



“VMS TMT Limited

Q4 FY26 Results Conference Call”

June 08, 2026



MANAGEMENT: **MR. VARUN JAIN – CHAIRMAN AND MANAGER
DIRECTOR – VMS TMT LIMITED
MR. MANOJKUMAR JAIN – PROMOTER – VMS TMT
LIMITED
MR. RISHABH SINGHI – WHOLE-TIME DIRECTOR –
VMS TMT LIMITED**

MODERATOR: **MS. DHRUVI – EQUIBRIDGEX ADVISORS PRIVATE
LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Q4 FY26 Results Conference Call of VMS TMT 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 and then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Dhruvi from EquibridgeX Advisors Private Limited. Thank you and over to you, ma'am.

Dhruvi: Thank you and a very good afternoon to everyone. Welcome to the Q4 FY26 earnings call of VMS TMT Limited. From the management team, we have with us Mr. Manojkumar Jain, Promoter, Mr. Varun Jain, Chairman and Manager Director, and Mr. Rishabh Singhi, Whole-Time Director. The call will begin with opening remarks from the management, after which we will open the floor for Q&A.

With that, I would now like to hand over the call to management for opening remarks. Thank you and over to you, sir.

Management: So, I'll just start. So, VMS TMT, the company has delivered a strong performance in Q4 Financial Year '26, supported by improved plant utilization, stable demand across retail and institutional segments, and continued benefits from its integrated manufacturing operations. For Financial Year '26, the performance was driven by operating efficiencies, cost optimization, and a healthy demand environment across infrastructure and the housing sectors.

I would present to you the key financial highlights. For Q4 Financial Year '26, the total revenue was INR241 crores, and for the year ended March '26, it was INR840 crores. The EBITDA of the company was INR11.94 crores for Q4, and for the year ended, it was INR62.31 crores. The net profit of the company for Q4 results was INR2.29 crores, and for the year ended, it was INR21 crores.

So, the Q4 results of Financial Year '26 capped a strong year for VMS TMT, with consistent growth driven by improved operational efficiency and stable demand across our core markets. Our focus on integration, cost optimization, and strengthening our distribution network has supported both the revenue growth and margin expansion.

Over Financial Year '26, we have further strengthened our manufacturing capacities, optimized our cost structure, and enhanced our market presence. With a healthy demand outlook, ongoing infra approach, and benefits from our captive solar plant, we remain confident of sustaining growth and improving profitability going forward. VMS TMT is an integrated manufacturer of TMT bars and billets, operating a modern automated facility in Gujarat.

The company markets its product under the Kamdhenu brand and serves a strong dealer network across the region, supported by integrated manufacturing and efficient operations. This was the brief of the company in the Q4 results.

Now, I would like to open the floor for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. Your first question comes from the line of Ganesh Agarwal with Family Office. Please go ahead.

Ganesh Agarwal: Thanks for the opportunity. My two questions to ask. The billet manufacturing facility was one of the key strategic initiatives for the company. So, after a few quarters of operations, what tangible benefits are you seeing in terms of raw material cost, saving margins, and supply chain stability? Hello am I audible?

Management: Can you repeat the question?

Ganesh Agarwal: My question is regarding the billet manufacturing facility. It was one of the key strategic initiatives. So, after a few quarters of operations, what tangible benefits are you seeing in terms of raw material cost, savings, and this margins and supply chain stability?

Management: So, earlier when we were manufacturing TMT bars, we were purchasing billets from the outside market. We were reheating them and making TMT bars. After the CCM plant and hot charging has been incorporated, now we are procuring raw material in form of scrap from across the world, and the cost of raw material has gone down.

In the sense, like earlier, we used to buy billets at INR42,000 a ton. Now, we are buying scrap at around INR35,000 a ton. So, there was a cost of reheating, which was earlier involved, that was about approximately INR1,500 to INR2,000 per ton, which after the CCM plant manufacturing, that cost has been eliminated. So, the margins have improved by approximately INR1,500, INR1,000 to INR1,500 per ton after the CCM plant manufacturing.

Ganesh Agarwal: So, how much of this balance requirement is now being internally?

Management: No, so right now, we are not procuring any billets from outside. We are completely dependent on the scrap procurement, and through that, we are manufacturing our own billets and using the direct hot charging technology, we are manufacturing TMT bars.

Ganesh Agarwal: Okay, understood. And sir, regarding this margin stability, in this FY26 profitability improved. So, by better this operating efficiency and this integration benefits going forward, what do you believe in this sustainable [capital 0:07:18] margin range for the business across the normal chill cycle?

Management: So, this year, we will have a complete cycle, like the entire year, we will be having the integration benefit. And this benefit of INR1,500 a ton will be carried throughout the year. Also, the solar plant which we have installed, so that will be operational this year.

For the remaining nine months, we will be generating power from our solar capital of 15 megawatts. So, that in turn will also help us to reduce the cost of production and improve our margins.

- Ganesh Agarwal:** So, this margin expansion is like to come from higher volumes or this better product mix?
- Management:** So, it will be a combination of both like the production efficiencies will also improve during this year and also the product mix now that we are using scrap, so the conversion between the scrap and TMT is more, so we'll be getting benefits from both.
- Ganesh Agarwal:** Understand. And Sir, earlier you spoke about this proposed 15 megawatt this captive solar power project. So, could you share this expected investment like commissioning timeline or this annual cost saving once the project becomes operational?
- Management:** So, approximately the cost of the project is about I think INR45 crores to INR50 crores and the timeline of the project is it's under execution right now. So, commissioning will begin for 12 megawatt in this month and for the remaining 3 megawatt it will take another two months. And approximately we'll be after it's commence the operations, we'll be saving, having a saving of about INR3 per unit on our power bill. So if I convert that into financial figures, so approximately saving of about INR5 crores on an annual basis will come from the 15 megawatt solar for this year.
- Ganesh Agarwal:** Okay. Have there been any regulatory or this execution challenges affecting this timelines?
- Management:** No, there has been no challenges. Whatever the procedures were there, we have already applied for all the permissions and everything from the government. We have received also the same. The project is under execution and it will be commissioned soon.
- Ganesh Agarwal:** Understood, understood. Okay, that's it right now. Will join the queue back.
- Management:** Thank you.
- Ganesh Agarwal:** Thank you.
- Moderator:** Thank you. Your next question comes from Shubham Vishwakarma, an Individual Investor. Please go ahead.
- Shubham Vishwakarma:** Hello, am I audible?
- Management:** Yes.
- Shubham Vishwakarma:** Yes. So, thank you for the opportunity. Few questions to ask. The company currently operates through 227 plus dealers and three distributors. So, are there any expansion targets for FY27?
- Management:** So, we expand our distribution network on a regular basis like every district our sales team and our sales officers visit and according to the demand of that district, of that taluka, of that village, we appoint an additional dealer. So, we've been appointing dealers on a regular basis and of course these numbers would increase. The number of distributors will remain the same because the distributors are allotted region-wise in Gujarat. So, there will be only three distributors but the dealers which are under them, the number of dealers will increase.
- Shubham Vishwakarma:** Okay, okay. So, are you planning to expand beyond Gujarat?

- Management:** No, right now we are focused on the Gujarat market only because Gujarat itself has a huge potential. About 4.5 lakh, 5 lakh tons of TMT is sold across Gujarat and currently we are about having 15,000 tons of sale on a monthly basis. So, there is still a lot of scope to expand in Gujarat itself.
- Shubham Vishwakarma:** Okay, understood. And again, I want to ask that among these growth initiatives you have, like solar power and dealer expansion and also some operational efficiency initiatives, so what do you think will be the largest growth driver for you for FY27?
- Management:** I think main would be that we optimum, we utilized the optimum capacity of our production of our sales because and also the entire integration that we have done it. So, this full year we'll have that entire benefit. Also with the solar, the cost of production will reduce and Kamdhenu, we sell under the brand name of Kamdhenu in Gujarat, which is.
- Shubham Vishwakarma:** Okay. [inaudible 0:12:21]
- Management:** A premium in the market in Gujarat of about approximately INR1,500 ton over all the regional brands. So, our dealers, our network is very loyal to us and they have been with Kamdhenu since long and with our company since long. So, these are some of the drivers which will help. Also, there is a lot of infra push which is happening across the country and especially in Gujarat with 2030 Commonwealth Games and a lot of high-rise projects.
- Shubham Vishwakarma:** Okay. [inaudible 0:12:55]
- Management:** On a higher side.
- Shubham Vishwakarma:** Yes, okay, Yes. Continue.
- Management:** Yes, that's it.
- Shubham Vishwakarma:** Yes. So, my last question was regarding solar power. So, what will be the estimated project cost for that?
- Management:** I just answered in the previous question. It is approximately INR45 crores to INR50 crores.
- Shubham Vishwakarma:** Yes, sure. Thank you. Thank you for the opportunity.
- Moderator:** Thank you. Your next question comes from the line of Sonia Gupta, an Individual Investor. Please go ahead.
- Sonia Gupta:** Good afternoon. Thank you for the opportunity. My question is, is management evaluating capacity expansion opportunities over the next two-three years and would expansion be greenfield or brownfield?
- Management:** So, currently the management team is not looking at the expansion. Currently, we are looking at utilizing the optimum production and the sales capacity of our plant. Though in our existing premises that we have, we have permissions of up to 3 lakh tons for production of TMT and billets, like the environment clearance is also taken from the Government of India. And also we

have sufficient space available within our premises. Our plant has been set up on a 15 to 20 acres of land here and there is sufficient space available. And if in future going forward, if any requirement is arising, so we can do expansion within the existing plant and machinery and expand our production.

Sonia Gupta: Okay. And what capex plan should investors expect?

Management: So, right now we don't have any expansion as of in plan, but whenever the management decides, we'll let you know about that.

Sonia Gupta: Okay, thank you. And how was the dealer productivity evolved during FY26 and what is the average sales volume per dealer?

Management: Sorry, can you repeat?

Sonia Gupta: How has dealer productivity evolved during FY26?

Management: Right. So, dealer productivity has been very good. As I said, that our dealers have been very loyal to us. And so, our dealers are very small customers. They're usually in small talukas of the district and small villages in the district. And these dealers, we serve them orders of approximately 3 tons, 5 tons, 8 tons, 10 tons.

So, all our dealers are small players. And that's why they have been so loyal to us, because across Gujarat, TNT has been sold on a FR basis. And when we supply to these small dealers, small quantities of 5 tons, 10 tons, so they are motivated very much that the company is taking care of them.

And we have our own logistics supply, like trucks, a fleet of 50 trucks, through which we supply to our customers on a 24-hour basis. And dealer productivity has been very good. So, the dealer has been performing very good. We offer them a lot of incentives, take them on an individual or couple tour according to the performance. We give them turnover discounts at the end of each quarter. So, this motivates them.

Also, we have started an initiative where we are sending gifts along with each truck. So, if a dealer is giving order of about 8 tons, and if they shift that order to 10 tons, it's each truck. So, these are some of the initiatives which are helping us in increasing our dealer distribution network across Gujarat.

Sonia Gupta: Thank you.

Moderator: Thank you. The next question comes from Sanjay Chauhan, an individual investor. Please go ahead.

Sanjay Chauhan: Can you hear me, sir?

Moderator: Yes. Sorry to interrupt, sir. You're sounding slightly distant. If I can request you to use the handset, please. Sorry.

Sanjay Chauhan: Can you hear me?

Moderator: Yes, sir. Please proceed with the question.

Sanjay Chauhan: Okay. So, thank you, sir, for the opportunity. So, I'm asking one question based on your financial strength. As far as your financial strength, I can see here the company has the equities increasing significantly. But my main proposal is here, what is the long-term financial position of you can sell them for the company?

Management: I'm sorry, your question is not clear. I don't know.

Sanjay Chauhan: Actually, I can see here your financial position is increasing this year very good. And what is the company's long-term financial position? How can the company maintain these positions for the longer period of time? What are the things you can do here?

Management: You mean, how can the company maintain the long-term financial position for the long-term? This is what your question is.

Sanjay Chauhan: As far as I can see there, this year is growing well. And how the long-term position, you can maintain this [repeatedly 0:18:23]?

Management: So, like a lot of our company borrowings, which we have paid off in the last year. So, that has a direct implication on the financial interest that we are saving on an annual basis for the company. Also, the company going forward, the margins are improving.

And we have a steady growth for our product in the market. The conversion from scrap to TMT has also been very good in the last few months. And the demand for TMT across the infrastructure sector has been good. So, we are expecting the long-term financial position of the company to be stable.

Sanjay Chauhan: Okay, then how can the capital to be utilized for the future growth?

Management: So, as I said that, that capital will be utilized, like capital will be done from the internal accruals of the company over the next 2-3 years, whenever the management decides that we have to do any expansion in the existing premises, that time we will take the call for the same.

Sanjay Chauhan: Okay, okay, I can understand that. Okay, the base on your operation, I can see here means the company operates with a single segment that is TMT bar only. And what is your plans for the strengthened leadership in this segment? How can you can means generate more returns?

Management: Sorry, how can we strengthen?

Sanjay Chauhan: The leadership in this segment?

Management: The other industry you mean?

Sanjay Chauhan: Yes, yes, TMT bar segment.

Management: No, so right now, we are focused only on the TMT bars production. And as I said earlier that in Gujarat market, there is a huge demand for TMT products across Gujarat for whether it's the bridges or the high-rise sectors, or due to the Commonwealth Games being announced in Gujarat, a lot of sport complex and a lot of projects are being made here. So, there is huge demand for TMT and the demand for TMT is going to grow in the Gujarat as for 2036 Olympics also we are bidding from Gujarat state.

So, that's also a huge opportunity which will come. So, we'll be from a management side, our management will be focused only on the production of TMT bars. No other product we are focused on.

Sanjay Chauhan: Okay, I got it. Thank you, sir.

Moderator: Thank you. Thank you. The next question comes from Shubham Vishwakarma, an individual investor. Please go ahead.

Shubham Vishwakarma: Hello, thank you for the opportunity again. So, my question was the company secured like 10,000 plus MT orders during the festive season. So, could you elaborate further on the customer mix and execution timeline?

Management: Customer mix and the?

Shubham Vishwakarma: Execution timeline.

Management: Okay. So, these orders which we receive is about the 10,000 orders which we received during the festive season. Those orders are usually for, you can say, 20 odd days, like every day approximately our dispatch is about 500 tons. And whenever such orders come, so within 24 hours, we try to serve them. So, we get demand from our customers on a daily basis, as and when their stock at the retail counters gets over, they give orders to the company through the distributors.

Shubham Vishwakarma: Okay. So, what's the current outlook for demand from infrastructure, real estate and housing sectors?

Management: So, it's very positive in the state of Gujarat and across India also. In Gujarat also, there's a lot of development happening. Like, there is a, the government has given permissions for recently for 60 floors of high-rise to be built in Gujarat. So, a lot of new high-rise buildings are coming up in Gujarat that itself increases the demand for TMT.

Also, a lot of bridges and government projects are coming across Gujarat, which is helping the demand move further up. And currently, about four and a half, five lakh tons of TMT sold across Gujarat, and we are selling about 15,000 tons on a monthly basis. So, there is still a lot of scope where we can get more market share in the state of Gujarat.

Shubham Vishwakarma: Okay, got it. So, is there any pricing pressure in the market?

Management: No, currently, like, of course, in the last two months, the pricing have gone a little on a lower side, on the downside. But as and when the price of finished product goes down, the price of raw

material also comes down on the same day. So, our conversion that we are getting from scrap to TMT, that remains the same. So, it doesn't affect our margins.

Shubham Vishwakarma: Okay, thank you for the opportunity. I'm done with my questions.

Moderator: Thank you. The next follow-up question comes from Kanishk Agarwal with Family Office. Please go ahead.

Kanishk Agarwal: Yes, thanks for that. So, just one question regarding this return issue. The company has delivered strong growth recently. As investors, should we expect focus to shift towards improving ROE and ROC further, or will growth remain the primary objective?

Management: Sorry, what? Can you repeat?

Kanishk Agarwal: My question is regarding ROE and ROC. Growth is strong recently, but this remains the primary objective. As investors, we expect focus to shift toward improving this ROE and ROC. My question is, can you improve your focus to grow this ROE and ROC?

Management: So, Yes, we have been doing that recently. We have paid a lot of borrowings, which we had in the last year. So, that in turn has improved our return on the equity and on the capital employed as well. And this year also, we are focusing on a lot of internal accruals that will be generated from the company. So, also using the limits and everything, we are able to source the raw material at cheaper prices from across the world. And this will help us in improving our margins and in turn improve our ROE and ROC.

Kanish Agarwal: Is your target return on your new projects?

Management: Sorry.

Kanish Agarwal: Target, return on your new projects? What is your target?

Management: So, the solar plant that we have installed of 15 megawatts.

Kanish Agarwal: Can't hear you.

Management: The solar power plant of 15 megawatts that we have installed, in that the payback is in five years.

Kanish Agarwal: Regarding this steel price scenario, how resilient do you believe the business model is? And does the management immediate prioritize in such a scenario or does volume growth be prioritized over margins?

Management: Sorry, I didn't get your question. Can you repeat that please?

Kanish Agarwal: Regarding this steel price, if the price goes up in the extended period. So, how do you manage this situation in this business model?

Management: So, when the prices go up for the TMT bars or when the prices go down, our raw material that is scrapped, the prices in turn also reacts in the same way. If the market is going up, the prices

also. So, whenever we sell any material in the market that is a TMT, so we cover our raw material on the same day.

We do not delay our purchase. So, if we sold approx, for example, 1000 tons of TMT today, so we booked 1000 tons of raw material from the market. So, this way, we are covering our risk in that way, and we are maintaining our conversion from scrap to TMT.

Kanish Agarwal: Okay. And so, my last question is, what gives management the most confidence about this FY27, and what are the key risks investors should keep an eye on?

Management: I am sorry, your voice is not clear. Something is breaking in between.

Kanish Agarwal: So, my question is regarding, how confident are you in FY27, and what are the key risks, investors should keep an eye on?

Management: So, in Financial Year 27, the growth will be strong and the company would be performing better than what it was because in this year, we will also be having a generation from our 15-megawatt solar plant, that will help us improve the cost of production, reduce the cost of production and increase our margins. So, going forward, and looking at the demand for TMT bars across the state of Gujarat, we are quite confident that whatever our production would be there, that amount of sale we will be able to gather from the market. And risk as in -- this is TMT is a commodity product.

So, there is of course, price rise and price reduction on a daily basis. So, due to recent war also, the West Asia war, there has been supply disruptions and everything, but still, we have got raw material procurement and other things in control. So, being it a commodity, so that's a risk that investors should consider.

Kanish Agarwal: One last question. Which KPI should investors monitor most closely over the next few quarters?

Management: Which area?

Kanish Agarwal: KPI, sir.

Management: Sorry, which?

Kanish Agarwal: KPI, KPI, sir.

Management: So, of course, so our margins would be improving after the 15-megawatt solar generation. So, that will help us improve our EBITDA. And of course, the integration benefit, that is happening from scrap to billet. So, our cost of production, which is being reduced due to this integration benefit. So, that will again have an effect on EBITDA margins and the PAT margins. So, these are some of the issues.

Kanish Agarwal: Okay. Thank you so much. And all the best. Thank you.

Moderator: Thank you. The next question comes from the line of Sonia Gupta, an Individual Investor. Please go ahead.

Sonia Gupta: Yes. So, my question is, how has the company's working capital cycle evolved after the commissioning of the billet facility?

Management: Hello. Are you getting my voice?

Sonia Gupta: Yes. My question is, how has the company's working capital cycle evolved after the commissioning of the billet facility?

Management: It is around the two-month cycle, working capital cycle.

Sonia Gupta: Okay. And can you provide some insight into the current order pipeline and demand visibility for the next few quarters?

Management: Demand, because we are, it is a regular routine we are getting the booking and supply of the TMT. So, we are not getting the bulk, any order for the quarter basis. It is on daily basis.

Sonia Gupta: Okay. And what is the expected timeline for the solar power project? And how significant could cost savings be once it becomes operational?

Management: We have finalized for 15 megawatts. Our installation of 12 megawatts is completed, and it is expected to be started in this month. And save around INR5 crores in a year. And 3 watts will be started by August and September, depending on the rains. And that will be with the benefit of INR1 crore. Total INR5 crores to INR6 crores saving in the power bill for the half year.

Sonia Gupta: Okay. And now one more question. Can you share the current capacity utilization levels for both the billet plant and TMT manufacturing facility?

Management: For the TMT we are capacity is around 70.00% to 75.00% of the installed capacity. And billet we are using around 70% to 75% or more or less.

Moderator: Sir, your voice is modulating and chipping in between certain words. Hello?

Management: Yes.

Moderator: Yes, Sir. Please go ahead.

Management: Yes, Sonia, you got it?

Sonia Gupta: No, Sir, your voice is breaking.

Management: I mean the capacity utilization of billet is around 70.00% to 75.00% of installed capacity and TMT is also same the 70.00% to 75.00%. So, we have the lot of the scope to improve it and we are improving day by day.

Sonia Gupta: Okay, sir. Thank you.

Moderator: Thank you. Ladies and gentlemen, there are no further questions. I would now like to hand the conference over to Ms. Dhruvi for closing comments.

Dhruvi: On behalf of VMS TMT Limited and EquiBridgeX Advisors, I would like to thank everyone for taking the time to join today's conference call. Should you have any further queries, please feel free to connect with us at info@equibridgex.com. Thank you everyone.

Management: Thank you everyone for joining the conference.

Moderator: Thank you members of the management. On behalf of EquiBridgeX Advisors Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.