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To, BSE Limited Corporate Relationship Department, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Scrip Code: 513472	To, The Manager Calcutta Stock Exchange 7, Lyons Range, Dalhousie, Kolkata-700001, West Bengal Scrip Code: 29066
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Sub.: Submission of Transcript of Earnings Conference Call held on 10 February, 2026.

Dear Sir/Madam,

Pursuant to Regulations 30 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Earnings Conference Call held on 10 February, 2026 in relation to the financial results of the Company for the quarter ended December 31, 2025.

We request you to take the above on record.

Thanking You,

Yours faithfully,

For, Simplex Castings Limited

Sangeeta K Shah
Managing Director
DIN: 05322039

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SIMPLEX CASTINGS LIMITED

Q3 and 9M FY26 Earnings Conference Call

February 10, 2026



MANAGEMENT: **MR. KETAN SHAH – CHAIRMAN AND EXECUTIVE
DIRECTOR – SIMPLEX CASTINGS LIMITED**
**MR. AVINASH HARIHARNO – CHIEF FINANCIAL
OFFICER – SIMPLEX CASTINGS LIMITED**

MODERATOR: **MS. NATASHA SINGH – ARIHANT CAPITAL**
**MR. AYUSH DIVECHA – INVESTOR RELATIONS –
MERLIN CAPITAL**



Ayush Divecha:

Good afternoon Ladies and Gentlemen. On the behalf of Arihant Capital Markets and Merlin Capital Advisors, we welcome you to the Earnings Conference Call of Simplex Castings Limited. From the management present on the call, we have Mr. Ketan Shah, Promoter and Chairman of Simplex, and Mr. Avina Hariharno, Chief Financial Officer. We must remind you that the discussion on today's call may include certain forward-looking statements and be viewed in conjunction with the risk that the company faces. Over to you, Mr. Ketan, for your opening remarks, and Mr. Avinash for financial highlights, followed by a Q&A with our investors. Thank you, and over to you, sir.

Ketan Shah:

Thank you. Good evening, everyone, and thank you for joining us for Simplex Castings' Q3FY26 earnings call. We entered the second half of FY26 with strong business visibility. A diversified order pipeline and clear strategic momentum across all of our key verticals.

The company has delivered a solid performance over the last 9 months of this year, driven by very good demand across our traditional sectors, like steel, railway, EPC. Simplex also entered the defense sector in a very small way, while the third quarter saw relatively moderate revenue growth and margin, we would like to emphasize that this was not demand led.

The quarter was the conscious effort from us, basically to take strategic initiatives capacity readiness, internal process strengthening, and preparatory work for scaling our railway and other areas of working. So that in future, it'll contribute to our performance in the coming periods. That being said, we remain confident of achieving our FY26 stated guidelines that we had given earlier. Overall, if we even will look at our performance of 9 months, compared to past year, it is much better. Execution momentum- that has remained consistent and strong. And we have taken our best efforts to announce on the exchange as and when they occur.

Our current quarterly order book is above 100 crores, providing healthy revenue visibility. During the quarter, we have received high-valued orders, and some trial orders from companies, marquee customers of ours, like BHEL, Mazgaon Dock, Gaza Engineering, and others. Which highlight our technical capabilities and customer positioning across complex engineering segments.

A key milestone during this quarter was the successful completion of 50.15 crores fundraise which enables us to re-enter and scale up our legacy on the railway bogies business, both fabricated and casted. The proceeds from this issue will be utilized in a structured manner. About 50% will be allocated towards capital expenses, for expansion of sheds and fabrication facilities, and for the railway bogeys, and the balance 50% towards incremental working capital requirements, which are required, looking at the increased turnover that we're expecting. This enables us to restate and scale the business with the right capacity, processes, and cost structure in place. Looking ahead, and supported by operating leverage, execution normalization, and strong order pipeline, our long-term vision has been consistently shared with our investors, and we continue to execute on it with discipline, prudence, and clear focus on value creation.



- Avinash Hariharno:** Along with the growth initiatives, we have closed 9 monthly figures as around 150 crores. And, with the bottom line of 15 crores, which was the last year's profit. We firmly remain focused on financial discipline and cash flow strengthening. We have begun working on deleveraging balance sheets, tightening working capital management, and faster receivable realization. Our empanelment with the RXIL platforms, InvoiceMart platforms under the TREDs platform is an important step in the discretion in this direction, allowing us to improve cash flow conversion in the lower cost of funds without incremental leverages.
- Ayush Divecha:** With this, I will open the floor for Q&A for any investors who want to ask any questions. We'll take the first question from Mr. Bhavin Dedhia.
- Bhavin Dedhia:** Hi, sir, good afternoon. Congratulations on a decent set of numbers. So, just wanted a color on your order book breakup, if you could provide of 100 crores, and also, if you can throw some light on the new order wins from Mazgaon Dock and Gajja Engineering. So, what kind of orders are they? Are they defense orders, or is it for the shipbuilding castings that we have?
- Ketan Shah:** If I have to break it up broadly, the steel plant is still the major contributor. It's about almost close to 50% is steel plant booking that we have. And a good 30%, including Gaja Engineering, is from the fabrication side of power industry. We are doing equipments and other fabricated structures for BHEL, and Gaja is also in tune with, in line with that area. And the rest, 20%, I would say, is all distributed between gearbox manufacturers, to pump manufacturers, and to machine tool industry. Mazgaon Dock was something shipbuilding, which will be seeing more of it in the shipbuilding industry. This was a restart of an old thing that we were doing, old order, and this is about 5-6%.
- Bhavin Dedhia:** Okay, so this is not defense-related?
- Ketan Shah:** It is for the naval ship. Yes. See, most of that if you look at any of the shipyards, the maximum work that they're doing is for Indian Coast Guard and Navy.
- Bhavin Dedhia:** Okay, So our railway orders have still not, started coming in, the casted?
- Ketan Shah:** We've got a trial order, as we have told you. We have told you about the fabricated bogies, the trial order that we have. Percentage, it might not look nice, but, it's a trial order, so the quantities are less. And that is on the first and the second, two types of bogies we are already going in for trials.
- Railways, on the casted bogie, the investment that we have done earlier, that should also bring fruit now, because the final signature from RDSO, that is all that we are waiting for. Rest, everything is done. assessment and everything is done. We're just waiting for the clearance from them, so that we can go ahead and start booking orders for the casted bogies also. The Casted Freight bogies.
- Bhavin Dedhia:** Okay, so that will come in at FY27, the casted ones?
- Ketan Shah:** FY26, 27, yes.



Bhavin Dedhia: Okay, And, so, my understanding was the steel plant, you already have 50% order book from the steel industry, but, as you were mentioning, that a lot of the steel companies have announced a lot of capex for facilities, and they were into the designing stage currently. So, those orders should start flowing in by end of this quarter, or start of next quarter, or will it take some more time?

Ketan Shah: You'll be happy to know, because we are talking about the first 9 months. We've already booked an order. I told you last time that, you know, the most of the capex, those that have been decided, especially PSUs, to OEM. OEM will go into a design phase and start ordering. So the first order, of about 12.71, about 13 odd crores for one of the steel plants, public sector steel plants, through ThyssenKrupp. We just got it in this month. So that process has started, sir. And I think we should be announcing very soon. The others that are in pipeline very soon.

So, once their engineering is over, they go for procurement, and this is the right time, FY 26-27. I expect that, you know, the amount of offers that we have submitted, even if I take 20-30%, it is sizable business that will come from OEMs for the PSUs and the other plants.

Bhavin Dedhia: So one more, so I noticed that our EBITDA margins were a bit soft this quarter, but the PAT margins were maintained at 10%, so that, there's another income of 1.6 crores during this quarter, and it's other normal income. So, what is the other income, and can we expect it to be recurring going ahead?

Avinash Hariharno: No, no, no, that is not of a recurring nature, sir. That was an income from, gratuity fund, so this is one-time arrangement only.

Ketan Shah: But the margins slightly have been lower because of the product mix, but in this quarter, we at least, I expect the margins to get back to where it was, where they were.

Bhavin Dedhia: And we were talking about improvement as well.

Ketan Shah: Yes.

Avinash Hariharno: Yeah.

Ketan Shah: This FY26, 27, with a little bit of choosy, that the moment we get everything operational and we become a little choosy, I am 100% sure that, you know, the trajectory of the margins also will improve.

Ketan Shah: See, railways, I'm expecting good, you know, better margins. Once the casted bogies, then they start, again, the margin improvement would be that there is a sufficient scope and, improvement of margin there also.

Bhavin Dedhia: Okay, okay. So just, one thing from my end, can you throw some light on ,we are halfway through Q4 right now, and what is the momentum of order execution in Q4, as well as Q1 of the coming year? If you can throw some light.



- Avinash Hariharno:** It will be better than last, last year's quarter, final quarter, sir. We are geared up, and, we hope so. And it will remain. Yes, we are working on it, sir.
- Ayush Divecha:** Next question we'll take from Mr. Praneeth.
- Praneeth Bommiseti:** Yeah, thank you for the opportunity. So, first, I'm new to the company, just disclaimer. So, I just wanted to understand, in 2018, 2019, we had a revenue of 220-230 crores. Could you explain how has the product mix changed, and why is it so? Over now, and why are the revenues different? Did this revenue scale back?
- Avinash Hariharno:** In 2018-19 sir, we had, one of the railway-dedicated units at Urla. which was continuously doing, railway products, and some of the high-end products, like Transom, we were exporting to GE and EMD at that moment. So that was the reason why topline has declined, we had to hive off, in 2019, that unit, which was continuously doing railway business.
- Praneeth Bommiseti:** But why did the company have to hive off that particular business?
- Avinash Hariharno:** Because of some banking challenges, sir, we got the sanction, but the disbursement couldn't take place throughout the year.
- Praneeth Bommiseti:** And this was for capex or working capital?
- Avinash Hariharno:** Working capital. We were geared up, having 300-odd cores of orders in hand, so we had started working on it. But we could not get the enhanced working capital limits at that moment of time.
- Praneeth Bommiseti:** But do you expect such problems to come in the future also? I understand we did a fundraise, but what is going to be different from that time?
- Avinash Hariharno:** Not with this type of situation, sir, where all the sectors are booming, and we are having your support also. Not relying on the banking channels right now, so we don't expect anything.
- Ketan Shah:** The freight wagon bogies, the casted bogies that we talked about, we have already set up the line here also. And that is something that we were doing there for the last 15-17 years since 2019. So we'll be restarting that back in, our unit here, and that should be adding, you know, at least 40-50 crores to the top line.
- Praneeth Bommiseti:** Okay, so you expect to restart that particular division.
- Ketan Shah:** We've already, we have taken whatever investment was to be done, it's already done, it's completed. First and second phase of RDSO, that is also over. They come there for an approval of facilities. Once they approve it, I'm only waiting for the signature, as I told you earlier. Once it is signed, then we can go and start getting orders.
- Praneeth Bommiseti:** Understood. So, and that particular division is that plant sold off, or was it a different?
- Ketan Shah:** Yes, we gave it to Texmaco, who was one of our customers. It was just 20-25 kilometers from here, and that topline there, we used to be making anything between 110 to 130 crores.



- Praneeth Bommiseti:** Understood, but going forward, you don't expect any working capital challenges at this point.
- Ketan Shah:** We have done very well in the last 3 years, 5 years. And, the whole focus has been to never get into the same situation again.
- Praneeth Bommiseti:** Understood. And was there a strategic change of product mix as a result, or do you think because the overall dynamics of the industry changed, is it going to get better?
- Ketan Shah:** Both sir. What we are looking and what we were doing is much different, and we have to keep reinventing, because we're into contractual manufacturing. So we need to go up the value chain, which is a constant pressure on us. And for that, the capex that we are suggesting is only for that, so that we keep moving up the value chain.
- So, whether we like it or not, this is the kind of business, and we have to move, and at the moment, all the key verticals are doing very well. All the key verticals and the visibility for the next to 5 years, seems to be very, very good, whether I look at steel, whether I look at railways, whether I look at power sector, whether I look at machine tool, whether I look at defense.
- See, you have in a company a manufacturing facility, which is very, very suitable for customized making of equipment. So, we have very, very flexible we have a number of machine tools, a lot of CNC machine tools, a lot of, you know, conventional machine tools, and all of them are big and flexible. So that is why we're able to cater to this wide range of industries, which we were doing earlier also, but we are moving up the chain, whether it is defense, we have been doing things, we are moving up the chain. Whether it's railways, we are doing things, but we are moving up the chain.
- Praneeth Bommiseti:** Examples of what exactly you mean up the chain, what was we just doing?
- Ketan Shah:** Up the chain, say, for example, in steel plants, if I start. We're giving Sinter Car assemblies so, from Sinter Cars and Pellet Cars assemblies, we started giving other items also, other associated, the sprockets, the turning system, the guiding system, and all those kind of things. Which was being imported, so we got into that.
- So everywhere, like machine tools, we were giving only castings. Now, with that we have been able to give completely machined casting from us. Valve castings also, we are giving totally machine castings now. Soon, we'll be doing some assembly for some of one or two of our customers.
- Praneeth Bommiseti:** And is this measured to specifically grow revenues or product margins, or is it both?
- Ketan Shah:** Both, both. It differentiates us. See, first of all, when you look at a foundry, having these kind of machine tools and these kind of CNC machine tools available with them that also differentiates. Now, you go you look at it a little more deeper. Now, I am also having a fabrication shop, I have got an assembly shop, I can make equipment so, I'm able to assemble and give him sub-assemblies, or even complete product. So, it differentiates me further. Each and every level that we add. We become less of a foundry, more of a solution to the customer.



Praneeth Bommiseti: Understood. And so, do you see a large growth opportunity in exports compared to domestically, or is exports not a suitable avenue for such large castings?

Ketan Shah: Sir, we have been consistently exporting for the last 30 years. But mostly, the policy of Simplex has been very similar. Export the items which you have a proven track record in India. So what we have done is we have exported a lot of steel plant equipments and railway. Because these were the two major, major items that we were making.

Other than that, we did a lot of pumps and valves. So, opportunity-wise consistently over years, it was anything between 20 to 30% of our revenues from exports. Now, steel plant world over, has died out. It's only domestically, which is where it is growing. So, I'm not expecting too much other than from Russia and Ukraine, so there it'll go. Railways, we were out in 2019, we are going back, so I'm expecting that to also grow.

Praneeth: Understood, and Russia and Ukraine, because there's been a lot of activity in the steel?

Ketan Shah: So, because basically, if you look at the kind of steel plants that we have, it's Bhilai, where we are based, or Bokaro, these are all Russian design. So we are very familiar with the kind of equipments that they make, and we are doing that consistently for the Indian steel plants. So the moment the war is over in Russia and Ukraine, they go back on the verge of becoming normal again. So those were the first things that they'll be ordering, and just before the war started, we had orders worth about 23 or 24 crores from Ukraine.

Praneeth Bommiseti: Okay.

Ketan Shah: So we have a presence there. Presence is that the people know us in Ukraine and in Russian steel plants, and we are very confident that these two areas will be like India and China and would go for integrated steel plants, you know, the way it's in India. Rest would be different. I mean, if you look at the Western world, there'll be a different kind of steelmaking compared to India, China, and Russia.

Praneeth: So, for the Russian designs, did we have a technical tie-up previously, or was it just us innovating slowly later?

Ketan Shah: No, it's always custom-built. The designs have come to the steel plants from the Russians, and the steel plants are ordering from us.

Praneeth: So basically, a Russian consultancy gave the designs to the domestic steel foundry, and those designs were given to you.

Ketan Shah: Absolutely. I mean, if you look at Bokaro, it was under collaboration with Russian government, Russian companies.

Praneeth: Right, so, understood. So, steelmaking is still a huge industry in Russia and Ukraine at this point of time, and you expect it to pick up as soon as the war subsides, or whatever happens?

Ketan Shah: And very similar to Indian's kind of steelmaking, and those are the equipments that we make.



- Praneeth Bommiseti:** Got it. So, as I understand, steelmaking for Russia and Ukraine is going to be the green shoot will be the war ending, and for railways, already, it slowly, as the production comes back on capacity, it'll grow. But what are the other particular verticals you see in terms of growing substantially?.
- Ketan Shah:** For exports or Indian markets, sir?
- Praneeth Bommiseti:** Indian domestic market.
- Ketan Shah:** Domestic market, I've seen a tremendous growth in power sector, which I see consistently for the next 4 to 5 years. We have been the best supplier in '99 and 2003 for BHEL, Hyderabad. And, unfortunately, India had not gone in for too much of coal-based power, thermal-based power plant. Now, again, there's huge load on BHEL and LNT. Both of us, both of these companies we are working with, and it is on fabricated equipments, castings, pump castings, fabricated pumps, fabricated separator bodies, and for the coal pulverizing mill, various things, and including the structures. This business in value terms, it is so huge that if we scale up, which we will be slowly, but there is no limit to the scale up that is possible in the power sector also.
- Praneeth:** A lot more plans? Is this the reason there's so much scale-up, or what is the reason specifically?
- Ketan Shah:** It's basically too many plants have been ordered. Adani has ordered 16 thermal power plants. NTPC has ordered 22. And adding to it. You know, some state electricity boards have also gone in and ordered. They want to get these commissioned by 2030. Because after 2030, then the decision is there that there'll be no more thermal power plants in India.
- So, for the next 6 years, it's a huge market. Each thermal power plant can keep us busy, only for our work, for all the four years. And there are so many.
- Praneeth Bommiseti:** So, one power plant is enough for keeping us busy for taking our capacity for 4 years, basically.
- Ketan Shah:** Then also, we won't be in a position to do everything, because in a power plant, normally, if you look at the fabricated component, it's about 5 lakhs tons. And the capacity that we are building now would be about 1,000 odd tons a month, so it's 12,000 tons. So, 4 years-5 years is 48,000-45,000, and each power plant would need 5 lakhs to 6 lakhs tons of structures and leaving aside the equipment also.
- Praneeth:** So, how is it serviced right now, at this point of time in the country? Is it all imported?
- Ketan Shah:** It is, at the moment, there are plenty of people who are working with BHEL and L&T, like us, but there has been some requests from Power Ministry to PMO that please allow the Chinese, because the sufficient capacity is not available in India. I am very hopeful that it will be turned down because that goes against the basic principle of Mr. Modi of Make in India.
- Praneeth:** But how, so, okay, I understand philosophically that we do not want Chinese, but apart from that, despite Chinese coming in, we'll still have plenty of demand left over for us, right?
- Ketan Shah:** Yes, yes.



- Praneeth:** So, one last question. Why are we not being more aggressive in terms of adding capacity, then? Is it because of the teething issues we'll have?
- Ketan Shah:** No, at the moment, we are going ahead and adding capacity in the fabrication unit we have, and then we are looking at other areas also, like, you know, we have an offer from Arcelor Mittal Nippon Steel. They are putting up a steel plant in Vishakapatnam that for 4 years, 5 years, whatever you make, whatever fabrication and equipment that you make, we'll buy. Only thing is, we are still considering that, whether we should be having a unit in Vishakapatnam, next to them, next to where the plant is coming. So that is an area that we feel we'll be more comfortable, you know, if there's a buyback arrangement for 5 years. So that is also we are seriously considering.
- Praneeth:** What could be the factors that could be hindering us from putting up a plant? Is it just the capital requirements?
- Ketan Shah:** Sir, no, actually, not only that, we need to understand that how the management bandwidth should be there, and the financial bandwidth should be there. Capability and capacity can be added anytime. I mean, it'll take us maybe about 6 months to 1 year to get it operational. And the customer is saying that they will have some clause where, you know, if they are not able to give orders also, then they will pay us. All those clauses, kind of, they are inviting us there, so we are considering that very seriously, sir.
- Praneeth:** Just this last question, sorry. The transportability of these castings, is it possible, let's say, if Mittal was willing to take our, let's say, our capacities from our existing units, is it possible to transport these large castings there, or no?
- Ketan Shah:** Yes, yes. The best part about the foundry, the castings, is that, in the value terms, transport is a very minimal cost, but in case of light structures transport becomes a cost which is considered, and it is normally procured locally.
- Praneeth:** So, let's say in the steel plant, what percentage would be heavy structures versus light structures?
- Ketan Shah:** I would say about 70% would be heavy, and 30% would be light.
- Praneeth:** So we can still cater the 70% that would be required, then?
- Ketan Shah:** From here(Bhilai) also.
- Praneeth Bommiseti:** Okay. Thank you so much for your answers, I'll just get back in queue.
- Ayush Divecha:** We'll take the next question from Mr. Shrut.
- Shrut Bhayani:** Yes, hi, sir. So, sir, you have enrolled on the Invoice Mart, and you've shifted to receivables-backed funding now. So, sir, how much improvement do we expect in this working capital cycle, and the finance costs over the next few quarters?
- Avinash Hariharno:** Hello. Shrut Ji, we have done this, the enrollment for BHEL, which we are starting to supply. And, we are expecting we'll be able to scale up but right now, we have not tried it, so anything



is not calculatively done. But, we'll be able to manage cash flows very smoothly. As far as the, these platforms, communication is given to us. We'll have to check, we have not yet, done anything on this thing.

Shrut Bhayani: Okay. Also, you have outlined a targeted 40 to 50% CAGR over the next 3 years, with a sustained 10% margin. So, could you break this down in terms of, like, which segments will, will be the biggest contributor? Railways, defense, or infrastructure?

Avinash Hariharno: Sir, railways will be the biggest, because we are adding railway products in both the units. In casting also, we are adding casted railway bogies, and in 2027-28, we'll be adding fabricated bogies components. These, will make the company switch over from a jobbing to a product line, maybe for 50% of the topline. And, that's the reason why we are, seeing or visualizing these type of revenues and CAGR over the 2-3 years time. Railway will be the biggest component.

Shrut Bhayani: Yes, okay. And on the defense and infrastructure castings, we see a normal, normal, growth, or do we see some better growth? How is it going to be?

Avinash Hariharno: Defense and shipbuilding, yes, there is growth, but shipbuilding, as Sir has said, we rightly have re-entered it. And we have been doing that business, but yes, it will not be in the range more than 10%, and there, the margins are quite high. We are definitely looking for that angle also. But railways, yes, that will be a repetitive business. So, we are more inclined on that.

Shrut Bhayani: So we are much more confident for the railway sector.

Avinash Hariharno: Yes.

Ketan Shah: Steel, railways, power, that will be the backbone. And as rightly said by Mr. Avinash, 10-15% would be defense shipbuilding because of higher profit margins.

Shrut Bhayani: Okay. So last question. Simplex is the world's largest manufacturer of Coke Oven doors, and, is also a top player in, like, several niche products. So, how defensible are these leadership positions, and, what barriers to entry protect our market share?

Ketan Shah: The two things, like, you know, two things. If you look at any of these, tenders from government e-marketplaces and from normal customers, credentials are very important in our kind of industry, in our kind of business. So, most of the things would have a prerequisite that what are your credentials for it, and how do you justify your credentials.

Fortunately for us, it's an old company, and in most of the products, we have the credentials. The largest market share largest Coke Oven manufacturer, Coke Oven casting door manufacturer in the world, has not come by chance. It's basically because we entered into a collaboration with a Japanese company, which was the world leader in that technology. And then for a technical collaboration and a technical exchange, and we are working with the same designs, and we have improved on that designs in the last from 1987 till 2026, it's almost like 40 years.



And we have supplied Coke Oven Doors all over the world. So, any OEM which is making a Coke Oven also knows that Simplex Casting can design doors and give the Japanese technology doors, which are absolutely state-of-art. We call them the “Zero Emission Air-cooled Doors”. So, they're very, very good for not letting even any harmful gas escape out.

Simplex Casting has got a lot of visibility because of that product. So I'm not worried about protecting my share in Coke Oven doors, but other niche products, there are other companies also, and that, as I told earlier, that we are giving them a basket now. Instead of just sinter cars and pallet cars, you give us the loading, unloading station, you give us the other areas for the guard rails and, those kind of things. So, one-stop shop we are trying to become for those niche areas.

Shrut Bhayani: Got it, sir. Thank you.

Ayush Divecha: We'll take the next question from Mr. Dhaval.

Dhaval: I just wanted to understand a few things from Ketan ji. Sir, we are hearing a lot of Capex signs from various industries, from government, from everybody. Today's newspaper also says that, you know, listed companies Capex at all 13 years high. We understand that from Ketan ji, we just want to understand, since this opportunity is very big and, you know, we are entering a new cycle again. Just wanted your views. I understand you have this vision of coming to 500 Crores, but looking at the opportunity size today that India is offering, don't we see ourselves even, you know going well above that also. Just as a big thought, you know, what can probably stop us, or what can we do better than, you know, we can do okay, we have done more than 500 also. I just want your views on this, looking at this opportunity.

Ketan Shah: Yeah, perfectly right. Those are the questions that we keep thinking about a lot of times. Because, you know, the kind of what we have built over the last 40-50 years, it's just been waiting for getting capitalized.

If you look at any company in Europe. We could be their manufacturing partner for making of anything that they are wanting, and we have done that for consistently for 10-12 years for a German company. There was a German company called Claudius Peters, which was into cement plant equipment. They were using Simplex castings as their manufacturing base. For the equipments that they were making for, Cement plants all over the world, not for India alone. So those kind of synergies are available to be exploited.

If you look at pump castings, if you look at compressor castings, if you look at valve castings. There would be companies in Europe who are looking for the complete pump to be manufactured and sold under their brand name, and be exported to maybe to Malaysia, maybe to Indonesia, maybe to Brazil, wherever. So, those kind of possibilities we are yet to work on. So If you are asking me this, I am telling you that, you know, including machine tool industry, including railway, including steel plant equipment. There's tremendous possibilities once you have a beautiful manufacturing hub, manufacturing facility.

China is also winning, only because they have state-of-art factories. This is what we are also dreaming, that, you know, with this capex, we should be making a better equipment shop, the



fabrication shop, and also the foundry to become state-of-art. And then look at those kind of products where we can have a much more value add. Value add will come with design. So, we are also thinking of looking at opportunities to take over some company which is into product. And then make a product for ourselves with the design component is also with us. So, yes, there are chances, there are enough possibilities available. Let us just first, we had just come out, two years-three years; the last three years have been good to us, that just come out.

For the next couple of years, consciously, we have taken a decision just to focus on what we are doing, what we are planning. After two, two and a half years, once these things are all streamlined. Yes, **SIMPLEX 3.0** will be slightly different, it will be looking at worldview, not at a domestic view, the way we are looking at it now.

Dhaval P: Understood. So, Sir, just to, you know, go on with this, we saw in Budget, there is 10,000 crore allocated to MSME also. So, how does it help us in this space, or what do we get from these funds that are allocated? Do we have something for us? From the government?

Ketan Shah: I have not really got into that kind of detail. They said it was for a cluster development, the way they have in China, that's what I understood, that, you know, a city is there where they make only porcelain, the second city is there where they make toys somewhere, somewhere.

So these kind of things that they are wanting to. what happens to Bhilai, the cluster, because the asset base that we have is pretty huge. It cannot be duplicated so easily. So, if anything happens in this, taken as a cluster of making, you know, we are 160-170 companies here, which are making equipment for steel plant and power plant. If that kind of cluster gets developed, maybe there will be something we should be looking forward to.

Previously, there was a time, maybe about 5, 7, 10 years back, we used to say that, you know, anybody who wants to build any fertilizer, refinery, steel plant, cement plant, has to come to Bhilai. I don't know whether we are still that cluster, and whether government is gonna come for that kind of a thing. But I do not have that kind of depth to know what exactly the 10,000 crore is for.

Dhaval P: Alright, so we hope that, you know, you get these details, so that, you know, you can intimate us about how it will be beneficial to us.

Ketan Shah: Absolutely

Dhaval P: And one final question is on regards to I remember we had one order from Mazgaon Dock earlier, and we were somewhere also anticipating a few more orders to be lined up for this financial year, or even this quarter. I want your update on that, and you know, now, since we are shifting gears, I want to understand how this next year plans out for us, post the fund raise is done, what are the new triggers that we see in our business?

Ketan Shah: MDL was the only one that we have, got 3 offers are in pipeline. I am also hoping that in the coming few months, couple of months, we should be getting at least two of them. And, at the moment, you know, at the cost of reputation, I'm saying, for the next one year- I just want to stabilize in the areas that we had talked about, like, you know, railway casted bogies, railway



fabricated bogies. The whole purpose, the whole thought process behind was that, you know, we should not be too dependent on steel alone.

We should have some other product line which are repetitive in nature, so that is why and railways, we were doing it, and we had the experience of doing it, and we are doing a very good job. 130-140 crores of revenue from just railways was very good. So we want to go back to that. Fortunately for us, our power sector, which was alive in 2005-2006 again, that has come back, so at the cost of reputation, for the next one and a half, two years, we just want to concentrate on the steel sector opportunity, on the railway sector opportunity, on the power sector opportunity, and keep working on the defense and the shipbuilding side as 10-15%.

I'm not thinking too many things. Yes, there is something on that, we are looking at, you know, to get into. Aluminum foundry, we are looking at possibility of taking over some aluminum foundry. Maybe it could be high-pressure die casting. We are in talks with some consultants in Germany. Those things, let us see how, when they come out, we'll talk about that. At the moment, it is not the target. If it's viable, feasible, then we'll talk about it.

Dhaval P: Avinash Ji, just one thing to clarify. Of the total fundraiser that we're doing, How much are we planning to deploy for the working capital, and what is the current working capital that we have in the business?

Avinash Hariharno: We have a CC limit from Kotak of 34 Crores and, from the fundraise, we are targeting 25 crores, towards Capex and 25 towards working capital needs.

Dhaval P: Okay, understood. Alright, thank you so much, and all the best, Ketan Ji. We are seeing some exciting, news and announcements from your side. We hope that we have a good year this year.

Ketan Shah: There will be plenty of news coming up, because I told you most of the orders will get placed now, 2026-27, so it'll be a constant thing, that is what we hope for. That is what we expect, sir. So we'll be in touch and I thank you all for your insightful questions and joining us today. Any other questions?

Ayush Divecha: Let me take the next question from Mr. Khozem.

Khozem Jabalpurwala: So just a follow-up question to the earlier on the new fundraise that we have done. So, we are talking about, using 25 crores out of that for Capex. So, what would be the asset turn that we can expect from that?

Ketan Shah: I would say at least 3-4x.

Khozem Jabalpurwala: And, sir, just a very broad-level question, actually. For all the products and the segments that we cater to, like, say, railways, defense, shipbuilding, and steel. Is it possible to quantify the opportunity size over there, and if possible, the, you know, the margin profile for that, for each individual segment?

Ketan Shah: So steel, we will try to restrict it to 40-50%. Then we can always go for the opportunity in steel could be almost 100%. We will be restricting ourselves so that you know, we become a little



choosy, we take better or profitable orders and do not go for all kinds of orders. But there is a definite possibility in the power sector and railway sector where we are working very diligently now. And that is what we are focusing now for long term. So, railway sector, you can kind of put a figure of almost, like 20-25%, it should grow in 2026, 27, from zero almost, and, power sector, from say about 10-15% to almost, like, 20-30%. And that is all I mean, if I want to quantify quantifying the kind of things that are available, it is too much. It's just too much, sir.

So we will take what we can chew, because there are consequential damages also, liquidated damages also. We will chew only what we can, you know, the execution part, the delivery part also we have to see. But order book is not an issue, sir.

Khozem Jabalpurwala: Sure Sir, sir was there any provision for the new labor code? I mean, I was not able to, kind of, individually look at that number.

Avinash Hariharno: Yeah, we have done it, sir, and that is very, very minuscule, it will not make any impact.

Ayush Divecha: We'll take the next question from Mr. Charchit.

Charchit Maloo: Sir, I have a question on our Dhanush project. So, like, what kind of revenue do we have on from the Dhanush, and what kind of margins do we expect in this one?

Ketan Shah: Dhanush, We are still working as far as just machining one of the assemblies that they have given us. Revenues are, in the terms, is very low at the moment, but we are trying to build on it. In a couple of years' time, it should be in the range of maybe 10 to 15 crores.

Charchit Maloo: Okay. Sir like, earlier you gave the guidance of, like, 200 plus crores in FY26, so, like, till now we have done 150, so are we intact on that? And, like, what kind. revenue, like, we can expect by that in Q4.

Avinash Hariharno: We have done last year- Q4- 67 crores sir, and it will be better than that.

Charchit Maloo: with the same EBITDA margin of 15?

Ayush Divecha: We'll take a follow-up question from Mr. Praneeth.

Praneeth: Yeah, thank you for the follow-up. So, I was wondering, in terms of the margins, I understand that you want to be more choosy and become a solution provider. So, but what margin percentage are you expecting as a management to choose, or, let's say, bid for, in what margins can we forecast in terms of going forward? What is that kind of this?

Ketan Shah: Let's say, for example, like, in our market. We make customized products. The margin percentage when I'm doing Coke Oven Door is much higher compared to when I do other castings. Because there is an element of design involved, and there is some guarantees involved. So there is a higher margin to that. And there are fewer players, because Simplex is one of those kind of monopolistic players there, so I get better margins.

To say that, you know, I'll be choosy, I'll be looking at first filling up my order book with those kind of orders, where I get a slightly better margin, compared to being in the normal marketplace



and, you know, we're competing with so many other companies. And like, you know, if you look at most of the PSUs, they've gone for GEM Portal. So, I am looking at more where there is a credential-oriented, and where we have better credentials than others, and the competition is between a fewer players.

Praneeth: Understood. But, you already have, let's say, a specific idea in mind on what the composition you want as personally for the company. So I was just wondering, in terms of, with the ideal composition you want, what are the margins you would like to receive from that?

Ketan Shah: I am targeting at least a couple of percentage more than this financial year.

Praneeth Bommiseti: Are you talking in terms of PAT, or are you talking in terms of EBITDA? Like, I understand overall it can be the same thing, but yeah.

Ketan Shah: EBITDA.

Praneeth: Got it. And one more question, regarding the putting up the capacities. How long do you think? what is the timeline of putting up these new capacities?

Ketan Shah: So, for the casted bogies, we've already done that. It's already in place now for the fabricated bogies, this 25(Crores), what we are looking at should take us about 6 to 8 months, sir.

Praneeth: Understood. And one last question regarding working capital limit. I understand 25 crores is there, but the thing is, we have very long working capital cycles, right? Especially because it takes so long to build it in terms of inventory and all of that. I was wondering, how are we planning on continuing our liquidity, especially with the growth you want, 50% CAGR, and with the existing energy cycle, we'll need a lot more working capital than the 25 itself. So, what is the plan, especially because we already faced, been through this once. How is the management prepared, and what is it doing specifically?

Ketan Shah: What we have done, sir, the selection of products that we discussed was railway and power sector and equipments. That was also based on what will be one of the questions earlier was, what did you learn from the mistakes of 2019? So these are the things while we were selecting the products, charting our vision for SIMPLEX 2.0. Railways are consistently based, that's been our experience, and that's been going on even now, in the last 6 years that we followed up, the day they receive, within 15 days, the payment comes.

So this 40, 50, 60, whatever we are doing for the casted or the fabricated bogies in the next financial year, the payment cycle is much more shorter, much, much shorter compared to when I look at the steel industry, which is, like, 30 to 45 days.

Praneeth: What about power sector?

Ketan Shah: Yeah, I'm coming to that. Power sector, as Mr. Avinash said, that he has not tried. Number one, we are part of MSME, so most of the PSUs have to give us in 45 days. But with Incred, we expect this to be even shorter by 15 days. So within a month, because, you know, finally the bill has to go up to the billing section, they have to put it on the computer, then only Incred is going



to start working from there. So the 15-20 days period of transport and receiving and all that. So we expect that we will be shortening that cycle by another 15 days to 1 month.

- Praneeth:** I'm sorry, but I'm not familiar with what InCred is?
- Avinash Hariharno:** InCred, or Invoice mart, or RXIL, or MIXG.
- Ketan Shah:** For power sector, it's two months, two and a half months.
- Ketan Shah:** With this facility of incred for BHEL available, what Mr. Avinash was saying, we should be in a position to shorten it by at least 15-20 days, maybe a little more.
- Praneeth:** And for the inventory, it's going to be similar to all of them, right?
- Ketan Shah:** Both the inventories, also the products have been selected, which are very fast-moving, compared to the other equipments that we will keep making, and we'll keep continuing. These two items, specifically power sector and railways, have a very small time for us that they are with us. They're fast moving.
- Praneeth:** So even timeline of production is also shorter with the new products.
- Ketan Shah:** For these two products, yes.
- Ketan Shah:** Look, that is a very interesting question, but good that, you know, you could bring it out, that, you know, why these two products that Simplex has selected, and why are we saying that for the next couple of years, at least one and a half, two years, we want to focus on that. It has been brought up so that we could explain our position and our thinking on that for everybody.
- Praneeth:** Sorry, just follow-up question regarding that So, in terms of working capital, what working capital are we going to expect from going forward, from FY26-27? The number of days, I mean.
- Avinash Hariharno:** Will be experiencing it, sir. We'll try to bring it down to maybe 30 days or 45 days within this thing.
- Ketan Shah:** For these products, that's definitely 30-45. But the balance would be average only.
- Avinash Hariharno:** We are coming out from a jobbing to 50% at least repetitive one. So much will be controlled.
- Ketan Shah:** Balance will be there.
- Avinash Hariharno:** Yes balance will be there.
- Praneeth:** Yeah , but the blended level for the next 2 years, what do you expect?
- Ketan Shah:** My expectation would be, on the outer side, 3 months.
- Praneeth:** **Okay, 90 days, basically.**



Praneeth: Understood. So, but the thing is, the quarter's revenue will be stuck in working capital, right? Will we have enough growth, enough cash sufficient to grow that 50%? It's still my little doubt on that part of it.

Ketan Shah: (Nods as "Yes").

Ayush Divecha: Thank you, Praneeth. Dear participants, that marks our last question for the Q&A session. I would like to, pass it on to Mr. Ketan for any closing comments or closing remarks for our investors, and what's next in Simplex 2.0.

Ketan Shah: As I always say that, you know, talking to people like all the investors, it always is a very insightful conversation, and I also learn every time a few things, and that is why I love discussing and meeting and connecting with all of you.

So, I thank you. Very, very, thank you from really, it was nearly a nice conversation. And, with an improving balance sheet. We are very sure in the what we just discussed, that railway business and power business. And with the capex plans that we have, with that we are thinking. I'm very, very sure we are very that, you know, we will only rise from here. We'll go we'll become better and better in all fronts. That is what I am hoping, planning, and wishing. Thank you so much.

Ayush Divecha: Thank you to the management of Simplex for being a part with us, on a Tuesday evening. Thank you to the participants for taking out the time and attending our conference call. You may all now disconnect your lines. Thank you so much, and see you in the next quarter.

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