

Maan Aluminium

14 August 2026

Operator: Ladies and gentlemen, good day and welcome to the Maan Aluminium Ltd. Q1 FY27 earnings conference call. This conference call may contain forward-looking statements about the company, which are based on the company's beliefs, opinions, and expectations as of the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in 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 the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Somesh Shah from Nirmal Bang. Thank you, and over to you, sir.

Somesh Shah – Nirmal Bang: Thank you, everyone, for joining us today to discuss the Q1 FY27 earnings of Maan Aluminium Ltd. We would like to thank the company for giving us the opportunity to host the call. On the call with us today, we have the management team of the company, represented by Mr. Ashish Jain, the Executive Director, and Mr. Umesh Pant, the Chief Financial Officer. I would now like to hand over the call to the management team for their opening remarks, after which we can open the floor for questions and answers. Over to you, Ashish sir. Thank you.

Ashish Jain – Executive Director: Yes, thanks. I think we can start with the earnings report, Umesh.

Umesh Pant – CFO: Good afternoon, everyone. This is Umesh, the Chief Financial Officer of the company. On behalf of Maan Aluminium Ltd., I would like to welcome all our investors, analysts, and stakeholders to our Q1 FY27 earnings call. I will briefly take you through our Q1 financial performance, operating developments, balance sheet position, and the key strategic initiatives that are shaping the next phase of Maan Aluminium.

So, let me begin with the broader direction of the company. Maan Aluminium is transforming from a conventional aluminium extrusion player into a high value-added aluminium converter, with an increasing focus on value-added products, downstream capabilities, and technology-driven applications. We now have an integrated manufacturing platform comprising foundry, extrusion, anodizing, and machining capabilities, with total capacities of 12,000 tonnes per annum in foundry, 24,000 tonnes per annum in extrusion, 3,600 tonnes per annum in anodizing, and 1,400 tonnes per annum in machining. We are also strengthening our manufacturing footprint with new facilities that are under development. Our strategy is to build a stronger and more balanced business by progressively increasing the contribution of high value-added manufacturing, while continuing to leverage the strength and scale of our legacy trading business, which, of course, is an opportunity business.

This transition is important because it should enable us to improve the quality of our earnings, strengthen customer relationships, and create better long-term margins. Coming to the financial performance, for Q1 FY27, our revenue from operations stood at 232 crores compared with 211 crores in Q1 FY26. This represents 10% year-on-year growth. On a sequential basis, revenue was lower than Q4 FY26, when we reported 255 crores. This sequential movement needs to be seen in the context of normal quarterly fluctuations in volume, product mix, and business activity. More importantly, despite this sequential decline in revenue, our profitability showed a meaningful improvement. Our EBITDA increased to 7 crores in Q1 FY27 compared with 5 crores in Q4 FY26.

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

This represents approximately a 40% quarter-on-quarter improvement in EBITDA. Our EBITDA margin also improved to approximately 3% compared with around 2% in Q4 FY26. At the profit after tax level, we reported 3 crores of PAT in Q1 FY27 compared with 2 crores in Q4 FY26. Our basic EPS also improved to 0.52 in Q1 FY27 compared with 0.29 in Q4 FY26. The key takeaway from Q1 is that although revenue moderated sequentially, profitability improved, reflecting better operating performance and cost discipline.

If we look at the P&L more closely, revenue from operations was 232 crores, other income was 2 crores, and our cost of goods sold and operating expenses stood at approximately 226 crores. As a result, EBITDA was 7 crores. Finance cost remained contained at around 1 crore, while depreciation was approximately 2 crores. Consequently, PBT stood at approximately 4 crores and PAT was approximately 3 crores. From a CFO perspective, I would highlight that we continue to maintain a strong focus on cost control, working capital discipline, and efficient utilization of assets. Our objective is not merely to grow revenue, but to ensure that incremental growth increasingly comes with better contributions and return on capital.

Before discussing our outlook, it is useful to put Q1 performance into the larger FY26 context. For FY26, the company reported revenue of approximately 809 crores, which was broadly in line with FY25 revenue of 810 crores. At the same time, EBITDA increased from approximately 30 crores in FY25 to 31 crores in FY26, representing around 21% growth as presented. Therefore, while the top line remained broadly stable, we have continued to focus on improving the quality and profitability of our business. At the PAT level, FY26 PAT was approximately 13 crores compared with 16 crores in FY25. This reinforces the importance of our ongoing initiatives around operating efficiency, product mix, and higher-value manufacturing.

One of the areas to which I would like to draw particular attention is our financial profile. Our balance sheet continues to become stronger. The company has maintained a very low leverage position, and our working capital efficiency has also improved significantly over the long term. Our objective is to maintain a prudent balance between growth investment and financial discipline. As we move into the next phase of our capacity expansion, we will continue to evaluate every investment from the perspective of return on capital, cash generation, and strategic relevance. We do not intend to pursue capacity merely for the sake of scale. The focus will be on capacities that allow us to move further into value-added products and specialized applications.

Let me now talk about the most important strategic development: our transformation toward a high value-added manufacturing business. Historically, Maan has operated through two broad business verticals: trading and distribution, and manufacturing. Going forward, our focus is clearly on strengthening our manufacturing vertical. Our manufacturing capabilities now extend across the value chain, from foundry and extrusion to anodizing, machining, and other downstream processes. This integrated capability gives us greater control over quality, lead time, and product development. It also enables us to participate in more specialized applications where the customer value proposition is based not merely on the price of aluminium, but on our engineering capability, processing, quality, and reliability. That is the direction in which the management is taking the company forward.

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

Exports remain an important component of our manufacturing strategy. The company currently serves customers across multiple international markets, including the United States, the UAE, Australia, the UK, Qatar, and Israel.

Management: Approximately 45% of manufacturing revenue is driven by exports. This gives us access to diversified markets and also provides opportunities to develop relationships in specialized applications. At the same time, we remain conscious of the external risks associated with international markets, including currency movements, geopolitical developments, trade policies, and demand conditions. Therefore, our approach will continue to be one of diversification and disciplined customer selection.

Coming to our capital expenditure program, we have a clearly defined capex roadmap for the next 3 years. The presentation indicates cumulative planned capex of approximately 166 crores, including investment in the existing Pithampur facility, new dies, general capex, and other new plants that are under development. Of this, approximately 90 crores is allocated toward new plants under development. The planned investments are not simply capacity additions; they are intended to support our transition toward higher value-added manufacturing and expand our ability to cater to specialized applications.

Our approach toward capex will remain disciplined. We will monitor the projects closely in terms of implementation timeline, utilization ramp-up, customer development, and expected return on investment. The projected capex numbers are indicative and remain subject to management review based on business conditions.

From an investor perspective, I would also highlight 4 key areas going forward. First is our manufacturing mix. We expect the manufacturing business to become increasingly important in our overall business mix. Second is our value addition. Our focus will be on increasing downstream processing and specialized products, rather than remaining primarily exposed to a basic extrusion economy. Third is our capacity utilization. As new capacities become operational, the focus will be on ramping up utilization and building the corresponding customer base. Fourth, and more importantly, is the return and cash generation. We will remain disciplined on working capital and capital allocation so that growth translates into sustainable returns.

To summarize Q1 FY27, revenue was 232 crores, representing 10% year-on-year growth. EBITDA was 7 crores. EBITDA improved by approximately 40% on a sequential basis. PAT was approximately 3 crores. EPS improved to 0.52. The company continues to maintain a disciplined financial profile.

Lastly, we are progressing with our high value-added manufacturing strategy and planned capacity expansion. While the aluminium industry continues to face its normal cyclical and market-related challenges, we believe Maan Aluminium is increasingly well positioned because of its integrated manufacturing capability, export presence, downstream capability, and planned investments in new capacity. Our focus for FY27 will therefore remain on profitable growth, improving the manufacturing mix, disciplined working capital, efficient capital allocation, and strengthening our return ratios. With this, I would like to conclude my opening remarks. Thank you for your continued confidence and support to Maan Aluminium. I would now be happy to take questions from the investors and analysts. Thank you.

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

Operator: Thank you very much. We will now begin the question-and-answer session. 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. Participants who wish to ask a question may press star and one now. To ask a question, please press star and one now. The first question is from the line of Samay Shah from Nuvama. You may proceed.

Samay Shah – Nuvama: Congratulations, sir, on a decent set of numbers. First things first, sir, what was the capacity volume that we achieved this quarter? What was the EBITDA per metric ton? I believe it was 340 dollars per metric ton that you had mentioned in the last quarter, so was there any improvement there?

Umesh Pant – CFO: On EBITDA, certainly, it is blended EBITDA. For manufacturing, the numbers are not readily available at present.

Management: {? [inaudible] ?} Sorry, I was on mute. I was talking to myself. Sorry. Yes, okay, Umesh, go ahead.

Umesh Pant – CFO: I was just informing you that, at present, the numbers are on a blended EBITDA basis.

Samay Shah – Nuvama: On a blended basis, would you be able to give a rough number of what we achieved this quarter?

Management: No, sir, we do not disclose that in our numbers. However, I think your first question was also about the total manufacturing production and turnover that we achieved. Our total production for the first quarter was approximately 1,558 metric tons.

Samay Shah – Nuvama: All right, sir. Last quarter, you had guided for flat growth in terms of volumes in this quarter as well. Is there any change, or will any ramp-up come sooner than we expect?

Management: You are right. I had given similar guidance that this year, both on a quarter-on-quarter basis and for the year as a whole, we might see a ramp-up toward the end of this year or the beginning of next year. Overall, the market has been somewhat sluggish for us after the duties that impacted a major part of our export business. We used to have upwards of 60–70% of our business in exports, and as Umesh mentioned, that is now down to 45%. That is a significant business component that has been impacted by the duties. We are trying to realign that toward our high-value domestic business, which is taking time to convert. That is where our focus is. As Umesh explained in detail, that is the business we are looking to capture on the domestic side. Eventually, when the international market scenario improves, we are confident that we will rebuild that business and see the high double-digit type of numbers that we were expecting.

Samay Shah – Nuvama: Sure, great, sir. Could you tell me how much of the revenue this quarter came from manufacturing and how much came from trading?

Ashish Jain – Executive Director: Yes, I think Umesh, you have the numbers handy?

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

Umesh Pant – CFO: Yes. For Q1, total manufacturing turnover was more than 70 crores.

Samay Shah – Nuvama: How much would be the export share of that?

Umesh Pant – CFO: Exports were roughly 40%.

Samay Shah – Nuvama: Just one question before I fall back into the queue. Do the logistics and shipment delays that we have been seeing over the past 6 months still exist? If they do, what are we doing to mitigate them?

Management: Those issues are still there, and we cannot really do anything to mitigate them because some of our business toward the GCC and East Asia, which I mentioned on our last call as well, is still impacted because freight rates have gone overboard. Internationally, as of today, because of the Strait of Hormuz and general shipping issues, we are seeing delays and backed-up shipments. Freight prices have multiplied by more than 5 to 10 times. Overall costs have increased very significantly, so many customers are holding back. This is impacting our costing and margins as well. From the perspective of when things will improve, it is very difficult for me to give you any idea or guidance. In fact, over the last 6 months, we thought the situation would improve as the war in the Middle East started to cool off, but the situation is still not resolved there. Freight rates are therefore still quite high. Once again, this is something that all of us, including our customers, are simply waiting and watching to see when these issues start to cool off. It is not that business has halted; business is continuing. However, the additional costs and delays are not helping anybody.

Samay Shah – Nuvama: Right, sir, that is very helpful. I will call back into the queue for further questions. Thank you.

Operator: Thank you. Before we take the next question, we would like to remind participants that you may press star and one to ask a question. To ask a question, please press star and one now. The next question is from the line of Jigar Jani from Nuvama. Please proceed.

Jigar Jani – Nuvama: Hi, sir. Thank you for taking my question. Am I audible?

Management: Yes, please go ahead.

Jigar Jani – Nuvama: I wanted to understand a little more about the business model of the company. When you manufacture, how are aluminium prices hedged? Do we hedge these prices, or are they passed on to customers? How does that work? Also, once you move further into these value-added products, how does the margin profile change compared with the current levels in manufacturing?

Management: The best way to answer this is to address the points one by one. For trading, it is a very standard business. Whatever the prices are, they are passed through to the customers. I think your question was more about the manufacturing side. Most of our manufacturing business is hedged. All the positions that we take are based on orders. As soon as we receive orders, we go into the market on the LME or MCX and hedge our positions. As a business strategy, we generally keep less than 5% of our positions unhedged, depending on our internal strategy. Therefore, most of the volumes are hedged. We are a pure converter, so we have fixed margins. Commodity price movements do not impact us significantly; the impact is less than 5%.

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

The second part of your question was from an extrusion and manufacturing standpoint. For any product where you add value, margins tend to improve. The extrusion margins themselves are fairly standard. They can range between 6–8% and 6–10%, and once you add value, the margins increase to 15% plus. There can be multiple levels of value addition because extrusion itself is simply a raw material for another industry. We supply to many OEMs. You may receive the extrusion, anodize it, powder-coat it, machine it, and then someone may make a window or door out of it, or use it as a processor or in a car battery pack. That is the value addition we are referring to. We are finishing and coating the metal, and once we do that, the value-added margins come into play.

Our focus is that if we have a capacity of, say, 24,000 tons, it is not possible to add value to the entire 24,000 tons. We have a machining capacity of about 1,400 tons and an anodizing capacity of about 3,200 tons per annum. We are trying to maximize the use of these capacities and add capacity so that more and more value addition can be supplied. This also depends on our customers, but once we have all the facilities {? [unclear] ?}.

Ashish Jain – Executive Director: It is also more likely that the customer will approach us because they get a one-stop solution, with the entire process being completed within our facilities. This is the type of business we also want to enter further.

Jigar Jani – Nuvama: Yes, that is true. This is very helpful. I wanted to understand whether, as of now, your extrusion capacity is approximately 24,000 metric tons. When you refer to utilization of 1,558 metric tons, are you referring to the extrusion capacity?

Ashish Jain – Executive Director: Yes, we are referring to the Q1 production numbers that we gave you as extrusion production, not value addition.

Jigar Jani – Nuvama: Understood. How much is the utilization of your anodizing and machining facilities at present? Are you utilizing them fully?

Ashish Jain – Executive Director: No, we are not utilizing them fully. We are currently at about 45–50% on the anodizing side, while machining would be about 55%.

Jigar Jani – Nuvama: So there is more scope for margin accretion once you ramp that up, right?

Ashish Jain – Executive Director: Yes, once we ramp up the existing capacity. Correct.

Jigar Jani – Nuvama: Coming to the capex, before we go there, I have one follow-up on the converter business. Generally, what we have seen in conversion is that companies look at an absolute EBITDA per ton or gross profit per ton that they charge over and above the commodity prices. Is that the model we follow, or do we charge on a margin-percentage basis?

Ashish Jain – Executive Director: No, the first one.

Jigar Jani – Nuvama: So an absolute EBITDA per ton is a better way to look at your business and how that accrues as you move further into value addition. Is that understanding correct?

Ashish Jain – Executive Director: That is exactly right.

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

Jigar Jani – Nuvama: Now, on the capex, there is a very good split of the capex in the slides that you have provided. I wanted to understand the status of the capex for the Dewas facility. When are we likely to see it come online, and how much of the 45 crores that we are planning to spend in FY27 has already been incurred? How much was completed in Q1, and what is the status of the various capex projects?

Ashish Jain – Executive Director: Our Dewas project is a very strategic project. It is going to be one of the first of its kind in India when it comes to aluminium precision tubing. It serves a very niche segment requirement. The initial capex was about {? 15–20 crores ?}. Umesh, please correct my numbers if I am slightly off; I do not have the slides in front of me. We have incurred approximately {? 15–20 crores ?} of that capex, and that is part of the overall capex required for the project to become operational.

At present, the raw material for that plant is being supplied by the Pithampur plant, but that is not the actual methodology that will work. The Dewas plant will have its own capacity, which we are looking to bring online within the next 6–8 months. That is the second part of the capex that we have to undertake. Once that is completed, we believe this will be a low-volume but very high-margin business, with very high converters coming into play.

Since this will predominantly be used for aerospace, defense, and automotive applications, it requires a new plant, all the necessary compliances, testing, and customer onboarding, all of which take time. Our focus is to get this plant up and running as soon as possible, but it is a very technical project. It must be understood that, as one of the first few movers in India for this project, it is taking time to obtain the technical know-how, complete the technical development, and identify partners from whom we are procuring the machinery to assist us in setting up the plant. These activities are in process, which is why the capex is being undertaken in 2 phases. As I said, we are very hopeful that by the middle of next year we should have this plant up and running. I cannot commit to any specific date, but that is our expectation.

Jigar Jani – Nuvama: So, by the end of next year, would you expect to see it in any particular quarter?

Ashish Jain – Executive Director: I cannot say honestly because, as I have said, planning and timelines in India often get extended. It is definitely going to be next year. We are hoping that it will be online before the middle of next year, but please do not hold me to any specific number. We are working toward having it online next year.

Jigar Jani – Nuvama: I believe the total capex is approximately 40 crores?

Ashish Jain – Executive Director: I think it is 45 crores.

Jigar Jani – Nuvama: 45 crores. What asset turnover are you expecting from this project at peak utilization?

Ashish Jain – Executive Director: I think Umesh has those numbers.

Umesh Pant – CFO: We can only project at least 2 to 3 times.

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

Jigar Jani – Nuvama: The margin profile will definitely be much better than what we are doing on the manufacturing side with plain extrusion, which is 6–10%. So we should expect significantly better margins. Could you provide any indication of the margin profile?

Ashish Jain – Executive Director: Not at this point in time.

Jigar Jani – Nuvama: Understood. No worries. Lastly, anything on Pithampur? I believe the Italian press is already online.

Ashish Jain – Executive Director: The Italian press is online. As we have always indicated, we expected a 3-year ramp-up of 25%, 50%, and 75%. We are happy that we achieved a 25% ramp-up, but there is still a lot of tooling and development work taking place. We are working on many aerospace-grade alloys, defense-grade alloys, and special automotive-sector alloys. Everything is currently in the mix.

As I said, close to the end of last year was the investment year. We went from a 1,200-metric-ton capacity to 12,000 metric tons and then to a 24,000-metric-ton capacity. Therefore, we have a year to a year and a half of catch-up that is planned and expected to take place. I am very hopeful that by the middle of next year we should see a significant contribution from the new Italian line as well.

Jigar Jani – Nuvama: Understood, sir. Just one last question: do you have any broad projections for growth on the manufacturing side? Trading will obviously decline in line with your stated vision of becoming more focused on manufacturing. I believe we did approximately 300 crores of manufacturing revenue last year. What would be your ballpark estimate for how we expect this number to grow?

Ashish Jain – Executive Director: As I said, I have given fairly flat guidance, so I will stand by my words on that. I am not able to give you any forecast at this point in time. It will obviously be better, but if we are able to maintain what we achieved last year purely because of the market dynamics, we would not be happy, but at least we would be able to say that we have sustained the business.

Jigar Jani – Nuvama: Understood. Great, thank you very much for answering my questions, and best of luck, sir. Thank you.

Ashish Jain – Executive Director: Best of luck.

Operator: Thank you. Before we take the next question, we would like to remind participants that you may press star and one to ask a question. Participants who wish to ask a question, please press star and one now. The next question is from the line of Aman Shah from Nuvama. You may proceed.

Aman Shah – Nuvama: Hi, sir. Thank you for the opportunity again. I would like to follow up on the previous participant's question. How much capex was completed in this quarter? Also, given that our working capital days increased somewhat from FY25 to FY26, do we anticipate taking on any debt for this capex?

Ashish Jain – Executive Director: I think Umesh can answer the first part of the question.

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

Umesh Pant – CFO: In Q1 FY27, the majority of the capex did not take place. It was less than 5 crores because, as Ashish explained, management is planning an overseas visit to finalize the extrusion press and other required machinery for the Dewas plant. Major capex will take place in H2 of this financial year.

Regarding working capital days, we currently have significant investments and capex. To keep the business ready for the market, we have to procure raw material to support these investments. Therefore, you can see some elongation in the working capital cycle because raw material procurement has increased. In some cases, based on customer requirements, we are also providing a credit period. That has also taken place in some cases. This is why there has been some elongation, which will certainly come down once we stabilize and the ramp-up takes place.

Aman Shah – Nuvama: So, we do not anticipate any debt?

Ashish Jain – Executive Director: No, nothing. We have enough capital. In fact, as Umesh mentioned in his introduction, our overall working capital finance costs have come down. We have sufficient capital and have generated enough internal accruals.

Aman Shah – Nuvama: Understood. I would also like to ask about employee expenses. If, by around the middle of FY28, we bring our capacities online, by how much would you expect employee expenses to rise?

Ashish Jain – Executive Director: How much would the—sorry, I could not catch that. Can you repeat the question? How much would employee expenses rise?

Aman Shah – Nuvama: How much would employee expenses rise by, say, the middle of FY28, when we bring the 2 capacities online?

Ashish Jain – Executive Director: That is a good question. We have also reviewed this, and I am fairly comfortable saying that our employee expenses should not increase. As I mentioned in my previous comments, we already have the technical team, technical know-how, and related staff in place. We have already hired and onboarded these employees, so we are staffed for the business transformation that is taking place.

As I said, it is a very technical line. It requires relevant training and the relevant R&D work. We already have this team in place and have had it for the last 2 quarters.

Aman Shah – Nuvama: All right, sir. That is great to hear. On the next line item, other expenses, we have seen them fall from 18 crores to 13 crores across the 4 quarters; they have been gradually declining. I believe one of the major components of other expenses is the cost of oil and gas, but that has remained elevated over the past 6 months. How have you managed to reduce costs here?

Ashish Jain – Executive Director: Everybody is aware that gas prices have increased significantly because of the entire Middle East crisis. I mentioned this previously as well, although not on the investor call. We have also increased our conversion costs and transferred the increasing input costs to our customers. We were successful throughout the year and over the last 2 quarters in transferring approximately 50% of the cost increase to our clients, while we are still working on transferring the remaining 50%.

Report is AI-generated and may contain inaccuracies.

Maan Aluminium

14 August 2026

We are hopeful that we should be able to do so within the next 1 or 2 quarters because we have some short-term contracts and some medium-term contracts. As and when these contracts are renewed, the cost will be transferred to the customer. This is unfortunately a temporary phenomenon, and we should be able to recover these costs as well.

Aman Shah – Nuvama: All right, great, sir. That is all from my side. Thank you very much for answering my questions so patiently.

Ashish Jain – Executive Director: Thank you.

Operator: Thank you. Participants who wish to ask a question, please press star and one now. As there are no further questions from the participants, I now hand the conference over to the management for the closing comments. Over to you, sir.

Ashish Jain – Executive Director: Yes. Umesh, would you like to give the closing remarks?

Umesh Pant – CFO: I would like to reiterate what I have already said: our focus for FY27 and going forward will be profitable growth, improving our manufacturing mix, supporting and meeting our capex pipeline as soon as possible, disciplined working capital, efficient capital allocation, and strengthening our balance sheet. With this, I would like to thank you for your continued confidence and support to the company. That is all. Thank you very much.

Management: Thank you.

Operator: Thank you. On behalf of Nuvama Wealth, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Management: Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

Report is AI-generated and may contain inaccuracies.