



Tinna Rubber And Infrastructure Limited

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To,
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

To,
Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (E), Mumbai-400051

BSE Scrip: 530475

NSE Symbol: TINNARUBR

ISIN: INE015C01016

SUBJECT: TRANSCRIPT OF INVESTORS AND EARNINGS CONCALL

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we are enclosing herewith the transcript of investor and earnings concall, held on Monday, February 09, 2026 on the financial and operational performance of Tinna Rubber And Infrastructure Limited for the third quarter and nine month period ended on December 31, 2025 (Q3-9MFY26).

The aforesaid transcript is also available on Company's website at following link:-
<https://tinna.in/wp-content/uploads/2026/02/Earnings-Call-Transcript-Feb-2026.pdf>

You are requested to take the same on your records

Thanking you

Yours faithfully

For **TINNA RUBBER AND INFRASTRUCTURE LIMITED**

Sanjay Kumar Rawat
Company Secretary
ICSI M. No. : ACS23729

Enclosure: as above



“Tinna Rubber & Infrastructure Limited
Q3 - 9MFY'26 Earnings Conference Call”

February 09, 2026



MANAGEMENT: **MR. GAURAV SEKHRI – JOINT MANAGING DIRECTOR –
TINNA RUBBER AND INFRASTRUCTURE LIMITED**
**MR. SUBODH KUMAR SHARMA – DIRECTOR AND
CHIEF OPERATING OFFICER – TINNA RUBBER AND
INFRASTRUCTURE LIMITED**
**MR. RAVINDRA CHHABRA – CHIEF FINANCIAL
OFFICER – TINNA RUBBER AND INFRASTRUCTURE
LIMITED**

MODERATOR: **MS. SANA KAPOOR – GO INDIA ADVISORS LLP**

Moderator: Ladies and gentlemen, good day, and welcome to the Tinna Rubber and Infrastructure Limited Q3 FY '26 Earnings Conference Call hosted by Go India Advisors LLP. 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 and 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 LLP. Thank you, and over to you, ma'am.

Sana Kapoor: Thank you, Anushka. Good afternoon, everybody, and welcome to Tinna Rubber and Infrastructure Limited's earnings call to discuss the Q3 and nine-months FY '26 results. We have on the call Mr. Gaurav Sekhri, Joint Managing Director; Mr. Subodh Kumar Sharma, Director and Chief Operating Officer; and Mr. Ravindra Chhabra, Chief Financial Officer.

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. Gaurav Sekhri to take us through the business outlook and financial highlights, subsequent to which we will open the floor for Q&A. Thank you, and over to you, sir.

Gaurav Sekhri: Thank you. Good afternoon, everyone. Thank you for joining us today on this call. Our financial results and earnings presentation are available on our website and on the stock exchanges. I believe you have had a chance to review the same. I will briefly take you through the strategic updates, post which my colleague Subodh, our COO, will take over and give details about the operational and financial performance highlights for the quarter.

I am pleased to share that Tinna has achieved strong EBITDA margins of 16% plus, both on quarterly and nine-month ending basis, reflecting our robust performance and continued operational efficiencies. Tinna Rubber continues to progress steadily towards Vision 2028, which is to achieve INR1,000 crores of revenue by FY '28, enhancing our profitability by over 33% and with having a target EBITDA margin of 18% plus with ROCE exceeding 30%.

Outlined below are the key strategic updates that support the company's progress towards achieving Vision 2028. Here are the strategic updates. I'm happy to share that Tinna has received a two-year work order from Indian Oil Corporation. The value of this is approximately INR76 crores, which helps us meet our targets on the infra business for this year.

On the capex front, the company has completed capital expenditure of approximately INR79 crores during nine-month period of FY '26. In addition, a further capex of around INR50 crores is planned to be incurred over the balance of FY '26 and in FY '27. Substantial progress has been made in the deployment of QIP proceeds, with only about INR45 odd lakh balance.

On the cost reduction front, renewable energy capacity is being scaled up more than threefold from 1.23 megawatt to 4.48 megawatt, with completion targeted by end of Q4 of FY '26.

Renewable energy accounted for 24% of total power consumption in nine-month period and is targeted to rise to 32% by end of FY '26 and over 50% by FY '27 end, aligning us with our ESG goals. These initiatives are expected to deliver savings of approximately INR4 crores in FY '26, with solar power already contributing INR2 crores plus in the nine-month period.

Tinna has also allocated INR5 crores towards R&D expenditure in order to be future ready. Tinna has initiated a comprehensive life cycle assessment study to measure GHG emissions from tire recycling and conversion into recycled rubber material. The report is expected to be completed by end of this financial year.

A brief update on the various projects: I am pleased to inform Varale plant is now operating at 80% capacity utilization, supported by strong post-monsoon demand from infra and consumer segments. The PCMB business has been slow to contribute and is at only around 4% contribution in the nine-month period of FY '26 and is operating currently at around 40% capacity utilization. We expect the capacity utilization to improve to approximately 45% by end of FY '26, and the division is targeting annual revenue contribution of almost 8% to 10% in the next financial year.

The pyrolysis and RCB project is progressing as per plan. We expect trial runs to commence by the end of Q4 '26. Significant equipment upgrades and process enhancements have been undertaken to deliver best-in-class quality of RCB. The project is planned as a fully integrated operations spanning tire recycling through to powdered and pelletized RCB production.

On TP Buildtech, I would like to share that the strategic growth initiatives are underway with introduction of three new construction chemical product lines: grout repair, mould release agents, and accelerators. We expect all of these products to contribute substantially in the coming financial year. Also, the new plant commissioned in Kolkata, which is our third plant, is still in the stabilization phase, currently operating at a low 15% to 20% capacity utilization, but we expect this to improve over the next two to three quarters.

On the international projects in Oman, the plant is operating at 80% capacity utilization up to nine-month period FY '26. It has achieved revenue of INR25 crores, and 40% of sales are within the GCC region, and we are targeting this to rise to 70% by Q4 or by Q1 of next year. A 20% reduction in ELT cost is also targeted in Q4 of '26, supporting margin and profitability improvement.

In Saudi, a plot of 13,000 square meters has been allotted to us, for setting up a 24,000 ton per annum tire recycling facility. We expect to commence work on site from mid of FY '27. The project timeline has been recalibrated to align with the ongoing expansion in Oman and South Africa, with all requisite approvals in place.

In regards to South Africa, the Phase 1 capex has been completed and operations have commenced for cutting, baling, shredding, and exporting processed material for onward recycling in India. In Phase 2, which is full-scale of recycling, we expect to take this work up in the coming financial year. As of now, the South Africa venture is losing money, but we are expecting to stabilize and we expect to begin breaking even in our operations from Q2 of FY '27.

With that, I would like to hand over to Subodh for his insights on operational and financial performance. Go ahead, Subodh.

Subodh Kumar Sharma: Thank you, Gaurav ji. Good afternoon, everyone. Regarding our operational performance, tire crushing volumes have grown by 25% on quarter-on-quarter basis and 7% on nine-month basis, supported by post-monsoon recovery in demand across infrastructure and consumer sector. Also, it is worth mentioning that exports continue to be the strong growth catalyst, with the company targeting a robust 30% volume increase by end of Q4 FY '26.

In nine months of the financial year, the industrial, consumer, and steel segments recorded revenue growth, while the infrastructure segment witnessed moderation, primarily due to strategic shift towards value-added products. The industrial segment recorded a strong 18% Y-o-Y revenue growth.

Despite global economic headwinds, export volume increased by 20% on year-on-year basis. MRP, micronized rubber powder, and reclaim rubber volumes grew by 21% and 7% respectively, while the rubber conveyor and rubber moulded goods industry remained stable.

On the infrastructure segment side, we recorded a modest revenue dip, reflecting a deliberate shift towards higher value-added products. This strategic focus supported strong volume growth with crumb rubber modifier volumes increasing by 80% on year-on-year and emulsion business growing by 15% on Y-o-Y basis.

The consumer segment though reported 10% revenue growth, but despite a margin decline in volumes reflecting the impact of price correction. Demand outlook remains positive supported by seasonal recovery following the extended monsoon and improving market liquidity, with consumer sales continuing to remain a key focus area.

On the steel segment side, which remained stable with revenue increased by 2%, steel abrasive business steadily maintained, while revenue growth trailed volume growth due to volatility and the downward trend in the steel prices.

Coming to nine-month financial performance: at a standalone level, revenue remained stable while EBITDA and PAT margin expanded by 200 bps and 110 bps respectively to 16.8% and 9.6%, reinforcing Tinna's strong performance and sustained operational efficiency. At the console level, EBITDA margin improved by 110 bps while revenue and PAT remained stable due to the net impact of initial startup cost and profile profits across associates, JVs, and subsidiaries, which is expected to normalize in the coming quarters.

Global Recycle Oman contributed INR35 lakh at the PAT level, while Mbodla Investments, South Africa, and Tinna Rubber Arabia reported a combined loss of INR1.46 crores. EPR credit amounting to INR23.9 crores is included in nine-month FY '26 revenue as against the EPR revenue of INR24.4 crores recorded in the same month's previous financial year.

Coming to the quarterly financial performance, consolidated revenue increased by 13% on Y-o-Y basis and 16% on quarter-on-quarter basis, led by higher tire processing volumes. EBITDA

and PAT grew strongly by 53% and 57% on Y-o-Y basis respectively, with margin improving to 16.3% and 9.2%.

Tinna Rubber is consistently advancing towards its Vision 2028, driven by disciplined capacity additions, focused capital deployment, global sourcing initiatives, and enhanced business integration. With a diversified product mix, a strong international footprint, and an experienced leadership team supported by continued stakeholder confidence, the company remains well placed to deliver sustainable long-term growth.

I would now like to open the floor for question and answer. Thank you, and over to you, moderator. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. We take the first question from the line of Kushal from Asian Broking. Please proceed.

Kushal: So, my first question is we have noticed that revenue per tire crushed has been falling. Like, the revenue Tinna Rubber makes for one metric ton of tire crushed, this percentage has been falling, like we have calculated this. So, is there any reason for this, sir?

Gaurav Sekhri: Hi, Kushal. No, nothing specific actually. You know, our both the tire mix, the type of tires we crush, change, changes from time to time as well as our revenue mix also changes. So, I -- we don't really look at numbers like that. It's an interesting observation that you have made, but I don't draw any special inference to this which has any impact to our business.

Kushal: This basically depends on the quality of tires. So, okay. Okay. Sir, my other question is bitumen coming from Iran. So, is this being impacted with the ongoing Iran-US conflict?

Gaurav Sekhri: Gaurav again. We do not participate in bitumen imports, that's point number one. So, we don't tend to track, how that impacts the business because we leave that aspect to road contractors and bitumen importers; that's a very specialized business. Our interest is limited to modifying that bitumen, either which is produced in petrochemical refineries or on-site of contractors, whatever be their source of bitumen.

Kushal: Okay, okay. Thank you, sir.

Moderator: Thank you. We take the next question from the line of Bivesh Jaggat from Yes Securities. Please proceed.

Bivesh Jaggat: Yes, so sir, can you throw some light on the life cycle study that you have initiated on the greenhouse gas emissions on the tires? And like, what are the expectations of cost saving from this study?

Subodh Kumar Sharma: Yes, hi, this is Subodh here. So, this study has been assigned to determine the current level of greenhouse gas emission as we have accordingly have to align ourselves with the ESG goal going forward. So, currently, we have assigned the project with QACA, wherein we shall be determining like pickup from my yard to processing and converting it into the crumb rubber or

micronized rubber powder or reclaim rubber and making finished goods right up to my exit gate. Right?

So, these numbers will help us further to decide our ongoing ESG goals for the next financial year. These are the requirements with most of the tire industry on the greenhouse gas emission coming out of the process and the product we are manufacturing. So, this is nothing related to the cost side, but this is a -- this is actually related to the ESG goals of the company.

Bivesh Jaggat: Okay, okay, sir. And my second question is regarding are we exploring any global location for expansion, like other than the ones that we are right now expanding in right now? Also, like where do you expect your contribution of Oman in FY '26 and in FY '27 in the top line?

Gaurav Sekhri: Hi, Gaurav Sekhri again. We expect Oman to, you know, stabilize around annual revenues of approximately INR30 to INR36 crores, and its contribution will be about 5% in the overall, you know, business of Tinna Rubber. We expect Saudi to be similar when it becomes fully operational and online. And South Africa, at least for next year or so, will serve the purpose of feeding into our recycling facilities from—by originating tires from there. So, that is the plan that I can share with you as of today.

Bivesh Jaggat: Okay sir, got it. And my last question is regarding that you were expanding tire crushing capacity in India to 1.85 lakhs. So, how is this progressing and has the capacity increased to some extent in the current nine months?

Subodh Sharma: See, currently we have capacity to recycle around 185,000 tons of tires. Going forward, like as we have outlined our Vision 2028 to increase from seven locations—currently we are operating seven—to reach at 10 and to reach on the tire recycling capacity of 250,000. So, that is in pipeline and it is progressing, you know, in a right direction. So, it is aligned with our 2028 vision.

Moderator: Thank you. We take the next question from the line of Ashvath Rajan from Arihant Capital Markets Limited. Please proceed.

Ashvath Rajan: Hello, sir. Thank you for the opportunity. So, my question was specifically on the PCMB business. I see on our presentation we have forecasted a 1,000 metric ton for Q4 FY '26. I just wanted to understand what gives us this conviction and based on a 1,000 MT volume, what kind of revenues are we expecting for Q4?

Gaurav Sekhri: Hi, Gaurav Sekhri here. See, we have been—you know, we started our PCMB business, I think, a little over a year ago. And, you know, it's a new space for us, but we see some complementarity between, you know, tire recycling as well as polymer composites, masterbatches. And that is why we took steps to get into this activity. We have started seeing some green shoots, some—some good response, repeat business from existing customers is good, which means our pricing, our quality is meeting expectations.

And this has happened more so in the last one—couple of months. Therefore, you know, we feel confident that now to scale up, you know, should be compared to the last one year should be easier because, you know, we have greater degree of understanding and confidence on our products. So, that is why we feel we should be able to get to 1,000 tons.

- Ashvath Rajan:** Right. And how much does this translate to in terms of revenue for a 1,000 metric tons?
- Subodh Sharma:** Yes, hi, Subodh here. So, we expect the quarter four wherein we are estimating 1,000 tons of volume. So, this comes out somewhere close to INR7.5 crores to INR10 crores in between, basis on the product mix. And I think to answer your question, next year this could be around INR50 to INR60 crores in top line, right, which will be somewhere around 7% to 8% of our, you know, next year estimated top-line business.
- Ashvath Rajan:** Okay. And based on that similar number, if we scroll it down, if we go further below, how much does this give on an EBIT level and a PAT level, the specific segment?
- Gaurav Sekhri:** See, the EBITDA profile of this business at this point of time is lower than our overall, you know, EBITDA profile of the company. But like I said, it is early days. I think it's—I can only answer this question by saying one step at a time and—and we have to steadily scale up and then we'll be in a better position to give you a guidance.
- Ashvath Rajan:** Okay, sir, got it. And what—if I were to ask, what is the volume target for '27 as an entire year for PCMB?
- Gaurav Sekhri:** Approximately 6,000 tons.
- Ashvath Rajan:** Okay, sir. Thank you so much for answering my questions.
- Moderator:** Thank you. We take the next question from the line of Kamal Jeswani from Youfirst Capital. Please proceed.
- Kamal Jeswani:** Yes, hi. Thank you for taking my question. I wanted to know that what is the reason for this margins coming down this quarter compared to last corresponding September '25 quarter? So, just wanted to know the reason for this. And out of the tires we are importing, how much is—I mean, how much are its imported tires and how much is domestic procurement, and how much do we have the license for importing?
- Gaurav Sekhri:** So, Kamal, firstly, our margins are up compared to previous quarter, not down. And second, you know, we—we are majority processing imported tires in our facility. And I think in terms of what licenses, balance, et cetera, it is too specific and also, I think, sensitive to our business and we don't want—we will not share that information.
- Kamal Jeswani:** Okay. So, majority is imported you are saying, domestic we don't procure too much?
- Gaurav Sekhri:** Like I said, majority of what we process is imported.
- Kamal Jeswani:** Okay, okay, got it. Fine. Thank you.
- Moderator:** Thank you. We take the next question from the line of Siddhi Kyal from Aditya Birla Money. Please proceed.
- Siddhi Kyal:** Yes, thank you for giving me this opportunity. I want to ask, can you give us guidance on the performance...

- Moderator:** Ma'am, your voice is coming a bit muffled. Could you please fix that?
- Siddhi Kayal:** Yes. Now, is it—now, is it clear?
- Gaurav Sekhri:** We still have a challenge to hear you clearly, ma'am.
- Siddhi Kayal:** Okay, I'll call back in the queue. Thank you.
- Moderator:** We take the next question from the line of Karan Gupta from ACMIIL. Please proceed.
- Karan Gupta:** Yes, so my question is regarding the demand side of the infrastructure segment and what are the green shoots you are seeing on the consumer segment?
- Gaurav Sekhri:** Can you repeat again, please?
- Karan Gupta:** My question is regarding the demand side of infrastructure projects. What is the demand scenario now? As this is noticed in quarter 1, quarter 2, due to infrastructure -- I mean, the delay in the projects and also the monsoon side impacted our top line in quarter 1, quarter 2. Now ...
- Subodh Sharma:** Karan, this is Subodh here.
- Karan Gupta:** Yes. So what's the infrastructure thing? And the second piece is the Consumer segment.
- Subodh Sharma:** Yes. So I will try to answer your question. So in the Infrastructure segment side, as you know, this year, we have witnessed an extended monsoon. I think by mid of October, it was a rainy condition. So normally, our Consumer segment, which is all about wherein a lot of rubber granules are being used for the sport turfing and the playground surfaces, that business as well as the Infrastructure segment wherein road laying, etcetera, happens immediately after the monsoon, and it continue to happen in rest of the months.
- So only winter months are slightly impacted in the northern part of India. Otherwise, post monsoon, the work Infrastructure segment and Consumer segment, especially the sports turf and all, it picks up. So we are witnessing some growth there, and that's the reason in Q3, you can see the volumes are up if we compare over Q2.
- Karan Gupta:** Okay. And the infrastructure projects which you said was delayed in quarter 2, quarter 1, now it's picking up?
- Subodh Kumar Sharma:** Yes. See, infrastructure segment is the road construction business is actually the business with monsoon seasons, typically three to four months, it's completely on halt. So, the progress -- best progressing months are actually the February to July. But it picks up after the monsoon and then some effect of winter, that too only in the Northern India states; otherwise, it's continue to happen from October to till next July.
- Karan Gupta:** Okay. Yes. And second is on the guidance side. So, FY '26 guidance, INR600 crores you said in the last quarter is achievable right now or not? I think it's something INR520 crores on TTM basis if we see. So, what's the guidance for FY '26? And then you've also mentioned next three years of guidance, estimated something 25% growth. So, what was -- what will be the lever in

20% to 25% growth. The new capacity addition or it will be your new value-added products? That's it?

Subodh Kumar Sharma: Okay, so Karan, just to answer your question, I think you missed our quarter 2 earnings call wherein we revised our guidelines for the revenue from FY '26. So, the same we are maintaining in the FY '26; we have visibility of 8% to 9% of revenue growth over previous financial year.

But as you know there is lot of capex has been done in the last couple of months to set up RCB and pyrolysis plant, to strengthen the PCMB business and some of our overseas operations. So, this all are at the level—like this all is going to contribute in the FY '27. So, we expect consistently around 15% to 18%, maybe 20% growth year-on-year from here onwards.

Karan Gupta: Okay. And for '27-'28, the levers of growth -- the guidance you already given in the PPT, the levers of growth?

Subodh Kumar Sharma: The levers of growth is like the Varle we set up in the last two, three year -- two years and now the PCMB business, now the RCB and pyrolysis business and on top of that the Saudi Arabia expansion and the full-fledged tire recycling operation in South Africa. These all are going to contribute in the next three years because all these capex are almost done except the Saudi Arabia which will be ready by mid of the next financial year.

Karan Gupta: Okay. Thank you.

Moderator: Thank you. We take the next question from the line of Deepesh from Maanya Finance. Please proceed.

Deepesh: Okay. I missed the early part of the call, I joined in late. So, if there are any repeat questions, kindly excuse that. What are the trends of raw material prices in Q3 FY '26? Are they still high and what is our percentage of import and domestic procurement of tire scrap in 9 months of FY '26?

Gaurav Sekhri: So, firstly, there is fair bit of, you know, now stability in the price of raw materials and even if there are some fluctuations in some kind of tires or in some origins, because of the diversity that we have now in our business of being able to process multiple kinds of tires from different origins, we are able to control it reasonably well as of now. So, the short answer is there is fair bit of stability. And second, in terms of tires that we process, we continue to process majority of the tires which we import and that's what we can share with you on this call.

Deepesh: Okay. And I missed on to the guidance which was given for FY '26 of top line and bottom line and what will be your guidance for FY '27? And are you confident that you will be able to achieve your Vision 2028?

Gaurav Sekhri: See, we have to go with the assumptions that the capex underway will give us the desired results. And with that assumption in place, I—we continue to be confident that Vision 28 of INR1,000 crores is possible. That's point number one. And we expect to finish this financial year FY '26 between INR535-INR540 crores, which is in line with the revised guideline we were giving in Q2.

And in the coming financial year, we are still locking down on our business plan and numbers, but with the assumption of our RCB pyrolysis plant commencing production, etcetera, I believe we will be very close to INR700 crores or over INR700 crores, around INR700 crores FY '27.

Deepesh: Okay. And please let me know what is your current working -- working capital days as of now the 9 months and do you expect it to be the same going forward?

Gaurav Sekhri: So, we are operating at around 50 days currently and we do not expect that to change going forward.

Deepesh: Sorry, I missed the number. How many days?

Gaurav Sekhri: 50.

Deepesh: Okay. Thank you so much.

Moderator: Thank you. We take the next question from the line of Yash Purbhe from Inved Research. Please proceed.

Yash Purbhe: Yes, so thank you for this opportunity. So, firstly on the capex side. Sir are we on track like earlier we had guided that by Q4 the trials will be completed. So, are we on track, have we received all the approvals or are we facing any challenges or any delays?

Gaurav Sekhri: There are always some challenges in doing a capex and a project, but nothing which we—which we are unable to manage. It is proceeding quite well. And we expect to commence trials on the pyrolysis plant certainly within Q4 and the RCB plant in Q1 FY '27.

Yash Purbhe: Okay. So, sir, are we expecting any revenue in Q4 from these projects?

Gaurav Sekhri: Your question is are we expecting any revenue?

Yash Purbhe: Yes.

Gaurav Sekhri: From the current capex?

Yash Purbhe: Yes, in Q4.

Gaurav Sekhri: In Q4. Yes, I believe so. Towards the end of Q4, some small contribution could begin. But irrespective of that our revenue – our revenue guidance of around INR540 crores is we are confident of getting that number.

Yash Purbhe: Nice. Sir, I just wanted to know like we have guided around 8% to 9% of the growth for whole year, but if we compare for 9 months, we have done only 3% growth. So, in Q4 we would have to do nearly 20% of growth. So, are we confident of achieving this growth in Q4?

Gaurav Sekhri: Like I said, INR540 crores revenue for FY '26 is within our reach and I believe we'll deliver it.

Yash Purbhe: Okay. And lastly one question on like by when do we expect the South—except from Oman, other international projects to contribute positively?

- Gaurav Sekhri:** Oman has already begun contributing positively again. We saw the turnaround in the business in November, further consolidating nicely in December and we think January we should see even better performance from Oman.
- Yash Purbhe:** And sir, other international projects like South Africa and all?
- Gaurav Sekhri:** South Africa will take some time. South Africa, we continue to incur some loss, but it's a new complex market. It will take, I think, another few months to stabilize. It is my estimate and I think we had mentioned that in our opening speech, that we expect South Africa operations to begin breaking even from Q1 of FY '27.
- Yash Purbhe:** Okay, sir. Thank you. Those were my questions.
- Moderator:** Thank you. We take the next question from the line of Manish, an individual investor. Please proceed. I would request Mr. Manish to unmute and then speak. We will proceed with the next participant. We take the next question from the line of Puneet, an Individual Investor. Please proceed.
- Puneet:** Okay. So, my question is, lot of Indian tire manufacturers are announcing capex for the next few years, and we have EPR policy also. So, I want to hear your thoughts, how much upside impact that would cause in the next 3, 4 years for our company?
- And second question, if you can take right away with this is, how is the raw material impact hurting us? Can we bring it down for us in terms of importing the tires at a lower price? These are my two questions.
- Gaurav Sekhri:** So, if I understood your question correctly, I think your first question was that tire companies are expanding capacity, how will that impact us, correct?
- Puneet:** Yes, along with EPR policy.
- Gaurav Sekhri:** So, firstly, in regards to, it is good news for us if more tires are made in India, that means greater demand for our recycle rubber materials. As you know, we are approved with almost all, I would say, of the leading tire manufacturing companies in the country. So, that is positive for us and will have positive impact on demand.
- In regards to EPR, I think, the two things are not so connected. When we recycle more tires, we will generate more EPR, and if tire companies are producing more tires, they will need more EPR. So, that's how this whole ecosystem is built.
- Puneet:** Okay. I got it.
- Gaurav Sekhri:** Okay. Thank you.
- Puneet:** Second question is on the raw material cost.
- Gaurav Sekhri:** I didn't hear you. Sorry?

- Puneet:** Second question is on the raw material. So our raw material cost is increasing. So what are your thoughts to bring it down in the coming years?
- Gaurav Sekhri:** Our raw material costs are stable, especially since last two quarters. We have increased optionality on the types of end-of-life tires we process as well as on origins. So, therefore, I don't expect any adverse impact on account of raw material to our gross margins.
- Puneet:** Okay. Thanks once again for taking the question. Congratulations...
- Gaurav Sekhri:** Thank you.
- Moderator:** Thank you. We take the next question from the line of Khushal from Asian Broking. Please proceed.
- Khushal:** Hello, sir. Sorry to repeat this question, but just wanted to know, these tires being imported from South Africa, they are probably high-quality tires, like SUV or truck tires, right? Just wanted to know?
- Gaurav Sekhri:** We are importing various kinds of tires from various origins. And South Africa is no different. We are bringing in tires which are passenger car radial as well as truck bus radial tires from South Africa.
- Khushal:** Okay, sir. Thanks, sir.
- Gaurav Sekhri:** Thank you.
- Moderator:** Thank you. We take the next question from the line of Ashvath Rajan from Arihant Capital Markets Limited. Please proceed.
- Ashvath Rajan:** Yes, hi, team. Thank you for the follow-up. So, I had two questions. Since now we're already done with the capex in South Africa, just wanted to understand the incremental capex of INR50 crores, what would this be centered towards?
- Gaurav Sekhri:** So, the incremental capex of 50, some of it will continue to go to just finish the existing works, that are ongoing, especially at the Varale in Maharashtra site regarding RCB pyro. We expect to spend approximately INR20-odd crores in Saudi Arabia and at least another INR5 crores I expect will be -- capex will be incurred in South Africa in the near future.
- Ashvath Rajan:** Okay. And my second question is what kind of annual costs are we expecting now on an annual year-on-year basis? Because since now, we're closer to source, like we're closer to the source of raw materials, what I mean is South Africa or Middle East, so what kind of annual savings are we expecting now?
- Gaurav Sekhri:** See, savings come from overall scale and efficiency. There are various things at play. You know, South Africa, while we are closer to the origin and we can process there, there is higher cost of processing with labour and power being more expensive there.

So, it is very hard for us to tell you today specifically what savings will come from each such initiative. But certainly, scale will give us greater efficiency both in logistic cost as well as efficiency in terms of spreading our fixed cost better.

Ashvath Rajan: Okay. And sir, just wanted to understand, since our final product is pellet, does this pellet come from, say, from South Africa back to India or do we export it from South Africa to other markets?

Gaurav Sekhri: At the moment, I will clarify, we are only doing semi-processing of tires in South Africa and the semi-process material is coming to India for recycling. So, that is the current setup.

Ashvath Rajan: Got it, got it. Okay, thank you.

Moderator: Thank you. We take the next question from the line of Siddhi Kyal from Aditya Birla Money. Please proceed.

Siddhi Kyal: Yes, thank you for the opportunity. I want to ask, can you give us the guidance on the performance of TP Buildtech and what top line are you expecting from the same in FY '27 and FY '28?

Gaurav Sekhri: Hi, Gaurav here. I think your question is specific to TP Buildtech, correct?

Siddhi Kyal: Yes.

Gaurav Sekhri: So, TP Buildtech, we expect moderate growth in this financial year. In TP Buildtech, as of now, we are at revenue of INR56 crores versus INR61 crores last year, so we are a bit behind. We expect to finish the year at par or maybe slightly higher than previous year. We are expecting a good Q4.

In regards to future, we have done some good work in this financial year in terms of laying the foundation for growth for the next 2 to 3 years. One of them being we now have a plant in Eastern part of India near Kolkata to make the concrete admixtures. Earlier, historically, we only had two facilities, one in North India and one in West India. So, this initiative in East will certainly help with growth in the coming financial year. That is one.

And second, we have hired a new team and set up a new line of construction systems products, such as accelerators and grout repairs. We are now beginning to sample our product with customers, get some approvals and accreditations. We are very confident that we will see impact of that also in the coming financial year.

Siddhi Kyal: Yes, thank you so much, that was very helpful. And one -- just one another question is that how is the order pipeline looking for in Q4 FY '26 and FY '27?

Gaurav Sekhri: Ma'am, just speak little bit more clearly. I'm in a little challenge understanding all the words that you are saying.

Siddhi Kyal: I'm asking that how is the order pipeline looking for Q4, FY '26 and FY '27?

- Gaurav Sekhri:** Sure. Okay. So, that is looking good. I think one of the reasons why we also had lower margins in current financial year is because our own product mix basis because of the pipeline that we had changed, we sold less of the higher grade and more of the lower grade materials. But looking at the pipeline, we are -- it's looking good. We have a good set of customers, lots of them with whom we have now worked for almost a decade and they further have good projects. So, as of now, it is looking good.
- Siddhi Kyal:** Yes, okay. Thank you, sir. And one last question is that you mentioned that you have kept aside INR5 crores for R&D. So, are you looking for any new vertical other than rubber recycling?
- Gaurav Sekhri:** Ma'am, we are -- we see opportunity for finding adjacencies within our existing business, within the scope of recycling tires and new applications of rubber, as well as the polymer composites business and the masterbatch business. So, this money is earmarked for finding new applications and adjacencies to our existing business. We are not, at the moment, considering getting into construction, demolition waste or battery recycling or something which is completely unconnected.
- Siddhi Kyal:** Yes, okay. That was very helpful. Thank you so much.
- Gaurav Sekhri:** Thank you.
- Moderator:** Thank you. We take the next question from the line of Vatsal Shah from Knightstone Capital Management. Please proceed.
- Vatsal Shah:** Yes, hi, thanks for taking my question. So, I wanted to know the current cash balance available with the company and the debt repayment plans for the next 2 years?
- Gaurav Sekhri:** So, our current cash balance is approximately INR5 crores, and what's the second part of your question?
- Vatsal Shah:** The debt repayment plan for the next 2 years?
- Gaurav Sekhri:** We -- how much of our debt repayment, maybe Abhay, you can help me with that?
- Abhay:** Approximately INR10 crores a year.
- Vatsal Shah:** INR10 crores, okay. And the second question would be that like we are looking to extend our capacity to 235,000 tons. So, that includes everything, right, the RCB plant, the PCMB plant, and every vertical we are going into?
- Gaurav Sekhri:** Yes, I mean, everything begins with tire recycling. You know, the capacity of recycle and then those are all downstream processing options. Either one can go into making reclaim rubber, micronized rubber powder, etc., or one can go into pyrolysis and RCB. So, we are just adding more and more optionality to our business, but everything begins with recycling of tires. So, that is where we expect in the near future our capacity to be around 235,000, 250,000 tons.
- Vatsal Shah:** Got it. And the EBITDA margins are similar across verticals, right? Like there must be some difference, but like it is comparable around 18% or so?

- Gaurav Sekhri:** Around 16% as of now. We desire to go to 18% and of course work is being done in that direction.
- Vatsal Shah:** Okay, that's it from my side. Thank you.
- Moderator:** Thank you. We take the next question from the line of Raghav Bansal from PDNL Capital. Please proceed.
- Raghav Bansal:** Good afternoon, sir. My first question is: how does the reduction in GST on tires in India affect the tire recycling ecosystem?
- Gaurav Sekhri:** It is no major impact on -- on us, frankly. Maybe some demand will increase and we are benefit only, because due to lower GST there will be more demand and then more demand for their raw material and more demand for our finished product.
- Raghav Bansal:** Right, so it will not affect the replacement or it will not bring a new trend of too much replacement in the existing tires?
- Gaurav Sekhri:** Even if that happens, that only supports our business. But I don't expect it to move the needle in any substantial way.
- Raghav Bansal:** Okay, fair. And second question. How has the recent infrastructure policies in the budget affected the ecosystem for us, if in any way?
- Gaurav Sekhri:** I think government's focus and spend on infrastructure has remained, there for the last 5 years. Every year in the budget also they announce something new, some mega projects. This year there are seven new freight corridors that have been announced and expressways, etc. So, all of that supports the need for infrastructure in the country and we are, aligned with that.
- Raghav Bansal:** So, there is no specific mandatory requirement for a minimum amount of tires, a percentage of rubber to be used within roads as a policy, is it?
- Gaurav Sekhri:** The old mandate and guidelines remain in force, which is for high traffic roads, government continues to recommend use of modified bitumen.
- Raghav Bansal:** Right. Thank you.
- Moderator:** Thank you. We take the next question from the line of Manish, an Individual Investor. Please proceed.
- Manish:** Hi. I have two queries: my first query is if I check your investor presentation, the Q3 FY '26 EBITDA margin has decreased from the last quarter. Last quarter we were at 18.5% and this quarter we are at 16.3%. So, what's the reason behind it? And the same goes with PAT. PAT is reduced from 10.6% to 9.2%?
- Gaurav Sekhri:** So, on the EBITDA, it is largely because of EPR. We had some EPR credits which we accounted for in the previous quarter in one go because there was some lag in the reflection of those credits

at the EPR portal of the government. So, our policy is only when the EPR credits start showing on the portal we start accounting for them in our books.

So, that caused a little showing higher EBITDA margin than—than what we actually achieved in previous quarter. And this quarter, it is only accounted for one quarter, which is this quarter of Q3.

Manish: Okay. Okay, thanks for the clarification. And I have two more queries if I can ask, I don't know. The first query is, we can see the auto sales increasing a lot, right, from the last quarter. So, if we have more auto sales we might have more tires. So, will the raw material price be reduced, I mean, decrease a bit going forward?

Gaurav Sekhri: No, I would not draw that conclusion. High -- you said higher auto sales, right?

Manish: Yes, higher auto sales, right. We have two-wheelers, four-wheelers, commercial vehicles, passenger vehicles, everything?

Gaurav Sekhri: So, that is good for us too. More vehicles on the road means more tires are being put to use, which means more periodic changes...

Manish: So the raw material price will decrease, right?

Gaurav Sekhri: No, I wouldn't jump to that conclusion also, but just -- what I would say is that we can certainly conclude that there is more business for everyone to do.

Subodh Sharma: Manish, Subodh here. So, if you see, you know, couple of quarters back, the tire industry was bleeding and with the reduction in GST and some of these measures, the tire industry has started improving on their sales side. So, that's the reason common, the all tire industry sales are, improving every quarter now.

Manish: Yes, yes, agree. Sir, and my third query is, you know -- sorry to be specific, when we started the year, we guided for 20% revenue. Last quarter we guided for 12% to 15%, not 8%. And this quarter we are guiding for 8%. So, don't you think we should have a conservative guidance, not to be over-guided, not to over-guide something?

Subodh Sharma: No, I think there is some gap, Manish. In the quarter two earning call itself, we gave the visibility of, you know, 7% to 8% growth over the previous year revenue.

Manish: Sir, I have the recording call recording and the transcript -- I mean, what you transcript with me -- shows that 12% to 15%. That's the reason I ask?

Gaurav Sekhri: Manish, Gaurav here. We give a guidance to the best of our ability to what is realistic. We have been giving that for the last many years. In most cases, we are within 5% of our guidance. This year we are within 7%, 8% of our guidance. So, it is a guidance at the end of the day. And I think when you also listen to that and then quarter-on-quarter we are also updating you, I think that is where, you need to consider all the facts and then draw your own conclusions.

- Manish:** I agree, sir. I just wanted that should we be more conservative in giving guidance just to be on the safer side?
- Gaurav Sekhri:** I believe the way we are giving our guidance is accurate and to the best of our ability. I don't see us making any change to that.
- Manish:** No problem, sir. All the best, sir, all the best. And thank you for taking my queries, sir.
- Gaurav Sekhri:** Thank you.
- Moderator:** Thank you. We take the next question from the line of Kamal Jeswani from U First Capital. Please proceed.
- Kamal Jeswani:** Yes, thank you. Couple of questions. Firstly, with this pyrolysis oil plant starting, what is the -- can we expect some margin improvement once this starts?
- Gaurav Sekhri:** See, we expect the pyrolysis RCB business margin profile to be very similar to the material cycling business that we do. So, it will be similar. I think overall efficiencies for the company will come because of scale and other logistic benefits, etc.
- Kamal Jeswani:** Okay. And regarding TP Buildtech, I think we are holding some 49% stake -- 49 point some stake. We expecting it to cross 50%, 51% to make it a subsidiary on standalone and subsidiary? I mean, can we expect this?
- Gaurav Sekhri:** We are not considering that as of now. I think will be the most accurate way to answer your question.
- Kamal Jeswani:** Okay. And I think I missed the answer you must have mentioned, I guess. We are currently at 15% capacity utilization and how much are we expecting the scale-up in the capacity utilization this year end and next year?
- Gaurav Sekhri:** I think your question is to the TP Buildtech's new plant, right?
- Kamal Jeswani:** Yes, yes, correct.
- Gaurav Sekhri:** Yes, I think that, we are already factoring in, to go to about 35%, 40% utilization in about 6 months, and then of course we'll continue to make efforts to make it even better. But in the near future, that is where I'm seeing the utilization.
- Kamal Jeswani:** Okay, got it. Thank you so much.
- Moderator:** Thank you. We take the next question from the line of Karan Gupta from ACMIL. Please proceed.
- Karan Gupta:** Yes, hi. Can you share the segment-wise margins in broader terms?
- Gaurav Sekhri:** We don't share this data, Karan, segment-wise margins.

- Karan Gupta:** Okay, okay. But if you can share comparatively segment-wise which segment is higher or which is lower? Something like that?
- Subodh Kumar Sharma:** The margin profile of infra and industrial is comparable, and the margins in the consumer segment are slightly lower.
- Karan Gupta:** Okay, fine. Thank you.
- Gaurav Sekhri:** Thank you.
- Moderator:** Thank you. Ladies and gentlemen, that was the last question for the day, and would now like to hand the conference over to the management for closing remarks. Over to you, sir.
- Gaurav Sekhri:** Thank you everyone for organizing the call today to the organizers and of course my gratitude to all the people who participated and have shown interest in our company. I wish you a very good evening and a happy, healthy year ahead. Thank you.
- Moderator:** Thank you. On behalf of Go India Advisors LLP, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.