JAI BALAJI INDUSTRIES LIMITED

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To
The Manager
Listing Department,
National Stock Exchange of India Limited
"EXCHANGE PLAZA", C-1, Block G
Bandra–Kurla Complex, Bandra (E)
Mumbai – 400 051
(Company's Scrip Code: JAIBALAJI)

To
The Manager,
Dept. of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001
(Company's Scrip Code: 532976)

Dear Sir/Madam,

Sub: Transcript of the Earnings Con-Call held on 14th August, 2026

With reference to the captioned subject, please find enclosed the transcript of the Earnings Con-call for Q1FY27 held on August 14, 2026.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Jai Balaji Industries Limited**

Ajay Kumar Tantia
Company Secretary

Ajay Kumar Tantia

Digitally signed by Ajay Kumar Tantia
Date: 2026.08.17 14:55:49 +05'30'

"Jai Balaji Industries Limited

Q1 FY'27 Earnings Conference Call"

August 14, 2026

MANAGEMENT:	**MR. ADITYA JAJODIA – CHAIRMAN AND MANAGING DIRECTOR – JAI BALAJI INDUSTRIES LIMITED** **MR. RAJ KUMAR SHARMA – JOINT CHIEF FINANCIAL OFFICER – JAI BALAJI INDUSTRIES LIMITED** **MR. VIJAY BAGRI – PRESIDENT FINANCE – JAI BALAJI INDUSTRIES LIMITED** **MR. AJAY TANTIA – COMPANY SECRETARY – JAI BALAJI INDUSTRIES LIMITED**
MODERATOR:	**MS. SANA KAPOOR – GO INDIA ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to Jai Balaji Industries Limited Q1 FY'27 Earnings Conference call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Sana Kapoor from Go India Advisors. Thank you and over to you, ma'am.

Sana Kapoor: Thank you, Huda. Good afternoon, everybody, and welcome to Jai Balaji Industries Limited's earnings call to discuss Q1 FY27 financial performance. We have on the call Mr. Aditya Jajodia, Chairman and Managing Director; Mr. Raj Kumar Sharma, Joint Chief Financial Officer; Mr. Vijay Bagri, President Finance; and Mr. Ajay Tantia, Company Secretary.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risks that the company faces. May I now request Mr. Aditya Jajodia to take us through the company's business outlook and financial highlights, subsequent to which we will open the floor for Q&A. Thank you and over to you, sir.

Aditya Jajodia: Thank you, Sana. A very good afternoon to everyone. We are pleased to welcome you all to our Q1 FY27 earnings conference call. Our Investor Presentation and the Financial Results have been uploaded on the Exchanges and we hope that you have had the opportunity to review them. We are very pleased to report a healthy start to FY27 with JBIL delivering a very resilient performance in Q1 revenue. The adjusted EBITDA and the PAT increased by 46% and 21% year-on-year respectively, which reflects the benefits of price normalization, operational efficiency, and our continuous focus on improving the product mix.

Talking about the industry environment, the ductile iron pipes market continues to remain subdued in the near term, primarily due to the slow government ordering and project execution. However, we believe that the underlying requirement for water and irrigation infrastructure remains very strong with a meaningful pipeline of government-led projects supporting the medium to long-term demand outlook.

A key structural driver is the Jal Jeevan Mission 2.0, which has been extended up to December 2028 with a total outlay enhanced to INR8.69 lakh crores, including INR3.5 lakh crores of central assistance. The restructured mission moves beyond infrastructure creation towards reliable and sustainable water services and with also greater emphasis on service delivery, source sustainability, and operations and maintenance.

The AMRUT 2.0 also continues to provide a meaningful opportunity for the DI pipe industry with its focus on urban water supply, transmission and distribution networks, sewerage and water treatment infrastructure. In addition, the progress on major river interlinking and irrigation projects, including the Ken-Betwa and the Polavaram-Godavari-Krishna link, provides further visibility for DI pipe demand over the medium to long term.

While the near-term environment remains measured, we remain constructive on the recovery in government ordering and project execution as fund releases improve. We will continue to monitor the pace of execution closely and remain prepared to ramp up our expanded DI pipe capacity as demand conditions improve.

On the ferroalloy industry front, the segment continues to witness strong momentum with realizations improving consistently over the last five quarters. This is supported by a very healthy steel demand and increasing requirements for specialized and high-performance steel where ferroalloys play a critical role in enhancing strength, durability, and other performance characteristics. We therefore remain very positive on the medium-term outlook for this particular segment.

Now coming to our strategic initiatives in Q1 FY27. We have committed to strengthen our capacity base. Our DI pipe capacity has increased from 5 lakh tons to 5.5 lakh tons per annum, positioning us well to ramp up utilization as the demand revives and market conditions improve. In parallel, our specialized ferroalloy capacity is also being enhanced to 1.9 lakh metric tons per annum from 1.66 lakh tons, and our blast furnace capacity will increase to 7.5 lakh tons per annum from 6.3 lakh tons capacity, and sinter capacity to 12.08 lakh tons from 9.08 lakh tons.

These enhanced capacities are expected to be commissioned by Q3 FY27. These investments are aligned with our broader strategy of increasing the contribution of value-added products, improving operating leverage, and strengthening the balance sheet. As part of our Jai Balaji 2.0 strategy, we remain very focused on specialized products like ductile pipes, specialized ferroalloys, and also on cost reduction and sustained debt reduction.

Our integrated operations are further supported by three dedicated railway sidings which provide a significant logistics advantage by enabling efficient movement of raw materials and finished goods and while reducing transportation costs and turnaround time.

We have also continued to make strong progress on deleveraging with our net term debt reducing significantly from INR3,408 crores in FY21 to INR188 crores in Q1 FY27. Our net term debt to debt-equity ratio stands at a healthy 0.07 in FY26 end, providing us with a strong financial foundation and ample headroom to support future growth. We remain committed to further strengthening our balance sheet through sustained debt reduction.

On the capex front, we have made strong progress on our ongoing expansion program. We have already invested INR1,076 crores, mostly through internal accruals, while the overall project outlay has been revised from around INR1,000 crores to INR1,112 crores, primarily due to technical upgrades, additional ancillaries, some inflation, and some time overruns also. The balance of around INR35 crores to INR40 crores is expected to be completed by the end of this current year 2026. These investments will further strengthen our capacity base and support the next phase of our growth.

Coming to our operational performance, the production across key products remained very healthy during the quarter, while offtake was led by pig iron, TMT, billets, ductile iron pipes, and ferroalloys, and the sales remained broadly stable reflecting the current market environment.

Importantly, value-added products accounted for 42% of the total sales in Q1 FY27, highlighting the continued progress in our product mix.

Realizations improved across key products during the quarter, led by a strong 46% year-on-year increase in ferroalloy prices and a 16% year-on-year improvement in pig iron prices, while sponge iron and billets remained broadly stable. Specialized ferroalloys continued to be a key driver of growth, contributing around 27% of revenues in Q1 '27, supported by our specialized product portfolio and long-term customer relationships and premium realizations.

Coming to our financial performance, revenue grew 24% year-on-year to INR1,683 crores, with value-added and specialized products now contributing around 40% to 45% of revenue. Adjusted EBITDA and PAT increased by 46% and 21% year-on-year to INR154 crores and INR85 crores respectively, driven by price normalization and operational efficiencies. Operational EBITDA stood at 9% and the PAT margins stood at 5% respectively.

To conclude, we remain encouraged by the structural opportunity in the pipes industry supported by the Jal Jeevan Mission 2.0 and AMRUT 2.0, irrigation and river interlinking projects. And with our DI pipe capacity now at 5.5 lakh tons per annum, expanding specialized ferroalloy capacity, increasing contribution from value-added products, and continued focus on financial discipline, JBIL is very well positioned to capitalize on the next phase of the industry recovery.

We remain focused on strengthening operating efficiencies, improving our product mix, and creating sustainable long-term value for our stakeholders. We can now open the floor for question and answers. Thank you and over to you, moderator.

Moderator: The first question is from the line of Jyoti Singh from ICICI Securities. Please proceed.

Jyoti Singh: Hi, sir. Good afternoon.

Management: Good afternoon.

Jyoti Singh: Yes, so I have a couple of questions. The first one is with the Jal Jeevan Mission 2.0 extended until December '28, when do you expect the increased government spending to actually translate in the DI pipe dispatches?

Management: This is Varun Jajodia looking after the market. Recently in this year, already around INR10,344 crores have been released by the center and gradually the matching share will be also given by the different states. So, we would be looking at a post-monsoon recovery in the dispatches and the payments, and from the third quarter things should improve now.

Jyoti Singh: Okay. What are the key bottlenecks currently delaying these pipe orders in case like tendering, project execution, funding, or is there anything else?

Management: It is coming from the government's backlog because there was a big backlog happened last year as the last year from the budget only INR1,560 crores was released by the center. So that backlog remains the constraint. Now things once the funds are released, so things will be coming into shape post-monsoon. And post-monsoon the lifting and the laying will be taking place.

Jyoti Singh: Okay, noted. If you can provide us the volume guidance for DI pipes and ferroalloys for FY27, also if you can give a difference in terms of how much is expected from the DI and the other segments?

Management: Ma'am, DI contributed around 15% of the first quarter's turnover. As things are opening up, we don't know how it is going to pan out in next three to four quarters, what will be the demand. So as of now, we are not giving any projections, but definitely we are ready to encash it as the market progresses.

Jyoti Singh: Okay. And for your -- hello?

Management: For giving any numbers, I think it will be speculative right now because there are a lot of moving parts. Different states are giving -- some of the states have started giving orders, some of the states have still problems. So, it has not opened up entirely for pan-India. So, it will be very difficult for us to give you volume guidance right now.

Jyoti Singh: Okay. Any guidance in terms of what sort of utilization you are targeting with the expanded 1.9 lakh ton per annum ferroalloy capacity in FY28? Is there any projection that has been kept for this?

Management: In ferroalloys, we achieved a capacity utilization of more than 80% in the last quarter, and it is around 27% of the turnover currently. So, as we commission the new module by December-January, capacity utilization in ferroalloys will remain at around 80% to 90%.

Jyoti Singh: Okay. Got it. That's it from my end. Thank you so much.

Moderator: The next question is from the line of Rajesh Bhandari from Nakoda Engineers. Please proceed.

Rajesh Bhandari: Good afternoon, sir, and congratulations for good results, good profit. Sir, I wanted to know the basic breakup of our revenue, that is 1682. What is the exactly the item if I can get the breakup? Because I couldn't get breakup anywhere else.

Management: I'll read out the numbers to you. Sponge iron is 7.4%, pig iron is 19.13%, ferroalloys is 27.33%, billets are 3.54% (minimal amount), TMT bar is 14.83%, ductile iron pipe (the basic amount that I have) is 14.95%. Some amount of coke was also sold, that is only 7%. Apart from this, there is 1% of scrap and the fines which have got sold. This completes the INR1,683 crores.

Rajesh Bhandari: Okay. Sir, generally speaking, if one were to need this, where and how could these details be obtained?

Management: Sir, ye aap -- you can write it to Sana or me on my email ID. Raj Kumar Sharma is given in the presentation. Any query, I will definitely send it to you.

Rajesh Bhandari: Okay.

Management: The value-added in this combination is around 42%, which we consider ferroalloy, ductile iron pipe. Apart from this, TMT bar is another 14.83%. Our intention and the plant is designed to cater to value-added ferroalloy and ductile iron pipe as around 70% of the sales that we want to do. Now that the ductile iron pipe market is not -- the orders are not coming, therefore we had to go for alternate product, the commodity side, pig iron, TMT, billet, and all those.

Rajesh Bhandari: Yes, yes.

Management: But now we expect this DI pipe order to come.

Rajesh Bhandari: Sir, expectation is definitely over there, but given it is a government-backed sector where the main buyer is directly or indirectly the government, in any timeline, I think it will be somewhat speculative.

Management: Haan, I know, but wo jaise Jal Jeevan Mission aur AMRUT Mission 2, to uske andar the way government will be spending, it is expected to improve.

Management: See, it is absolutely expected, but what happened in the last ten-four quarters because all the spending was below expectations, last year the situation was very bad.

Rajesh Bhandari: Yes, yes. Last year was very bad. Yes, Yes. Correct.

Management: To what we assume is that last year we hit the bottom. Normally, there is no likelihood of it dropping any further. So, once it hits the bottom here, it is bound to show some improvement. However, the fact is that it is a government program. absolutely committed government is committed to these water laying schemes etcetera. But the investment has to know, to the budget which has been delayed, but now we expect that post-monsoon and post-release of these funds, these activities will have to pick up.

Rajesh Bhandari: And Sir, I had two more questions. If only by FY28 and FY30, what kind of turnover can we expect, turnover and the profits?

Management: Sir, with the given capacity probably which is getting completed in Q3 of this year, you can say end of the calendar year December 2026, with the given capacity it should reach INR7,000 crores to INR7,500 crores in a normal market.

Rajesh Bhandari: In '28. And what about '30, 2030?

Management: Sir, by that time what will be the capacity, what will be the capacity addition, right now we have not calculated. We are mainly focused on this ductile iron pipe capacity, running our basic model pig iron, TMT, billet, and whatever ductile and ferro. Ferro market has been very good, so we are currently focusing on the ferro market and trying to revive this or working with the ductile iron pipe market.

Pig iron, TMT, billet, this actually sells. Yes, yes, sir. So, there is a difference between the two. One is 6% to 8% commodity business EBITDA margin, other is 12%, 13% plus, and ferroalloy 16%, The margin is upwards of 17%. So, with this blend we will wait for the market to get revived. New capacity in the existing plant that we have, we have almost occupied the entire 400 acres of land.

Rajesh Bhandari: And Sir, once these war conditions improve, will things get better for us?

Management: Look, it will definitely improve. I mean, our export level -- yes, it will certainly improve once the war situation gets better; it is absolutely bound to happen. Yes, indeed.

Rajesh Bhandari: And we were also considering that alternative to plastic pipes -- the Di-Pipe -- right, Sir?

Management: See, that plant we had put up as a trial module with an investment of very large around INR20 crores only. But so far, we've not been able to sell even a single piece of pipe. Why we had put up this plant? Because certain people in the industry, they were sometimes telling us that we were very skeptical about it -- ki ye replace kar dega certain plastic pipes or steel pipes or DI pipes also. Ji, ji. But we are -- to be honest, we are very happy to say that we've not been able to sell any of these pipes. To ye establish ho gaya ki it is not going to replace any steel pipes or any ductile pipes. Plastic pipes karne ke liye iski costing hi nahi aati, to ye aaj ke din to matlab ki ye project is in abeyance. Ji, ji.

Rajesh Bhandari: And where should I write about the breakup, Sir?

Management: The breakdown wasn't provided because there were no sales -- it was zero, that's why.

Rajesh Bhandari: No sir no. Which email ID should I send for breakup request?

Management: You can send to my email ID, RK Sharma. It is given in -- at the end of the presentation.

Rajesh Bhandari: Okay, at the end of presentation. Theek hai sir, theek hai. I'll send it there. Yes, sir. Thank you, sir.

Management: Thanks.

Moderator: The next question is from the line of Yash Purbhe from Inved Research. Please proceed.

Yash Purbhe: Yes, hi sir. Good evening. So my first question is, sir, you have said that from H2 and in FY27 we see recovery in the volume. But sir, how are we seeing the competitive intensity and would we feel any pricing pressure?

Management: See, the competitive intensity will be there because currently because the currently the industry with our pipe capacity utilization this particular quarter was only 30% on the enhanced capacity. Similarly, competitors, they also are operating somebody in 25% range, somebody in 30%, 35% range. So, competition intensity will be there till the time capacity utilization crosses 65%, 70%. But now this capacity utilization again it is a function of the orders.

Once the orders are released, immediately it can be ramped up also by everybody. As far as the pricing is concerned, the prices as already mentioned earlier also, the prices already are at rock bottom. In fact, the contribution of the pipe business practically in this particular quarter when we attribute it to pipe, it is basically the same similar margins as what we have got in pig iron. So not much value addition was there. So, from here things cannot get worse, it has to improve.

Yash Purbhe: So, sir, can you please provide any guidance if possible, on the EBITDA, EBITDA per ton front?

Management: You missed what we said.

Yash Purbhe: Sir, can you provide any guidance on the EBITDA, EBITDA per ton front?

Management: You want the current quarter or the…?

Yash Purbhe: No sir, in future as you are saying that the prices are already at rock bottom, so any sustainable EBITDA guidance?

Management: Look, providing EBITDA guidance for the pipe business would be speculative at this stage, because prices have dropped by 25% to 30% compared to where they stood a year and a half ago. Prices have fallen by 25% to 30%. So, what we can only predict at this moment is it cannot get worse. It has to improve, but to provide a really tangible guidance would not be fair to anybody. Maybe when we meet next quarter, we'll be in a better position to guide you on the prices.

Yash Purbhe: Fair enough. And sir, how are you seeing demand on the front of specialized ferroalloys in domestic versus exports market?

Management: There is a increasing market always was there for ferroalloys and especially our customer base is constant and it is -- and we are getting repeat orders from the customers and we are utilizing our more than 80%, 85% of our capacity and we have repeat orders. So, there is no constraint as such. We are exporting to more than 42 countries today.

Yash Purbhe: And sir, going forward in next two, three years, how much would be the contribution from value-added and specialized products?

Management: Right now, it is 42%, 43% and the plant is designed to achieve somewhere in the region of 70%. So, we'll see how ductile iron pipe -- once the ductile iron pipe the capacity utilization increases, immediately it goes up to 70%. It all depends on the ramp-up and the demand of ductile iron pipe. The plant is already designed and the capacity existing for 70% -- to achieve 70%.

Yash Purbhe: Okay sir. Thank you. Those were my questions and best of luck.

Moderator: The next question is from the line of Vidhi from CR Kothari. Please proceed.

Vidhi: Hello. Good afternoon, sir. Sir, I would like to understand on your capex. First, it was INR1,000 crores, now it is close to INR1,100 crores. So, can you explain what led to the increase?

Management: See, the increase, madam, it is not much. It is only around 7% to 8%. What happened is that some shipments from China etc. for equipment got delayed. There was a dollar -- there was a general inflationary trend and also what freight increased for some products when we've been importing as plant and machinery, the currency devalued. So, it is not much, madam.

And also, some technical upgradation while we are putting up the projects, means a couple of new ideas popped up to technically upgrade the plant capacities. So, it is not much, madam, it's hardly 7% to 8% increase. And that was an estimated figure where we were hitting to meet with that figure, but it is not substantially large one.

Vidhi: Understand, sir. And what is the current order book visibility on DI pipe over next two to three quarters if you can provide?

Management: Madam, as per the current dispatch position, it is the equivalent of say, the current capacity utilization, it is around four months' order book.

Vidhi: Okay. That's it from my end. Thank you, sir.

Moderator: The next question is from the line of Mihir Vyas from Nine Rays EquiResearch. Please proceed.

Mihir Vyas: Hi, sir. Thank you for the opportunity. I just wanted to know whether we have received any funds for the Jal Jeevan Mission pending dues which we had.

Management: Yes, we have started receiving some funds in small parts although, because it is released from the center. Now from different state operatives and some departments, it has been coming, but it is coming in very small lots and it will be coming -- increasing in the near future.

Mihir Vyas: Can you quantify, I mean in terms of what receivables we had at the start of the year and now how much have we received?

Management: Sir, exact numbers are not ready with us immediately, but as a ballpark figure, Sharma ji? Around out of the outstanding, around 25%, 30%, 35% of the money has been released and the balance we expect that now the flow has started to a little more, I will say, thicker in the last one month. So, we expect that over the next two to three months, four months, the old outstanding should be liquidated.

Mihir Vyas: Okay, sir. Thank you. Thank you for the opportunity.

Moderator: The next question is from the line of Rishabh Vora, an Individual Investor. Please proceed.

Rishabh Vora: Hello. Can you hear me?

Management: Yes, please.

Rishabh Vora: Yes. I was just wondering if you could give us some sense of the margin profile for specialized ferroalloys versus your conventional steel products, if I can get a guidance on that.

Management: So, for conventional steel products, the margins vary between 5% to 7%, and for specialized ferroalloys it's around 15% to 18%.

Rishabh Vora: Okay. Sure. Okay. And a couple of more questions. So once DI pipe demand normalizes, what utilization level do you think the 5.5 lakh TPA capacity can achieve?

Management: See, the management will always be hoping that we are able to achieve more than 60%. Okay. See, normally 80% is the 100%. So, if we achieve 60%, it will be really a good capacity utilization.

Rishabh Vora: Okay. Sure. And another question, would you expect DI pipe margins to improve meaningfully with higher utilization, given the operating leverage in the business?

Management: It all depends on the market demand and the capacity which is in place domestically. So it is a very complex question to be asked. We will not be able to answer it right now what will be the margin. Whatever we have achieved in first quarter around 12%, that is good enough and it should go up to 18% if the prices improve. One thing which I also mentioned, I think you might have missed it also, is that today we are sitting at the rock bottom prices. From here the prices cannot be worse. Demand cannot be worse. It has to be better only.

Rishabh Vora: Okay. Got it. So, another -- if I may ask another question. So are you seeing any meaningful improvement in inquiry levels even though actual order flows remain slow?

Management: See, inquiry levels are there, but you see the projects are there which have not been completed. The contractors are already stuck with the old outstanding. So, till they get their old funds, they cannot release further orders and there are still old orders with us or with all the manufacturers. But till then we get the funds, till then they get the funds, they cannot ask for fresh supplies. So as soon as the blood comes in the body, things will go ahead and improve each and every project.

One thing I would like to add over here, I think we are getting so focused on DI pipe, which is the important segment for us, no doubt. But one thing which I would like to highlight from the management's perspective, which I did not mention in the opening remarks, is that other than DI pipe, there are -- DI pipe definitely will be one mainstay of the business. But other than that, the other verticals also, the verticals of this -- of the specialized ferroalloys, of the commodity business also where the capex is now being spent to reduce the cost and to increase the volume. So there also margin expansion should take place.

Also, another good event which has happened place is that our 80%, 90% of the capacity is in the state of West Bengal. And in the state of West Bengal, there has been a change of government and a lot of activity on the ground in terms of development has started, which was something was stagnating over here for the last two years. So now a lot of development is going on. So, say products like TMT bars, which we are not even discussing, nobody has even asked a single question on TMT bars.

So, these products in Bengal, we were selling hardly 15%, 20% of our material. Going forward in the next year, we are foreseeing that probably we'll be able to sell around 50% to 60%, 70% of our TMT bars in West Bengal. So, from these segments also, these are not small segments. These are also very large capacities by Jai Balaji in this market. So, these segments should also see substantial traction going forward in the forthcoming months.

Rishabh Vora: Okay. So that answers all my questions. So, thank you. Thank you for the opportunity. Thanks.

Moderator: The next question is from the line of Chidananda Mohanty, an Individual Investor. Please proceed.

Chidananda Mohanty: Hello. Good afternoon, sir. So, my first question is regarding DI pipe capacity. So what is the current capacity utilization for the DI pipe capacity? And earlier you have guided that in this financial year the production is going to exceed 4 lakh tons. So any -- any numbers on that and future guidance also?

Management: Right now, in the first quarter, the capacity utilization was 30% of the enhanced capacity. Around 100 and going forward as per the orders improve, we are ready to encash this. Production in the first quarter was 41,000. The annual capacity is 5,50,000. It is somewhere in the range of 30%, 33%. And if the market improves, it should go or double up. We -- first target is to achieve 50% to 60% capacity utilization and we'll see as per the orders are coming.

Chidananda Mohanty: Okay. So, my next question is in the lines of ferroalloy business. So the margins have improved in last few quarters or -- Yes, quarters. Then how do you think in future what could be a sustainable margin range and for modeling purposes, what can the margin that we can consider for a good number?

Management: See, for ferroalloy business, as the share of specialty ferroalloy increase in our overall mix, we expect the margin to sustain between 15% to 20%. As you know, India is strategically positioned in ferroalloy because of globally available cheap power. The Western countries, especially due to war and the after Ukraine crisis, the energy prices are at all-time very all-time high levels. So, India is very well positioned to supply to the world because of its availability of cheap power in India.

And we in Jai Balaji Group have developed a very, very good customer and loyal customer base. And we expect the margins to remain at these levels only. Maybe 1%, 2% plus-minus because of sometimes, you know, raw material cost or freights, margin might change, but by and large, 15% to 20% can be a long-term guidance.

Chidananda Mohanty: Okay. Okay. So, my last line is in the line of capex. In past few years you have done like good amount of capex and that --

Management: Yes, yes.

Chidananda Mohanty: So, my last question is regarding capex. So in last few years you have done good amount of capex and I couldn't really -- I couldn't really see the same thing in top line and bottom -- bottom line. So, can you say anything about that and what can we expect in future regarding this?

Management: See, if you talk about the capex, a good portion of it was done for the ductile iron pipe as well as the backward integration for that. When you compare to top lines, it is not apple-to-apple. We have also given you the volume figures of the past and the current data. As you can see in most areas, the volume, especially in pig iron, has increased drastically.

And our DI capacity was initially 2.5 lakh tons, which we have almost increased by 200% or 100% plus to 5.5 lakhs. Our sinter capacity was 6 lakh tons. Now it is becoming 12 lakh tons. So by and large, a lot of backward integration projects were being done to optimize the cost levels and efficiency as well.

Chidananda Mohanty: Okay. So, you are trying to say these all these capex impact would be seen in operating or margins, not in top line?

Management: Yes. If I understood it correctly, whatever expenditure we had done for ductile iron pipe, which should have increased the turnover because of the margins, it is not visible in numbers. We'll have to wait for some time once the market is back, definitely the turnover will go up. As far as the backward integration, the pig iron, sinter, power, whatever work we have done, that is actually reducing our cost and increasing the efficiency. That is visible right now and it will improve.

Chidananda Mohanty: Okay. Okay. Understood. Understood. Thank you for taking my questions. Best of luck.

Moderator: The next question is from the line of Rajesh Bhandari from Nakoda Engineers. Please proceed.

Rajesh Bhandari: Sir, what is our current debt level?

Management: Sir, the repayable term debt stands at INR188 crores. Additionally, the working capital -- comprising both fund-based and non-fund-based components -- falls within the range of INR375 crores to INR400 crores.

Rajesh Bhandari: You mean total about INR600 crores?

Management: No, it won't be INR600 crores; it will be between INR550 crores and INR525 crores. That is the sanctioned debt I am referring to. Apart from that, a cash or unutilized position of INR70 crores to INR80 crores is always maintained. So, the net utilization always remains below INR500 crores, while the sanctioned limit stays around INR550 crores.

Yes, exactly. That is the case. Yes. The repayable amount is INR188 crores. And from the last year, debt level in spite of all the capex and the downturn in ductile iron pipe industry, our debt has remained either equal or has come down significantly, the repayable debt.

Rajesh Bhandari: Yes, yes. Finance cost has come down drastically, that I can see. Haan.

Management: As far as what we can project and I've seen the numbers, by the year-end March, it should again see a big dip. Yes, yes. Let's see how the market turns out. Yes, yes. Means we can expect ki company is going to perform better and better.

Management: Well, everybody's working for that. Yes, yes. Correct. Correct. Okay sir. Thank you, sir. Thank you very much.

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

Management: I would like to thank everyone from Team Go India, the moderator also, Sana also, and all the participants for sparing their valuable time. In case anyone has any more queries, I think Go India and Mr. Sharma will be able to provide you with more details. Thank you so much once again for your time, please.

Moderator: Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you, everyone.