairman; Mr. Nikhil Mansukhani – Managing Director; Mr. Sandeep Kumar – CFO; Mr. Rahul Rawat – Company Secretary; and Mr. Vijay Gyanchandani – DGM, Investor Relations.

So, without any further delay, I would now hand over the call to the management for opening remarks. Thank you and over to you, sir.

R.C. Mansukhani: Yes, good afternoon. Thank you very much for joining this concall. This is R.C. Mansukhani, Chairman of the company. And I welcome you all to our earnings conference call for the third quarter and nine months of the Financial Year 2025.

To start with, let me take you through the financial performance of the company, followed by the operational highlights. And now I am handing over to our CFO – Mr. Garg, he will give the highlights of the results. Thank you.

Sandeep Kumar Garg: Good evening. Let me take you to the Financial Performance of the company, followed by the operational highlights.

In Q3 FY '25, standalone total revenue stood at Rs. 746 crores, which is 12% lower on Y-o-Y basis. The EBITDA stood at Rs. 87 crores, which grew by approximately 2% Y-o-Y and 12% Q-o-Q, with the EBITDA margin of 11.6%. Net profit grew by 1% Y-o-Y and 7% Q-o-Q to Rs. 38 crores with the PAT margin of 5%.

On a consolidated basis, the total revenue for the quarter declined by 13% Y-o-Y of Rs. 738 crores, the decline was mainly due to our export shipment on non-availability of vessels. If it was not for the delay in the shipment, our revenue would have been higher by approximately Rs. 66 crores during the quarter. The EBITDA came in at Rs. 84 crores, which grew by around

7% Y-o-Y and 13% Q-o-Quarter, while EBITDA margin at multi-quarter high of 11.4%. Net profit was Rs. 34 crores which grew by around 12% Y-o-Y and 7% Q-o-Q.

On a nine-month basis, the total standalone revenue was Rs. 2,317 crores, which declined by 1.4% Y-o-Y, mainly because of some delayed shipment which could not happen this quarter, while EBITDA was down by around 2% Y-o-Y to Rs. 226 crores, with EBITDA margins stood at 9.8%, same as corresponding period last year. The net profit for the period grew by 4.6% Y-o-Y to Rs. 97 crores.

On a consolidated basis, total revenue for the same period was down by around 2% Y-o-Y to Rs. 2,323 crores with EBITDA reporting at Rs. 217 crores, resulting in EBITDA margin of 9.3%. Net profit grew by 5% Y-o-Y to Rs. 85 crores.

Currently we have a very strong order pipeline of Rs. 2,900 crores, that must be executed within the next 6 to 12 months. Hence, we remain confident that we will meet our FY '25 full year revenue guideline of Rs. 3,300 crores. And for FY '26, with current visibility and also the new project which we are planning to execute, we can achieve turnover of around Rs. 4,000 crores of top line. Our bid book pipeline is Rs. 15,000 crores.

On our new projects, Saudi and Jammu projects are progressing in full swing. Both projects are on track and are likely to start production by Q3 FY '26. Lastly, we have successfully completed the ERW plant assessment by MECON for API 5L X 70 grade, and the company started exporting ERW pipes.

With this, we can now open the floor for question-and-answer session. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will now begin with the question-and-answer session. We take the first question from the line of Darshil Pandya from Finterest Capital. Please go ahead.

Darshil Pandya: Hi. Thank you for the opportunity. Sir, just wanted to understand, what will be the kind of debt levels for FY '26 and FY '27 since almost Rs. 815 odd crores we are taking it from the debt, so I just want to understand that.

R.C. Mansukhani: Yes, the current debt, Mr. Darshil, the current debt is Rs. 135 crores, and we are having the cash by way of FDR, our last year balance sheet also and the current also is the position of Rs. 230 crores, so we are a surplus. And to complete the project, whatever we are putting up over there, that is the independent company which is borrowing and doing the work, and the company is giving only the guarantee. So, right now there is no additional debt in Man Industries. But in the future we will see what can be worked out.

Darshil Pandya: So this debt you are saying that it is not on the books of Man Industries?

R.C. Mansukhani: Right now, not only guarantee until unless they start the production.

Darshil Pandya: Okay, okay. But any ballpark number that what could be the debt levels once this begins?

R.C. Mansukhani: There will be debt, the debt burden will be Rs. 390 crores for Jammu and Rs. 400 crores for Saudi what will be the guarantee. And they will borrow and there will be independent model of the business. But our consolidation, we will get the benefit of the consolidation of the revenue in coming years.

Darshil Pandya: Okay. And sir, since almost we are deploying Rs. 1,100 crores of CAPEX, what is the kind of asset turn that we expecting on a full year basis for FY '27?

R.C. Mansukhani: You are asking the revenue or what?

Darshil Pandya: Yes, since this new facility, I am expecting that that will be live in FY '26 fully, and from our existing business what kind of revenues can we see?

R.C. Mansukhani: Our projections, our guidelines and hopefully to achieve it, next year '25-'26, are the Man Industries standalone would be around Rs. 4,000 crores, 25% growth we are anticipating. With regards to consolidation, half of the year would be from Jammu and from Saudi. Right now we are estimating around Rs. 1,500 crores and then full year '26-'27 would be our target is Rs. 6,000 crores plus.

Darshil Pandya: Okay. Got it. So FY '26 you are saying Rs. 1,500 plus crores you expect from these two facilities coming in?

Sandeep Kumar Garg: Once you start getting the revenue for the full year.

R.C. Mansukhani: Revenue for the full year, yes.

Darshil Pandya: For the full year?

R.C. Mansukhani: Yes.

Sandeep Kumar Garg: FY '27 we are talking about.

Darshil Pandya: Got it. Fantastic sir. Thank you so much, sir. Thank you for the opportunity.

Moderator: Thank you. The next question is from the line of Amit Maurya from Lucky Investments. Please go ahead.

Amar Maurya: Hi, sir. Thanks a lot for the opportunity. So sir, the first question is, what was your nine months volume growth?

R.C. Mansukhani: Sorry?

Amar Maurya: What was your nine months volume growth?

R.C. Mansukhani: Volume growth I have the figure of the amount only Rs. 2,300 crores for nine months.

Amar Maurya: No, no, I am just saying that is the value. So normally value may fluctuate based on the raw material prices and other things. So, I mean, I just want to understand, what is the business volume growth we had seen at an overall level?

R.C. Mansukhani: Okay. The volume, still we have not calculated, we are receiving the figures, but the volume is much higher than the last year.

Amar Maurya: Okay. What, like it could be double-digit or single digit?

R.C. Mansukhani: You are talking about the growth?

Amar Maurya: Yes, I am saying volume growth would be what, high double-digit? You are saying volume growth would be better than the overall revenue growth which you had achieved in nine months.

Sandeep Kumar Garg: Volume for this nine months period has been little higher than the last year number. However, because of the commodity steel prices going down, our total revenue in the rupees are reflecting a little lower number.

Sandeep Kumar Garg: But volume is more.

Amar Maurya: Okay. And secondly, when they are saying that Jammu plant is now going to start in third quarter, right?

R.C. Mansukhani: Yes.

Amar Maurya: I mean, we were expecting that phase wise we will start from second quarter or first quarter onwards, right? So now we are saying that all of the plant or the phase one of the plant is going to start from third quarter?

R.C. Mansukhani: Not phase wise because we were anticipating the phase wise to start, but whatever we are saying, the full plant should start from October onwards.

Amar Maurya: From October onwards. And for this plant to start, like, we got the whole land in Jammu now?

R.C. Mansukhani: Now cleared.

R.C. Mansukhani: All land required for the project is clear.

R.C. Mansukhani: Now it is clear. Initially there was a teething problem which is resolved. Now the construction has already started. Most of the equipment already arrived before the land. And the critical equipment from Europe and Japan are already here.

Amar Maurya: Okay. So are plant and machinery also ordered?

R.C. Mansukhani: Yes, yes, long back. The delivery time is one and half year.

Amar Maurya: Delivery time is one and half year, and that you are expecting to reach everything by, so let's say October you have to start the plan, then all equipment should be there by March, April to your plant, right?

R.C. Mansukhani: June. Many already arrived and some equipments will come in the month of May, June and then three months for the election commissioning.

Amar Maurya: And how about the Saudi progress?

R.C. Mansukhani: Saudi is going very well, equipments we already purchased. The construction is going on. And six months it will take to start the operation. The equipment has already arrived over there.

Amar Maurya: There also you are expecting October, November only kind of production to start?

R.C. Mansukhani: Yes.

Sandeep Kumar Garg: Yes, Q3 FY '26.

Amar Maurya: And in next year, let's say, the Rs. 4,000 crores guidance and then Rs. 6,000 crores guidance, whatever we are expecting in that Rs. 1,500 crores, we are expecting of this year ERW assets, right?

R.C. Mansukhani: Not ERW. The Rs. 4,000 crores is of our main company standalone, and other companies, subsidiary company revenue we are anticipating Rs. 2,000 crores plus in the full year, that will be '26-'27, plus whatever growth possible through saw pipeline which we have to calculate.

Amar Maurya: So in this Rs. 2,000 crores number, what would be your Jammu number and what would be your Saudi number?

R.C. Mansukhani: Jammu we are anticipating for the first six months Rs. 500 crores, next full year is Rs. 1,000 crores, and the Saudi would be Rs. 1,500 crores. So we are giving the conservative safe side Rs. 6,000 crores plus.

Amar Maurya: Okay. Got it. And in Jammu, could you give a mix between this Rs. 1,000 crores, what would be the mix between SS and ERW?

R.C. Mansukhani: No, no, Jammu is only stainless steel.

Amar Maurya: Because there was some small plant of ERW also likely to come in Jammu, right?

R.C. Mansukhani: No, no, that we dropped because that we put here in Anjar. ERW plant we had at Anjar, a small unit was supposed to come to Jammu, which we have put here.

Amar Maurya: So now whole ERW is in Anjar and Jammu will just have SS?

R.C. Mansukhani: You are right.

Amar Maurya: So any reduction in the CAPEX because of this?

R.C. Mansukhani: No, same, no reduction or nothing.

Amar Maurya: So total CAPEX for Jammu would be how much, sir?

R.C. Mansukhani: Roughly Rs. 550 crores total.

Amar Maurya: And for Saudi?

R.C. Mansukhani: Saudi Rs. 600 crores.

Amar Maurya: So, 550 plus 600, Rs. 1,100-1,150 Crores of CAPEX. So sir, how we are going to fund it?

Sandeep Kumar Garg: We are tying up with the loans. As we give our guidance for the loan, I think somebody asked earlier, that's around Rs. 790 crores will be funded from the loan, balance will be from the promoter's contribution, our own contribution.

Amar Maurya: Sorry, come again, what are you saying, promoter's contribution would be how much?

Sandeep Kumar Garg: Rs. 790 crores will be from the loan, balance will be from our internet accruals.

Amar Maurya: From internal accruals, okay. And then I think we had also given the enabling resolution for raising further equity and all, what is that?

R.C. Mansukhani: No, no, we will see, in future if needed then we will see. That was enabling only.

Amar Maurya: Okay, perfect.

R.C. Mansukhani: Thank you.

Moderator: Thank you. The next question is from the line of Dhananjay Mishra from Sunidhi Securities. Please go ahead.

Dhananjay Mishra: Yes. Hello, So, just one clarification on FY '26 guidance. So, I mean, based on nine months number, this year we will be doing Rs. 3,200 crores kind of turnover, and next year you are saying 25% growth on the standalone basis, so that will be Rs. 4,000 crores. And incrementally you are saying this Jammu and Saudi plant will be contributing Rs. 1,500 crores in FY '26 itself or it will contribute in FY '27?

R.C. Mansukhani: Okay. Your question for the current year almost accurate, we have done Rs. 2,300 crores and Rs. 1,000 crores we are aiming to achieve in current quarter. But then our guidance was Rs. 3,200 crores, Rs. 3,300 crores, which is right. The next year we are seeing 25% growth in our Indian business. And in the meantime, the production is going to start for seamless pipe from quarter three as well as Saudi plant. So, for the first six months we are expecting Rs. 1,500 crores addition from Jammu & Saudi, and in FY27 we are anticipating Rs. 2,000 crores plus additional revenue,

Dhananjay Mishra: So Rs. 4,000 crores I am getting, that is understandable. So the plant will start in Q3, both the plant. So, in the first six months you are giving guidance of Rs. 1,500 crores, so is it not a little bit of aggressive guidance or next year you are saying Rs. 2,000 crores only? So the number is not matching.

R.C. Mansukhani: No, no, no.

Sandeep Kumar Garg: I will repeat again. What we are saying, current year over guidance is Rs. 3,200 crores to Rs. 3, 300 crores, right. FY '26 we will generate Rs. 4,000 crores revenue from our existing facilities. And our new projects will start producing from Q3 FY '26. We will get almost one and a half quarter revenue or at the most two quarter revenue, but depending on the schedule up to November when the product will start. Depending on that we will get additional revenue in the second H2 of the next year, which will be around Rs. 1,500 crores. Total revenue which we are expecting at the consolidated level for FY '26 is Rs. 5,500 crores. And FY '27 we are talking about around Rs. 6,000 crores plus revenue, when the full year of production from the new plant will start contributing to the revenue.

Dhananjay Mishra: So overall guidance is Rs. 5,500 crores for '26 and close to Rs. 6,000 crores for FY '27, right?

Sandeep Kumar Garg: Yes.

R.C. Mansukhani: You are right.

Dhananjay Mishra: Okay. And now coming back to the debt position. So you said that we have res 135 crores of debt as of now, but as per PPT we have already invested close to Rs. 400 crores in these two projects. So, we had cash of close to Rs. 400 crores, that money has been invested in that project or it is still left?

R.C. Mansukhani: See, we are investing every day, and Rs. 380 crores we have already tied up, the financial arrangement is already made, and debt will be drawn up once the agreements are coming. LC is already opened. That is a regular affair. So Rs. 380 crores will be our subsidiary book, as well as Rs. 400 crores will be in abroad funding.

Dhananjay Mishra: Okay. So as of now we have given a loan to subsidiary close to Rs. 300 crores from our book?

R.C. Mansukhani: We have put our equity portion.

Dhananjay Mishra: Okay. Got it. And this entire thing will happen by September, all Rs. 1,150 crores CAPEX?

R.C. Mansukhani: Yes.

Dhananjay Mishra: Okay. Thank you.

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

Ayush Jalan: Hi, good afternoon. Thank you for the opportunity. Could you please give some update on Merino Shelters? Thank you.

R.C. Mansukhani: Yes. Merino Shelters, as we already took an enabling resolution to sign the deed, etc. from shareholders, and now the deal is likely to be signed in the next 10 days. And we are in some advance discussion with our solicitor, and other money also is going to some amount in next 10 days as we execute the teal. And then accordingly we will announce the nature of the deal and everything is as per the regulation.

Ayush Jalan: Noted. Thank you, sir. I have no further questions. Wish you all the best.

R.C. Mansukhani: Thank you.

Moderator: Thank you. The next question is from the line of Varun Mehta from Wealth Link Investments. Please go ahead.

Varun Mehta: Good evening, everyone. This quarter we have seen improved EBITDA margins, so is it due to ERW plant or the product mix has changed or something has happened on that?

Sandeep Kumar Garg: Mainly due to the product mix change, we have some orders which have better profit margins which is reflecting into our bottom line.

R.C. Mansukhani: Because this is mostly the value-added products depends on project to project, so that's why EBITDA margin has improved. And I am hoping the company will continue to improve considering the order book position.

Varun Mehta: So, the current order book was Rs. We have 2,900 crores, so it's more of a value-added product or commoditized?

R.C. Mansukhani: Mostly, mostly value-added products.

Varun Mehta: What would be the percentage on that?

R.C. Mansukhani: Anything between 10% to 14%, depends on which project, water works, value added gas pipeline, oil pipeline. That's why company is trying to achieve 12% average like we did this quarter. But volume is going to increase and that's why we are hopeful to get the better realization.

Varun Mehta: Right. And going ahead to FY '26, as you said, from Jammu plant we are expecting and from Saudi we are expecting Rs. 1,500 crores of additional revenue, like Jammu plant we are expecting EBITDA margin to be in the range of 20% to 25%. So going ahead, I think in FY '26 the margins should improve quite well for our company?

R.C. Mansukhani: Yes, '26-'27 will be the much better. Because once we stabilize everything, that is why very conservative side we are estimating same EBITDA of 12% as an overall average, and then '26-'27 it will be much, much better position. But let's wait and the new figure will come in future also.

Varun Mehta: Thank you so much.

R.C. Mansukhani: Thank you.

Moderator: Thank you. The next question is from the line of Satyan Wadhwa from Profession Investment Advisors. Please go ahead.

Satyan Wadhwa: Sir, could you give us volumes for December quarter? And what was the volumes in September quarter?

R.C. Mansukhani: What is your question, can you repeat please?

Satyan Wadhwa: What was the sales volume in this current quarter, Q3, and what was the sales volume in Q2 in tonnage terms?

R.C. Mansukhani: I think I have told you that there has been slight growth in the volume.

R.C. Mansukhani: Rs. 2,267 crores in the current quarter and Rs. 2,302 crores was in the corresponding quarter.

R.C. Mansukhani: No, from volume.

R.C. Mansukhani: Volume, volume is higher, we are getting the figures, because of the steel prices soften compared to last year, although that's why the volume was much better.

Satyan Wadhwa: Correct. What I am trying to get to is what is the EBITDA per tonne this quarter versus last quarter, because steel prices passed through anyway. So when steel prices go down, margins go up. So whether it's because of that in terms of percentage margin going up or actual margin per tonne has gone up.

R.C. Mansukhani: Yes. Right now we do not have the volume because we are getting the sales from the plant at the time. But volume is definitely improving because of the value wise we are little bit lower but quantity wise we are higher.

Satyan Wadhwa: Right. And if you could just add the volume figures in future quarterly presentations, I would get all the other pipe companies kind of give us what the volumes were, we will break it down by type of pipe in terms of ERW and others. And one more question for me, in terms of the Jammu plant, because it's SS, seamless, right, which is new to you, how long do you think it will actually take to stabilize production and get the right sort of quality that is required? And how much help will you be getting from the machine supplier or anybody else to stabilize production?

R.C. Mansukhani: Okay. Regarding your question that we are new, but actually we are metal man, that's why we know the metal business. Since last two years we are working very closely with our equipment suppliers, technology, market, etc. So I do not think that it will be difficult to achieve our target. Some equipments already arrived from Japan and some equipments we are expecting in next three, four months. That's why we are predicting from October onwards the production.

Satyan Wadhwa: October onwards, okay. So we should expect, definitely the sale should come in the Jan to March quarter, right, even if October, December is still trial production and is getting everything sort of sorted out in terms of quality.

R.C. Mansukhani: Please can you repeat your question?

Satyan Wadhwa: I said, so actual salable production will be in Q4, right, mostly Q4?

R.C. Mansukhani: You are talking about ERW?

Satyan Wadhwa: No, about seamless out of Jammu.

R.C. Mansukhani: It will be coming in next year.

Satyan Wadhwa: So Jan to March quarter next year, Calendar '26?

R.C. Mansukhani: So there will be the new plant then will be the regular business over there, and then we will pick up because we are doing the proactive actions we are taking to get as much as possible from the new plant, but market conditions are good, order is not a problem. And that's why we are confident to get some value added from very beginning, which we are working.

Satyan Wadhwa: And what, if any, approval, etc. do you require for the stainless steel plant, the Jammu plant?

R.C. Mansukhani: Not necessary. What approval, from government?

Satyan Wadhwa: For any, I mean, do you need any approvals from anybody to sell it or you are just selling it in the market, the stainless steel pipes?

R.C. Mansukhani: No, for market no approval required. Export, no approvals. I only need Indian approval. They are different things.

Satyan Wadhwa: Okay. Fair enough.

R.C. Mansukhani: Yes, thank you.

Satyan Wadhwa: Alright. Thank you and all the best.

Moderator: Thank you. The next question is from the line of Darshil Pandya from Finterest Capital. Please go ahead.

Darshil Pandya: Man sahib, just one question for you with regards to the recent tariffs the US President has put on. Are we going to see some issues with us as well, just want to confirm?

R.C. Mansukhani: No, this USA new tariff, it is not going to impact our industry because our most of the market is in the Middle East, around 75% we have business to Middle East, export business, and the balance in India. It is not going to make impact to us because USA we do not have much presence, very little presence, maybe hardly 2%, 3%, 5% of our turnover. I do not think it is going to make big impact to us. But now the USA increase of the duty which is going to impact what kind, what degree, which we have to examine in coming times.

Darshil Pandya: Okay, maybe next quarter we might be talking about this then.

R.C. Mansukhani: Yes, Sir. Thank you.

Darshil Pandya: Okay, Man sahib. Thank you so much.

Moderator: Thank you. The next question is from the line of Harsh Nilesh from SBI Securities. Please go ahead.

Harsh Nilesh: Yes. Hi. Thank you for the opportunity. Sir, I have a couple of questions. Sir the first question that I missed on the CAPEX part. So Rs. 1,100 crores is the CAPEX, so how much is spent and how much is yet to be incurred? So what is that bifurcation, or entire is left to be spent on the CAPEX part? That is the first question.

R.C. Mansukhani: Roughly we spent Rs. 150 crores. Our equity portion we already put in the Jammu and the disbursement now we will take because our LC exposure is already taken of more than Rs. 100 crores. So that's why now the account will be debiting. So out of Rs. 380 crores I think so the money will go very fast after two, three months once the shipment is done.

Harsh Nilesh: Okay. And sir, the loans which you had mentioned that you are tied up with like around Rs. 790 crores, so what will be the average cost of funds? And has the loan started or is it yet to begin?

Sandeep Kumar Garg: Loans have not been started, both the loans are tied up, but we have not drawn anything till date. We will start drawing after I think LC due payment will be required. Currently, all the investment is made from our internal resources, internal accruals that portion we have been spending on the project.

R.C. Mansukhani: And rate of the interest etc. you know the SOFR is 200 basis point roughly.

Harsh Nilesh: Okay. Thank you.

Moderator: Thank you. Next question is from the line of Raj Mahadeviya from MoneyGrow India. Please go ahead.

Raj Mahadeviya: Are you confident of your FY '26 number, given that your bid book today is about Rs. 1,5000 crores or 10% of the bid book is what one can assume?

Sandeep Kumar Garg: We have already confirmed order of Rs. 2,900 crores in hand, and that does not include the orders for the new projects. But our guidance is that Rs. 2,900 crores plus other order expected in next year, we will be completing Rs. 4,000 crores from our existing capacities. So we are hopeful of achieving Rs. 5,500 crores guidance in FY '26.

R.C. Mansukhani: Our order we have to complete in one year maximum, still the 14 months to go to complete here. And that's why we are confident, ultimately in business we have to do the confidence and the projections also.

Raj Mahadeviya: I think to meet those numbers you need to win Rs. 1,100 crores of orders in the next two months?

R.C. Mansukhani: We have already bid, Rs. 15,000 crores bid is there and we are very confident to get it.

Raj Mahadeviya: Understood, sir. Thank you.

R.C. Mansukhani: Thank you.

Moderator: Thank you. The next question is from the line of Yash Mehta from RBC. Please go ahead.

Yash Mehta: Yes. Thank you for the opportunity. Sir, I wanted to ask the revenue guidance for FY '26 is Rs. 5,500 crores, what is the volume growth are we expecting in FY '26?

R.C. Mansukhani: So volume growth, because of the market is soft in few months, lasts one year. So volume growth we are anticipating around 20%, 25% more.

Yash Mehta: This is for FY '26, right?

R.C. Mansukhani: Yes, sir.

Yash Mehta: Okay. Thank you very.

Moderator: Thank you. The next question is from the line of Raj Mahadeviya from MoneyGrow India. Please go ahead.

Raj Mahadeviya: Hi sir. Sorry, thank you for taking my question. What would be the net debt to EBITDA in FY '26 and '27 as you see it?

R.C. Mansukhani: '26-'27 as we already communicated, there will be the borrowing in the subsidiaries company. And Man Industries is having only guarantee, and partly in some cases.

Raj Mahadeviya: But sir, at a consolidated level you would still have to show it as a borrowing?

Sandeep Kumar Garg: If you are talking about '27, after both the projects implemented, our volume will be around Rs. 950 crores, roughly. And EBITDA guidance we are giving same, around 11% to 12% going forward which we are maintaining now. We are hopeful to maintain it, same EBITDA margin guidance in the next year.

Raj Mahadeviya: Understood. So I am just doing a quick math. So we are talking about 1.25 net debt to EBITDA, 950 on about 780?

Sandeep Kumar Garg: Yes.

Raj Mahadeviya: Okay. Perfect. Thank you.

Sandeep Kumar Garg: Thank you.

R.C. Mansukhani: Thank you. You were well prepared.

Moderator: Thank you. As there are no further questions, I now hand the conference over to the management for the closing comments.

Sandeep Kumar Garg: Thank you all the participants in this earning concall. I hope we were able to answer your questions satisfactorily, and at the same time offer insight into our business plan. If you have any other further questions or would like to know more about the company, please reach out to our investor relation manager at Velorem Advisors. Thank you very much.

Moderator: Thank you members of the management team.

R.C. Mansukhani: Thank you a lot.

Sandeep Kumar Garg: Thank you very much.

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