Operator: Ladies and gentlemen, good day and welcome to the earnings conference call of Usha Martin Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Devesh Singh from CDR India. Thank you and over to you, sir.

Devesh Singh – CDR India: Good morning everyone and thank you for joining us on Usha Martin Q1 FY27 earnings conference call. We have with us Mr. Rajiv Jhaver, Managing Director of the company, Mr. Abhijit Paul, Chief Financial Officer, and Ms. Shreya Jhaver, Director of the company. We hope all of you have had the opportunity to refer to the earnings documents that we shared with you earlier. We will initiate the call with opening remarks from the management, following which we will open the forum for a Q&A session.

Before we begin, I would like to point out that some statements made in today's call may be forward-looking in nature and a disclaimer to this effect has been included in the earnings presentation. I would now like to invite Ms. Shreya Jhaver to make her opening remarks. Thank you and over to you.

Shreya Jhaver – Usha Martin Limited: Thank you everyone and thank you for joining us for Usha Martin's earnings conference call for the first quarter of FY27. I will begin with a brief overview of our performance and the key business developments during the quarter, following which our CFO, Mr. Abhijit Paul, will take you through the financials in greater detail.

We have made a strong start to FY27. Consolidated revenue increased by 16% year-on-year to 1,033 crores. Operating EBITDA stood at 208 crores, a 44% increase year-on-year, with an EBITDA margin of 20.1%. What is particularly encouraging is the quality of this growth. Across our businesses, value grew faster than volume, reflecting improved realizations and our continued shift towards specialized products. You will see this trend through each of the verticals I will now take you through.

Starting with wire rope, value growth was strong at 18% year-on-year, even as overall volumes were marginally lower. I want to highlight that the volume decline was largely due to the Middle East operation. Across our other three markets—India, the US, and Europe—we saw healthy volume growth and our geographic diversification helped the overall rope business remain robust. In the domestic market, rope volumes grew approximately 12% year-on-year, while value grew around 21%, supported by healthy demand across crane, elevator, and fishing segments.

The US and Europe both had strong quarters. In the US, growth came mainly from elevator and mining segments, while in Europe we saw good traction across oil and offshore, renewables, and value-added services. Now coming to the Middle East operations, volumes were down approximately 28% due to continued geopolitical and market disruption. However, realizations improved by approximately 36% on the back of better pricing and a more favorable mix, which allowed us to hold revenues broadly at last year's level. Even in a challenging market, the strength of our portfolio protected our business.

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Now turning to wires, the business delivered healthy growth during the quarter with volumes up approximately 19% and revenue growing around 32% year-on-year. The wires portfolio today is largely domestic driven and exports represent a significant growth opportunity for us. We have already begun supplying to select European customers in high-value applications such as automotive and rockfall protection, and we see considerable headroom to scale this as we secure further approvals and deepen our coverage in these markets.

On plasticated LRCC, the business continued to gain traction, supported by healthy demand both in the domestic and export markets. A key milestone this quarter was our first international order for plasticated LRCC strand for a stay cable application. This is an important step, as further approvals mature, it opens up meaningful opportunities to expand internationally. This will be central to how we compete in the LRCC segment, where black LRCC has become largely commoditized, while plasticated offers genuine differentiation and better value.

Coming to Ocean Fiber, Ocean Fiber continues to build momentum. While it remains a small part of the overall business, we are encouraged by the progress across offshore and heavy lifting applications and the pipeline of opportunities ahead. This segment complements our core product portfolio and we see it as an important growth driver for the company going forward.

Overall, I would like to highlight four broader points from the quarter. First, the improvement in performance reflects our shift towards high-value products and applications. Over the past few years, we have made sustained investments in strengthening our manufacturing and R&D capabilities, enabling us to address technically demanding applications across global markets. Many of these products require extensive development, testing, and customer qualification, creating meaningful barriers to entry. Our growing track record of approvals and successful field performance validates this strategy, with the benefits increasingly visible this quarter across our group portfolio, value-added wires, plasticated LRCC, and Ocean Fiber.

Second, we were able to protect profitability and expand margins, despite a significant increase in key input and logistics costs. Wire rod prices were approximately 7% higher year-on-year, while zinc prices increased by around 28%. Freight costs also remained elevated. We implemented pricing actions across segments to pass through these increases. Together with improvement in product mix, cost discipline, and operating efficiencies, this enabled us to expand EBITDA margins to 20.1%.

Third, profitability translated directly into cash. We generated operating cash flow of approximately 242 crores, representing cash conversion of 116% of operating EBITDA, and closed the quarter with a net cash position of approximately 465 crores.

Fourth, this balance sheet strength allows us to keep investing confidently in future growth. During the quarter, we incurred capital expenditure of approximately 73 crores. For FY27, we continue to expect capex of approximately 250-300 crores. These investments are focused on expanding capacity in specialized wire rope and improving manufacturing efficiency.

A key project underway is the expansion of our elevator rope capacity by approximately 6,000 metric tons per annum. The additional capacity is expected to be commissioned in phases beginning October, with the project scheduled for completion by the first quarter of FY28. Looking

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ahead, wire rope volumes remain a clear priority and our approach will be value-led volume growth. We will also continue to improve mix, scale on newer verticals, and strengthen collaboration across our global operations through the "One Usha Martin" initiative.

While the external environment remains dynamic, demand across our key applications remains healthy. With our differentiated portfolio, long-standing customer relationships, and strong balance sheet, we are confident of delivering consistent and profitable growth. With that, I would now like to invite our CFO, Mr. Abhijit Paul, to take you through the financial performance for the quarter in greater detail. Thank you.

Abhijit Paul - Usha Martin Limited: Thank you. Good morning to everyone. I will now provide a brief overview of the company's financial performance for the quarter ended June 30, 2026.

During Q1 FY27, our consolidated revenue from operations stood at 1,033 crores from 884 crores, registering a healthy growth of 16.4% year-on-year. During the same period, our operating EBITDA grew to 208 crores from 145 crores, a growth of 44% year-on-year. This demonstrates that our profitability growth has been driven by a richer product mix, effective cost recovery, and strong operating leverage, enabling a significant expansion in earnings. This is visible from our EBITDA margin as well, which improved to 20.1%, a 380 basis point increase year-on-year.

Profit after tax for the quarter grew to 142 crore from 101 crore, registering a growth of 41% year-on-year. From a segmental perspective, the wire rope business recorded revenue growth of 18% year-on-year, while the wire and strand segment grew 31.7% year-on-year. The railways segment reported a marginal growth of 3.9% year-on-year. Within wire rope, the value-added rope component stood at 73% compared to 70% in FY26. This has enabled us to achieve an EBITDA per tonne of 40,581.

As highlighted earlier, our focus on improving product mix, increasing the share of specialized products, and maintaining effective cost management continued to support profitability during the quarter. Our ability to pass on higher input and freight costs further enabled us to maintain healthy margins. Cash generation remained healthy during the quarter. Our operating cash flow before tax stood at 242 crore, translating into a cash conversion of approximately 116% of operating EBITDA.

After funding capex of 73 crore, free cash flow stood at 135 crore. Continued focus on working capital management further strengthened our financial flexibility and ability to invest in our growth priorities. Our return on capital employed improved to 21.4% from 20.6% as of March 2026.

I am also pleased to share that during the quarter, the company's long-term credit rating was upgraded by India Ratings & Research to IND AA- from IND A+ with a stable outlook. These upgrades reflect the continued strengthening of our financial profile, healthy cash generation, and prudent capital allocation over the past few years.

As we move forward, we will remain focused on maintaining healthy cash conversion, improving working capital efficiency, and deploying capital selectively towards opportunities that enhance returns and support long-term growth. To conclude, we made a strong start to FY27 with healthy revenue growth, margin expansion, and robust cash generation. Our stronger balance sheet and improved credit profile provide us with financial flexibility to pursue our growth plans while

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maintaining capital discipline. We remain committed to delivering profitable growth and creating long-term value for our stakeholders. This brings me to the end of my remarks. I would now request the operator to open the floor for questions. Thank you.

Management: Thank you so much, sir. Ladies and gentlemen, we will begin with the question and answer session now. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

Operator: Our first question comes from the line of Aman Kumar Santhalia with AK Securities. Please go ahead.

Aman Kumar – AK Securities: Good morning everybody. First of all, congratulations to Shreya for becoming a part of the board of directors. Under the leadership of Rajiv and yourself, the company has done excellently in this challenging global environment. For the first time, the company has achieved a quarterly turnover of 1,000 crore rupees. This is a very big achievement considering the geopolitical challenges.

I have a few questions regarding the quarterly results. How has wire rope performed in terms of volume compared with both the previous quarter and the corresponding quarter last year? Could you also share your outlook for volume growth over the coming quarters? Also, how much volume loss have we incurred due to this Middle East crisis?

Shreya Jhaver – Usha Martin Limited: Thank you, Aman, for your question. Rope volumes were marginally lower this quarter and there were essentially two factors behind it. Firstly, as we mentioned in the opening remarks, volume came in lower in the Middle East where volumes declined around 28% due to the ongoing geopolitical conflict. The port, marine, offshore, and construction businesses have all been affected in this region. Projects across Saudi Arabia have been delayed or stalled. Distributors in this region have also taken a conservative approach to stocking. All of these have lead to lower demand in this region.

Our focus in this region was to maximize inquiry conversions, sell through our value-addition route, and optimize product mix as much as possible to reduce the overall impact on the top line and bottom line. The second factor was the Asia Pacific region where we saw some project-related delays during the quarter. These are delays rather than lost demand. The projects are still under negotiation and in the pipeline, but they will mature in this quarter.

At the same time, to reduce our dependence on project-driven business, we have stepped up our customer engagement in the region and identified areas such as crane ropes and elevators where we feel there is room to build a more regular business to get consistent volumes. This will be a key focus area for us through the year. Also, in our other key geographies—Americas, Europe, and India—we saw volume and value growth during the quarter and we expect the positive momentum to continue through the year as well.

Aman Kumar – AK Securities: Thank you. The situation in the Middle East remains uncertain in the near term. If the geopolitical situation improves and reconstruction activities gather pace, how

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significant could the opportunity be for Usha Martin? Which of our products are best positioned to benefit from such a scenario?

Shreya Jhaver – Usha Martin Limited: You are absolutely right that plasticated LRPC and synthetic wires are extremely important parts of the portfolio, and in each of these, we made progress in the quarter. As we mentioned in the opening remarks, plasticated LRPC saw good traction this quarter. We did record the highest volume and value for this segment this quarter, and that is one of the reasons why we saw top-line growth in the LRPC segment despite seeing a volume decline year-on-year.

We had started supplying plasticated LRPC to the export market for stay cable applications, which is an important development. With the upcoming approvals we have been working on for a few years now, both domestic and export markets will open up further.

Coming to your second point on synthetic strings, which is our Ocean Fiber brand, that is also a very important part of our BFCP business. Last year was the first full year of commercial operations for this segment. We can see that over the last five quarters, the revenue has been on an upward trend for this segment. From being a pilot project, this is now giving us consistent revenue and contribution. Our goal is to take this from the 2-3 million level it is at now to a 10 million level over the next few years. Being a high-margin business, this will add significantly to our bottom-line performance in the upcoming years.

Aman Kumar – AK Securities: And what about galvanized wire?

Shreya Jhaver – Usha Martin Limited: On galvanized wire, which is under our brand name Galstar—our brand for aluminum-zinc coated wires—it is also progressing well. We are seeing good demand in the domestic market. In the export market, we have approvals in place. We are supplying to the European market, for example. These are critical applications used in rockfall protection. Customer approvals are based on performance and reliability, not just price. Scaling up takes time, but we have achieved good success rates in the export market, and our priority is now to broaden our customer base and get more approvals.

Aman Kumar – AK Securities: Okay, thank you. This is all from my side.

Operator: Thank you. Our next question comes from the line of Rajesh Majumdar with 361 Capital. Please go ahead.

Rajesh Majumdar – 361 Capital: Good morning Rajiv, Shreya, and Abhijit. Looking at the breakup of the volume numbers, the wire rope segment has been quite flat for the last three quarters. Although the realization per ton has improved steadily and maintained the margins, volumes have been static. When can we start seeing an uptick in volumes? I understand Q1 is seasonally weak, and Q2 historically sees a high volume bump for the wire rope business. Can we see a similar trend this year?

Rajiv Jhaver – Usha Martin Limited: As we mentioned earlier, the Middle East market is impacting us; in the last quarter, we had almost a 26-30% lower volume. This is nearly 1,000 tons. That is the business we lost because of the current geopolitical situation. However, the other markets have

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done well, whether it is the domestic market or the European and US markets. Looking at current opportunities globally, including the domestic market, we still maintain that we will be able to achieve 10-12% volume growth this financial year. Now that the capacities are in place and inquiries are fairly strong, we should be able to get to that 10-12% volume growth for the whole year as indicated earlier.

Rajesh Majumdar – 361 Capital: That means we will have double-digit growth for the balance part of the year because the first quarter is essentially flat in volume terms.

Rajiv Jhaver – Usha Martin Limited: While 10-12% volume growth is something we are hopeful for and should achieve barring global situations, I would also like to state that our focus remains on both volume and value. In wire rope, it takes time to get approvals, enter specialty segments, and build consistent business. Significant progress has taken place. The capacity is available. As these inquiries and orders mature, we should be in a position to push these volumes.

Rajesh Majumdar – 361 Capital: Okay. Looking at the realization per ton, there is a sharp jump in LRPC, which is understandable. But at the end of June, we saw a drop in LRPC prices. Will that impact margins next quarter? Will there be a positive impact from the cost side on wire rope to negate that?

Rajiv Jhaver – Usha Martin Limited: We do not look at margins solely on a per-ton basis, though 40,000 is a healthy number. Our focus is to maintain a base EBITDA margin of 20% based on our various initiatives. We hope to maintain a minimum base of 20% going forward. We were able to pass on all cost increases, whether for steel—as Shreya mentioned—zinc, gas, or other inputs. This helps ensure margin sustainability. Going forward, our base will be around 20%, and as new capex volumes go up and product mix improves, we should see it moving upward. We are fairly positive that the new base will be at a minimum of 20%.

Rajesh Majumdar – 361 Capital: Okay. And what is your guided capex for the next two years?

Rajiv Jhaver – Usha Martin Limited: This year we are investing about 250-300 crores. One of the main projects is increasing elevator rope capacity by almost 6,000 tons a year. We are also modernizing and expanding our furnaces to meet increased demand. As guided earlier, about 250-300 crores will be the annual capex, including routine maintenance capex, to continue with a top-line volume growth of 10-12% and around 15% in value terms.

Operator: Thank you. Our next question comes from the line of Varun Jain with Balaj Capital. Please go ahead.

Varun Jain – Balaj Capital: Good morning, sir. Ocean Fiber became cash flow positive in its first year of operations. What is the total addressable market (TAM) here and what is the margin profile? I know it is higher than 20%, but why is it so high? Is there an IP advantage compared to other synthetic string manufacturers?

Shreya Jhaver – Usha Martin Limited: The total addressable market for this would be about 1.5-2 billion dollars. It is smaller than the overall rope market but is growing at a high double-digit rate. Gross margins for this segment are 65-70%. It is a specialized product for critical applications in oil,

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offshore, and wind energy. In many cases, steel wire rope cannot be used because components of the oil platform or wind platform are too delicate.

These are heavy-lifting applications. Last quarter, we executed an order where the weight of a particular synthetic sling was only 6 tons, but the lifting capacity was more than 4,500 tons. That is the nature of the product. It requires approvals and a track record. It fits well with our approach to having more value-added products.

Varun Jain – Balaj Capital: Okay. Regarding plasticated LRPC, in the Q4 call, management indicated that approvals were expected within weeks. Have those come through? Will FY27 volumes reach the guided 6,000-10,000 tons?

Shreya Jhaver – Usha Martin Limited: For plasticated LRPC, there was one major approval with a global customer that has a high share in the domestic market. We have received verbal confirmation, though some paperwork is slightly delayed. However, it is progressing well, and the party has already started quoting with our product in the market. We remain confident.

In terms of volumes, we have an annual capacity of 6,000 tons. Last year, we did close to 2,500 tons. This year, our target is 3,500-4,000 tons. Next year, we should be able to fully utilize the capacity as these approvals come through and we see traction in the international market. We are already thinking about increasing capacity further ahead of time so that in 18-24 months, as these projects pick up, we can meet market demand.

Varun Jain – Balaj Capital: Management mentioned an 85% replacement market exposure. What are the replacement cycles for mining, elevator, and oil and offshore? How sensitive are they to lower utilization, like the disruption in the Middle East?

Shreya Jhaver – Usha Martin Limited: Replacement cycles vary by sector. For certain mining ropes, such as dump ropes, it can be as little as 1-2 weeks. Elevator ropes are longer, ranging from 5-8 years depending on usage. Port ropes are in the middle, between 6-12 months.

In the Middle East, some ports are not fully functional, so replacement cycles might get delayed. However, these are safety-mandated replacements. It is not that a rope breaks and then you replace it; there is a mandatory timeline based on usage. That gives us a good idea in terms of predictability of volume for this replacement demand.

Varun Jain – Balaj Capital: That is helpful. Usha Martin's US market share is slightly below 5% and Europe is close to 10-12%. Where do you see market share in these geographies and India over the next 3-5 years?

Shreya Jhaver – Usha Martin Limited: In the US, our market share is currently below 5%. The Americas region represents about 9-10% of our total portfolio revenue. It is an underpenetrated market for us relative to its size, so we see it as a growth opportunity in elevators, mining, and oil and gas.

In Europe, having our own rigging shops, service centers, and manufacturing gives us a big advantage. It is our largest market after India, contributing about 27% of our top line this quarter. While we are well-established in the UK and Netherlands, we see headroom in Germany, Italy,

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Denmark, and Norway.

In India, we have a 65-70% overall market share. In elevator ropes, we have about 60-65% share, and our biggest constraint there is capacity. The Indian elevator market is growing at 12%. Once our additional capacity comes in, we can take more share. In the port segment in India, we have more than 95% share, so our focus is on retention and growing as the market expands. We also have a strong dealer network for other high-value sectors like piling and mining.

Operator: Thank you. Our next question comes from the line of Vinay Thakur with Plus 91 AMC. Please go ahead.

Vinay Thakur - Plus 91 AMC: Good morning. What are your sustainable EBITDA margins going forward? We have seen good growth, but what is the long-term outlook?

Rajiv Jhaver - Usha Martin Limited: As I mentioned, margins moderated slightly on a sequential basis. There can be quarter-on-quarter variation in the 20-21% range due to product and geographic mix. Our goal is to maintain margins at a minimum of 20% while focusing on absolute top-line and bottom-line growth. As initiatives mature, we expect it to move upwards, but 20% is our new base.

Vinay Thakur - Plus 91 AMC: What would be your volume growth going forward, and what is the current utilization of your consolidated plants?

Rajiv Jhaver - Usha Martin Limited: We are confident of achieving 10-12% volume growth this year and value growth of 15%. With the capex programs and new capacities, we expect this volume growth to continue at a similar level in the coming years.

Vinay Thakur - Plus 91 AMC: Current volume sales are flat. How do you expect to achieve the 10-12% guidance?

Rajiv Jhaver - Usha Martin Limited: The Middle East is a significant market for us, and we started our Saudi Arabian operations there which were delivering results. We expected growth, but instead, there was a 30% volume dip in that market. These are situations one has to deal with. On the other hand, we grew by 12% in India, and we grew in the US and Europe in terms of volume. With the new capacities and the kind of order book and inquiries we have, we are hopeful of achieving these numbers. A war-like situation in the Middle East impacts business, but the underlying environment remains strong.

Vinay Thakur - Plus 91 AMC: Is the 10-12% target dependent on the Middle East operations resuming?

Rajiv Jhaver - Usha Martin Limited: It includes the Middle East at current levels, unless the situation escalates further. If it stays as it is, we should be able to achieve it.

Vinay Thakur - Plus 91 AMC: What sort of realizations are we looking at for individual products or the blended mix?

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Abhijit Paul – Usha Martin Limited: We have been able to pass on the increase in steel, gas, and other input costs. For wires, the realization is around the 85,000 rupees per ton range. For LRPC, the blended realization for black and plasticated together was about 79,000 rupees per ton. In the domestic market, ropes were around 190,000 rupees per ton. Internationally, in Europe, the US, and Australia, realizations were among the highest, around 373,000 to 378,000 rupees per ton.

Vinay Thakur – Plus 91 AMC: Is the 378,000 realization sustainable, or is it due to the war?

Rajiv Jhaver – Usha Martin Limited: These depend on the product mix. We sell specialized ropes like OceanMax, GP ropes, and CraneLine ropes which all have different price points. It depends on the maturity of orders in a particular quarter. Because we operate in so many geographies and product mixes, it is difficult to give an exact number, but it should stay in the range mentioned.

Vinay Thakur – Plus 91 AMC: Regarding the industry, how is the West Asia crisis impacting you in the long run?

Rajiv Jhaver – Usha Martin Limited: It is currently impacting our top line. But if resolved, it will create a massive opportunity for reconstruction and oil and gas activities. If things improve, it should have a significant positive impact on our business.

Vinay Thakur – Plus 91 AMC: What is the current market share in India?

Rajiv Jhaver – Usha Martin Limited: Approximately 9% of our total revenue comes from the domestic Indian market.

Operator: Thank you. Next question comes from the line of Shivkumar Prajapati with Mirai Asset. Please go ahead.

Shivkumar Prajapati – Mirai Asset: Are there any new customer additions, and which products are nearing the approval process? What contribution to profitability and the top line can we expect over the next 4-6 quarters?

Rajiv Jhaver – Usha Martin Limited: We have a continuous pipeline of new customer approvals across all our plants for elevator, oil and offshore, and marine industries. This is an ongoing process. It can take a few quarters or even 2-3 years to get an approval. This applies to plasticated LRPC, Galstar wires, and the Ocean Fiber business. We add at least 10-12 new customers across various segments every few months. Due to confidentiality agreements, we do not name them, but the pipeline is very healthy.

Shivkumar Prajapati – Mirai Asset: The UN Cables division is not doing well, and the Thailand segment is PAT negative. Is there a turnaround strategy?

Rajiv Jhaver – Usha Martin Limited: UN Cables is not part of our core business. We do not have native strength there. We are evaluating opportunities to use that facility, which is strategically located in Western India, to grow our value-added wire and wire rope business. Long term, we do not want to be in the cable business.

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Thailand is a strategically located plant with a strong customer base in the ASEAN region. Margins improved in Q1 and the outlook is better this year. We are looking at a strategic model to make Thailand more profitable by enhancing the product mix. We are also looking at integrating it better with our plants in India, Dubai, and the UK to get synergy benefits. We should have an evolved plan for this in the next 2-3 quarters.

Shivkumar Prajapati – Mirai Asset: Regarding CBAM, we currently have a negligible impact, but post-FY28, we might see headwinds. What is your mitigation strategy?

Shreya Jhaver – Usha Martin Limited: We have appointed a consultant to understand the impact. Currently, we only export wires to Europe which fall under the CBAM definitive period. We are communicating with customers and suppliers to understand the cost impact per ton. Wire rope will fall under this in FY28. From an energy perspective, wire rope is not significantly different, and we are working to minimize the impact of steel input emissions.

Shivkumar Prajapati – Mirai Asset: Can we see an impact on operating profitability in the second half due to fuel costs and the West Asia crisis?

Rajiv Jhaver – Usha Martin Limited: We have been able to pass on the increases in fuel and input costs to our customers. We are transparent about this, and we do not see an impact on our business on that account.

Shivkumar Prajapati – Mirai Asset: Referencing the FY26 annual report, I see a 4x jump in Mr. Rajiv's remuneration. Any comments?

Rajiv Jhaver – Usha Martin Limited: It is not exactly a 4x jump in reality. In the year 2024-25, while we were going through major restructuring and austerity measures, I had foregone my bonus, which was approximately 8 crore. That created an anomaly for that specific year. The current number reflects the normalized structure.

Operator: Thank you. Next question comes from the line of Shraddha Kapadia with SMI FSS Limited. Please go ahead.

Shraddha Kapadia – SMI FSS Limited: Congratulations on the numbers. Steel prices increased around 13% QoQ, but EBITDA per ton improved by only 3% QoQ. Also, margins contracted sequentially despite a lower contribution from plasticated LRPC. What factors limited the EBITDA per metric expansion?

Shreya Jhaver – Usha Martin Limited: EBITDA per ton was at the 40,000 rupee level. We passed on input cost increases, improved product mix, and managed costs. Regarding the sequential margin percentage decline, seasonality and differences in geographic and product mix between Q4 and Q1 can cause variation. Our goal remains a minimum 20% EBITDA margin, which should improve as the product mix evolves.

Shraddha Kapadia – SMI FSS Limited: Could you clarify why the margin per ton grew by only 3% when steel prices rose 13%?

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Rajiv Jhaver – Usha Martin Limited: The steel price went up by 7,000 rupees per ton. We recovered that absolute increase from the market. You cannot apply the percentage increase of steel (where it is 55,000 rupees a ton) to the finished wire rope price (which is 180,000 to 350,000 rupees a ton). We recover the absolute input price increase. It is a 100% pass-through in commodity products like wire or LRPC. In wire rope, we recover the specific increases in steel, gas, and other inputs from the customer.

Operator: Thank you. This was the last question for today. I now hand the conference over to the management for closing comments.

Management: I would like to thank everyone for attending this call and showing interest in Usha Martin Limited. I hope we have been able to answer all your questions. The company is dedicated to creating value for all its stakeholders in a sustainable manner. Should you need any further clarification, please feel free to reach out to us or to CDR India. Thank you once again for taking the time to join us on this call and see you all in the next quarter.

Operator: Thank you. Ladies and gentlemen, on behalf of Usha Martin Limited, that concludes today's conference call. Thank you for joining us and you can now disconnect your lines.

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