

November 19, 2025

To,

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

National Stock Exchange of India Limited

The Listing Department
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051

BSE Scrip Code: 543413

NSE Symbol: TEGA

Sub: Transcript of the Earnings Conference Call for the Quarter and Half Year ended September 30, 2025

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed the Transcript of the Earnings Conference Call of Tega Industries Limited held on November 13, 2025, at 5:30 PM IST for the Quarter and Half Year ended September 30, 2025. The same can also be accessed on the Company's website at <https://www.tegaindustries.com/investor/#stock-exchange>.

Thanking You,

Yours faithfully,

For **Tega Industries Limited**

Manjuree Rai

Company Secretary & Compliance Officer

Membership No. A12858

Enclosed: As stated above

Tega Industries Limited

Registered Office: Godrej Waterside, Tower-II, Office No 807, 8th Floor, Block DP-5, Salt Lake Sector V, Bidhannagar, Kolkata, West Bengal 700 091
Tel: +91 33 4093 9000 | Fax: +91 33 4093 9075 | www.tegaindustries.com



An ISO 9001 : 2015 Company
CIN : L25199WB1976PLC030532



**“Tega Industries Limited
Q2 and H1 FY '26 Earnings Conference Call”**

November 13, 2025



MANAGEMENT: **MR. MEHUL MOHANKA – MANAGING DIRECTOR AND
GROUP CHIEF EXECUTIVE OFFICER – TEGA
INDUSTRIES LIMITED**
**MR. SHARAD KHAITAN – CHIEF FINANCIAL OFFICER –
TEGA INDUSTRIES LIMITED**
**MR. PRATIK BASU ROY – PRESIDENT, PRODUCT
MANAGEMENT, GLOBAL SALES AND MARKETING –
TEGA INDUSTRIES LIMITED**
**MR. SOURAV SEN – CHIEF EXECUTIVE OFFICER –
TEGA McNALLY MINERALS LIMITED**

MODERATOR: **MR. VARUN JAIN – DOLAT CAPITAL**

Moderator:

Ladies and gentlemen, good day, and welcome to the Tega Industries Limited Q2 and H1 FY '26 Earnings Conference Call. As a reminder, all the participants' 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Varun Jain from Dolat Capital for opening remarks. Thank you, and over to you, sir.

Varun Jain:

Yes. Good evening, everyone. So it's very delighted to welcome everyone on the Q2 and H1 FY '26 Earnings Conference Call of Tega Industries. So today, we are joined by the management, Mr. Mehul Mohanka, MD and Group CEO; Mr. Sharad Khaitan, the Chief Financial Officer; and Mr. Pratik Basu Roy, President, Product Management, Global Sales and Marketing. And management will deliver some opening remarks followed by the Q&A.

Mehul Mohanka:

Good evening, and a warm welcome to all the participants on the call. I'm joined this evening by Mr. Sourav Sen, CEO of Tega McNally; Mr. Pratik Basu Roy, President, Product Group and Sales; and Sharad Khaitan, our CFO. Thank you for joining us today. It's a pleasure to connect with our valued investors, analysts and stakeholders. As we closed the quarter ended September 30, 2025, Tega Industries remains focused on sustainable growth, leveraging our strengths to overcome market volatility and capture emerging opportunities.

I'm pleased to share our performance highlights for the quarter and the first half of the fiscal year. For Q2, our consolidated revenue stood at INR4,211 million, representing a 15% year-on-year growth, driven by strong demand and operational execution.

For the first half, consolidated revenue reached INR7,927 million, up 10% year-on-year, reflecting consistent momentum across our businesses. Our focus on operational efficiency continues to deliver results. We reported an EBITDA of INR849 million for quarter 2 and INR1,561 million for H1, maintaining healthy margins of around 20%. I'm pleased to share the strong performance of our equipment business, which delivered revenue of INR707 million, a robust 55% growth year-on-year compared to INR456 million in the same period last year.

Looking ahead, we remain confident and on track to achieve our FY '26 earnings guidance, supported by strong fundamentals and strategic initiatives. As of September 30, our order book stands at approximately INR11,556 million with INR7,306 million scheduled for execution over the next 12 months. This gives us strong visibility into near-term revenues and reinforces confidence in our growth pipeline.

Looking forward, we maintain our balanced outlook. While global macroeconomic headwinds remain, our diversified portfolio, resilient balance sheet and customer-first approach equip us to navigate volatility and capture opportunities in key markets. Our focus remains on delivering sustainable growth and creating long-term value for stakeholders.

On the Molycop, Tega transaction, we are pleased to confirm that the process remains on track. We are progressing through regulatory approvals and execution of definitive documents. As

planned, we will continue to keep our investors informed as key milestones are achieved and share timely updates on the developments. I want to thank all our employees for their unwavering commitment, our customers for their trust and you, our investors, for your continued support.

We are committed to delivering sustainable value and transparent. Now I would like to hand over to Sharad, who will take you through the financial performance of the company.

Sharad Khaitan:

Thank you, Mehul. A very warm welcome to everyone, and thank you once again for joining the earnings call for Q2 of FY '26 and H1 of FY '26 performance and results. The total group revenues for Q2 FY '26 stood at INR4,211 million with an EBITDA of INR849 million, that is an EBITDA margin of 20%. The group revenues for the same period last year, that is Q2 of FY '25 was at INR3,668 million with an EBITDA of INR478 million and an EBITDA margin of 13%.

In comparison to last year, the revenues improved by 15% on a quarter-to-quarter basis. During the current quarter under reporting, the consumables business segment and the equipment business segment contributed 83% and 17% of the group's revenue from operations, respectively. The revenue from operations of the consumables business reported revenues of INR3,389 million in Q2 of FY '26 vis-a-vis INR3,094 million same period last year, that is marginally up by INR295 million or 10%.

While we have witnessed some disruptions due to global economic and political developments, war, logistics, supply chain disruption, sanctions, tariffs, etcetera, the overall business is unaffected and the sales funnel is robust. The revenue from operations of the equipment business witnessed a significant increase of INR251 million or 55% with Q2 of FY '26 revenues at INR707 million as against INR456 million reported during same period last year.

We have maintained healthy gross margins in Q2 of approximately 59% at the group level vis-a-vis approximately 53% same period last year in spite of raw material volatility, global uncertainties and a higher share of the equipment sales.

The order book for both the business segments, that is the consumable business and the equipment business remains strong. We have an order book of INR11,556 million as at 30th September 2025, out of which executable orders within 1 year is INR7,306 million. The total group revenues for H1 of FY '26 stood at INR7,927 million with an EBITDA of INR1,561 million, that is an EBITDA margin of 20%.

For the similar period last year, that is H1 of FY '25, the group revenues was at INR7,184 million and an EBITDA of INR1,237 million with group EBITDA margins of approximately 17% -- on a year-on-year basis, the total revenues have grown by approximately 10%.

On an H1 basis, the gross margins have shown a significant improvement of 300 basis points, roughly from 56% to 59%, mainly on account of regional and product mix, specific execution of high-margin orders. The equipment business saw considerable growth in the bottom line with increased revenue and improved EBITDA margin from approximately 5% last year to the

current levels of 14%. There has been considerable easing on transportation, freight, supply chain concerns with shipment time, freight costs coming down with the availability of containers becoming a lot more easier than in the recent past.

With the Middle East conflict easing, Suez Canal is open for tariff -- traffic now and the traffic is slowly showing improvement as the shipping companies are making a gradual return to stability in the Red Sea. We are keeping a close watch over the situation and have also proactively taken actions to ensure raw material security by advanced placement of orders, forming alternate vendors and shipping routes, dispatch readiness in time, reduced manufacturing through time to offset the increased time line and are tracking all the shipments on a real-time basis.

The risk related to the recently imposed tariffs by U.S.A. is changing every day, and the derisking plan has been put in place to offset the impact, if any. The mainland U.S.A. accounts for roughly 2% to 3% of our total revenues and the impact of U.S. tariffs globally is still unfolding, and we are keeping a close watch on the development.

We have made manufacturing of products for U.S.A. from alternate manufacturing locations, which are less affected countries like Chile. The Chile capex project is on track with the project in full action, and we shall have the same ready for commercial production by Q2 FY '27.

It may be noted that no sales shall be impacted in such interim period as we have put up alternate plants at Chile, which we shall address any capacity limitations to meet the revenue growth. Thank you very much for your time, and the forum is now open to questions you may have.

Moderator: Thank you very much. The first question comes from the line of Chirag from Centrum Broking. Please go ahead.

Chirag: So sir, firstly, on the consumable segment. So in H1, we have grown by around 3% with a margin of around 16.5%. So normally, we aim to grow annually by 15% and have an annualized margin of 22% to 23%. So based on the delivery schedules, etcetera, is our H2 looking strong enough to meet these goals? Or we feel that FY '26 could be slightly lower?

Sharad Khaitan: Chirag, generally, if you see traditionally, our H2 is always heavier than H1. And if you see the Q2 results over Q1 and Q2 of this year versus Q2 of last year, you will find significant improvement in the revenues and the EBITDA margins. We are committed to the full year estimates, and we hold on to our guidance as we have given over. These are only reasons for spillover to the subsequent period.

Chirag: Okay. Okay, sir. And sir, on the Chile capex in your opening remarks, the voice was not very clear. So I mean you mentioned the updated time lines for Chile project commissioning and what?

Sharad Khaitan: In last investor call also, we had said that it will be by September '26. And that is what I have mentioned in my opening remarks, that is Q2 of FY '27.

Chirag: So it remains on track for September '27?

- Sharad Khaitan:** Yes, it remains on track.
- Chirag:** Okay. Okay, sir. And any qualitative remarks you mentioned regarding easing of freight, transportation, etcetera, in terms of overall global demand, competitive intensity, etcetera. Any concern, there, sir?
- Sharad Khaitan:** No concerns as of now, Chirag.
- Chirag:** Okay. And sir, one last thing on our Molycop acquisition. So we have done INR2,000 crores worth of capital raise. So I mean, henceforth for Molycop financing, do we expect further INR1,000 crores of debt on the Tega books, which were originally planned. So any time line on that? And any further capital raise likely beyond this INR2,000 crores?
- Mehul Mohanka:** Yes. This is Mehul. We will be doing another small equity raise of about anywhere between INR400 crores to INR500 crores to complete the entire equity raise because if you remember in our presentation also, we mentioned that the total equity requirement is INR2,300 crores. So we are about INR300 crores to INR400 crores short.
- So we will be soon raising the balance. I'm not yet sure whether we'll do it in the form of QIP or pref allotment, but that's what we're going to be doing. And the debt part of it is INR1,000 crores as of now, the debt commitment is closed, but we may revisit some of that to see if we really require INR1,000 crores or a number smaller than that.
- Chirag:** Okay. So and the time line of 31st December 1st January remain positive as far as your expectation of approvals, etcetera, is concerned?
- Mehul Mohanka:** We're expecting end December, but it may spill over to January because the time lines when it comes to regulatory approvals is not really in our control. But I'm just sharing with you what has been given to us as guidance by our counsels.
- Moderator:** The next question comes from the line of Varun Jain from Dolat Capital.
- Varun Jain:** So at the start of the year, I think you had guided equipment business revenue growth of 25%. And now it seems we'll be massively overshooting more than doubling that in FY '26. So sir, what happened? Like any reason why such a bumper growth has come?
- Mehul Mohanka:** So it has been backed by a strong order book in the equipment business as well as the execution has been strong. So we've been able to convert a substantial portion of the order book into revenue in the 2 quarters. So we are expecting a robust growth in the equipment business. We have guided 25%, but we think that we would be achieving beyond that by the end of the year.
- Varun Jain:** No, that is visible. So this high run rate of 65%, will this continue in H2 also for equipment business?
- Sharad Khaitan:** We will be meeting our guidance and be over the guidance what we have given, but it will not be a 65% increase year-on-year. But definitely, it will be 25% plus what we have committed.

- Varun Jain:** Okay. And sir, for the same equipment business, company had earlier guided a margin band of 12% to 13% for FY '23. But in this quarter, Q2, the margins are very high, close to 80%, 90%. So sir, would you like to revise your guidance on this front? Or how -- what is the sustainable margin in this business? And why were the margins so high in this quarter?
- Sharad Khaitan:** For the equipment business, generally, we work with a gross margin of anything between 40% to 50% and an EBITDA margin of roughly 12% to 13%. We have improved our EBITDA margins to about 14% this quarter on a half year basis. And this is going to sustain 14% EBITDA margins. And it's been a reason of the mix and the certain high-value orders, high contribution margin orders, which we have been able to get in the current period.
- Varun Jain:** Okay. And this is supposed to continue this range of 14%?
- Sharad Khaitan:** Yes. So when we had acquired the business, it was around 5% EBITDA margin through process improvement, setting up the processes, having alignment at both McNally and Tega, we are now seeing the fruits of what we had borne at that point of time, and we have been able to maintain a healthy margin of 14% now.
- Varun Jain:** Okay. And sir, my last question was on DynaPrime. So what was your DynaPrime share for Q2 and for H1 FY '26? And what was the growth also for both these periods?
- Sharad Khaitan:** Sir, we don't give the breakup of DynaPrime due to it being a sensitive information. But what I can commit to you is that the growth of DynaPrime has been anything above -- 20% north and above.
- Varun Jain:** 20% above in both H1 and in Q2?
- Sharad Khaitan:** You should see our business in H1 sir, because quarter-on-quarter, it's difficult to evaluate our business because of the spillover complexities, etcetera. So if you see on a full year basis, you will find the numbers we are telling you.
- Moderator:** The next question comes from the line of Mayank Bhandari from A M Securities.
- Mayank Bhandari:** Sir, just checking one thing on the equipment side, NMDC order execution has started. Last time, I think you mentioned that it is still the order -- the execution order is not received yet.
- Sharad Khaitan:** No. We have received the NMDC order, and we have started the execution of the NMDC order. So the income will be booked both in FY '26 and FY '27 for the particular order.
- Mayank Bhandari:** 25% growth guidance you are giving, does this includes the execution of NMDC order in the equipment business?
- Sharad Khaitan:** Yes, it will include the NMDC revenue as well.
- Mayank Bhandari:** And so if I were to understand that it was a large order of INR120 crores. So it's like the major contribution will come in '27?

- Sharad Khaitan:** It will be spillover between the two financial years. So difficult to commit exact numbers at this point of time, depending on the deliveries, what the customer expects at the site and the timing of that. But what we remain committed is that McNally business will definitely grow 25% plus and above over last year.
- Mayank Bhandari:** And sir, we had also been talking about spillover like last -- in Q4, we said some of the deferment of revenues will be in Q1. Q1 -- again, it was in Q2. So the 9%, 10% growth in this quarter in consumables, it includes some of the deferred revenue, is it?
- Sharad Khaitan:** It's a spillover something from last quarter coming to this quarter, this quarter going on to the next quarter. It will always happen like that.
- Pratik Basu Roy:** This is Pratik here. We should look at the revenues -- not just the revenue, but in the broader picture of revenues plus pending order because that's the business in hand. It will depend on the time lines of the shutdown of the -- your customers when you're delivering, as I mentioned, because that's when the revenue recognition takes place, either on the dispatch date or on execution date, right? So it has to be in tandem with both the revenues as well as the pending orders. So it's a continuous process. So we have got orders in Q2, which will again get executed in Q3, Q4 and also in FY '27.
- Mayank Bhandari:** So I'm just checking Chile capex, I can see on the balance sheet capex for the first half is very low. So we still have maintained -- and I think last call, you mentioned \$200 million for Chile alone and maintenance capex, INR50 crores and some expansion in Dahej. So this year, capex expectation would be how much then?
- Sharad Khaitan:** It is not \$200 million for this thing. The overall capex, what we have committed is about in the range of \$30 million to \$35 million. If you see for Chile, a significant part has been spent on land is lying in CWIP and is in certain capital advances, which has been given.
- So overall, if you see, we have spent a significant amount of cash flow, which is anything between 25% to 30% of my total project cost as of now. And as I told earlier during my starting of the call, the Chile capex project is on track, and we expect the commercial production to happen by September '26. That is Q2 of FY '27.
- Mayank Bhandari:** I was asking, sir, this year FY '26, what would be your total capex?
- Sharad Khaitan:** So it will be -- the total capex will be a function of my Chile capex, what has been capitalized. So it will be -- I doubt till the entire factory gets commercial production, I'll be able to capitalize that in the books. But you will see the amount in land and CWIP to that account. The routine capex, what we have is about INR50 crores, which includes my maintenance capex as well. That is what you can see on a capitalized basis.
- Mayank Bhandari:** Yes. So sir, most of my questions has been answered. I just had one bookkeeping question. So if I look at our depreciation expense, let's say, in Q3 and Q4 of FY '25, it was roughly around INR26 crores. Now it has come down to around INR22 crores, INR23 crores. So I want to

understand why there is a deceleration in depreciation expense? And what would be the quarterly run rate, let's say, going forward into this year?

Sharad Khaitan: Total depreciation what we have is in the range of about INR45 crores to INR50 crores what we have told. The depreciation expenses are account assets deployed at various manufacturing facilities and installation sites as well, which yield benefits to us beyond one accounting period.

And the reduction of the same is mainly due to retirement of assets, which have completed their useful life. So our capex, which includes growth capex, sustenance capex and specially design self-constructed assets deployed at certain sites. And on a conservative basis, the same are depreciated over a shorter lifespan, if required.

Mayank Bhandari: Okay. Then this INR22 crores to INR24 crores run rate should continue going forward also, at least for this year?

Sharad Khaitan: Yes. For this year, it should continue. Once my capitalization happens for the Chile project and the Dahej debottlenecking project gets capitalized, then you will see a higher depreciation on these counts. But by that time, certain assets must have been retired, so that will also partially offset the increase in depreciation.

Moderator: The next question comes from the line of Devarsh from SPL Family Office.

Devarsh: [inaudible 0:24:10] After absorbing Molycop, how does the capital allocation between dividends in other [inaudible 0:24:58] or main capex? Do you have any guidance on that?

Sharad Khaitan: Sir, we will be looking at -- I can't give you a clear guidance at this juncture. We will be seeing the businesses and run them as separate verticals for both the Tega Consumables and Tega Equipment and Molycop as such.

Devarsh: And the second question, can you give us any rough guidance on our FY' 27 performance? Post acquisition?

Sharad Khaitan: I would not like to comment anything on the acquisition at this juncture. What I can assure you is that, for FY '26 we stand by our guidance given that the consumer business will grow at about 15% and the equipment business shall grow at anything up 25% and north and above.

Moderator: The next question comes from the line of Varun Jain from Dolat Capital.

Varun Jain: Just a small follow-up. So sir, this equipment business, you had, I think, earlier guided that by FY '30, you expect it to reach INR1,000 crores run rate, right? So do you see that happening sooner than that with this kind of growth?

Sharad Khaitan: We would be very happy to have a sooner growth what you are saying. But to be on a conservative side, we will still maintain our stance that in the next 3 to 4 years, we will have McNally equipment business touching INR1,000 crores.

- Varun Jain:** Okay. And on this Molycop, so sir, by which quarter do you expect the transaction to close and then we get the consol numbers in the reporting?
- Sharad Khaitan:** Like we told earlier in the call, we expect the transaction to close anything between December or January. So quarter 4 of this financial year, you will have the first consolidation for Molycop into Tega Industries.
- Varun Jain:** Okay. Okay. And from there onwards, the cross-sell benefits will start also appearing with the mill liner and grinding media and all? From FY '27?
- Sharad Khaitan:** So these are all complementary products, and we expect certain revenue synergies, cost synergies coming in through this acquisition. And we'll keep you -- we have given a detailed presentation on those things, which is available on our website, and we'll keep the investors posted of subsequent developments, what happens in this regard.
- Moderator:** As there are no further questions from the participants, I now hand the conference over to the management of Tega Industries for closing comments. Please go ahead.
- Sharad Khaitan:** Thank you once again for taking out your time and coming to our investor call. We'll keep you posted of any subsequent developments. Happy to interact and take any subsequent questions you may have. You can reach out to our investor department, and we will be happy to address in case you have any further questions. Thank you so much.
- Moderator:** Thank you. On behalf of Tega Industries Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.