

**Date: 24<sup>th</sup> November, 2025**

To,  
The Manager- Listing Department,  
BSE Limited  
P J Tower, Dalal Street,  
Fort, Mumbai - 400001

Reference: Manoj Ceramic Ltd  
BSE Code: MCPL  
Scrip Code: 544073

**Sub: Transcript of the Earning Conference Call with Investors/ Analysts for Financial Results and operation for the half year ended on 30<sup>th</sup> September, 2025:**

Respected Sir/Madam,

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Please find enclosed the Transcript of the Earning Conference Call held on Tuesday, 18<sup>th</sup> November, 2025 with Investors/ Analysts for financial results and operations for the half year ended on 30<sup>th</sup> September, 2025

Kindly take the same on your record.

Thanking you,

Yours faithfully,

**For and on Behalf of  
Manoj Ceramic Limited**

**Dhruv Rakhasiya  
Managing Director  
DIN: 03256246**

**Encl. As Above**

**MANOJ CERAMIC LTD.**

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**Manoj Ceramic Limited H1 FY26 Earnings Conference Call Transcript Date:** November 19, 2025

**Hosted by:** Confide Leap Partners

**Moderator (Confide Leap Partner):** Ladies and gentlemen, good afternoon and welcome to the Manoj Ceramic Limited H1FY26 conference call hosted by Confide Leap Partner. As a reminder, all participants line will be in listen more only. There will be an opportunity for you to ask the questions after the presentation concludes. Please note that this conference is being recorded before we begin. I would like to now point out that this conference may contain forward-looking statement about the company which are based upon the beliefs, opinion, and expectation of the company as of the date of the call. These statements do not guarantee the future performance of the company, and it may involve risk and uncertainties that are difficult to predict. Participants are requested to ask two to three questions at a flow so that everyone is entertained, utilizing the management time. I would now like to hand over the floor to Mr. Rajnish from Confide Leap Partner. Thank you, and over to you, Rajnish.

**Rajnish Mishra (Confide Leap Partners):** Thank you, and good day, ladies and gentlemen. Myself, Rajnish Mishra from Confide Leap Partners. We represent the investor relation and public relation for Manoj Ceramic Limited. On behalf of Confide Leap Partners, I warmly welcome you all to Manoj Ceramic H1FY26 earning conference call. The company is today represented by Mr. Dhruv Rakhasiya, managing director of the company. I would now like to hand over the call to Mr. Dhruv for his opening remarks. Thank you, and over to you, sir.

**Dhruv Rakhasiya (Managing Director, Manoj Ceramic Limited):** Thank you, Rajnish, uh, for the introduction. Good afternoon, everyone, and thank you for joining Manoj Ceramic Limited H1FY26 earnings call. For those who are interacting with us for the first time, I would like to introduce that MCPL was found in 1991 and has grown from a regional trading, uh, outfit, uh, into an emerging globally aligned ceramic and tile solutions company. Over more than three decades, the company has built a multichannel presence across retail, B2B, OEM, and exports, supported by strong design capabilities, disciplined governance, and a deep understanding of the ceramic value chain. Today, MCPL operates through a well interacted ecosystem that spans ceramic and porcelain tiles, quad surfaces, exotic stones, and adhesive, supported by retail showrooms, distribution hubs, sovereign partnerships across Africa, and international subsidiaries in the UK and Dubai. During the H1FY26, MCPL continued to demonstrate operational resilience and growth momentum, delivering revenue of 81.62 crores, up 23.38% year on year and PAT of 5.53 crores, growing 35.11% year on year. This performance reflects improved executive across retail, B2B institutional projects, and an accelerating export strategy. The company has also enhanced its cost structure and product mix, supporting stable EBITDA margins at 13.58%. On the business front, MCPL's strategic initiatives continue to strengthen its position. The company now operates seven premium retail showrooms across Mumbai, Pune, Bangalore, and Thane, including the recently commissioned Upper Thane display center, which has further improved customer access and brand visibility. Our Dubai display center, inaugurated in August 2025, has already begun contributing to faster customer co- conversions as a service, uh, s- uh, as a gateway to the GCC



and Africa, enabling en- e- MCPL to tap into high-valued, uh, design-forward markets. The commissioning of the Pune warehouse and upcoming warehouse in FY2026 are key steps towards improving supply chain efficiency, reducing turnaround times, and supporting our growing distribution network across Maharashtra, Goa, Karnataka, and other regions of the West and South zone in India. The exports remain one of the biggest long-term value drivers for MCPL, with operations and sovereign-backed partnerships already established in Burundi, Angola, Sudan, and Senegal. The company is strategically positioned to benefit from rising demand for ceramic and infrastructure solutions across Africa and the Middle East. We remain confident in our plan to grow exports from 1% currently to nearly 20% over the next three years, supported by increased institutional demand, deeper channel penetration, and the ability to serve project-based requirements through tailored trail- tailored product solutions as well. Market demand Market demand remains strong in these geographies, driving by real estate development, infrastructure upgrades, and premiumization trends across hospitality and commercial segments. Domestically, MCPL continues to scale its B2B and dealer network, supported by the healthy trade-in credit insurance facility, which significantly strengthens our risk management framework, enables safe e- expansion of dealer credit limits, and supports working capital stability. The complements our interna- internally built CRN stack, which ensures transparent order tracking, structured collections, and improved efficiency fulfilled visibility. Accordingly, the company continues to maintain high governance standards, stable financial ratios, and a consistent credit profile, helping reinforcement overall business confidence. From a product perspective, MCPL has formally entered the manufacturing space, which marks a significant step towards a value chain integration. This is not only support quality, consistency, and better control over supply, but also improves margin over time and enhance our export, uh, competitiveness. We continue to leverage our strong design capabilities, global trend ma- mapping, and customer insights to build a differentiated product pipeline aligned with evolving market preferences. The company has also made notable progress in its digital transformation journey, particularly through the adoption of AI-enabled design visualization tools, omnichannel communication system, and integrated marketing analytics. With multiple growth engines across retail, B2B manufacturing, international distribution, and digital-led customer engagement, MCPL refer, uh, remains committed to build a scalable export-led technological e- enabled business model with disciplined, with disciplined capital allocation and long-term value creation at its core. I once again thank everyone for joining this conference call. With this, I would now open the floor for questions and invite participants to share their queries. Thank you.

**Moderator:** Participants are requested to raise their hands for the question. Also, one can request the question in the question box. We have Mr. Pranav Mishra. Sir, you can unmute and introduce yourself.

**Pranav Mishra:** Hello.. Uh, am I audible?

**Moderator:** Yes, Pranavji, good afternoon.

**Pranav Mishra:** Good afternoon, sir. Uh, actually, I had a question. Uh, previously we were into warehousing of tiles, and now we have, uh, uh, switched into manufacturing. So, like, what are the CapEx requirement and what would be the internal rate of return that we are aiming for this?



**Dhruv Rakhasiya:** Um, so Pranavji, my business model has not completely changed. We are still under the warehousing, stocking of material at various locations. For the natural stones division that we inaugurated in the month of January 2025, uh, we recently, two months back, got into the backward integration for natural stones division only, which gives the, uh, cutting, polishing, reshaping, and, uh, making different surfaces on the natural stones. Only that part is, has gone in the backward integration. The rest for the tiling division, for stocking, for warehousing, it, the model is still the same.

**Pranav Mishra:** Okay, and, like, how will we compete with the existing contract manufacturer? Like, will it affect our relationship with them, with the current, uh, supplier?

**Dhruv Rakhasiya:** No, uh, so this is a different, uh, uh, supply uh, product, uh, category itself. Uh, this is a natural stone, uh, division wherein the lot that is available with the, uh, customer to sell to the buyer, uh, that is, that is completely a unique block of stone that is available with the seller. Every seller has his own, uh, uh, stone to sell, so there is no competition in the natural stone. It is just basically how you present and sell it to the end user matters. Whereas when you talk about the tiling division, the, uh, the con- the suppliers are completely different. The business model is completely different when compared to the natural stones division. I hope I'm answering your call, um, your question correctly, Pranavji.

**Pranav Mishra:** Oh, okay. Okay. Like, yeah, actually, uh, in, in a way. Um, lastly, actually, I just wanted to ask that, uh, in the Dubai, uh, Dubai center, uh, like, after the inauguration, how are we seeing the traction? And, uh, like, uh, a- as you mentioned in your call also that it is, it has started, um, contributing. So is it, uh, it, uh, what kind of, um, revenue contribution we are seeing from that particular business? And, uh, are we on a break-even point or is it, like, uh, does that, uh, started to contribute into bottom line or is it in break-even or what stage it is?

**Dhruv Rakhasiya:** Pranavji, we just started up, um, Dubai operations in the month of August. So to have the break even of that particular unit or that particular store is too early to discuss. Talking about the, uh, ground realities, yes, we have started to receive the customers from Africa who have been traveling to Dubai to have the look and feel of the entire, uh, product range of MCPL at Dubai. And, uh, clicking on the projects, recently we have backed up with one of the, uh, uh, project, uh, for housing colonies in Burundi, in Africa. That was rooted from, uh, the Dubai display center when the team came in there for, uh, selection of the products and, uh, the sales began, uh, from there.

**Pranav Mishra:** Okay, so it is just a, uh, just a display center and all the exports will be done from India only, no?

**Dhruv Rakhasiya:** Correct. All the physical material dispatches will only be from India. That is just an experience center, display center, wherein people who are not able to travel, uh, to India for expe- for whatever reason, maybe for, uh, the expenses or maybe the travel convenience or maybe the visa issues or anything, Dubai becomes a one-point, uh, solution for all the African people to travel easily. So that's how they have been, uh, working with us, uh, and pushing us to open up a display center in Dubai for expanding our, uh, uh, product ranges in Africa.



**Pranav Mishra:** Got it. Got it, sir. Thank you, and all the very best.

**Dhruv Rakhasiya:** Thank you very much, Pranav. Good day.

**Moderator:** Just a quick reminder, if participants have a question, they can raise their hands from Reaction tab, and also can post a question from the Q&A box. Next we have Mr. Puneet Singh. Sir, you may unmute and ask the question.

**Puneet Singh:** Hello. Yeah, am I audible?

**Moderator:** Yes, please.

**Puneet Singh:** So, what's the reason for fall in revenues in, uh, year two quarter over quarter, um, the increase in, uh, paid receivables?

**Dhruv Rakhasiya:** Uh, sorry, your voice, uh, got thin in between, please, Puneet ji?

**Puneet Singh:** So, what is the reason for the fall in revenues quarter on quarter?

**Dhruv Rakhasiya:** Fall in revenues? We, uh, compared to the- Quarter on quarter. ... compared to the, uh, first year of, uh, the FY24 results, we have increased on the revenues by about 20, 22%.

**Puneet Singh:** Quarter on quarter, I'm asking.

**Dhruv Rakhasiya:** Quarter on quarter, uh, the main peak season of, uh, our industry lies on the third and fourth, uh, quarter of the, uh, entire year. Typically speaking, the fourth quarter is always the powerful for our, for our industry. And it has been a historic, uh, data since many years.

**Puneet Singh:** All right. So, uh, considering H1 performance, uh, what kind of, uh, top line and bottom line do we expect in FY26?

**Dhruv Rakhasiya:** Uh, so as we had committed before, we'll be in the lines of, uh, 20, 25% to 30% CAGR in the next three years, and we have been delivering our promises from the F, H1, uh, uh, FY26 results as well. So we'll be sticking to the same, uh, line of growth.

**Puneet Singh:** Got it. So our sales, how much is B2B and how much is B2C, one? And number two, how much of the sales is under our own brand?

**Dhruv Rakhasiya:** Okay. Uh, so our, uh, product, uh, has a mix of, uh, maximum of MCPL branded products being sold in the market, uh, irrespective of, uh, other suppliers like, uh, Jaguar or Sanitary Ware, specifically asked in brand, or maybe tiles or tiles adhesive. They... Overall they contribute about, uh, 90, 95% of the entire product mix. That is for, for the MCPL brand. The second is, to your question, is B2B contributes about, um, nearly between 80 to 85% of our total revenues, and B2C, uh, contributes about 20, 25%. Though the margin, uh, though the, uh, uh, volumes from the B2C are less, the margins are much better in B2C category.



**Puneet Singh:** So what kind of a mix do we expect going forward, and, uh, what, what are we pushing to get more into B2C?

**Dhruv Rakhasiya:** Yes, we are pushing ourselves to improve on the B2C categories, wherein we can improve our EBITDAs, we can improve our bottom lines in the same, uh, required manner, and have our stores across India in the, uh, required manner for, uh, going from, uh, the supply side directly to the end user. We are trying to push that as much as possible.

**Puneet Singh:** So with the new centers, do we expect... Uh, I mean, what kind of a mix for B2B, B2C do we expect in the second half? And what are the margin differentials? What's the margin for B2B and what is for B2C?

**Dhruv Rakhasiya:** Talking about in general, usually the B2C customer who come into any store gen-... usually takes about one, one and a half year, uh, time for, uh, the customer's strong base to be accumulated at any depot, at any sales point of time. Uh, because it is new, the branding has to be in that manner. Uh, the approach for, uh, uh, gathering all the, uh, contractors, architects, uh, to their store is always an effort because they're already, uh, uh, enjoying their share of, uh, purchases from their, uh, local, uh, uh, suppliers in that area. Uh, B2B is, uh, uh, probably that becomes much faster in results because once we give the samples for display at any of the dealer's point of sale, um, at that point, immediately the customer who was, uh, the architect or contractor who's already affiliated to that particular store, immediately the next day we can expect the sales to start. Talking about margins, in B2B we enjoy generally 20, 25% margin, 30% margin. B2C, it goes beyond 35%, 40% margins as well in growth. I hope I'm clear with my answer, uh, Puneet ji?

**Puneet Singh:** Yes. And what kind of mix do we expect in, uh, H2 between B2B and B2C, given that we are, uh, pushing, uh, into the B2C segment? And secondly, uh, there was a recent, uh, uh, update that, uh, we are insuring trade receivables. So out of the 100 CR, uh, paid receivables right now, uh, how much is insured?

**Dhruv Rakhasiya:** So B2B and B2C, we are trying to have a, uh... That- that's always a war between the departments as to who wins the, uh, end race, but it was always volumes who, uh, turn out to be better. Uh, so the ratio between B2B and B2C always has been between 80, 85% and, uh, in the wholesale, and, uh, 20, 25% in the retail s- front. Uh, talking about the insurance, the trade receivables, yes, they have all been insured in the month of, um, um... The procedure started up long back, but I think so in the month of September it got activated, and, uh, since then, all the ins- the, the debtors are already insured. Um, irrespective of, uh, the nature of their business, may it be an architect or, uh, any firm or private limited or limited, anybody, they are all insured, whoever is, comes under the billing with us.

**Puneet Singh:** Got it. And, uh, we did a QIP, I think on the rights issue, so, uh, are the promoters still, uh... and it was at a price of around, uh, 160, if I'm not wrong. So are we- 161, yes. Are we still committing to that?

**Dhruv Rakhasiya:** Yes, we are still committing to it, and we'll honor it.

**Puneet Singh:** .... by when will it be completed?



**Dhruv Rakhasiya:** Uh, shortly. Not very long time, uh, from now. It will be done shortly.

**Puneet Singh:** All right. So what could be a target, uh, to, uh... Do we have any target to bring, bring down the debtor days? And if so, I mean, are we taking any steps in that direction, and what is the, uh, I mean say, is the debtor deals that we, uh, target?

**Dhruv Rakhasiya:** Yeah. So, uh, usually, as I told, my second half of the period is always, uh, proactive and it is much more, uh, benefiting to our industry. So the sales and debtor collections have been much, uh, stronger in last year as well. In the, uh, financial results of, uh, the entire year's result of March '25, we have proved on becoming a better, uh, collection agent than, uh, uh, than the previous year. And we would like to continue ourselves in the same stronghold period line.

**Puneet Singh:** What kind of debtor days are we looking at? It was a, a one, around 163 in FY '25 and...

**Dhruv Rakhasiya:** So this year, we are targeting to get down by another 25, 30 days, is what our target is.

**Puneet Singh:** All right. And what steps are we taking in that direction? I mean, if you can, uh, say anything.

**Dhruv Rakhasiya:** Separate teams have been deployed who is focusing directly only on credits. Every day, monitoring calls for all the, uh, retail customers, for the B2B business holders. And also, every dealer is assigned some kind of credit limit and credit days by which things can get into control in the upcoming few months.

**Puneet Singh:** All right, all right. Thank you very much and join back with you again.

**Dhruv Rakhasiya:** Um, thank you, Puneet ji.

**Moderator:** Just a quick reminder to everyone, if you have questions, please re-... uh, please raise your hand using the reaction tab. Also, one can, uh, raise their question in the Q&A box. Next, we have Mr. Akash. Sir, you may, uh, unmute and introduce yourself.

**Akash:** Hello? Uh, am I audible?

**Moderator:** Yes, please- Yes. ... sir.

**Akash:** Uh, hello. Uh, congratulations on good setup numbers. Uh, really-

**Dhruv Rakhasiya:** Thank you very much, sir.

**Akash:** Yep. So I have a few questions. Uh, so, uh, as far as, uh, as I understood, our business... Uh, just correct me if I'm wrong. The business model is mostly we are doing contract manufacturing and some kind of, uh, uh, let's say, stocking the units, right?



**Dhruv Rakhasiya:** Yes.

**Akash:** Oh, okay. Uh, so basically, my idea was we are getting, uh... So, uh, as far as I see, uh, if you are up, uh, comparing with other, uh, peers, uh, we are kind of outgrowing, right? So what is the reason behind it? Because is, is it a small base or we are doing manufacturing based on demand, not based on, uh, like, just doing it for the sake of manufacturing. Like, how is it panning out?

**Dhruv Rakhasiya:** See, uh, a- Akash ji, if I understand your question correctly, you wanted to understand why am I not going into backward integration in tiles, is it?

**Akash:** Uh, yes, yes, yes.

**Dhruv Rakhasiya:** So the point is very simple, uh, uh, Akash ji. The point is, uh, currently, the entire industry is in the growing stage. So there are a lot of machineries that are still continued to install here and getting better products done every month that we talk about and, uh, every new unit that comes in, upgrading their current machineries. So if I have to get into the, uh, uh, same race of, uh, getting, uh, uh, backward integration and improving my bottom lines, but what about my, uh, product portfolio tomorrow? Today, I'm enjoying a product portfolio of nearly 1,000 products, but not all from one factory. We have identified the factories wherein they are good in production of certain sizes of product in one particular group. The other group is good at other size of product, other designs or colors. So every time a new manufacturer comes in with an upgraded plant, maybe next month itself, even you come up with a new plan, I'll have a monopoly of my product's, uh, distribution in the areas that I'm circulating and I'll start distributing. So I always like to keep myself as an, uh, uh, person who is good at selling my product and... rather than making myself, uh, available for backward integration. Backward integration will happen after a couple of years, only when the industry is stable enough to, uh... Uh, like there is, there is no other new technology of... uh, technology to be introduced. Only then it is, uh, better to go for a backward integration in that particular stage. Like the, uh, natural stones division, we went into backward integration for making different surfaces on the marbles, different surfaces on granites, different surfaces on the full body tile, the big size, uh, slabs that are coming up, or cutting and, uh, giving them the required size of product that they want. There is no new technological advance, ad- advancement in it. It is a stagnant, uh, industry that, uh, just needs machinery updation, uh, once in every three, four years, five years, due to w- wear and tear itself. Nothing else. So once the entire industry reaches to that level, which we are anticipating in the couple of, uh, uh, years, we'll be able to go for back- uh, backward integration in the tiles as well.

**Akash:** Got it. Go ahead. So it, it would be better to say, uh, like, we are mostly focusing on a- Asset Light business because it help us to do lots of ex- experimentation. By experimentation, I mean, uh, procuring from better, uh, technology and all those things, and maybe a little of marketing test because we are getting good products and kind of delivering, uh, to-

**Dhruv Rakhasiya:** Absolutely right, Akash ji.

**Akash:** Got it. I- I like your outlook. Two more questions. So- Yes, please. ... we are doing backward integration on this natural stone, right, uh, division. Uh, I think, uh, I- I haven't bought any natural stones, so I'm just assuming that it is because, uh, it would be a, like, niche and high

quality product, uh, and- Yes. ... the demand would be there. That's why we are kind of entering it, first question. Second is, uh, I think, uh, you mentioned in, uh, the PPT also and I think in last con call also, we are using AI and, like, all those technology to kind of, uh, uh, getting customers and all those things. So I want, want to discuss on those front, like, how we are kind of using it on ground?

**Dhruv Rakhasiya:** See, Natural Stones, first I'll answer the, uh, uh, first part of your question for Natural Stones. Yes, they are the premium lot of, uh, product which, uh, f- is, uh, specifically focused on the retail users, uh, for the B2C and use, uh, wherein they can come down to our place, specifically looking for that particular stone design color which is not available with the next door neighbour who is do- doing natural stones. In this, uh, the margins are much better and that part of work which we were already affiliating through the other, uh, channel partners, that part we have, uh, in- uh, incorporated in ourselves as well. So that, and we can also take up the job works of, uh, nearing neighbouring, uh, people for natural stones and tiles, which we can do the cutting, polishing and do the branding for them and pro- sell it off for them. Um, this Natural Stones, uh, machinery just inaugurated, I think so, about two, two and a half months ago- Mm-hmm. ... when the announcements were done and it is, uh, still under the growing stage. The marketing is ongoing for the c- current, uh, products that we speak about. Talking about the AI model, uh, the AI Studio, which is available free of cost on our website, mcplworld.com, in this studio part, the 2D model and 3D model is currently active. The, there are bare shell of rooms which are currently available for living room, bedroom, bathroom, kitchens or countertops, outdoor, commercial spaces, everything, uh, and whenever you select any of the wall or on any of the floor, the tile is laid in front of you within few seconds so you can have thousands of combination with your family sitting at your home. No need to go to the physical store and, uh, spend many, many, many hours for it on how your bedroom or your, how your kitchen, how your bathroom would be looking at. Talking about the, after once that is sorted, you can contact my customer service, uh, call center numbers, uh, which are provided on the website itself. Yeah. They can guide you to the nearest store which has that sample. Visit that store, have a look and feel of that product that you have shortlisted, place the order there itself and my, uh, my supply team will, uh, s- supply through the dealer's channel. So we have made it that easy. Making it 100% online sales is not, uh, uh, possible. We tried to do that, but we failed only for the reason is people would like to have a touch and feel factor- Mm-hmm. ... for tiles, natural stones, sanitary ware in that manner. So online sales was not happening, but we came closest to getting the entire showroom to your place.

**Akash:** Got it. So let's say this, uh, tool, uh, as far as I understood, this would be benefiting most of the B2C customers, right? But what about B2B? Is it helping us to kind of accelerate B2B growth as well?

**Dhruv Rakhasiya:** B2B, yes, of course. Uh, this platform is used not only for, uh, uh, uh, B2C users. The B2B as well, they, uh, lay the product because see, any, uh, store that you walk into- Mm-hmm. ... you can see only one piece of product in, uh, front of you or two piece of product in front of you, and they ask the architect or the shop owner, uh, asks you to imagine as to how the entire place will look after the entire, uh, flooring is laid. This becomes easier for the B2B channel partners to just introduce that particular design in that, uh, uh, in that flooring and get the order done within few seconds or make the decision whether or not they want this place to be looking



this manner or that manner. So it is always helpful. The tools have been available free of cost for everyone to use, not just to B2C or not just for, uh, B2B users.

**Akash:** Got it. Got it. Just a last question before I, uh, kind of move on for the next participant. Uh, so for the marble, uh, the stone marble which we had discussed, uh, maybe not now, can you give some guidance what kind of share, revenue share maybe we can achieve, let's say, six months from now or something like that?

**Dhruv Rakhasiya:** Uh, product wise, bifurcation would be available later on. Mm-hmm. Uh, I'll just, uh, stick to my answers, uh, on, uh, uh, achieving my total sales targets of, uh, between 25 to 35% CAGR in the upcoming, uh, three years.

**Akash:** Got it. Got it. Thanks. Thanks. I think that was helpful.

**Dhruv Rakhasiya:** Thank you very much, Akash. Good day.

**Akash:** You too.

**Moderator:** Just a quick reminder to everyone, if you have questions, please raise your hand using the reaction tab. Also, one can request the question in the question and answer box. Next we have Mr. Rajeev Poddar. Sir, you may unmute and introduce yourself.

**Rajeev Poddar:** Am I audible?

**Moderator:** Yes, please, sir.

**Rajeev Poddar:** How are you? Uh, good, good, good. Uh, see, actually I have, uh, I'm a chartered accountant and, uh, when I'm looking at your financials and your growth projections, 25%, uh, CAGR over next three, four years, I feel that it's like, uh, unimaginable to be honest, because, uh, when most of the developed countries are struggling to have even 2%, 3% growth in GDP, and when we are talking about a company which is, uh, forecasting three, multiple years of 25% CAGR, uh, one question that comes to mind, uh, is that, uh, it's like you can say a dream investment opportunity, because even the, uh, Nifty, if you see, uh, you know, the stock multiples, uh, at Nifty level, uh, ev- anything is somewhere around 23, 24, 25. Nothing is cheap right now. And, uh, at, uh, current PE multiple, your stock is trading at less than 12. So, uh, what I feel is that, uh, this is, uh..... hidden gem, if I may say so. Uh, it is a hidden gem and, uh, what is lacking is, uh, corporate governance. Uh, and I'm not talking about your spec- uh, your company in specific. I'm speaking in general about, uh, SME companies and, uh, this is just something which I gather when I talk to fellow chartered accountants who are also investors. And they all share this common concern that, uh, they don't want to invest in SMEs because they believe that, uh, corporate governance can be an issue. And, uh, uh, so I feel that, uh, here we have a company where you, in your initial, uh, presentation, you said that corporate governance was one of the points which I believe you raised. So, uh, so- (sneezes) ... I think, uh, what is your company doing to, to capitalize on this hidden gem opportunity? Because as management of the company, as promoters of the company, you have more, uh, comfort in your own corporate governance in comparison to the general public. So if I, if you see that, you know, if, uh, this, uh, company, like, even if it were to, if some, if, if the

index was growing at 25%, believe me, uh, the multiple, stock multiple will never be 20 to 30. It will be much, much higher. So what I feel is that if your growth rate is actually 25% in the over next three years, then your multiple should at least be double, if not more than what it is now. And as management of the company, I think that, uh, maybe you can, uh, you have part, uh, you know, this preferential allotment you have done. But at the same time, what I see is that your promoter holding has come down from, earlier it was 71.67%, and uh, uh, post this preferential allotment, I was looking at your October, uh, uh, list, uh, document. Here it is saying that it will come down to 52%. So what is your current promoter holding after, after this 13 lakh, uh, uh, preferential allotment? What is your... So my question is, what is your, uh, preference- uh, promoter holding? And second, uh, to infuse confidence among general public and investors like us, do you, do you, uh, think that you can take it back to 71%? Because when there is a growth story, I don't see why promoters don't want to be part of that or, you know, as, as convincingly, because promoter holding is, is part of the story. So where you are holding close to that 75% upper limit, uh, as an investor, I feel that, yes, the management has conviction in their story. But when I see that the promoter holding is coming down, I also, uh... (laughs) I hope you understand what I'm trying to say.

**Dhruv Rakhasiya:** Yes. Uh, Rajiv ji, there's uh, uh, 1st of all, thank you for coming in and so many questions. Uh, I'll try and answer- Question is not that many. Actually question is very simple, that your promoter holding should, should probably, if we, if we can bring it back to above 70 like it was before, then that conviction in your story will, naturally it will grow. It will come. Uh, Rajiv ji, if I can just, uh, uh, attend to all the queries or the points that you have just raised. I'll start with the corporate governance that, um, Rajiv ji, in my industry, there's no other contract manufacturers who is, who is registered with the SME platform or the main board. My business model is unique and, uh, even after introducing ourselves, it has been more than a year, nobody is able to replicate that model and bring it back to the, uh, b- bring it to public. Many of them are trying, unable to do it for thousands of reasons. So our corporate governance has been strong. Our management perspectives and vision has been clear. That is why we are able to, uh, give the results, we are able to give the, uh, uh, what we say, the profits that are desired, the results that are, uh, inquired. The plan was, uh, actually, uh, a good plan since a very long time. We can say that we are just trying to implement the one that we had, uh, planned up before corona. It was corona that brought us back and it has been so many years, but it took us time to grow back from that level. Talking about the figures, yes, we have reached from 72 crores to 94, 95 crores, and then from 95 to a h- 165 crores. And now, in the first year, we, uh, in the first half of the year, we have also crossed the 20, 25% result, as to what we had promised. We are just implementing what we had planned up long back ago, sir. When you talk about, uh, uh, how do we achieve it, there are multiple, uh, things that we have already been, uh, um, we are emphasizing on, uh, giving the, being transparent as much as possible as to introducing new, uh, depots, introducing new product line every month, introducing, uh, uh, the global markets, the international trades that have been happening. So all these factors have been, on some point, small, small terms have been contributing to increasing our revenues or the desired results. Uh, maybe slower than anticipated or planned, but yes, they are, uh, coming live to our picture. Yes, uh, our holding has come down after the, uh, second, uh, round of preferential the first round of preference, uh, that we could, uh, have it. But as we have already, uh, promised that we are coming up with about 14 lakh, uh, uh, warrants, uh, uh, at the rate of 161 at the time of, uh, uh, the, uh, uh, what do we say, uh, at the time of preference round, we are fulfilling it. So we have 18 months of time from it and we'll, we'll fulfill it. Some of the parts have already been, uh, incorporated and we'll bring, uh, our holding to the maximum as



possible. Uh, you're talking about 71%, sir. Uh, we wish that we can even go beyond that. But with your blessings and, uh, with the good luck, uh, uh, from the team that we have been working with, I'm sure we can achieve those figures. I am able to answer some of the points, Rajiv Ji, or if I'm missing out on anything, please feel free to ask again.

**Rajeev Poddar:** Yeah. The, the, uh, the uh... this, uh, document which I have in front of me, this is from October and here it is mentioned that the post-preferential allotment, uh, promoter holding will come down to 52.5. Uh, is that where we are, uh, after this, uh, 13 lag, uh, warrants which are being subscribed? What will be the holding? Will it be 52.5?

**Dhruv Rakhasiya:** No, it will be nearing to 54%, sir. After the warrants, the warrants are subscribed, uh, one part of it, uh, uh, will be subscribed. Very shortly, you'll have the announcement and the next part will be in early of, uh, next, uh, year's financial result. But maximum- So the- ... of the portion has been fulfilled now by which my holding will increase up to, uh, about 54%.

**Rajeev Poddar:** And the other people, non-promoters who were also subscribing, some, I believe, 33 lag something warrants it was showing. Have they already subscribed or they, they are, uh, they are all in the pipeline?

**Dhruv Rakhasiya:** That was the entire, uh, uh, quantum of, uh, preference round that came in, uh, out of which, uh, 40... 13 lag, uh, 14 lag warrants belong to the promoter group, sir.

**Rajeev Poddar:** Right, correct. So the non-promoter group, have they subscribed or they have backed out?

**Dhruv Rakhasiya:** No, no, they completely... that happened up, uh, sometime back, sir. That already happened, so that- That already happened, I think so- ... that already happened. ... in January or February '25, early '25.

**Rajeev Poddar:** Okay. Yeah. Okay. Because what I feel is that if you are confident in your... uh, see, if it was my company, let me *f*, because I'm, I'm also running a business. If I, if it was my company, I would buy, uh, the maximum that is permissible because, uh, uh, it is, uh, you know, like, uh, uh, something which is going in overdrive, 25% growth is nowhere to be seen and no business, uh, and, uh, over multiple layers and, uh, and this is at a price of what? About 100 bucks, uh, compared to your preferential, uh, this, uh, roundup at 161. So I believe that, uh, if, if another round were to happen and if you were to follow these SEBI norms, uh, that, uh, figure would probably come, come, come out to be much, much lower because I believe they take some average over a few months. Uh- Yes. ... so, so if, if it comes out at, uh, let's say, I don't know, may- maybe 120 or something, uh, and if you are getting, uh, uh, something which e- even at, uh, 25 times, uh, because right now your shares are trading at, uh, less than 12, as I said. Uh, so even, even at 25 times, uh, this, this is a multi-bagger. So I don't see why, uh, y- you cannot come with a second round of preferential shares. Only for the promoter group maybe, because then your, uh, shareholding will actually, uh, increase substantially. Uh, because if you-



**Dhruv Rakhasiya:** My first part would be to fulfill the promise that was made earlier for fulfilling about 14 lag warrant, sir. Hmm. After that, uh, we can go ahead for the next round of funding, but as far as I could understand, the promoters could, uh, increase their holdings by about 5% in a financial year. If it is... if... I may be wrong on some part, but I was, uh- Oh. So, so they can increase only by 5% every financial year? Is what I have been, uh, uh, taught. I don't know if there is any- But, but... yeah, maybe. ... how, how is the calculation done, but this is how the, uh, uh, calculations had been at the time of what they taught me during the preference round.

**Rajeev Poddar:** Okay. And what about buyback of shares? Because if, if, let us say, you are hitting that 5% upper limit, uh, for each financial year, uh, then you also have another option of going for a buyback. Because at this price, uh, it is dirt cheap.

**Dhruv Rakhasiya:** Right, Rajiv Ji, and that is very subjective and, uh, answerable discussions to be done on a very dep- depth and, uh, we'll have a private conversation for it.

**Rajeev Poddar:** It would be wonderful because what I see, your debt levels are around 60 CR and your market cap is 140 CR. So on a total debt to, uh, total capital, it is around 30% of total capital. So, so I, I think that, you know, there is some, some room, uh, where you can maybe take on extra debt and go for a buyback and, uh, that will instill confidence in the, uh, investors who have, uh... like myself, uh, you know, uh, who may have purchased at higher prices.

**Dhruv Rakhasiya:** Sure, Rajiv Ji, we'll keep that in mind and, uh, a- act according.

**Rajeev Poddar:** Wonderful. Wonderful. Thank you very much.

**Dhruv Rakhasiya:** Thank you. Thank you, Rajiv Ji.

**Moderator:** Just a quick reminder to everyone, if you have a question, please raise your hand using the reaction tab. Also, one can request the question in the question and answer box. Next we have Mr. Jay Shah. Sir, you may unmute and introduce yourself.

**Jay Shah:** Hey. Uh, hi, Dhruv Ji. Uh-

**Dhruv Rakhasiya:** Hello, Jay Ji.

**Jay Shah:** I have a few questions. So one is, your inventory level has risen and, uh, so what is the basis like? Is this like... are you, uh, strategically piling up more inventory because, uh... are you anticipating more demand or is it, uh, an indication of slower movement in some of the SKUs or the products? I want a clarification on that.

**Dhruv Rakhasiya:** So inventories have been increased, uh, deliberately, uh, in the first half of the year because we anticipate, uh, better demand and sales in the, uh, upcoming year, uh, the second half of the year, which we are already seeing. And we got, uh, some of the good deals from factories because of the issues of, uh, export to the US and other countries, uh, recently, so we got better deals and we picked up the lots that were required. And the scheduling, uh, from the exports was also less, so it was more open for the domestic market to give their, uh, products for, uh, getting



their product outsourced manufactured with them, so we took up the, uh, uh, challenge and we, uh, increased our stock levels. And, uh, uh, yeah. And, uh, it is a deliberate attempt and, uh, these are the new ones and the new designs that have been incorporated for the second half of the year to give better results.

**Jay Shah:** Next is like, like you guys a- availed around 200 crores of trade credit insurance. So in spite of that, I see that the receivable is rising very significantly. So are you guys relying on extended credit to push sales or... and how much of the receivables are insured versus, uh, uninsured? Can you give a clarity on that?

**Dhruv Rakhasiya:** Entire... The entire domestic sales insure, uh, the, uh, uh, credit, uh, the, uh, debtors have been insured, uh, entirely. It is, uh, only the part wherein if, uh, Jayesh Bhaisah, uh, personally comes and purchases the material will not be able to insure. Else if Jayesh Bhai comes with his own, uh, firm, it may be re-... uh, uh, partnership or, uh, uh, proprietorship or any firm that g- has the GST numbers, we can have the insurance done. So that is, uh, the part that is insurances entirely covered. Talking about the trade credits that have increased, yes, uh, because of the sub-dealer network that we have recently acquired in the, uh, tier two and three cities, uh, through the dealer network, wherein logistically we could not reach and, uh, because of which the credit has been extended and that will be curtailed before March.

**Jay Shah:** Okay. So that has been a recent development. Sure. And your short term borrowings is at 31 crores and your trade payables have doubled. So like, are you... is it indicating some kind of stress in the working capital cycle despite... this is in spite of your revenues improving?

**Dhruv Rakhasiya:** Uh, no, the loans have always been the same. Uh, there is no change in them. And the payables, when you talk irrespective of the, uh, uh, trade payables, we have been in the same line as what we have been always, between 45 to 60, uh, 90 days of total payables. Uh, figures, yes, they have increased and so has the total revenues. But when we talk about the percentages, it has, uh, it has well been maintained.

**Jay Shah:** Okay, sure. All the best, Dhruvji.

**Dhruv Rakhasiya:** Uh- Thank you very much, Jayeshji. ... thank you so much.

**Jay Shah:** Pleasure.

**Moderator:** Just a quick reminder for everyone, if you have question, please raise your hand using the reaction tab. Also, one can request the question in the Q&A box. Next we have Mr. Rahul Singhania. Sir, you may, uh, unmute and introduce yourself.

**Rahul Singhania:** Hello, sir. Hi, Rahulji.

**Dhruv Rakhasiya:** Good evening.

**Rahul Singhania:** Good evening. So what percentage of the total dealer sales is backed by advances? So are there overdue cycles or are the dealers meeting their credit terms?

**Dhruv Rakhasiya:** So it is a credit cycle that keeps on continuing. There is no fixed percentage as to this much percentage of dealers have been paying us advances for, uh, getting the material done. Uh, rather we pay to our creditors in advances so that we can have, uh, the pricing control and we can get the delivery of material on our priority. So I hope that is answering your question, Rahulji.

**Rahul Singhania:** Right. And sir, next, uh, I wanted to talk about exports. Exports, uh, are expected (notification chime) to grow from 1% to two- 20% in three years. So what are the, what are the concrete export orders today? Can you shed some light on it?

**Dhruv Rakhasiya:** So we have been, uh, uh, uh, since the last, uh, conference call of March, we have been tracking down on the agents, uh, for, uh, various countries in Africa. We have employed a few, uh, agents as we speak today. In the morning, we, uh, also backed up with one of... one more agent in, uh, in, uh, Uganda, that's in Africa, uh, and my team currently is, uh, present in, uh, uh, Burundi in Africa for the projects that were planned up two months ago. They have been delayed because of their plinting issues and the governance, uh, approvals from the Af- from the African, uh, government to them. So now the team as we speak is, uh, right now over there. The next team is first week of December. They are flying to, uh, uh, uh, Saudi, uh, for the invitations that we have received and the visas have been done for my team to, uh, travel to the first week of December. And from there we are participating in Syria exhibition. Uh, uh, in, uh, in the second week of, uh... in the th- second or third week of December? Third week of December. So we are also participating ourselves there where we have the potential leads who are... whom we are meeting, uh, uh, face to face for, uh, converting the orders, the, uh, ideas into orders. So that's how we are confident in achieving, uh, better results.

**Rahul Singhania:** And- So one last thing. Yes. Uh, Africa has sovereign level contracts and like you said, there is some political instability and currency risks there. So how is our company hedging the forest... Forex and geopolitical risk that is in Burundi and other places?

**Dhruv Rakhasiya:** So we have been in touch with, uh, the, uh... Uh, we have always been dealing in through the reputed channels of, uh, India Africa Chamber of Commerce. Uh, they have always been supportive to us and we go only through their channel so that we are safeguarded not only in traveling, but also in business. That is one part. Second part, we don't work on, uh, uh, giving credits on... for the projects in Africa. We work only on getting the a hundred percent receipt and then dispatching the orders to them. So that's how the projects can be delayed because of it, but they are... They don't go vague or they don't go, uh, on any credit, uh, any risk. That is how we have been dealing.

**Rahul Singhania:** That's all from my side. Thank you.

**Dhruv Rakhasiya:** Thank you, Rahul Ji.

**Moderator:** Just a quick reminder for everyone. If you have question, please raise your hand using the reaction tab. Also, one can request the question in the question and answer box. I have a few questions, uh, from the question and answer tab, if, uh, I'm permitted to answer.

**Dhruv Rakhasiya:** Yes, sir. Sorry. Yes, sir. Rajnish, will you take over?

**Moderator (Rajnish):** Yeah. So I believe there are no further questions for the conference call, so we'll directly move to the question and answer box. So first question is from Kajal, ma'am. Kajal Shah. "We have talked about digital initiatives like AI Studio. How much actual business is coming from these platforms, not just interest or footfall?"

**Dhruv Rakhasiya:** Uh, s- so, uh, we are working on the platform for ge- collecting the information. So far, the Google Analytics have been, uh, uh, giving us better results in throwing the answers that the, uh, uh... the traffic, the engaging traffic on the website has increased. Secondly, my media team has been trying to get in touch with the person who is, uh, currently engaging on the social medias, uh, like Instagram, Facebook, through our pages or through the website, uh, over the phone calls and providing them with the brochures or their, uh, travel time for visiting our nearest store. So it has been much better than last year is what I can say on overall terms. I hope, uh, Kajal Ji, I have answered your question.

**Moderator:** Can we have the next one, please?

**Dhruv Rakhasiya:** Sure, sir.

**Moderator:** So next one is from an a- anonymous attendee. "The Dubai Display Center is a premium project. Is it actually delivering orders or it's just more of a branding exercise right now?"

**Dhruv Rakhasiya:** So current... It is a part of both, uh, sir, uh, ma'am, uh, that, uh, it has been a constant idea of, uh, you know... you know, of, uh, putting up our experience center for African and Middle East contracts, uh, or the architects that we have been pitching since long time. Uh, due to various reasons, they have not been able to travel to India to visit our store. And unless and until there is a touch and feel factor that is ongoing, we are not able to convert the inquiry into orders. So that's why we had to take up the initiative in reaching out to them to Dubai. That was one part. Second part, we just started up in August, so too early for me to comment on the, uh, uh, the figures and numbers, uh, through Dubai. But overall, uh, the deliverables, uh, we have ordered, we... as I just, uh, sometime back I, uh, attended that, uh, uh... We have backed one order from Burundi, uh, for, uh, uh, for a construction, uh, uh, housing project from the government of Burundi team. Uh, they visited. Uh, the inquiries were ongoing and they traveled all the way to Dubai to have the selection of products, and we have delivered them as well. So yes, it has been fruitful for the company, and over the next, uh, uh, six months to one year, we'll have much better, uh, numbers to discuss on. I hope I've answered.

**Moderator:** Please, can we move to the next one?

**Dhruv Rakhasiya:** Sure, sir.

**Moderator:** So we have next follow-up question from Mr. Puneet Ji. "What are the CapEx plan? Any plans to raise debt revenue potential with current capacity?"

**Dhruv Rakhasiya:** What are the CapEx plans? Any plans to raise debt- Yeah. ...uh, revenue potential with current capacity? So, uh, currently, we have just made a small CapEx for the natural stones, uh, division, uh, uh, that is accrued from the, uh, current revenues itself. And, uh, the project is now active. Uh, everybody's, uh, welcome to have a look at the small mini-project. And, uh, currently, for raising new debt, uh, it is a, uh, debatable question which needs answers on very specific terms and we can have that on one-to-one discussions. Um, what is the revenue potential, uh, with current capacity? For, uh, the CapEx plans, uh, uh, we don't, uh, look at a very short term plan for going into, uh, having the CapEx for, uh, the tiles division or going for backward integration in the tiles division, which is the maximum revenue of the company. Uh, w- we are sticking to the current business model, so we'll not be requiring any CapEx, uh, requirements for the same. I hope that has answered, Puneet Ji.

**Moderator:** Sure. Can we have the next one, please?

**Moderator (follow-up):** So next follow-up question from Puneet Ji is, "Out of hundred CR receivables, can you quantify how much is insured in CR?"

**Dhruv Rakhasiya:** Uh, about 90% of these 100 crores receivables are insured. Uh, uh, from the, uh, claim period, once the claim is done, only 10% of the amount is something that the company has to bear. Rest 90% is to be disbursed by the, uh, uh, the insurance company. So entirely, all the debtors, uh, only the part, uh... is what I assume that, uh, about 10, 15, 10% of it would be, uh, uh, from the retail B2C customers. Uh, other than them, all the, uh, uh... means the one which are not covered-As I previously told for this particular question, all the, uh, insurances which are, uh, uh, the invoices which are raised as per the, uh, GST numbers to the clients, all the teams are already insured so that is not a problem at all.

**Moderator:** Thank you. Okay, so next follow-up question we have from Mr. Akaji, "Current capacity utilization and R is it not relevant as we source based on demands?"

**Dhruv Rakhasiya:** Current, uh, capacity utilization for, um, the mini plant that we are talking about in natural stones, sir? Then, uh, currently it is under-utilized because it has just been starting up about two, two and a half months ago. The orders are, uh, in hand for delivering but it is a manual, uh, intensified labor, uh, work so that part we are working on, uh, uh, increasing our number of shift in the company hours to, uh, d- deliver the required material because it is manual labor and it requires many man-hours to deliver one lot of natural stones. And, uh, I hope that is the anticipation of your question, sir, and that is the answer.

**Moderator:** And we have a quick follow-up question from Mr. Guneji, "What is the annual premium for the insurance?"

**Dhruv Rakhasiya:** Uh, Guneji, the insurance works in this manner for trade receivables is we have, uh, given them anticipated numbers, uh, as per the CAGRs that are delivered here. (clears throat) Uh, they break down on, uh, quarter wise, uh, uh, quarter wise achievements. Based on that, a fragment, less than .1% is charged by which we have to pay the premium and the entire, uh, uh, debtors are insured. Currently, the company has not paid, uh, anything which is burdensome



and not able to afford. So currently, the company has, uh, is completely fully insured and there is no issues in paying any premiums, uh, for the insurance. I hope that has answered your energy.

**Moderator:** Thank you. All right. Any further questions from anyone? We'll hold for a moment. So I believe we don't have any further questions so we can conclude this earnings conference call for Manav Ceramic Limited. Dhruv sir, I will now hand over the call for your closing remarks.

**Dhruv Rakhasiya:** Thank you very much everyone for joining in today and having this meaningful conversation. I hope I could answer m- as much as your questions and to your satisfactory. I hope to, uh, uh, to hope to receive your blessings and love in the manner that we have been receiving in giving the, uh, anticipated results in future. Thank you so much everyone. Thank you ConfideLeapPartners for arranging this call. Thank you very much, Ratanish.

**Moderator:** Welcome, sir. Good day, everyone.