Operator: Ladies and gentlemen, on behalf of Captify Consulting Investor Relations team, I welcome you all to the Q4 and FY26 post-earnings conference call of GEE Ltd. Today on the call from the management team, we have with us Mr. Umesh Agarwal, Joint Managing Director and Miss Payal Agarwal, Chief Financial Officer. As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements which may involve risks and uncertainties. Also a reminder that this call is being recorded. I would now request the management to briefly run us through the investor presentation with the business and performance highlights for the period ended March 31, 2026, the growth perspective and vision for the coming year, post which we will open the floor for Q&A. Over to the management team.

Management: Good afternoon everybody and a warm welcome.

Management: Good afternoon.

Management: So we will begin with a quick brief recap of what GEE Ltd. is and the journey since the 1960s when GEE Ltd. was incorporated. Then we will quickly come to the Q4 and the FY26 numbers and the growth vision and what the company looks forward to in the upcoming year.

So the company was incorporated in 1960. This is a small snapshot of a timeline of how the company has grown over the years. From 1996 to 1999, our current promoter management took over the company from the erstwhile promoters and grew it forward from there; the current journey really begins from there. 2006 to 2008 represented our first and second rounds of expansion where we set up and expanded our manufacturing facilities from Maharashtra to the eastern part of India in Kolkata. Again in 2010-11, we expanded our product basket from not only stick electrodes to the other wire, wire rods, and other categories of welding consumables. Again in 2013-14, there was a breakthrough in the Inconel series and the SAW wire facility was installed in Calcutta.

In 2025-26, probably a few of you who are here today are already investors with us for some time and others who are new, I would just like to brief you. Over the last year, there was a slight restructuring in the promoter management where a few of the promoters took an exit and stepped out of the company. Now the company is realigned and going ahead with better growth, focus, and an aggressive strategy for the upcoming year. The key management team includes Mr. Omprakash Agarwal and Mr. Umesh Agarwal as the Joint Managing Directors. They both have more than 25-30 years of experience in the welding industry. I am Payal Agarwal; I am a Chartered Accountant and a CFA. I am the CFO of the company handling the finance and the compliance requirements in the regulatory environment.

These are snapshots of our manufacturing facilities. This is a snapshot of the facility in Kalyan. This is the Kolkata plant, which is a state-of-the-art plant in the welding industry and is one of the largest plants in the sector. Of course, research and development remains the core focus and a competitive strength; it is the moat that gives the company a competitive edge over its competitors and many regional players.

Management: There are a few products which we had developed and right now we are seeing results. Yes, please. So there are some of the products which we have developed for various sectors. One of the key sectors is defense, for which we have developed our products called Gidat

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100 and G-Flux 521. These are used for building aircraft carriers such as the Vikrant. Due to the current situation, Indian defense is investing heavily, and since we are one of the key developers, we are getting very good orders. In the near future, we believe this will give good exposure to the company. Similarly, they are now asking us to develop consumables for submarines. Recently you might have heard that Mazagon Dock Shipbuilders Limited (MDL) received a 7,000 crore project for submarines and they are discussing the development of consumables with us.

Other than defense, there are projects going on in power, especially nuclear. Recently we received approval in the nuclear sector. There are only one or two companies in India approved for the nuclear power sector and we are one of them. By 2030, the nuclear department has announced they will be installing more than 25 to 30 gigawatts of power. This involves huge investments and provides a significant opportunity to supply our products. We are all geared up and our company is approved by NPCIL. Because of our research and development, we have three to four key people in our R&D center who have been working with us for the last 15-20 years, and one or two of them are known as the fathers of welding in the country, which adds a lot of value to our R&D.

Management: I think we can go to the different product categories that GEE Ltd. has in its umbrella; we are supplying all these products across various categories.

Management: At present, we have around seven categories. First, SMAW electrodes, which are basically for fabrication purposes and come in various categories such as carbon steel, stainless steel, nickel alloys, and hard-facing consumables. As Payal was mentioning, we developed Inconel a few years back and we are now reaping the fruits of this. At present, we have a huge order of Inconel from companies like BHEL and L&T.

Second is the low heat input electrode, which is used for maintenance purposes in sectors like cement and steel. We are slowly putting our footprint into all sectors. Recently we completed the registration with Shree Cement, which is a major breakthrough. We are also in the process of talking with other steel companies. We will be one of the first Indian companies to develop cladding fluxes; we have already submitted our samples to BHEL Trichy, they are in the testing process, and we are very confident they will be approved.

Submerged wire and fluxes are a third category which has seen a huge increase in application, especially in the Pre-Engineered Building (PEB) sector. PEB is used for industries as well as fast automation welding. Recently we started our production line, which is one of the biggest in the country with a capacity of 30-35 metric tons per day.

For flux-cored wires, we are currently installing our capacity. Until now, India was importing flux-cored wires, but because of recent changes in government policies through the Bureau of Indian Standards (BIS), it is now mandatory to manufacture them in India. In July, we will commence our own production. The machine has been selected and will be dispatched this month. The supplier is one of the major producers of flux-cored wire lines worldwide, and we have taken the machines and know-how from them. By July, we will be producing these; it has very high potential and a big market.

Brazing wire and fluxes is a small market but we are present there. For example, silver brazing and copper brazing are niche products used in small quantities. Recently we received an order from L&T

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and BHEL for silver brazing wire of 45% to 54%. That alone can cost around 1.5 to 2 lakh rupees per kg. Though the quantity is small, it offers significant potential and value addition to our company's name.

MIG wires, such as ER70S6, are highly useful in the auto sector. Recently, the government in Pune declared Zones B, C, and D, providing major subsidies of up to 70% to the industry, including subsidies for land, construction, and capital equipment. Many industries are coming up near Pune, and it is becoming a major auto hub. Pune itself will become a market of more than 5,000 tons of MIG wires per month. We are planning to expand our capacity and take a good share of that; we have a good reputation in MIG wires under the brand name GM70.

The last product is TIG wires, which are used wherever precision welding is required. Stainless steel has huge scope, especially in the European market. This year we are planning to obtain TUV approvals, which will open the European market to us, especially after the India-EU trade treaty allowing 0% duty. We believe we have a good chance for an exposure of around 250 tons per month for export to Europe and other countries. we have already started participating in exhibitions and meeting clients, receiving good feedback for our products.

Management: Last year was a major turnaround year for the company. In May 2025, there was a restructuring in the promoter management. Looking at business highlights, there were strategic inroads into key sectors like cement, nuclear power, engineering, and infrastructure. Specialized product development includes the P91 and P92 grade series for thermal power applications. The company has successfully completed 30,000 hours of continuous testing for these.

Management: 30,000 hours means 3.5 years.

Management: Yes, the company completed that, and it must be non-stop. There cannot be a breakage or power outage during that testing to be approved by these companies. We have also secured product approvals for new industrial wires, strengthening our high-performance portfolio and high-value additions like TIG wire. Our strategic sector presence means we are present across oil and gas, thermal power, infrastructure, and the steel industry, and we are making inroads into sectors where our market presence was less evolved.

Management: To add to what Payal was saying, in the railway sector, one of the prestigious projects we completed was the Chenab Bridge. It is one of the tallest bridges, and we were the only Indian player approved for the maximum thickness of welding, alongside two other international companies.

Management: That is a proud moment because the defense sector is assuming much more significance in this unpredictable geopolitical scenario. The Indian government is relying heavily on "Make in India" products to cut down on foreign exchange outflow and due to the turn of events in external affairs. GEE Ltd. has been instrumental in researching and developing welding consumables for warships and aircrafts, including the INS Vikrant aircraft carrier.

Management: What Payal meant is that for any import substitute in India, we are invited on a priority basis. We have been able to develop such products and provide solutions to our Indian customers.

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Management: Looking at the numbers, key financial highlights for Q4 FY26 show that the turnover went up to 112 crores. This brought the gross turnover for FY26 to 370 crores, up from 334 crores in FY25.

Management: I would also intervene here because restructuring happened from Q1 to Q4. If we look at that growth, it's more than 58%.

Management: Yes. From 79 crores in Q1 to 112 crores in Q4. For EBITDA, we are standing at around 33 crores, which is a 9% EBITDA margin. When we initially did these investor calls, we mentioned the goal was to stabilize operations this year and move forward next year on a more aggressive note. So we have a 9% EBITDA margin, and the PAT stands at around 13 crores, which is a 3.5% PAT margin.

For growth forward, the target revenue in the short term is to become a 1,000 crore company. We are looking at a 25-30% target revenue CAGR till FY29. We expect to hit the 1,000 crore mark by FY29 or FY30. There is ample headroom in the economy because the Indian economy has a lot of growth potential in sectors like defense, cement, oil and gas, and power generation. These core industries are the pillars of the economy and are in expansion phases. That is where GEE Ltd. finds its confidence to partner with them in these projects.

Ankit Gupta: Yes. Then why did we take them out now from school?

Management: We will take the Q&A later. We will take that up later.

Management: Regarding target margins, we stabilized the EBITDA margins this year with respect to FY25. We have achieved more than our historical margins from the last couple of years. We are targeting to take this even higher to double-digit EBITDA margins, moving from 10% to 11% to 12% and then to a sustained 13% plus.

This will be possible because of the R&D focus and the research and development talent we have. Having the "fathers of Indian welding" with the company really helps us look at improved formulations and more stringent cost control.

Management: Additionally, solar power factors play a very important role. Later this year or next year, we are planning to install solar power in our factories to improve EBITDA margins. Our finance costs should also go down considerably this year compared to last year. These things will help us get EBITDA into double digits.

Management: We made an announcement in Q3 FY26 about signing a development agreement for non-core asset monetization. We are unlocking the value of a land parcel in the heart of Thane, which has been declared a smart city. We have approximately 13,000 square meters of land in the Wagle Industrial Estate which we are planning to develop into commercial space. This should generate cash flows of approximately 400 crores for the company over the next 5 years.

In terms of capacity utilization, our current capacity includes continuous wire, wire rods, and stick electrodes of all categories. Utilization was 48% last year and has gone up to around 57%. As I mentioned, growing to 1,000 crores would not require much capex because we can utilize this unutilized capacity.

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Management: We have to add certain ancillary machines to reach maximum capacity, and those machines have been ordered. I think this year we will move from 57% to a much higher figure. Thank you.

Operator: Thank you. We will take questions now. Sanket, you can go ahead.

Sanket: Thanks for the opportunity. These are very decent, good numbers you have reported in Q4. If we are talking about 25-30% growth in top line till FY29, which sectors will be contributing here? You talked about defense and P91/P92 alloys. Can you give us the broad sector-wise breakup of our current top line and how you see that changing over the next 2-3 years?

Management: There are three or four sectors that will drive us. First is the power sector. In India, there is investment in nuclear, thermal, hydro, and solar. Solar does not have much consumption of welding consumables, but the government is planning huge investments in thermal. For hydro power plants, we are already approved for special wires and fluxes like EM4. We started supplying northeastern players, and I think there will be huge consumption this year.

The government is also planning to operate another 150 small hydro projects. For thermal, they are planning an expansion of another 20 to 25 gigawatts, which is exponential. BHEL, GE, and L&T Power are booked for the next 10 years; they are expanding capacity and we are one of their major vendors.

Third is the Nuclear Power Corporation. We received NPCIL approval two weeks ago. They are considering us for many other special grades. Adani Power also approved more than 50-60% of our products three months ago, and other products are under testing. So the power sector will provide a major breakthrough.

Secondly, railways. This includes the bullet train and the Metro. There is a huge requirement, and we hear that after elections, orders for more than 20,000 bogies will be released soon.

Management: All the wagon manufacturers are in the eastern part of India, in West Bengal. We supply to all of them.

Management: Eastern India is a major hub with private players like Jupiter and Texmaco. We are approved vendors and supply in bulk. Third is exports. With TUV approval for stainless steel wires, we aim to grow our export business more than three times within 2 years. The India-EU treaty with 0% duty will give us exposure for more than 250 tons per month. Finally, defense is a major investment area. We are approved across all these sectors, so we are not dependent on just one.

Sanket: What was the sector-wise breakup for FY26?

Management: It is difficult to give a specific breakup even for automotive. For example, L&T works for power, nuclear, the bullet train, refineries, and more. They buy for all those projects from us.

Management: They buy for the different projects they are executing.

Management: Similarly, BHEL and many contractors buy for all sectors. Overall, we are confident in achieving our projected numbers.

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Sanket: For FY27, how should we look at margins? We are at 9% for the full year.

Management: We are looking at 10% plus EBITDA margins and a top line exceeding 500 crores.

Sanket: Compared to leaders like ESAB and Ador, where are we in terms of the product basket?

Management: ESAB has three parts. One is welding consumables. Second, they have closed various factories worldwide and ESAB India supplies them. Third, ESAB has acquired many companies. Fourth, ESAB is into welding equipment and accessories, where we are not currently present. However, we plan to start that in a year or two. We are in talks with one or two companies in the small-to-medium segment for potential acquisition to boost sales in equipment and safety maintenance.

Operator: Thank you. We will take the next question from Madhur Rathi. Please go ahead.

Madhur Rathi: You mentioned that we are supplying to INS Vikrant and other naval carriers. What percentage of our volume comes from these specialized applications and where do we see this moving?

Management: Shipbuilding is divided into defense and commercial. Commercial shipbuilding will be a major factor over the next 5 years, where flux-cored wire will be the main requirement. Our production for that starts in July. For defense, we have an 80% share for certain products. It is project-oriented, but last year we had more than 10 to 12 crores from that project. This year we plan for that to double.

Management: 25 crores from specialized applications for defense.

Management: Yes, only for defense. We also developed Inconel electrodes, which sell between 2,500 to 3,500 rupees per kg. We have a pending order of more than 20 tons. For cobalt alloys, we did business of more than 10 crores last year. These are expensive, niche items priced between 3,500 and 5,500 rupees. We look to double the cobalt alloy business this year as well.

Madhur Rathi: Out of the volumes you did this year, how much was specialized applications?

Management: We can get back to you on the exact numbers.

Operator: Thank you. We will take the next question from Rahul Jain. Please go ahead.

Rahul Jain: What are we doing differently that allows us to target 25-30% growth when peers are not? Will this growth be front-ended or back-ended?

Management: What do you mean by front or back-ended?

Rahul Jain: Will growth be 30% in FY27 or will it accelerate more in FY28 and FY29? And why is our confidence higher than peers?

Management: On a lighter note, you should ask our peers why they are not talking about this growth. The Indian welding industry is a 15,000 to 20,000 crore market and we are only at 400 crores. We are talking about capturing only 10% to 15% of the market. The industry is currently split

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between organized and unorganized. About 50-60% is organized, but there is still a substantial unorganized market shifting towards organized players. Steel consumption per capita in India is low at around 80 kg compared to other countries. Infrastructure is the way forward, and the welding industry participates across all infrastructure growth—pipelines, power, shipbuilding, and defense. Reaching 1,000 crores only means capturing 10% or 12% of the market. Given our approvals, we are confident in achieving this in 3 years.

Management: Most importantly, we have a presence in both approval-oriented business and the retail segment. Even residential buildings are now using specialized steel. Road construction uses steel and requires electrodes. With the way India is growing, achieving the target isn't a big challenge as long as we maintain quality and supply.

Rahul Jain: You say capacity utilization is 57% and you will double it, but you plan 3x revenue growth. Is this led by higher-value products?

Management: It's a mix. We will increase capacity by adding ancillary equipment. For example, we have extrusion machines but need more drying machines. We have enough demand and are currently unable to meet all of it. We are also planning to get more than 50 crores in revenue annually from flux-cored wires, starting in July.

Management: Flux-cored wire is a newer technology. Earlier, Indian manufacturers were importing it.

Management: We were doing 25 to 30 crores per annum of that product.

Management: Yes, but it was mostly imports. Now with BIS certification, it must be manufactured domestically. We are well-entrenched in B2B project business and the retail segment in central and eastern India.

Operator: Thank you. We will take the next question from Keshav Garg. Please go ahead.

Keshav Garg: We did 11 crore EBITDA in Q4. Can we annualize this to around 44 crores for FY27, or is there seasonality?

Management: We are looking at those kinds of numbers. However, Q1 is a bit slower as monsoon season affects infrastructure projects.

Management: Q1 has labor shortages across sectors, but Q2, Q3, and Q4 should not have problems.

Management: Yes, 45 crores of EBITDA is something we are looking at for this year.

Keshav Garg: Do we have the full range of products like ESAB and Ador?

Management: Regarding welding consumables, our range is more extensive and we have more approvals.

Management: Ador and ESAB also do welding equipment, safety equipment, and fabrication projects. Currently, we only do welding consumables, but we are looking at the other ranges.

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Keshav Garg: Is our pricing at par with ESAB and Ador or at a discount?

Management: Our prices are lower than ESAB and Ador in the retail segment because they are older brands with a different image. In project-oriented business where it is tender-based, we are at par.

Management: Being an MNC, ESAB enjoys a higher price band. They also supply to sister concerns worldwide, where they get good margins.

Keshav Garg: If Ador sells at 100 rupees, what is our price for the same product?

Management: In the retail segment, we are about 6-7% lower. In project-oriented business, we are at par.

Operator: Thank you. We will take the next question from Majid Ahmed. Please go ahead.

Majid Ahmed: How are you looking at gross margins for FY27 considering commodity inflation?

Management: Inflation takes time to pass on, but we are able to pass it to end customers with a lag of about a month. We will have double-digit margins this year.

Majid Ahmed: Employee costs were lower this year. How do you see that going forward?

Management: Employee costs will increase because we are focusing on sales and operational teams.

Management: GEE Ltd. currently has one of the lowest employee costs as a percentage of sales compared to peers. While the total number will increase as we ramp up, the percentage should remain similar.

Majid Ahmed: How is the working capital cycle looking?

Management: We are looking at better cash flows because we are making the balance sheet leaner. The company disposed of a land parcel in Q4 FY26 and investment property in Q1 FY27. This generated a substantial chunk of cash. This will help reduce interest costs as well.

Operator: Thank you. We will take the next question from Harsh T. Please go ahead.

Harsh T: What was your R&D expense for the last 2 years as a percentage of sales?

Management: We are investing in R&D equipment.

Management: Specific expense numbers are difficult because heavy machinery is capitalized rather than expensed. We imported laboratory equipment from the USA and an XRF machine from Germany to ensure consistency in quality, which is a requirement for NPCIL and Adani. R&D expenses are not very heavy on the balance sheet.

Each unit that leaves the factory has a test certificate. The joint strength determined by the welding consumable is critical for projects like nuclear power plants where temperatures reach 1,000 degrees Celsius. We recently developed a stainless electrode, 308L, which gives an impact value at cryogenic temperatures of -196 degrees Celsius. Only two or three manufacturers in India can do

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this.

Harsh T: What is the revenue split between domestic and exports?

Management: Exports currently do not constitute 10%. Out of 370 crores, more than 350 crores is domestic. We were well-placed in the Middle East and Europe, but the last 2 years were turbulent. We recently received approval from the Abu Dhabi National Oil Company (ADNOC) and a breakthrough in Saudi Arabia. We also have approvals from Russia and have supplied trial orders.

Operator: Thank you. We take the follow-up question from Ankit Gupta. Please go ahead.

Ankit Gupta: What is the breakup between retail sales and B2B sales?

Management: Peers have stopped giving sector-wise reports. 70-80% of our business is through distributors, and only 15-20% is direct to customers like BHEL or L&T.

Management: Even in the distributor business, a lot of it goes to B2B customers. L&T might buy through a distributor in the area where a project is being executed. So 25-30% is direct and the rest is through distributors.

Ankit Gupta: How is the organization prepared for 25-30% growth in terms of marketing and manufacturing?

Management: The 2025 restructuring was a decisive step. For 1,000 crore growth, the top management's aligned focus is required. The R&D team is very strong, and we are building up the marketing team and ground workforce. We are expanding across the country.

Operator: Thank you. We will take the follow-up question from Rahul Jain. Please go ahead.

Rahul Jain: What kind of capex and team additions are planned to reach 1,000 crores?

Management: Regarding capex, there will be ancillary machines and we are shifting facilities from the Thane plot to a new identified facility. We expect 20 to 30 crores of capex for these lines. The management remains agile, and we are looking at entrenching our sales and marketing workforce and integrating newer technology for MIS reporting.

Operator: Thank you. We will take the last question from Ankit Gupta. Please go ahead.

Ankit Gupta: How do you plan to utilize the proceeds from the Thane land? Will they be distributed to shareholders?

Management: Shareholders will be rewarded, but our vision does not stop at 1,000 crores. We want to be the world's biggest welding solutions company.

Management: Rewards can be via dividends and share value. We are planning to use that money to acquire companies in sectors where we aren't present, like equipment and safety products. We want to reach 1,000 crores through linear growth and another 1,000 crores through acquisitions. We are already in discussions with one or two companies and hope to acquire them by next year.

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Operator: Thank you, sir. Since that was the last question, would you like to give any closing comments?

Management: Thank you everyone for joining us. The management remains committed. We can have other quarterly calls if you are interested.

Operator: Thank you to the management team and all the participants. This concludes today's conference call. Thank you.

Management: Thanks a lot everyone for your support. Thank you.

Operator: Thank you.

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