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MAYUR UNIQUOTERS LIMITED

Manufacturers of Artificial Leather/PVC Vinyl

Ref: MUL/SEC/2026-27/39 **Date: August 10, 2026**

To,

BSE Limited
Phirozee Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
(Maharashtra)
(Scrip Code: BSE- 522249)

National Stock Exchange of India Ltd
Exchange Plaza, 5thFloor, Plot No. C/1,
G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai-400 051
(Maharashtra)
(Trading Symbol: MAYURUNIQ)

Subject: Transcript of Earnings Conference call held on August 06, 2026.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("Listing Regulations") we submit herewith the transcript of Earnings Conference Call held on August 06, 2026 of the Un-Audited Financial Results of the Company for the quarter ended on June 30, 2026.

The above information is also available on the website of the Company at www.mayuruniquoters.com

You are kindly requested to take the same on record.

Thanking you,

For Mayur Uniquoters Limited

KAPIL ARORA

Digitally signed by KAPIL ARORA
Date: 2026.08.10 14:15:49 +05'30'

Kapil Arora
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A Texture For Every Idea

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"Mayur Uniquoters Limited
Q1 FY27 Earnings Conference Call"
August 06, 2026

MANAGEMENT: **MR. ARUN BAGARIA – EXECUTIVE DIRECTOR – MAYUR UNIQUOTERS LIMITED**
MR. VINOD KUMAR SHARMA – CHIEF FINANCIAL OFFICER – MAYUR UNIQUOTERS LIMITED

MODERATOR: **MR. RAHUL DANI – MONARCH NETWORTH CAPITAL LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Mayur Uniquoters Limited Q1 FY27 Earnings Conference Call hosted by Monarch Networth Capital Limited. This conference call may contain forward-looking statements about the company, which are based on this call, beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rahul Dani. Thank you, and over to you, sir.

Rahul Dani: Yes. Thank you, Anushka. Good afternoon, everyone. On behalf of Monarch Networth Capital, it's our pleasure to host the senior management of Mayur Uniquoters. On the call today, we have Mr. Arun Bagaria, Executive Director; and Vinod Kumar Sharma, CFO of the company.

We will start the call with opening remarks from the management and then move to Q&A. Thank you, and over to you, sir.

Management: Thank you, Rahul. Good afternoon, dear investors and analysts. It's a great pleasure to address you as we reflect in the past year and look forward to the future of the company. Your support and trust in Mayur Uniquoters have been instrumental in our success, and we are honored to share with you the performance of Mayur. Thanks for giving your precious time to join Mayur Uniquoters Limited Q1 FY27 Conference Call.

Mayur Uniquoters Limited, being a market leader in the synthetic leather industry and an organized player, has been able to leverage emerging opportunities and delivered exemplary performance in past years, both in national as well as international business markets.

Now I would like to start with financial highlights for Q1 FY27 under review, and we will also reply to your queries after our review of the financial results for the quarter. The company has achieved the revenue from operations on a standalone basis is INR247.03 crores, PBT INR77.79 crores and PAT INR58.95 crores. In this quarter, the standalone revenue increased by 20% and PBT and PAT, both increased by 41% and 43% on Y-on-Y basis. The revenue from operations on consolidated basis is INR269.23 crores, PBT INR74.12 crores and PAT INR56.12 crores.

In this quarter, the consolidated revenue increased by 25% and PBT and PAT, both increased by 35% and 38%, respectively. Further, our endeavor is to make the company as a preferred supplier for the leading OEMs in overseas market, especially the U.S. and European regions. And in this context, we have received some good OEM supply orders from U.S.A., which have already started making good contribution to our export sales revenue and overall business profitability. And this sales growth and increased momentum is expected to continue in the next 2, 3 years. While pursuing our business interest, Mayur Uniquoters has also been endeavouring to fulfil our responses to our society.

Under the corporate social responsibility programs, we have contributed towards regular plantations around 50,000 plants already done and have a plan to do it at larger scale in coming years. The company has also adopted many happy schools for education of children. The company has worked on education for all and underprivileged children, various health care initiatives, especially child skill development, water for all, sanitation at school area, distribution of books, bags, clothes, etcetera, and most importantly, family planning and family welfare schemes in nearby villages. The state government has also recognized these initiatives on various platforms.

I'm thankful to all the investors for their valuable time to those who became the part of this earnings call. With this positive note, I would like to conclude and request you all to open the forum for questions and answers. Since we have a limited time of 45 minutes for the call, therefore, request to please avoid repeated questions. And I'm also giving you the segment breakup, you may note down.

Export general 30.24, export OEM 73.56, total exports is INR103.80 crores, auto OEM domestic 56.08, replacement, 36.52, footwear 41.16, furnishing 6.08 and other 3.38 and total domestic sale is 143.23. Total is 247.03. Over to you.

Moderator: Thank you very much. We will now begin the question-and-answer session. We take the first question from the line of Shubham Jain from NV Alpha Fund.

Shubham Jain: I hope I'm audible. My first question was the growth that we have shown in this quarter of 25%, how much of that was driven by volume and how much of that was driven by realization?

Management: The growth is driven by the volume is around 2% and remaining growth has come from price part.

Shubham Jain: Okay. And this realization increase is because of raw material price increase? Or is this because of mix change?

Management: It's a mix change.

Management: It's a mix because not only raw material prices, it is because our export business has grown, so it's a higher price item. So that's the reason for the growth.

Shubham Jain: Understood. Understood. My second question was on, we were going to expand another line in our existing facility, and we were evaluating a greenfield expansion as well. So what's the current plan in terms of expansion? And what is the capex plan that we're planning to do over the next 1 to 3 years?

Management: So we have already intimated in the last call also, so we have already ordered the line for our expansion in our current premises. So we should be able to start our production by -- towards the end of this financial year, somewhere between February, March 2027. So we'll have an additional production capacity of 5 lakh meters. So we are looking at two more expansions, but that is not finalized till now. One may be outside India.

And one may be in India, but that is India will take a longer time because we are already expanding our operations over here. So, if we go outside India, we are still evaluating where we want to put. We have not taken a final call on that. Once we take the final call, we'll let you know.

Shubham Jain: Understood. So just a follow-up on this. We've been speaking about this international expansion for a while.

Moderator: Sorry to interrupt, Mr. Shubham.

Shubham Jain: Ma'am, it's a follow-up question on the previous question itself.

Management: Okay. I'll just tell you because, see, there's a lot of volatility in the market. We are still getting business with the current setup right now. We definitely need to put more plants somewhere outside India. But because of all this Trump tariff, the West Asia war or multiple things happening in the last few years, we have not taken a final call where -- which should be the ideal location to put our plant.

So it could be in Mexico, it could be in U.S., it could be in some other NAFTA areas. We are still considering various options, but there's so much of volatility in the market. So it's not easy to decide where exactly we should put the plant right now.

Shubham Jain: Understood. Understood. And based on the expansions that we have already done, what is the peak revenue that we can do as per realizations today?

Management: So, the expansion that is by adding one more line?

Shubham Jain: Yes.

Management: So just simple, like if you just add 5 lakh meters into INR300 linear meter average price, so it will just give you the -- it's around INR150 crores more per year annually, then we have some capacity in an additional facility also. So maybe an additional of INR300 crores to INR400 crores, but it depends also a lot on the product mix.

So, like are we expanding more on the export front? Or are we expanding more on the domestic front? But anywhere between INR250 crores to INR400 crores could be a figure that you can see depending on the product mix.

Moderator: We take the next question from the line of Molecule Ventures.

Saloni: Yes, first of all, congratulations on a good set of numbers yet again. So first, I wanted to ask you regarding the volume mix that we have mentioned, the export mix, sorry. So, can you just repeat that, if it's possible? What was the percentage?

Management: All the numbers or only export and domestic?

Saloni: Yes, export and domestic.

Management: In total, export total was...

Saloni: Yes, total.

Management: Yes, export is INR103.80 crores and domestic is INR143.23 crores.

Saloni: Okay. Sir, a follow-up regarding exports. So, in the last con call, you mentioned that it has -- the margin expansion is primarily because of value-added mix and the growth coming from the export market and a sustainable number would be between 25% to 30%. So, what was the reason that sequentially we basically did not continue with the same trend on the margin? And going forward, what is our outlook on the export market?

Management: No. This margin is -- actually, we told you earlier also in our previous con call that margin -- sustainable margin will be 25 plus 1% or 2%. But last quarter, it was abnormally high because of foreign exchange increase in -- abnormally high increase in foreign exchange rates. So that was a onetime increase basically. But this present quarter's margin will be sustainable and expected to continue.

Saloni: Okay. Sir, any reason for this 2% volume growth? Currently, what is the capacity utilization of our existing capacity?

Management: So, we are utilizing somewhere between 75% to 78%.

Saloni: Okay. And how much would this 5-lakh meter attribute to in terms of capacity addition?

Management: I just told you the figures just 2 minutes back. So basically, so we have an installed capacity of 3.5 million. So it will be like -- for PVC, I'm talking about. So, it will be 4 million meters per month basically. But it depends again on the product mix.

So if we are making more products based on less thickness, like maybe 0.8 mm, it could be 4.1. And if we are making more thicker products, it could be 3.8. The capacity also depends on whatever product we make, but you can say somewhere between 3.5 million to 4.2 million meters per month.

Saloni: Why I'm trying to understand this, sir...

Moderator: Sorry to interrupt, Ms. Saloni.

Saloni: This is the last question from me, ma'am. So, what I'm trying to understand for is because we are already operating at 75%, 80% capacity utilization and the INR50 crores additional line won't basically move that much. It's just the major capex that we've been planning for a long time now, which, again, as you mentioned, we are still evaluating. So, I just wanted to understand your perspective on the next leg of growth. So how much time would you think will it take for us to finalize on the time line and start with the major capex?

Management: So, we have already said that you can expect a top line growth of between 10% to 12% for the next 3 years. This is what we can say currently right now. And this we have mentioned very clearly on this thing.

So anywhere between 10% to 15% growth because certain things sometimes you plan and it's not in your hands. So anywhere between 10% to 15% growth, we are not looking very strong growth in the domestic market. But yes, we are looking at a very strong growth in the export market.

Moderator: We take the next question from the line of Viraj Kacharia from SiMPL.

Viraj Kacharia: Congratulations on a good set of numbers. Two questions, sir. One is if you -- when you say 2% volume growth in the quarter, export for us would have seen a higher volume growth. So that would mean that the domestic piece would have degrown. And if you see the market, especially auto, production itself has been upwards of 18%, 20% year-on-year.

Management: Okay. That is not necessarily true, excepting domestic footwear market where we have had a degrowth in the last quarter. I think so we have -- if you compare Y-o-Y from last quarter to this year's quarter, I think so we have grown on the domestic front also. And there's a degrowth in the export OEM market because the business -- the shipments will start going more from this quarter onwards. So it's not that there is a decrease in the domestic market and increase more in the export market. Exactly, you can say how much value you can say.

Viraj Kacharia: I mean, if you can just give volume growth for domestic and export.

Management: Volume growth for domestic and export is in total. Export is 9% plus is the growth rate and 1% is domestic growth rate. Overall, 2.77%, around 3%, you can take it.

Viraj Kacharia: Yes. So my point is in domestic, we have just had a flat growth when the auto production numbers have seen a very healthy growth…

Management: But again, some markets perform well -- has performed well in the last quarter. Some markets have not performed very well. So specifically, our footwear business, because you have to understand the price of raw material for footwear, not only the PVC prices, the sole prices increased drastically to -- it went up to almost like 2x, 3x last year -- sorry, in the last quarter. So obviously, the market was muted in the footwear segment.

Viraj Kacharia: Okay. Second question is, sir, see, if you look at our overall volume growth, which you shared, export has grown by 9%. And typically, that is also where you have the highest margin. But if you look on an EBITDA or a gross margin basis, we have seen some moderation. I understand last quarter is not a true benchmark to look at. But given the increase in mix, one would see -- so was there any under-recovery of raw material, which needs to be passed on to the customer? Just trying to understand.

Management: No, no, that's what I'm saying. Sometimes it takes time. Sometimes for strategic reasons, you don't increase the price for some customers, not for all customers. So obviously, there was an increase in the raw material prices, which started happening in the month of March. And the market has been very volatile since then. The prices went up very sharply, then there was a fall in prices of some raw materials. Then again, the prices went up again. So, it's been a very volatile situation.

So, it's very difficult to predict situations, which is out of our control. So, it's something that no one can predict. No one knows what will happen with the West Asia war tomorrow. Things look very stable right now. So obviously, whatever projections we give, we give based on our normal market situations. Certain situations are not in our control, which we cannot predict right now.

Viraj Kacharia: No, I completely agree with you, sir. I was just trying to understand if at all there was a under-recovery or not. I understand the environment we are in is very volatile. Last question…

Management: I'll say one thing, last quarter -- one quarter profit -- up and down, we are just giving you a picture on the long-term prospect of the company. We are not commenting what is happening in the next quarter, what will happen -- what happened in the last quarter or what will happen in the quarter after that. Whatever we are talking about right now, we are talking about the long-term prospect of the company. So last time, we had said that quarter-to-quarter, you don't do any analysis.

Management: Yearly basis.

Management: Based on our projections, yearly under normal situations, there should be this much growth and this much margin yearly. It can be plus minus 1% or 2%.

Management: Quarter-to-quarter.

Management: But there is only one thing in this, there are certain market situations which are very volatile and that is out of our control. But we are very confident that whatever we are saying, we should be able to achieve.

Viraj Kacharia: Understood. And last question sir….

Moderator: Sorry to interrupt Mr. Viraj, I would request you to join back the queue as there are several participants waiting for their turn. We take the next question from the line of Kiran from TableTree.

Kiran: A couple of questions. Sir, our export OEM last year same quarter, like Q1 FY26 was INR53 crores. This year, we did INR74 crores, which is a 39%, 40% increase in the export OEM space, which is fantastic growth when I compare to same quarter. So then even after this jump 40% of export OEM the gross margin has not improved. So is it like -- I mean, even accounting for raw material price increases, is there anything where we are facing pricing pressure on export OEM market?

Management: There are two parts in this. The first one, because of the Gulf War the problem arises that impacted the price in Q1. And secondly, because of this war, the shipments cost have also increased. It's 4x higher, the shipment cost was increased.

Management: So it is like this, sometimes in the spot OEM market because on the basis of one quarter you cannot ask a price increase from the customer, right? But you have to see how the market because, see, the war started, then the war died down also. We initiated requesting for a price increase, the crude prices started coming down, everyone thought when everything will stabilize obviously everything will start coming down. So when I started pressurizing then we put it on hold. And again the prices started increasing which was very, unexpected.

So obviously, we have not taken a price increase in the export market but you also have to look at one more thing in this 10% more or less natural hedge has happened. Right? If today I was selling material for US$8 and I was having realization of 85 to 86, so at 94 I was getting a 10% natural hedge.

That's okay, my raw material prices went up beyond that also. But we had requested, but we had not pushed because in the middle prices started coming down also very fast. So we have not taken any increase from my customer in the export market right now, OEM export market at least for the time being.

Kiran: Got it, sir. That is very helpful. Thank you so much. Second question sir, our other expenses quarter on quarter like March quarter to this quarter INR9 crores has increased. So this, is it a combination of forex losses and shipping or only shipping?

Management: No, it's mixed reasons. Some shipping cost, I already told you, shipping cost increased in this last quarter, 4x, okay, for the export and some traveling cost and other service cost, legal and professionals, etcetera, which we have incurred on that account. That expenses have increased in this quarter.

Kiran: Got it. So this will be a recurring expense, because freight cost has been elevated for a substantial number of months?

Management: No, we cannot say that this will be continued. But since the situation -- war situation will be improved, then definitely the freight charges may come down.

Kiran: Got it.

Moderator: Sorry to interrupt, Mr. Kiran. I would request you to join back the queue.

Kiran: I mean that was just a clarification, but, yes, fine.

Management: Majorly because of this freight increase and remaining is some service providers cost and this troubling and risk coverage cost. That is.

Kiran: Got it. Perfect thank you so much.

Moderator: Thank you. We take the next question from the line of Aman Soni from Seven Alpha Investors Private Limited. Please proceed.

Aman Soni: Hello. Am I audible?

Management: Yes, yes.

Aman Soni: Because of the recent FTA signed by India, how do you see our business from leather segment to shape up over the years? Maybe in next two to three years, how do you see growth coming in?

Management: I think so it's a very positive move for India. Definitely, we will be more effective in terms of cost. The sentiments of the customers to procure from India will definitely increase. So and definitely both especially in the Europe market, I mean very good sentiments are coming. Maybe customers might think of, you know, buying from India which they were avoiding because of their de-risking policies. So it's a very positive sentiment. Cannot comment that, how much business will increase with it right now, but yes a very.

Aman Soni: Second, can you please spend some time on explaining the current competitive landscape in the industry because we are seeing that automotive seating space is getting traction? For example, recently Uno Minda announced their entry in high value automotive seating systems. As new player are entering, demand of synthetic leather will increase and so does the attraction for newer players to enter in this space. Are you able to seeing that happen?

Management: Okay. So, it's like this, I told you our main area of de-growth in the domestic market has been footwear only. Definitely we are getting more business from the automotive OEMs also. And the business is not dependent on Uno Minda. The business is dependent by the OEM. So on which business model you get the business?

So basically a Tier 1 could be Uno Minda but Uno Minda is more into two-wheeler seats right now because they have taken the plant they had purchased the plant from Harita, I think so four years back or three years back. So we are already a supplier to them. They also entering the four segment market but depends on which platform they get the business and which platform the Mayur gets business.

So the business is driven by the automotive. Nevertheless, our main four-wheeler business which we are lacking right now is volumes from Tata and volumes from Mahindra. So our business from Mahindra will be increasing in the coming years. Tata we are still in a very initial stage right now. Definitely we should get some business, but which platform, it's very difficult to comment at this moment.

Moderator: The line for the participant has been dropped. We'll just proceed with the next participant. We take the next question from the line of Raman KV from Sequent Investments. Please proceed.

Raman KV: Hello sir, can you hear me?

Management: Yes, yes we can hear you.

Raman KV: Yes, sir. Two things, one if you can, our US OEM business has been clocking around INR80 crores, INR90 crores per quarter for last I think three quarters. So one is with respect to the growth of this particular business, what's your growth outlook and on from the growth perspective are you expecting to increase your wallet share or are you planning to increase your volume in terms of getting more orders from the US OEM clients, with respect to US OEM business? And if we can also provide US OEM order book, a ballpark figure on that? That's my first question. I'll ask the second question later.

Management: Surely. Sir we have already told that our US business will increase and next in next three years the business will almost be if not double at least 60%, 70% our US business will increase, right? In terms of US automotive. So our share of business in Ford was very less. So we have got good orders from Ford and the business will increase with Ford also and in Chrysler also.

So US automotive the business will increase. The Europe automotive sector we have business in South Africa both for BMW and Mercedes. We are definitely trying with other automotive customers also. But until there are proper headwinds, I don't want to comment on those business right now. Thirdly for their supply in Europe, we are participating in RFQs, but some we lost some RFQs in the past. More RFQs are coming in the near future. Until the business is awarded, I cannot comment on those things again.

Raman KV: Sir, the 60% growth you've mentioned, will it come from product expansion or client expansion or wallet expansion? I was asking that.

Management: Okay, so 60% I didn't say 60% I said last, next, fine, let's say, if you see it that way, flat 60% year-on-year I am not saying. I'm talking about total growth, you see. But anyways, so current client expansion will come from current client's business meaning wallet share was very low, it will come from that business increasing.

And rest we are always talking to other customers also but there's no point commenting until they have a strong headwind.

Management: If that comes, then that will be extra.

Raman KV: Sorry, I couldn't hear the last part.

Management: We are expecting the growth based on the existing customers.

Management: The increase in the wallet of existing customers basically. And if we are also talking to other OEMs, but it's very initial stages, so very difficult to comment that will get extra business in next three years or not. If we get it, it will be extra.

Raman KV: Okay, sir. And sir my last, second question is, you mentioned that there was a raw material cost inflation as well as the logistic costs have double or almost grown 4x. Have you taken any definitive price hike towards the tail end of this quarter or start of Q2?

Management: No, see specifically speaking of US, I also said in the last question, we had sent a mail for price increase, but then the market started softening so we didn't pursue those things right now. So the mail has gone not pushed very strongly because you have to see long term how it is in the long term because some because of strategic reasons only pushing the price doesn't help. So we see if the market is stabilizing. So currently if you speak of US market, we haven't taken a price increase.

Raman KV: So that's what I'm asking, whether you have a plan to take it?

Moderator: Sorry to interrupt Raman.

Management: I'll answer, we'll try but won't push right now because the market is again softening down. We'll see how the market behaves. 10% already received a 10% price increase, right? in terms of dollar rate. So now to push and how much to push, it depends on how the market plays out in the next two to three weeks, it will depend on that.

Raman KV: Understood, sir. Thank you. Thank you so much.

Moderator: Thank you. We take the next question from the line of Ashwini Damini from Ratnabali. Please proceed.

Ashwini Damini: Sir, most of my questions have been answered already. But just to confirm, you mentioned that the INR9 crores expense, how much of it can we assume to recur next quarter and how much is non-recurring?

Management: That breakup is not in our hands right now, will be able to give the answer by going into a bit of detail. We don't have the exact figures for those exact figures for those things after.

Ashwini Damini: Sure, sure. Other questions have been answered.

Management: You are comparing INR9 crores increase from last quarter to June quarter, right?

Ashwini Damini: Yes, sir. So I found it I mean it's between standalone or consolidated also?

Management: I think your comparison is not correct. Basically, in March quarter, there was a, I think, increase in revenue also. So you have to reduce the increased percentage and then you should compare. And majorly, the difference is because of -- I told you, the difference is because of increase in logistic cost, majorly on account of export and service cost and risk coverage cost, which we incurred for the current quarter.

Ashwini Damini: This difference is also in you standalone versus consolidated results similar INR8 crores, INR9 crores. So is this expense relating to some subsidiary?

Management: Yes, some part is relating to subsidiary and major part is for the MUL only.

Ashwini Damini: So this will continue to recur or will it be a bit less?

Management: Partly will continue and partly will return I think come down.

Ashwini Damini: Sure, sir. That is all. Other questions have been answered.

Moderator: Thank you. We take the next question from the line of Ravi Naredi from Naredi Investment. Please proceed.

Ravi Naredi: Sir, what is our capex plan for financial year '27 and '28?

Management: Around INR50 crores.

Ravi Naredi: In both the years together, right?

Management: Both which -- only 2026-2027, I told you. For the financial year.

Ravi Naredi 2026, 2027. And 2027-2028, anything we have planned?

Management: 2027, 2028 can't tell you exact figure, depends -- if we have taken a final call on putting up a new facility somewhere. So, if that happens, then in the next 2 years, you will have a capex of 250 crores. Yes, it will be additional. But we can tell you after taking the final call.

Management: Now we sure we are telling that number.

Ravi Naredi Okay. Sir, how is Suresh-ji Poddar health and he is managing everything well?

Management: He had a slight infection. So obviously he's managing everything well. But he is having a little difficulty in talking on con-call.

Ravi Naredi Okay. And any MD -- full time MD...

Moderator: Sorry to interrupt, Mr. Ravi. The participant is out of queue. We'll take the next question from the line of Madhur Rathi from Counter Cyclical Investments. Please proceed.

Madhur Rathi Sir, thank you for the opportunity. Sir, I just wanted to understand that how is the raw material pricing currently versus what it was in Q1? And can we expect the gross margin improvement at least Q-on-Q basis even without the price hike?

Management: See, raw material prices based on Q1some items, the prices have softened a little. Then it increased again Market is volatile. I will say a little softer, but it's still expensive than what it was in the month of March, means, beginning of March or end of February.

Madhur Rathi Right. Sir, when will we decide if we would like to go and ask our customers for a price hike?

Management: I'm sorry, I think so, we are taking a price hike for every customer. We were specifically talking about the US Export OEM market. We have already sent them mails and requested for a price hike, but we haven't pushed it yet. Because what happened in the middle was that 15-20 days or a month came when the prices started softening very fast and we already had an advantage of US dollar appreciation.

So, we didn't feel the need to push it much. But again, the situation changed 2 weeks back. So, again, we have sent a request mail. But yes, pushing it very aggressively, we haven't done that yet.

Madhur Rathi Right. Sir, just wanted clarification. Sir, The US customers with whom we are expecting wallet share gains. Sir, are we replacing some existing vendor and our share will be more.

Management: No, both are happening.

Madhur Rathi Okay, both are happening. Okay, sir. That was from mine. Thank you so much and all the best.

Moderator: Thank you. We'll take the next question from the line of Shreyans Gandhi from SG Securities.

Shreyans Gandhi: Hi, good afternoon, sir. Sir, I have a question. Just wanted to understand the rationale of putting up an international plant. So in the previous quarter, you mentioned that the cost for putting up that plant is also higher. So, just wanted to understand what is the benefit of us getting.

Management: See, market is very uncertain, okay? And lot of automotive companies, they think of derisking their business also. So, today from India, we can expect a particular level of growth. But some customers want their suppliers to be near them. So, if we don't put up a plant near them, business may not be very effective in the long term because they would like to de-risk their business.

Shreyans Gandhi: Okay.

Management: See what is happening in the world since the last years. Covid has come. Ukraine war. Okay, then there was the West Asia war. Shipping lines disturbance has become very high. So, we have been able to maintain our stocks. We have never disrupted the supply. The OEMs are very happy with us. But not all automotive companies would like to work with a company based out of India.

And secondly, number 1, if you become a global player also, your image in front of the automotive companies also changes a lot. You just say that you have a plant in India and you say that there are plants in multiple locations. The way your brand also makes a lot of difference in the eyes of the automotive customers. Not only automotive but any customer.

Shreyans Gandhi: Got it. Sir, second question was on the domestic front...

Moderator: Sorry to interrupt, Mr. Shreyans. Could you please join back the queue as there are several participants waiting for their turn?

Shreyans Gandhi: So, can we repurpose for PVC? Or you are looking for a new plant only? Because that has not revived.

Management: No. We can do it. It is not like that. But it is already in existence. If required, we can definitely do it.

Shreyans Gandhi: Okay. Thank you. That's all from me.

Management: It is possible to make minor changes.

Shreyans Gandhi: Okay. Got it. All right. That's all from my end. Thank you.

Moderator: We take the next question from the line of Awanish Chandra from SMIFS. Please proceed.

Awanish Chandra Congratulations management on a continuation of good performance. Sir, just one question on the margin front. You have already talked about a lot of things. In this quarter, we have very high RM, we have freight issues related cost, and then we could not take any price hike in export OEM market. Still, we had 25% plus margin. Should we take this margin as a base margin and anything positive happens will give us better margin in subsequent quarters?

Management: Yes, obviously.

Management: You people have been told that you people should analyst point of view company point of view margin take this margin we're getting now for granted. What's extra, consider that as a bonus.

Awanish Chandra Okay, sir. Thank you very much. I will come back in queue.

Management: There are two things. Arun sir just told you that this is ours and it's always our effort to do best, better than this. That is always there. And the second thing is you should see the yearly margin, because such situations keep coming from quarter to quarter so it keeps going up and down. Okay?

Now like your freight portion then something else happened, then there is a bit of up and down in raw material prices. It will keep going up and down. But overall the margin at year end, we are talking about that and we are trying to maintain that margin.

Awanish Chandra Sure, sir. Thank you very much. All the best.

Management: Thank you.

Moderator: Thank you. We take the last question from Saloni from Molecule Ventures. Please proceed.

Saloni: Just a bookkeeping question, sir. Sir, we mentioned our sales volume of around 31 million meters in last year, FY26. So, our capacity is 48 million, right? So that gives us an average utilization of 65%. So, there is still legroom from the existing capacity as a whole, correct?

Management: Do you think you have figures? So, there are 2 capacities we should talk about. One is PVC capacity. So, our PVC capacity is between 3.5 million to 3.7 million meters depending on the product mix a lot, because some products have a faster line speed, some product has a slower line speed.

And we are making around 2.7 million to 2.8 million meters. So, if we divide 2.7 million also divide by 3.5 million. So, we are already using 75% to 78% of our capacity right now. By adding one more line, our capacity will go up to 4 million or 4.2 million, again, depending on the product mix. But if I say 4 million also and we -- so our -- based on the current capacity utilization, it will be 65%, 66% capacity.

So, we have a headroom to expand to 25%, 30% more capacity. And this is with the existing facility. But definitely, we have not taken the call. We would expand in some other location also, not decided. Meaning will do it outside India first. So will do it outside India first. Won't do at both places simultaneously. But once we take a call, then only I can comment on those things.

Saloni: Sure, sir. Sure.

Management: We will not lose business because our capacity will not be a constraint for our business expansion, I can only say this much to you.

Saloni: Sure. Sir, on a PU plant just had to take an update. If we could basically get a sense that now the current rate, is it loss-making? And if yes, then what is our strategy going forward for this plant as we have seen basically no improvement for a long time?

Management: Yes. So, we -- yes, we are underutilizing our capacity. There has been no change since last quarter, in the last 3 months, largely because of market -- very volatile market situation, the cost of PU specifically, both as an upper material and both as a sole material, the bottom part of the footwear.

So, the prices of both expanded very fast. So, the response was very slow. PU, there is a lot of intense competition from China for sure. So, there are 2 options. Obviously, I've told in the past also that we are talking to top brands, but sampling is also been done, but no business has been confirmed so far. That is one strategy.

We would -- we are not focusing too much on PU in the export market right now, because we thought it will be very tough to sell against China. But we are working how we can capture some market in exports. It will take time. So let us see that this financial year, at least I cannot give you a very strong recommendation for PU plant at the moment.

Saloni: Okay. Thank you, Sharma, sir. Thank you.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, we take that as the last question for the day. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Management: Yes. Thank you, all. The participants who have participated and their valuable time for attending this call of Mayur for Q1 FY27. And as we already told you that management is trying their hard and best to achieve the expected results and informed results. And definitely, we will try to maintain the margin, which we have given you in our previous quarters and this quarter. Thank you very much.

Management: Thank you, everyone, for participating. I know, because of limited time, we cannot fulfill every questions of every participant. I hope there were some clarity on the direction in which the company is moving. And just thank you for participating.

If you have any other specific questions, please you can contact the CFO directly or Company Secretary directly, and we will be happy to help you in clarifying any other doubts you might have. The prospect of the company overall looks good for the coming 2, 3 years at least. Let's see what we can do and wish us luck also and wish you luck also. Thank you so much.

Management: Thank you.

Moderator: Thank you. On behalf of Monarch Networth Capital Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.