Classic Electrodes (India) Ltd.
AN ISO 9001, 14001 AND 45001 CERTIFIED COMPANY
Regd. Office : 1A, Bonfield Lane, Kolkata - 700 001. CIN : L27320WB1997PLC085600
Corporate Office : Unit No. 201, 2nd Floor, Bus Terminus & Commercial Complex,
Plot No. - BG - 12, Action Area - 1B, Newtown, Pride Hotel Building. GSTIN : 19AABCC2636A1Z6
: sales@classicelectrodes.com : www.classicelectrodes.com +91 33 4007 7817

Date: November 19, 2026

To,
The Manager,
Listing & Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex, Bandra,
Mumbai – 400051.

Dear Sir/Madam,

Sub: Transcript of the Investors' Earnings Call held on November 16, 2026 on the Unaudited Standalone Financial Results for the Half year ended September 30, 2026.

REF: CLASSIC ELECTRODES (INDIA) LIMITED (Scrip Code: CLASSICEIL)

Please find enclosed herewith the copy of transcript of the Investors' Earnings Call held on November 16, 2026, with respect to the unaudited Standalone Financial Results for half year ended September 30, 2026.

The transcript of the aforesaid earnings call with Investors/Analysts is available on the Company's website and can be accessed on the following link: https://classicelectrodes.com/wp-content/uploads/2026/11/Transcript_Nov16-2026.pdf

We request you to take note of the same.

Thanking you,

For, CLASSIC ELECTRODES (INDIA) LIMITED

BHAGYASHREE AGARWAL
Digitally signed by BHAGYASHREE AGARWAL
Date: 2026.11.19 12:33:52 +05'30'

BHAGYASHREE AGARWAL
COMPANY SECRETARY & COMPLIANCE OFFICER
ACS No.: A58764

DATE: NOVEMBER 19, 2026
PLACE: KOLKATA

CLASSIC ELECTRODES (INDIA) LIMITED

“Classic Electrodes (India) Limited

H1 FY27 Results Conference Call”

November 16, 2026

CLASSIC ELECTRODES (INDIA) LIMITED

EquiBridgeX Advisors Pvt Ltd

CHORUS CALL

MANAGEMENT: **MR. HANUMAN PRASAD AGARWAL – CHAIRMAN AND NON-EXECUTIVE DIRECTOR – CLASSIC ELECTRODES (INDIA) LIMITED**
MR. NITESH AGARWAL – DIRECTOR – CLASSIC ELECTRODES (INDIA) LIMITED

MODERATOR: **MR. GAUTAM NAGAR – EQUIBRIDGEX ADVISORS PRIVATE LIMITED**

Moderator: Gentlemen, good day, and welcome to H1 FY27 Results Conference Call of Classic Electrodes (India) Limited hosted by EquiBridgeX Advisors Private 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. Gautam Nagar from EquiBridgeX Advisors Private Limited. Thank you, and over to you, sir.

Gautam Nagar: Thank you. A very good evening to everyone. Welcome to the H1 FY27 Earnings Call of Classic Electrodes (India) Limited. From the management team, we have with Mr. Hanuman Prasad Agarwal, Chairman and Non-Executive Director; Mr. Nitesh Agarwal, Director. We will have the opening remarks from the management team, post which we will open the floor for the Q&A.

With that, I would like to hand over the call to Mr. Nitesh sir, for his opening remarks. Over to you, sir.

Nitesh Agarwal: Good evening, everyone, and a very warm welcome to the H1 FY27 earnings call for Classic Electrodes (India) Limited. I'm Nitesh Agarwal, Director of the company. Thank you for taking the time to join us today. For those joining us for the first time, let me briefly introduce Classic Electrodes.

Since our inception in 1997, we have grown over nearly three decades into a leading manufacturer of welding consumables, including welding electrodes, MIG wires, and flux-cored wire. These products serve a wide array of industrial applications, and we manufacture them across our facilities in Haryana and Kolkata.

Welding is the silent foundation of modern construction, from factories and machinery to critical infrastructure and railways, and that is the vital space we serve. Through the years, our approach has remained consistent, prioritizing quality, continuous innovation, and operational efficiency. If I were to sum up the first half of this year, it has been defined by two strategic priorities. Strengthening our core business and laying the groundwork for future expansion.

Regarding our core operations, we have continued to invest in Kolkata plant, by upgrading our machinery, integrating software-based design systems, and implementing digital project management tools. We are executing faster, enhancing product quality, and reducing operating costs. These internal improvements may not be visible from the outside, but they are what keep us competitive.

In terms of building for the future, we have taken several significant steps. We have amended our company's main object clause to allow us to manufacture and trade allied engineering and metal products, specifically, elastic rail clips, aluminum wire rods, cables, conductors, and steel wires. These products are natural extensions of our existing business. They leverage our deep

expertise in metallurgy and manufacturing, and they benefit directly from our established distribution network.

Furthermore, we have expanded our footprint in this sector by acquiring a 21.95% equity stake in HM Power and Cables Private Limited, completed in two tranches in November 2025 and March 2026. We have also strengthened our leadership team. We were pleased to welcome Ms. Komal Agarwal to the Board as an additional non-executive director, effective July 1st, 2026. Her extensive entrepreneurial experience in sales and financial management is a valuable addition to our company.

Turning to our financial performance, I am pleased to share that we have delivered steady growth. Total income for H1 FY27 stood at INR145.23 crores, an increase of approximately 18% compared to INR123.03 crores in H1 FY26. EBITDA grew by nearly 17% to INR13.94 crores, and net profit rose by approximately 12% to INR7.28 crores, up from INR6.49 crores in the same period last year.

Our EBITDA margin has remained stable at approximately 9.6%. These results reflect the resilience of our manufacturing operations and the consistent demand for our balanced portfolio of welding consumables. Looking ahead, the market environment remains supportive. Demand for welding consumables continues to be driven by infrastructure expansion, rising industrialization, railway modernization, and the government's focus on domestic manufacturing.

We believe these trends will persist, and Classic Electrodes is well-positioned to capitalize on them. With a strong core business, ongoing investments in technology, and new product lines coming online, we remain positive about our outlook and look forward to sustaining this growth trajectory. Before I conclude, I would like to extend my gratitude to our customers, dealers, distributors, employees, and shareholders for your continued trust and support. It means a great deal to all of us at Classic Electrodes.

With that, I will hand the call back to the moderator, and we will be happy to take your questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. We have first question from the line of Mr. Rishabh Agrawal from Aggrawal Family House. Please go ahead.

Rishabh Agrawal: Yes, thanks for the opportunity. Am I audible?

Management: Yes, you are audible.

Rishabh Agrawal: Yes. So, sir, I just wanted to understand the demand situation. Like how has the first half been for the company in terms of like customer orders and like are you seeing better demand from existing customers or it's a growth mainly coming from like new customers?

Management: Hi, good evening.

Rishabh Agrawal: Yes, good evening

Management: Yes, answering to your question, we have received a steady demand from the customers, existing customers. The first quarter was slightly low because of the war, but now, as per the trajectory, the customers have flown in their proper demand and for the coming financial half of the year, we expect better demand from the existing customers as well as because of flux cored wire we are looking into more potential customers too.

Rishabh Agrawal: Okay. And sir, if demand is improving from like customers like, so what is your large order book as of now? Size of the order book?

Management: So we deal both in dealer network and customer base network. So our dealer base network we get our regular requirements, monthly based requirements, which are booked for at least two to three months. And then we have customer POs, mainly the railway projects. So we have the outstanding POs from the railways approximately INR25 crores of different products and plates. And for dealer network we can approximately take around INR30 crores to INR35 crores.

Rishabh Agrawal: INR30 crores to INR35 crores. Okay.

Management: Yes.

Rishabh Agrawal: Yes. Understood. And sir, coming to your plant, like we have seen that sales have increased compared to last year. So just wanted to understand like how the plant is performing currently and whether there is still enough room to increase production?

Management: Sir, we have made some improvements last year in technology upgradation because of which our MIG wire production has increased and we still have achieved around 75% to 78% of our installed capacity and we are hoping to increase it further in the coming down -- in the second half of the year.

And the sales have also improved because we added one more production line last year, flux cored wire, which was -- which started in the late third quarter of the last year, last financial year, and therefore that sales is also kicking in this year.

Rishabh Agrawal: Okay. So if the sales is increasing like, so this plant can become a more contribution to the company overall revenue?

Management: Yes, sir.

Rishabh Agrawal: And in which percent?

Management: 30% approx.

Rishabh Agrawal: 30%?

Management: Yes.

Rishabh Agrawal: Okay. And sir, as I see the results, so the revenue has grown in H1, like and I see the profit growth has been comparatively lower as compared to revenue. So could you help me to understand like what has impacted this profitability during this first half?

Management: So the profit is almost at the same margin and the affection is because of the depreciation and amortization expense that you see in the profit and loss statement. As compared to the financial year '26 H1, our depreciation was approximately INR119.11 crores and in this year it is INR248.49 lakhs. So it has merely doubled this year. It was INR119.11 lakhs last year as compared to INR248 lakhs this year.

Rishabh Agrawal: Understood. And sir, what will be your like FY28 numbers? What are you looking for it? It will be improved or it will remain same?

Management: It will be improved, sir.

Rishabh Agrawal: So can you tell me like how you will be improving this? What are your aspects?

Management: We have also installed elastic railway clips and that coming in, that will be better and will increase exponentially, which is yet to be accounted for.

Rishabh Agrawal: Understood.

Management: Yes, sir.

Rishabh Agrawal: Sir, one last question, like a slightly longer term view. Like how should we look at the company growth over like next two to three years? Do you expect the existing welding consumable business to remain the main growth driver or will the new business start playing a bigger role?

Management: Sir, there will be increase in the in this welding consumable business to around 25% to 30% and the new product which we are bringing in that will show exponential growth. So, both of them will be our growth factors in the coming 2 to 3 years.

Rishabh Agrawal: Okay. So, what will be the percentage you are looking in this new business?

Management: Percentage as in the turnover?

Rishabh Agrawal: Yes.

Management: So, the -- it will increase approximately as for the current year, we are planning to start from January, if the approvals come in time. So if we take the 3 months production capacity, it will be approximately 10% this year. And for the next year, it will approximately grow up by 20% to 25% in the turnover.

Rishabh Agrawal: 20%, 25%, okay, got it, sir.

Management: Yes.

Rishabh Agrawal: Thank you, Yes.

Management: Thank you.

Moderator: Thank you. We have next question from the line of Prashant Kale from Star Capital. Please go ahead.

Prashant Kale: Hello. Thank you for the opportunity, sir. And congratulations on [inaudible 0:13:47]. Sir, my question is about we were planning to set up a new factory in western or southern part of India. Is there any progress on that front?

Management: Hi, sir. Yes, we are still exploring opportunities as to where is the better industrial policies and where it will be suitable for the logistics. We are yet to finalize the land. And whenever we do, we'll keep everyone updated about the same.

Prashant Kale: [Inaudible 0:14:21] instead of finding land, there are now lot of logistics parks and [inaudible 0:14:27] and power supply. So, it is just matter of setting up the -- because we have dry machines, everything, right? So, it wouldn't it be easy to lease a [inaudible 0:14:41]?

Management: Sir, your voice is...

Moderator: Mr. Prashant, your voice is breaking. Can you come in the range?

Prashant Kale: Yes. Sir, my question was nowadays there are a lot of facilities available on rent where you get a factory shed and power supply, so you just have to bring in your machines. So, wouldn't it be easy to [inaudible 0:15:04]?

Moderator: Mr. Prashant, your voice is not audible. Can you come in the range, we are not getting your voice.

Prashant Kale: Sir my question was nowadays there are lot of factory sales available on rent where you get power supply and you just have to bring in your machines. So would not it be easy to start the factory that way, that will be quicker and less capital intensive?

Management: Your point is correct, but we are still identifying which location will be suitable for us seeing the customer demand and the growth forward because there are a few expansions going on in India, so we are looking for a better location. Once we analyze the location, I think the suggestion which you have made will be viable for us.

Prashant Kale: Yes. And sir, railway clips, have we started production or we still have to make a first sale?

Management: Sir this product is only for the railway department. So the machine installation and everything is done. Right now due to war and etcetera and low manpower at the RDSO team, we are waiting for the approval. Once the approval is done we can start the production before that we cannot produce the same. The quality as per us has been as per norms. It's just that we are waiting for the approvals.

Prashant Kale: And when is approval expected sir?

Management: So we are expecting by December end, January first week and this is what we can estimate it is not on any paper etcetera because we are still in dialogue with the RDSO and there are four processes involved and we have completed the first two processes. We are waiting for the third process. Then they come and do the inspection and then they give us a go ahead. So generally, it should have been done by now, but we are waiting for an update from them.

Prashant Kale: Okay. So, that means the forecast of INR330 crores to INR350 crores for FY27 given in last concall, I think it will be harder to meet or can we still make INR330 crores to INR350 crores this year?

Management: This year it will be difficult to achieve INR330 crores to INR350 crores because of our delay in ERC.

Management: We had already projected INR45 crores to INR50 crores from the elastic railway clip business when we had a word which I think last year in the earnings call. So, if we get 3 months, possibly the turnover will be between INR10 crores to INR12 crores from the Elastic Railway clip and balance will be from your existing building consumables.

Prashant Kale: All right. That means like INR300 crores?

Management: This year, if we do not consider the elastic railway clip business -- the turnover from the elastic railway clip business, then what we are anticipating that we should be closing this year at 80 to 85 in this financial year.

Prashant Kale: Great. Sir, is there any plan to declare any dividend in March this year like after H2?

Management: Dividend, we have not thought about it. We are still evaluating. So, it will all depend on how the second half goes. As you are aware that in Bengal, October was a complete festive season and the festive season is just, today only it got over. So, how this 4.5 months, how we perform, accordingly, we will decide on the dividend part. So we are most likely, we want to obviously give dividend, but that will all depend on how the profitability stands out.

Prashant Kale: Okay. Thank you. Great. Thank you very much, sir.

Management: Thank you. Thank you so much.

Moderator: Thank you. Next question from the line of Manoj Jain from Shah Associates. Please go ahead.

Manoj Jain: Hello. Am I audible?

Moderator: Yes, sir you are audible.

Manoj Jain: Yes. So, my first question is, how does the company differentiate its product from those offered by large established welding consumable manufacturers?

Management: So, can you repeat your question, please?

Manoj Jain: Yes. How does the company differentiate its product from those who are offered by large established welding consumable manufacturers?

Management: Just to give you a bit of background, as far as welding consumer business goes, it is there is an entry barrier. Reason being, because to establish a brand, so it takes a long time, maybe somewhere between 10 years to 15 years because this question was asked to us before we had planned to come up with an IPO.

So, number one, so, there is an entry barrier. Second, obviously, establishing a brand takes a long time. It can be from, say, minimum 5 years to 10 years or maybe 15 years. Since we are more than 27-year old company, so we have established our brand over a period of time. And generally, what happens when you are catering to different segments.

So the fabrication, two fabricators, they go by the brand. So, suppose my brand is Captain. So, the fabricators who have been using Captain, they will be using Captain only. So to change from Captain to any other brand, it takes a lot of time. Hope I have been able to answer your question.

Manoj Jain: Yes, understood. My second question is the company mentioned a diversified customer base across India and overseas market. So, I just wanted to know what percentage of revenue is generated through the export?

Management: See, we are largely a domestic player. And we hardly have any presence in the global market. And in terms of B2B and B2C, our percentage remains somewhere between, it fluctuates between 40%, 60%. So sometimes your B2B is 50-55 and your B2C is 40-45. And sometimes your B2B is 55-60 and your B2C is 40-45. So it remains more or less, I would say, in the range of say 50-50 or maybe 45-55.

Manoj Jain: Okay, sir. Understood. Thank you.

Moderator: Thank you. We have next question from the line of Aniket Shinde from HNI. Please go ahead.

Aniket Shinde: Hello, sir. Am I audible?

Moderator: Yes you are.

Aniket Shinde: Thank you, sir, for giving me the opportunity. Sir, I have a couple of questions. So, my first question is our Jhajjar manufacturers are contributing near about INR12 crores sales during H1. So, sir, what is the target contributed for this facility in next 2 years?

Management: You're talking about the Jhajjar unit?

Aniket Shinde: Yes sir.

Management: See, the Jhajjar unit our production capacity is like 3600 metric tons per year.

Aniket Shinde: Okay, sir.

Management: Okay. So, we are currently basically at a capacity utilization of 67% to 68% odd.

Aniket Shinde: Okay, sir.

Management: So this year, the Jhajjar unit should contribute somewhere between INR28 crores to INR30 crores to our top line, which is more or less 10%.

Aniket Shinde: Okay, sir. So we are expecting more than 130% growth?

Management: Yes, correct.

Aniket Shinde: Okay, sir. And another question is sir, so can you provide more clarity on the company's diversification strategy into allied engineering and metal product?

Management: See, diversification we have recently entered into this elastic railway clip manufacturing business. So, since we already have approvals, we are the suppliers to railways. So that is where we saw an opportunity and we diversified into this segment as well. So, our manufacturing facility is currently ready and up for production.

So, we are just waiting for the RDSA approval to come. So, just a couple of minutes back, we, I think, spoke about this, that out of like four processes, the two processes have been complete. So, we are expecting the third and fourth to complete by December and or maybe by January first week. So, as soon as the approval is in place, we can start the commercial production immediately.

Aniket Shinde: Okay, sir. And which segment will be primary growth driver?

Management: Pardon?

Aniket Shinde: Which segment from this the primary growth driver?

Management: You are talking about elastic railway clip.

Aniket Shinde: From both of them, which is the primary crude driver?

Management: Primary growth driver. See, my welding consumables will grow year-on-year in a -- it is we are expecting the growth because we have added flux core wire. So, our primary growth driver definitely is going to be in our core business.But at the same time, the elastic railway clip, the business which we have added, so that will also contribute to the growth. So to the overall top you can say it will be contributing somewhere between 15% to 20%.

Aniket Shinde: Okay sir. That is from my side. If I have any questions, so I will rejoin the queue.

Management: Sure.

Aniket Shinde: Thank you, sir.

Moderator: Thank you. Next question is from the line of Pushkar Jain from Delhi Capital. Please go ahead.

Pushkar Jain: Yes. Hi, sir. So, basically, I think you just mentioned about the revenue guidance that will not be able to achieve 330 to 350. What is the expectation, revised expectation now and also on the margins?

Management: We just answered this couple of questions back that we are not able to achieve INR330 crores to INR350. We are expecting to achieve around INR280 crores to INR290 crores this year.

Pushkar Jain: Yes. And on the margins, like what margins are you expecting?

Management: So, the margins will more or less be stable because the ERC was supposed to add on the margins. So, right now if we suppose that we do not get the approvals or we do not get the approvals by March, so keeping the top 10 at INR280 crores, INR290 crores from our welding consumable market, our margins will remain significant same or there will be a slightly increase in the margins.

Pushkar Jain: Right. So, more or less same or slight increase, basically?

Management: Yes.

Pushkar Jain: And the capex that announced in FY27 that we are finding land in the South that you said is still not finalized. What will be the quantum of that capex? Any plans that management has for setting up that factory?

Management: We were planning for around 500 metric tons per month. So, it will be approximately 6,000 tons per year and capex will be around INR50 crores to INR55 crores.

Pushkar Jain: Okay. Like we own the land?

Management: That is what our initial plan was.

Pushkar Jain: So INR55 crores to INR60 crores, right? And sir, on the guarantee front, we are given like a INR15 crores guarantee to all-time suppliers. Could you throw some light on that like what is the context or are we getting any guarantee fee, anything like that?

Management: The all-time supplier is basically a group entity. So, there we had raised the debt of INR15 crores. Since that company did not have any operating income in terms of, so for that reason, we had to give a CG of classic electrodes.

Pushkar Jain: Have you planned to revoke it anytime soon like once the company starts functioning?

Management: Yes. So our plan is that in next 2 years, we are going to repay the debt and the CG will be released.

Pushkar Jain: Okay. Thanks a lot sir.

Management: Yes.

Moderator: Thank you. We have next question from the line of Lala Ram from Sabre Edge. Please go ahead.

Lala Ram: Good evening. First question is, what is the mix of revenue between manufactured and traded goods in the first half?

Management: The mix is manufacturing has contributed more than 70% and trading is approximately at 29-odd percent.

Lala Ram: Okay. And what are the gross margins in these two segments?

Management: Trading has always been on the much lower side as compared to manufacturing. So, the gross margin on the trading side, as we had explained earlier as well, trading -- it's not that the company focuses on trading much, so there -- it's more of an opportunity-based wherever we see that we can make some margins.

The gross margin somewhere remains between 4% to 5% on the trading side. Whereas on the manufacturing side, it varies -- the average will be 15% plus.

Lala Ram: On the manufacturing side. Okay. So how do they compare with competitors? I think they do around 25%, 30%, 35% if I look at listed competitors. Why is there such a big difference between them and traditional stores?

Management: The competitors, if you talk about like the two leading welding consumable entities, both are MNCs and both have been in existence for long years now. And if I compare, they come under the corporate segment and we are still under the MSME.

I believe you can understand when it's a company with a turnover of more than INR1,000 crores plus and a company with a turnover of like INR250 crores, you cannot compare in terms of profitability and all. But we have been doing well and we expect this to grow further as our manufacturing turnover grows.

Lala Ram: Okay. Second question is, our turnover is at INR250 crores, against that, the employee cost is around INR3 crores to INR4 crores. So how are we doing with such a low employee cost with such a good turnover?

Management: There, in terms of the employee benefit expenses, part of it has been factored into other expenses. From a classification perspective, it's maybe looking a little lower. If you want, we can share the breakup with you separately, what is our total employee cost, including your direct and indirect, both put together.

Lala Ram: Okay. Sir, my concern is that you have built a business which is fairly decent in size on revenue, EBITDA is decent. But the market cap or the kind of valuation the market has given looks like a mistrust in either the numbers or something. That's the feeling. It will be good if you can address them in your presentation or somewhere.

Because that's what I am getting looking at your numbers and comparing them with other building consumable companies. So that was purely from the investor side on how they're perceiving the company. One more question I have is, you're now saying that we'll enter into new products. What is the right to win exactly and you're saying we have common capabilities?

Can you explain a bit more? Because in welding consumables also we are still not lagging behind the big players, relatively small players. So how should -- why are we feeling that we will have a strong position in many business segments?

Management: See, I'll tell you, we are hardcore into electrodes and MIG wires. And whereas the larger ones, they are as well into your welding tools and machines. So that's a separate segment altogether.

We have not entered into that segment yet. Our focus has been only your electrodes and MIG wires.

In the Eastern part of the country, which is largely catering -- if you look geographically also, we are catering largely to two markets, your East and North. And we are more as an electrode and a MIG wire player. Whereas these larger ones, they are catering to other products as well, which are your welding tools and consumables, like your machines as well.

So that is how we differentiate ourselves, because we cannot compare ourselves with them in terms of the top line and the bottom line. But in our segment, in our MIG wire and electrode segment, we are decently doing well as an MSME player. And we expect that with this flux-cored wire, full-fledged when production reaches 80% to 90%, our margins definitely are going to improve.

Lala Ram: Okay. And the new business segments that you're entering, how does it connect with our capabilities? Can you explain in detail?

Management: See, the new segment what we are entering into, since you know that the end consumer is railway, and we are already the supplier to railways, that is where we saw an opportunity that the kind of investment the railways is going to make for improving the railway tracks and all, there is a good demand in that segment.

Since we have a connect in railways, it was in fact advised by one of the senior railway officials that why don't you also penetrate, enter into this segment? Because since you are already a supplier to railways. So here in railways, it takes a long time for the approval.

We have crossed -- I would not say halfway, we are 60% to 70% through, just the balance 25% to 35% is left, which is already in the pipeline. So, expecting once the approval is in place, we can, as the demand grows, we can also increase our capacity in that segment as well.

Lala Ram: I get the essence that the customer is the same. I want to understand from the capabilities of producing this product. Is it like a basic metalworking product or does it require any specific capability to manufacture?

Management: See, manufacturing this again, my basic raw material is your iron and steel, right? And we have that capability. So, as a group, if you look at, we are already procuring your MS wires for our different businesses, as well as SS wires and all. So, we understand this iron and steel business put together, and we are into transmission and distribution as well.

It's not something that there is a question on the capability because we have ventured into cable conductors as well. So, it's more of a question whether you as a manufacturer have that knack or not for the manufacturing business, and we have that knack.

Lala Ram: So, just to be clear, you are saying not from a classical electrode company perspective, but by the group's other entities that you have, you already know how to manufacture things using entities like etcetera. Is that correct?

Management: Right. So Classic, again, it's largely a family-owned business. The management has that capability in terms of manufacturing capability is there. We have been into the manufacturing segment for more than say almost 28, 29 years and with time we have evolved and we have entered into other segments as well. So, given the background of the management, Elastic Railway Clips is also kind of an allied product for us.

Lala Ram: Okay. My intention is simply to understand the promoters and their visibility across good companies, and how will Classic Electrodes evolve over the next three, four, five years? Will it become like an equal split between electrode, consumables, and allied products? How will the business change so that we can accordingly evaluate it as an investment opportunity? Can you throw some light on that?

Management: Yes, over the next three to four years, our objective is to cross INR500 crores top line. And it all depends on how the business shapes up. Because as you know that there are uncertainties as well at the global level, so if things improve, obviously India as a country is being looked at as a potential country where all businesses are expected to grow manifold. If everything remains in favor for India as a country, definitely our business is also going to flourish.

Lala Ram: And will you need any further equity capital? You've used your entire IPO funds as per your filing. So, to support the next leg of growth, do you need more equity capital and will you raise more money from the equity market?

Management: If we are going for capital expansion as we were talking about acquiring land in the South, so the land -- if we acquire land there and if the project cost is between say INR50 crores to INR55 crores, then obviously we would need further financial assistance, apart from whatever is going to be contributed by the promoters.

Lala Ram: Okay, sir. Thank you and all the best.

Management: Thank you. Thank you so much.

Moderator: We have the next question from the line of Deeya Jain from Sapphire Capital. Please go ahead.

Deeya Jain: Hi, sir, and thank you for the opportunity. So, with ERC finally coming in FY28, how do we look at revenue and margins for FY28 and FY29?

Management: See, on the revenue part, we were anticipating the railway clip business to start in the current financial year early in the year. However, since this is taking time, now for FY28, if we start off the Elastic Railway Clip business from January, we are going to get an entire financial year in FY28 for that business. And given the 25% to 30% growth in FY28 from our welding business, I'm sure we can easily touch INR400 crores in FY28 with everything in place.

Deeya Jain: Okay, sir. And what about the EBITDA margins?

Management: The EBITDA margins with this Elastic Railway Clip business -- and obviously our margins in terms of the welding business EBITDA margins are more or less, if we ignore the decimal part,

almost at say 10% levels. With the Elastic Railway Clip business coming in, I'm sure that the margins are going to improve. The EBITDA margins are definitely going to improve.

Deeya Jain: Okay, sir. And are you targeting capacity expansions in South India?

Management: See, we are identifying a land parcel in the South. So, if that identification and manufacturing facility setup we are able to complete in the next say two years' time, definitely that is going to contribute additional revenue to the top line.

And as far as our existing facility is concerned, here we have already improvised on the capacity utilization because when we talk about capacity, our current plant in Calcutta, the electrodes capacity is 10,600 metric tons.

But that capacity we can always surpass depending upon how the efficiency level is. So, the current capacity what we have, the welding consumable business itself, that can grow up to INR450 crores with the existing capacity.

Deeya Jain: Okay, sir. And how much capacity utilization do we expect to target for FY28 in electrodes and flux-cored?

Management: See, flux-cored is currently at a very low capacity. So, in FY28, definitely the capacity is going to touch somewhere between 80% to 90% on the flux-cored side. And on the welding electrode side, if I see FY26, it was at say 86% odd. But with improvisations, it can go up to 95%. And obviously, from a capacity utilization perspective, it will be 95%, but the contribution to the top line to the revenue will be even higher.

Deeya Jain: Okay, sir, understood. And one last question, how do we look at finance costs going ahead?

Management: Your finance cost is reasonable as of today, even after this hike in the repo. Our average cost is less than 8%.

Deeya Jain: Okay, sir. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Gautam Nagar for closing comments.

Gautam Nagar: Thank you. On behalf of Classic Electrodes (India) Limited and EquiBridgeX Advisors, I thank everyone for taking the time to join today's earnings call. If you have any queries, you can connect with us at info@equibridgex.com. Once again, thank you. Thank you, sir. Thank you, everyone.

Management: Thank you.

Moderator: Ladies and gentlemen, on behalf of EquiBridgeX Advisors Private Limited this concludes today's conference call and you may now disconnect your lines.