

Rathi Steel And Power Ltd.

CIN : L27109DL1971PLC005905

An ISO 9001:2015 & 14001:2015 Company

Works & Corporate Office

A-3 Industrial Area South of G.T. Road Ghaziabad 201009 India
Phone (0120) 2840346 to 51, 0120 4934034 Fax (0120) 2840352
Website www.rathisteelandpower.com Email info@rathisteelandpower.com

RSPL/BSE/2025-26/

Date: February 23, 2026

**To
BSE Limited
Phiroze, Jeejeebhoy Towers,
Dalal Street, Mumbai-400001
Maharashtra**

Scrip Code: 504903

Dear Sir,

Subject: Transcript of the Earnings Conference Call related to the Unaudited Financial Results for the quarter and nine months ended December 31, 2025

Pursuant to Regulation 30 read with Para A Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Transcript of Earnings Conference Call made on February 18, 2026 related to the Unaudited Financial Results of Rathi Steel and Power Limited (“Company”) for the quarter and nine months ended December 31, 2025.

The Transcript is available on the website of the Company at www.rathisteelandpower.com.

The Earnings Conference Call concluded at 4.40 pm (IST) on February 18, 2026.

You are requested to please take note of the above.

Thanks and regards.

Yours faithfully,

For RATHI STEEL AND POWER LIMITED

**NAMITA LAL MADAN
Company Secretary and Compliance Officer**

Encl.: As above



Rathi Steel And Power Ltd

**“Rathi Steel & Power Limited
Q3 and nine months FY ‘26 Results Conference Call”
February 18, 2026**



Rathi Steel And Power Ltd



Kirin Advisors



**MANAGEMENT: MR. RAJESH JAIN – PRESIDENT – RATHI STEEL &
POWER LTD
MR. KUSHAL AGARWAL – A.V.P. (GROWTH &
STRATEGY) – RATHI STEEL & POWER LTD**

**MODERATOR: MR. PARTH ACHARYA – KIRIN ADVISORS PRIVATE
LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Rathi Steel and Power Limited Q3 and nine months FY '26 Results Conference Call hosted by Kirin Advisors Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions 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. Parth Acharya from Kirin Advisors Private Limited. Thank you and over to you, sir.

Parth Acharya: Thank you. Good evening, everyone. On behalf of Kirin Advisors Private Limited, I welcome you all to the conference call of Rathi Steel and Power Limited. From the management team, we have Mr. Rajesh Jain, President, Mr. Kushal Agarwal, AVP of Growth and Strategy of the company.

With that, now hand over the call to Mr. Rajesh Jain for the opening remarks. Over to you, sir. Thank you.

Rajesh Jain: Thank you. Yes, good evening, ladies and gentlemen, and a very warm welcome to all the investors, analysts, and stakeholders joining us today for the Q3 and nine Months FY '26 earning call of Rathi Steel and Power Limited. We sincerely appreciate your continued confidence and engagement with the company.

Rathi Steel and Power Limited represents a legacy of over five decades anchored in credibility, metallurgical excellence, and an unwavering commitment to the quality. The Rathi name has been synonymous with structural strength since 1940, and today we advance that heritage through a modern technology-driven and sustained sustainability-focused manufacturing approach.

Our approximately 12.5 acres integrated facility in Ghaziabad operates with a steel melting capacity of around 85,000 tons per annum and a rolling capacity of 2 lakh tons per annum, enabling scale efficiencies, operational resilience, and disciplined cost optimization. A key technological differentiator is our direct billet charging technology in Stainless Steel Wire Rod manufacturing, which enhances energy efficiency, reduces handling losses, and strengthens cost competitiveness.

Our diversified portfolio includes Stainless Steel Billets, Wire Rods, Bright Bars, and TMT Bars, reinforcing our credibility into infrastructure and high specification construction projects. Green steel remains central to our strategic orientation.

Our recycling-based circular steel making model significantly lowers carbon intensity compared to the conventional primary routes, aligning with India's decarbonization priorities and rising ESG-driven procurement standards. Growing demand of Fe 550 and Fe 550D grades TMT bars from leading real estate and infrastructure players across NCR represents a compelling opportunity for the premium sustainably manufactured steel.

Coming to our financial performance, Q3 FY '26 reflects strong operational execution. Total income stood at INR160.09 crores, up around 51% year on year basis. EBITDA was INR6.41 crores, registering a 38% growth, while PAT rose to INR1.91 crores, up 262%. For nine months FY '26, total income reached to INR472 crores, reflecting 32.67% growth over the corresponding period last year.

EBITDA stood at INR19 crores, up 16.96%, with PAT at INR5.42 crores. Improved capacity utilization, cost efficiencies, and a balanced product mix supported this performance. We all commenced Q4 with our highest ever monthly sales of approximately INR77.45 crores from the Ghaziabad facility. The broader industry environment remains supportive.

The Union Budget 2026 has allocated INR12.2 lakhs crore towards capital expenditure, strengthening demand across railways, infrastructure, energy, and urban development. Under the specialty steel PLI scheme, 85 MOUs worth INR11,887 crores have been signed, with incentives ranging from 4% to 15% for high carbon steel production. Additionally, INR20,000 crores have been earmarked for carbon capture and green steel transition, reinforcing the policy push towards sustainable metallurgy.

On the trade front, India-EU FTA is moving tariff on most iron and steel products towards zero, with over 70% of the tariff lines seeing immediate duty elimination. Similarly, under the recalibrated India-US trade framework, reciprocal tariffs have been reduced from around 50% to 18% across a broad industrial basket. These measures enhance the competitiveness of engineering goods, machinery and automotive from exports, which in turn is expected to stimulate incremental domestic demand for high grade and stainless-steel products across the value chain.

Rathi Steel and Power Limited stands at the intersection of legacy, technological capability and environmental responsibility. With a strengthened stainless-steel portfolio and a firm commitment to energy efficient and green steel production, the company is structurally aligned with India's infrastructure expansion and sustainable industrial growth. Thank you once again for your continued support. I now open the floor for questions. Thank you so much.

Moderator: The first question is from the line of Hrudaynath Kolani from Kuber Advisors.

Hrudaynath Kolani: So I will start with the -- like major financial part, so revenue growth has been strong in like Q3 and.

Moderator: Sorry to interrupt Mr. Kolani, can you please speak a little louder?

Hrudaynath Kolani: I could see the revenue growth has been strong in quarter three and nine months. So I just wanted to know the detailed product-wise revenue and volume breakup for stainless wires, rods, billets, stainless rebars and carbon TMT bars and if it would also help if you could explain this mix has evolved over the last four quarters?

- Management:** Good afternoon, sir. We will send you the details which is not I mean, the bifurcation is not with us right now. And we will definitely send you the detailed bifurcation in terms of carbon steel as well as stainless steel.
- Hrudaynath Kolani:** Okay. Okay. Got that. And also on the balance sheet side, so I just like wanted to know the current gross debt and working capital borrowings as of Q3 FY26 and what is the blended borrowing cost today as compared to two years ago?
- Management:** Two years ago we were in the debt restructuring mode. So that time the cost was much, much higher. Now as on date the gross debt with me is INR43.50 crores. Right. And the cost of debt is going down and we are making all efforts to go down further. As compared to the restructured ROI at the time of restructuring, it is much, much lower as on date.
- Which you must have seen from the results also. If you see the debt cost as on March '24 and the debt cost, debt amount, interest cost as on date, it is much, much lower.
- Hrudaynath Kolani:** I can see yes.
- Management:** So till 2024 the debt cost was high. Now the debt cost has gone down. We are making all efforts to make it down further. We have; we are approaching other lenders to at a lower rate of interest.
- Hrudaynath Kolani:** Got it. Sir, I could see the historically your EBITDA margins has been in the range of 4% to 5%, but where do you see this margins closing for this financial year FY26 and what is the realistic sustainable band for even FY27 and FY28 assuming better realization and higher stainless mix?
- Management:** Can you come again?
- Hrudaynath Kolani:** I'm saying your EBITDA margin has been in the range of 4% to 5%, but where do you see this margins closing for '26 closing and '27 and '28 assuming we expect a better utilization and higher stainless mix?
- Management:** If there will be better utilization and the market is conducive, then it will definitely go up. Because we are making various changes in our existing plant, by which, we are trying to reduce our direct cost. So it will be much, suppose subject to market conditions, this will be higher.
- And with the higher capacity utilization the margins will definitely be higher. Because there is there is always a fixed cost element which never increases with the volume.
- Hrudaynath Kolani:** But I could see, like, Y-o-Y your other expenses has increased from INR17 crores to INR23 crores. Can you explain this increase?
- Rajesh Jain:** Yes, if you track our company, in December 2024, we were not operating the TMT mill. But in December 25 quarter we have restarted the TMT mill operations in April 2025. So when we restart the mill, there is always a power cost, there is always a consumable cost which was not there in 2024. So that's the reason in absolute terms it is higher as compared to 2024.

- Hrudaynath Kolani:** Okay. And in terms of scrap sourcing, how diversified is your domestic procurement network, and are you seeing any tightening in availability or spread in recent months?
- Rajesh Jain:** Can you can you speak little louder?
- Hrudaynath Kolani:** Yes. I am saying in terms of scrap sourcing, how diversified is your domestic procurement network?
- Rajesh Jain:** We have not seen any problem in sourcing the scrap, because it's readily available in the nearby areas. So I mean, my plant is never closed because of the non-availability of scrap.
- Hrudaynath Kolani:** Okay. Got it.
- Rajesh Jain:** So that is not a big problem for us at all -- that is not at all a problem for me.
- Hrudaynath Kolani:** Got it. Okay. Just one last question from my side. So on the demand part, where are we seeing currently strong traction from and which is real estate, infrastructure, railways, or commercial? Has this mix shifted meaningfully in the last two to three quarters?
- Rajesh Jain:** We are mainly focusing on the real estate players, big projects. All the developers in NCR, we are approaching all the big developers in the NCR for our TMT product. Of course my stainless-steel wire rod is B2B business and we sold SS Wire Rod to the various business houses. But for TMT we have approached -- initially we have approached all the private builders and developers which are in big name.
- You can also see those in our presentation, all the big names. We have supplied our TMT rebars to all the big names including Wave City and some others. So our first aim is to cater all the developers. Thereafter, yes, definitely we will approach to railway and other. Apart from this, yes, we have a very wide network of dealer distribution channel, and we are also selling our product through distributors.
- Hrudaynath Kolani:** Got it. Thank you. That's all from my side.
- Moderator:** The next question is from the line of Aditi Jain from Wealth Management Consultancy. Please go ahead.
- Aditi Jain:** Hello. So my question is, as we move towards the targeted 75% to 80% melting utilization, what kind of EBITDA margin expansion should we expect purely from operating leverage?
- Rajesh Jain:** Hello? Yes. Aditi good evening. Once we once we will move to 75% to 80% capacity utilization, EBITDA margin will definitely much higher subject to market conditions. We expect to grow at a CGR of 20% on yearly basis.
- Aditi Jain:** Okay. And from an operational standpoint, how many days in the quarter does the plant typically remain shut due to the maintenance or technical downtime? Is there any planned major shutdown ahead that we should factor into the volume guidance?

- Rajesh Jain:** Except the normal shutdown we don't foresee any major shutdown. But the normal shutdown is only for a day or two. That's all. Nothing else in a month, not more than that.
- Aditi Jain:** Okay. And what is the current working capital cycle as of 9 months 2026, in the terms of receivable days, inventory days, and payable days? How has this trended over the past two years post deleveraging?
- Rajesh Jain:** Receivable days is somewhere around 35 to 45 days -- 30 to 45 days. And inventory is somewhere around 25 to 35 days.
- Aditi Jain:** Okay. And also you have highlighted green steel positioning. Have you received or applied for any recognized certification such as ResponsibleSteel, Environmental Product Declaration, ISO carbon reporting?
- Kushal Agarwal:** Yes. We have already certification of CBAM. Carbon Border Adjustment Mechanism. And which we are receiving on past two years. Apart from this we have also applied for the GreenPro. And we are also in the discussion for the green certification with the consultants.
- So as we told earlier also, we are planning to synchronize with another rolling mill to the SMS and post the synchronization and the conveyor belt, of course, we will apply for the green steel also. And my -- this GreenPro certification from CII, I am expected in this quarter or maybe the early next quarter.
- Aditi Jain:** Okay. Thank you. That's it.
- Moderator:** The next question is from the line of Raj Shah from Shah Ventures. Please go ahead.
- Raj Shah:** Yes, hi, good afternoon. Could you give me a sense of where steel melting utilization stands today in tonnage terms of quarter 3- and 9-months FY'26? What specific operational constraints need to be addressed to reach 80%?
- Rajesh Jain:** I'll give you in percentage terms. It is in the range of 60% to 65%. Capacity utilization is in the range of 60% to 65%. And we propose to increase it to 80% to 85%.
- Raj Shah:** Aha. Okay. And what specific operational constraints need to be addressed to reach 80%? Like what will -- what would be your approach sir?
- Rajesh Jain:** See as I told you that that we are in the process of doing direct charging of hot billets for my TMT mill also. Now we have direct charging of hot billets for Stainless Steel Mill. So now we are in the process of completing the capex plan for direct charging of hot billets for TMT mill.
- So that that process will be completed by -- in this quarter or early next quarter. Once that process gets complete, so my capacity utilization will be much higher. As on date we don't -- we have no issues as far as increasing the capacity.

- Raj Shah:** Okay. And in terms of customer profile as well, I just want to know, like, are you seeing larger developers of EPC players increasingly specifically for Fe550D or stainless rebars in tenders? Like is there any pricing premium being realized for green or stainless positioning?
- Kushal Agarwal:** No, we also explained in our last meeting also that stainless steel rebar is not grow in the way we anticipate. Of course there's a future. The future rebar is of course stainless-steel rebar, but the way the speed we anticipate, it is not developed. So it is for sure that in the near future 550D is the very good brand and we anticipate a very good demand for this product.
- At present also, there are developers, all big developers are using 550D. And we have also developed and make assure, that our product will be at par with the all the primary producers of 550D grade. So yes, for the near future we are looking for the 550, I mean, for the use of 550D grade. But yes, for the coastal belt, for the government projects there is a great demand for the stainless-steel rebar.
- Raj Shah:** Okay. Got it. And from -- I just also want to know from defense and strategic infrastructure perspective. Are you engaging with any defense contractor, like, rail infrastructure players or public sector EPC firms where qualification standards are more stringent?
- Kushal Agarwal:** Not yet. We are we are first focusing to sweat out all our assets. And thereafter of course when we have -- we after completion all our existing projects, I mean, with like, the conveying system with our TMT mill and all. After that, of course, we will again focus on the other areas.
- Raj Shah:** Okay. And with regards to borrowings as well, do you expect a short-term working capital limit to reduce as utilization stabilizes or will higher volumes naturally requires a larger working capital base?
- Rajesh Jain:** No. You know on a last year turnover of INR500 crores, we have a working capital of only INR35 crores, which in our size company is much lower side. So as and when the volume will increase, we will definitely be looking for higher working capital. And we are trying to reduce the cost of debt also. We are making all efforts to reduce cost of debt by approaching new lenders.
- Raj Shah:** Okay. And how many dealers, we currently have sir?
- Rajesh Jain:** We have around 300 dealers spread all over Northern India. We have Rathi Steel Shops also. Besides that we for Stainless Steel we do B2B business.
- Raj Shah:** Okay.
- Rajesh Jain:** Selling of Rathi products is not a problem at all. It's not like that, I keep on manufacturing and I keep on --keeping the inventory. No, it is not like that. Rathi is a very reputed brand in Northern India, and we don't -- we have never seen any problem in selling the products, in quality of the products. So selling part is not an issue at all for me.
- Raj Shah:** Okay. Sir also what about like any current credit period provided?

- Rajesh Jain:** Credit provided to whom?
- Raj Shah:** For, like, how long the current credit is current credit period is provided for dealers?
- Rajesh Jain:** To whom? To the dealers? It depends on it depends from dealer to dealer and product to product. But it ranges from 30 to 60 days.
- Raj Shah:** Okay. Got it sir. Yes. That's it from my side sir. Thank you so much for giving the insights for the business. Yes. That's it that's all from my side. Thank you.
- Rajesh Jain:** Thank you so much. Thank you.
- Moderator:** Thank you. The next question is from the line of Meera Jain from Green Capital. Please go ahead. Meera your line is unmuted. Please proceed.
- Meera Jain:** Yes sir. So few questions I have today. So on export side, do you see any direct opportunity in stainless products given the trade reset with EU and US? Even if not directly do any of your client have significant exposure to those market that could indirectly benefit your volumes?
- Rajesh Jain:** Directly we are not doing any exports to EU or US. But our dealers distributors they I think, they are definitely supplying -- doing exports of our products.
- Meera Jain:** Okay. And currently which states contribute the largest share of revenue? Are you planning to expand into Western or Southern India where stainless consumption may be?
- Rajesh Jain:** No. You know the steel when we talk of TMT, logistically it is very costly if you go to Southern India or some other part. We are focusing on Northern India only for TMT bars. And for Steel Wire Rods also, our focus is mainly on Northern India.
- Meera Jain:** Okay. And if we talk about like Rajasthan?
- Rajesh Jain:** Like Rajasthan, Maharashtra, Maharashtra but that is only for the wire rods. Not for the TMT.
- Meera Jain:** Okay. And once rooftop solar is installed and what percent of total power consumption could shift towards renewable sources? And what is the expected from that?
- Kushal Agarwal:** We -- we have not yet I mean yet to installed the plant but we are again in discussion with the consultant to check what best we could install, what best capacity we can install.
- Meera Jain:** Sir also are you looking for any inorganic growth? I mean acquisition, joint venture something?
- Rajesh Jain:** We are definitely looking for some acquisition and all but that will be subject to -- it will enhance our existing plant means which will be in line with our existing products.
- Meera Jain:** Sir also what is your guidance for FY '27?
- Rajesh Jain:** We have told this so many times, we expect to grow at a CAGR growth of 20%.

- Meera Jain:** Okay. So where we can see you in next five years?
- Rajesh Jain:** Next five years, I think my turnover will definitely be double to what I am achieving today.
- Meera Jain:** Okay. And sir any update, like investors should look in, we can expect in coming weeks or in next quarter? Any solid update business related to business and operations?
- Rajesh Jain:** Whenever there will be any update, we will definitely keep posted it on the BSE website.
- Meera Jain:** Yes. Fair enough sir. Okay. Thank you. That's it from my side.
- Moderator:** Thank you. The next question is from the line of Yash Rathod from Unique Solutions. Please go ahead.
- Yash Rathod:** Good evening, sir. I had a few questions with me. The first question is, is there any scope to move further downstream for example into fabricated or semi-finished finished product to capture the additional margin layers?
- Rajesh Jain:** As of now to we are focusing on consolidating our existing business. Once that get consolidated and my capacity utilization will be maximized then we will definitely think for that.
- Yash Rathod:** Okay. Sir the other question from my side was from a cost structure standpoint, what proportion of the total cost is raw material versus power versus labor?
- Rajesh Jain:** Okay Mr. Rathod. Versus labor. We -- my raw material cost you must have seen from the results, raw material cost is in the range of 75 to 80%.
- Yash Rathod:** Okay. A land holding is approximately 13 acres. Our land holding is approximately 13 acres. Can we expand the current facility within existing land assuming we decide to do so?
- Rajesh Jain:** Yes, yes. Land is adequate enough for me to go in for downstream production.
- Yash Rathod:** Okay. And my last question was, if we look three to five years out, what do you believe will differentiate you the most like, in terms of scale, technology, green positioning, or distribution strength, or product specialization?
- Kushal Agarwal:** We are -- you must appreciate the fact that we Rathi's are always moving with the present trend. Right now we are, we are already manufacturing our most of the product with the scrap which is known as presently known as the green steel and all. So we are already manufacturing green steel. And our future product like 550D or SS Rebars is also based on the green steel.
- We are also purchasing green power through the open access and also, we are making effort to install rooftop power plant. So of course we are already -- we have -- we have recently upgraded our plant so that our product will be the best in the market, best in the segment. So we are already with the latest technology in the trend.
- Yash Rathod:** Okay. Thank you, sir. That was it from my side.

- Moderator:** Thank you. The next question is from the line of Raj Saha from Oaklane Capital. Please go ahead.
- Raj Saha:** Yes. Thank you for the opportunity. Sir are there any specific regions or customer categories where margins are structurally better compared to your current portfolio?
- Rajesh Jain:** No no. It is not like the case. The margins -- there are different margins for different products but customer wise there is no differentiation as such.
- Raj Saha:** Okay. And sir over the last few quarters have you seen any changes in dealer behaviour, like inventory stocking trends or credit appetite which might you know signal demand acceleration or caution?
- Rajesh Jain:** No. You must have if you have seen our posting on the BSE website, recently we have -- we have achieved the highest ever turnover in January of INR77 crores in a month. So had that been the case my turnover would not -- would not have been highest. Rather we are looking for better days ahead.
- Raj Saha:** Okay. And sir like what percent or percentage of that revenue comes from repeat customers versus new client acquisition?
- Kushal Agarwal:** See sir, our if you see the product, my product is one product is TMT rebars which is used for a builder. When a builder purchase TMT bar, of course he need the same product for his each projects. But when it comes to the individual person, of definitely the person will purchase only once or twice because after that they have to, once his house is ready, they definitely do not need the bars.
- Like my other product SS rebars, SS wire rods, it is the B2B product where which it has various application like SS fasteners, SS wires. So the industries which are manufacturing, in the process of manufacturing let's say SS fasteners, they need to purchase my wire rod on regular basis. So this is the nature of our product.
- So roughly you can say yes for Stainless Steel product my existing, my repetitive clients is more than 90%-95%. And for TMT bars it is more than 70% is my existing developers and suppliers. Of course including my dealers and distributors.
- Raj Saha:** Okay. Yes, sir that's it from my side. I'll join back the queue if I have any more questions.
- Moderator:** Thank you. The next question is from the line of Anish Garg from Anish and Associates. Please go ahead.
- Anish Garg:** Okay. Sir so my question is, are we importing the raw material from any country or the requirement is fulfilled locally only?

- Kushal Agarwal:** Presently we are not importing through any country or if it is my requirement which is fulfilled by domestic or maybe the dealer who are provide us the material maybe he may be import some part. But we are not directly importing right now.
- Anish Garg:** So my follow up question is, seeing the annual report of the last year, we have imported the raw material of INR28 crores in the last year and INR58 crores in the last-to-last year. So may I know the reason?
- Kushal Agarwal:** If you -- if you compare with the percentage, I mean the percentage of raw material imported versus my sales or my purchase, it would be hardly 7% to 10%. So whenever we found it suitable to import the material we will do so but in there is a lot of formalities and time involved for the import.
- Rajesh Jain:** And by the time the material came to the Indian market the scenario may change. Presently we are focusing mainly on domestic raw materials. But as and when the conditions will be conducive, we will definitely go in for imports.
- Anish Garg:** So from which country are we importing the raw material in the last years?
- Rajesh Jain:** Last year we imported from US, we imported from Europe. We imported from Dubai; we imported from Kuwait. It's only the scrap part which comes from US, Europe or these countries. Otherwise all other material raw materials are local.
- Anish Garg:** Okay. Okay sir. Thank you. That's from my side.
- Moderator:** Thank you. Participants if you wish to ask a question, please press star and one at this time. As there are no questions from the participants, I now hand the conference over to Mr. Parth Acharya for closing comments. Over to you sir.
- Parth Acharya:** Thank you everyone for joining the conference call of Rathi Steel and Power Limited. If you have any further queries, you can write us at research@kirinadvisors.com. Once again thank you everyone for joining the conference.
- Rajesh Jain:** Thank you so much for your continued support. Thank you.
- Moderator:** Thank you very much. On behalf of Kirin Advisors Private Limited that concludes this conference. Thank you all for joining us today and you may now disconnect your lines.