MAIDEN FORGINGS LIMITED
Formerly Known As Maiden Forgings (P) Ltd.
(AN ISO 9001: 2015 COMPANY)
CIN No. L29810DL2005PLC132913
Regd. Office : B-5 Arihant Tower, Block-D, Vivek Vihar, Delhi - 110092
Corporate Off. : E-201-Sec.-17, Industrial Area, Kavi Nagar, GZB.-201 002 (U.P.)

**June 05, 2024**

To,
Department of Corporate Services/ Listing,
**BSE LIMITED**
25th Floor, P J Towers
Dalal Street Mumbai-400001

Subject: **Submission of Transcripts of Earning Conference Call held on Monday, June 03, 2024 at 11:00 A.M.**

**Scrip Code: 543874**

Dear Sir/Madam,

Pursuant to Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is hereby submitting transcripts of Earning Conference Call held on Monday, June 03, 2024 at 11:00 A.M. to discuss FY 23-24 earnings with Investors and Analysts.

Submitted for your kind information and necessary records.

Thanking you,

**For and on behalf of**
**Maiden Forgings Limited**

Monika Negi
Digitally signed by Monika Negi
Date: 2024.06.05 13:10:03 +05'30'

**Monika Negi**
**(Company Secretary and Compliance Officer)**

"Maiden Forgings Limited

H2 FY '24 Results Conference Call"

June 03, 2024

**MANAGEMENT:** **MR. NISHANT GARG – MANAGING DIRECTOR – MAIDEN FORGINGS LIMITED**

**MODERATOR:** **MR. GANESH NALAWADE – KIRIN ADVISORS**

**Moderator:** Ladies and gentlemen, good day and welcome to the H2-FY24 Results Conference Call of Maiden Forgings Limited, hosted by Kirin Advisors. 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. Ganesh from Kirin Advisors. Thank you and over to you, Mr. Ganesh.

**Ganesh:** Thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of Maiden Forgings Limited. From the management team, we have Mr. Nishant Garg, Managing Director. Now I hand over the call to Mr. Nishant Garg. Over to you, sir.

**Nishant Garg:** Thank you, Ganesh. Ladies and gentlemen, good morning, dear investors. I am pleased to welcome you to the earnings conference call for Maiden Forgings Limited.

As you are aware, our company is deeply involved in the manufacturing and sales of diversified ferrous metal products. We have a strong focus on providing customized and specialized solutions to a diverse client base across various industries. Founded in 1988 as a sole proprietorship, Maiden Forgings has evolved significantly over the years.

We became a private limited company in 2005 and transitioned to a public limited company in 2022. Over the past 35 years, we have focused on manufacturing a wide range of bright steel bars and wires with an increasing emphasis on value-added and specialized products. Our in-house manufacturing facilities include annealing, cold-drawing, peeling, grinding and testing, ensuring that we maintain the highest standards of quality.

With nails introduced last year, we further added to these processes. Our three manufacturing units in Ghaziabad have an installed capacity of 53,000 metric tons per annum. With a robust infrastructure, zero tolerance quality policy and a dynamic team of experts, we are well equipped to meet the special requirements of our customers for various critical product applications.

Our commitment to quality, delivery and customer satisfaction is reflected in our operating cycle, which is marked by an efficient operating cycle as per the industry standards. We specialize in the design and manufacture of various types of ferrous metal products, including carbon steel, stainless and alloy steels. Our products are mainly in the form of drawn products, such as bright bars, wires, profiles, ground bars and pneumatic nails.

Our fully integrated infrastructure consists of facilities starting from annealing process till the finishing machines, all located at our three manufacturing facilities in Kavi Nagar Industrial Area and B. S. Road Industrial Area, Ghaziabad, Uttar Pradesh. Our product range is extensive, with sizes starting from 0.19 millimeters up to 105 millimeters, includes different grades of steel in various shapes. This diversity gives us a competitive edge, enabling us to provide highly customized and specialized solutions to our customers.

We are also under an expansion into some specialized products and grades, which will further solidify our position as one of the few global manufacturing facilities offering such a wide range of products. Our products are used across several industries, including automobile, engineering, infrastructure, hardware, oil and gas, defense and home appliances. We have a significant customer base spread across entire India.

Also, we have been exploring small volumes to the US and we anticipate significant growth in our exports as our newly installed collated pneumatic nail plant has become fully operational during the last financial year. Today, we probably serve over 450 customers, and we continue to build strong global relationships. Our aim is to ensure that we meet and exceed the expectations of our clients through innovation, quality and exceptional services.

We are pleased to present the financial performance of our company for the second half of FY '24 and the full fiscal year FY '24. Despite a challenging economic environment, we have demonstrated resilience and achieved significant growth, underscoring the strength of our business model and our strategic initiatives. For the second half of FY '24, we recorded a total income of INR121.02 crores. Our earnings before interest, tax, depreciation and amortization, that is EBITDA, stood at INR12.78 crores, reflecting an EBITDA margin of 10.56%. The PAT Profit After Tax for this period was INR5.5 crores, translating to a PAT margin of 4.58%.

Over the entire fiscal year FY '24, our total income reached INR237.31 crores, marking a year-on-year growth of 7.3%. Our EBITDA increased to INR24.07 crores, a year-on-year growth of 7.90%, with an EBITDA margin of 10.14%, up by 6 basis points from the previous year. The PAT for FY '24 was INR9.72 crores, reflecting a year-on-year growth of 1.19% and the PAT margin stood at 4.10%. Additionally, our EPS for FY '24 was INR6.84%.

Special point to be noted here is that we have seen a strong increase in our total sales volume, with an annual volume of 34,451 metric ton for FY '23-'24. Compared to 29,131 metric ton in '22-'23, an increase of more than 18% in terms of high-value items, including SS, Bright Bars and Nails, our annual volume increased by approximately 31% from 1,793 metric ton in '22-'23 to 2,348 metric ton in '23-24, that is for the high-value and high-margin products.

This fulfils our commitment of minimum 15%-20% annual growth that we had reiterated at various events during the last fiscal year. Though unfortunately due to the lowest-ever steel prices during FY '24, same is not reflected in terms of revenue but still we are satisfied that overall, the market base has risen at the expected levels, which is bound to be reflected in the revenues in the times to come.

A significant milestone for MFL was getting listed on the BSE-MSME platform on 6 April 2023, raising INR23.83 crores from the public as a primary sale of 26.25% equities for future expansion. We have added more than 40 customers in the financial year while retaining almost all existing customers and increasing volumes with them.

Although the impact of the growth in volume isn't visible in terms of revenue due to the steel prices like I said earlier, if we normalize the steel prices at April 2023 level, the revenue would have been a minimum of INR260 crores despite the IPO expenses and exceptional spend on marketing including participation in four global exhibitions and building a global sales network, we have managed to grow profits. Considering the overall conditions of the steel market in the last financial year, our performance has been remarkable and in line with expectations.

Looking forward, we are optimistic about a significant increase in volumes, revenues and profits with the markets picking up and the closure of elections in India. With a good order book and the new upcoming plant expected to be operational by Diwali, we anticipate improvements in operational and financial efficiency boosting our profits. We are confident in our ability to leverage opportunities in both domestic and export markets and expect to achieve a higher tax margin in the long term.

With our recent registration at the Ordnance Factory Board, enhanced traction with US-based customers, active engagement in R&D to launch new products in the near future, further enhancing our growth projects is ensured. The consolidation of plants is underway and would further give us leverage in terms of efficiencies and with a well-planned layout of plants, we further get an edge to be able to cater to the best of the brands globally. Additionally, we aim to increase capacity through capex and outsourced manufacturing models, positioning us strong for future growth.

Our vision is becoming more firm day by day and our team is working hard and enthusiastically to create an ecosystem of growth for Maiden Forgings Limited and society at large. We remain focused on leveraging our core strengths, optimizing operational efficiencies and exploring new opportunities for expansion to continue this positive trajectory in the coming fiscal year.

We are very thankful and grateful to our investors, employees, customers, suppliers and all the stakeholders who have supported us throughout this journey. I personally thank everyone for joining the call and now if anyone has questions, please feel free to ask.

**Moderator:** Thank you very much, sir. We will now begin the question-and-answer session. The first question is from the line of Bhavesh Chauhan from Aditya Birla Money. Please go ahead.

**Bhavesh Chauhan:** Hi, sir. So my question is with regards to our sales growth target that we have by FY20 and we want to go to INR1,000 crores. It seems that you will require approximately 40% CAGR. So, are we taming down on that?

**Nishant Garg:** Hi Aditya, thank you for the question. And I again welcome you to the conference. See, 5 years target that I have reiterated at multiple times that from listing date till 5 years, the plan is for INR1,000 crores sales. That is our internal target. And yes, like if you heard in my conference call, in I think almost near the end, I told that we are working on, the expansion that we are already undergoing currently, like with new plant coming up.

And as well as side by side, we are working on the models where we are getting the contract manufacturing done for finished steel products. So that all, you must also understand that, we started working on this thing like 6 months back or 3 months back. So when these things will start giving impact after 6 months or 7 months, so then that kind of CAGR would be visible in the numbers as well.

**Bhavesh Chauhan:** Okay. And secondly, I understand that our sales is down because of lower steel price but our EBITDA margin is down from 7,523 to 6,987. So, what is the reason for that? Is it the adverse product mix?

**Nishant Garg:** No. EBITDA margins have increased vis-a-vis last year.

**Bhavesh Chauhan:** [No sir I was asking about 0:13:47] EBITDA per ton not margin? Because…

**Nishant Garg:** That I will have to look at it but like I said that almost the high profit, like high value and high profit margin products that have grown by almost 31% in terms of quantity.

**Bhavesh Chauhan:** So, in that light, it is even more surprising but…

**Nishant Garg:** But there has been 2-3 additional expenses, which we didn't normally have for the cost of raising the funds as well as the extensive marketing that we've done for the rebranding of the company. So those expenses were there. So, I think they must be impacting it. So, I will have to check about that per ton kind of calculation again. I can't, comment at the moment on that.

**Bhavesh Chauhan:** Those exceptional one-time expenses, what was the quantum if you have with you?

**Nishant Garg:** The combined quantum, I think you can email it to me, and I'll send you the breakup separately. Not over the call.

**Bhavesh Chauhan:** And sir, in terms of volumes, 18% volume growth was decent in the light of the environment. So looking forward, like the next 2 years, how much volume growth that we're targeting?

**Nishant Garg:** Aditya, I always have told, like in past 7 or 8 months that total growth would be somewhere between 15% to 20% for this year that has gone by. So, in terms of volume, we did 18%. It was more than 18% only, some points above that. So, we did that. But unfortunately, due to the steel prices and everything, it was not reflected in the top line.

**Bhavesh Chauhan:** Yes. So, my question was that going forward, how much should we consider a similar number for FY25, 26?

**Nishant Garg:** Yes. See, the target for this, even the internal target, I said 15% to 20% but the internal target was somewhere between 20% to 25%. We missed that. And this year we are trying best and hopefully like the elections are almost over, tomorrow the results are getting declared. Suppose that the market should take a good improvement and we already have spent good amount on marketing last year and combining all these impacts, this year it should be better than last year.

**Bhavesh Chauhan:** Yes. And sir lastly pneumatic nails sales have started?

**Nishant Garg:** Yes. That is the reason – see that is the primary reason why the high value, high margin products increased by 31% in terms of volume.

**Bhavesh Chauhan:** And what is the contribution in terms of volumes, how much would the pneumatic sales?

**Nishant Garg:** It is not very huge right now. It must be last year it would have landed around 5% to 7% that's an idea. I haven't seen the exact numbers yet. Based on the 31% growth, I am just doing the math calculation must be yes please.

**Bhavesh Chauhan:** But going forward the pneumatic nails should be significant 20%, 30% over next year?

**Nishant Garg:** No. In the coming year because see that is the product approximately which the price is around INR120 per kg. In terms of volume I think it will reach around 20% but in terms of revenue it will be contributing around 10% to 12% I think because there are products with value of INR250 per kg and INR300 per kg. So, their impact should be more visible in the numbers in terms of revenue.

**Bhavesh Chauhan:** Okay, sir. Got it. Thank you and all the best.

**Nishant Garg:** Thank you so much.

**Moderator:** Thank you. The next question is from the line of Dhruv Rawani from Shreeji Finserv LLP. Please go ahead.

**Dhruv Rawani:** Hi, Nishant. Good morning. Am I audible?

**Nishant Garg:** Hi, Dhruv. Yes, very much audible.

**Dhruv Rawani:** Nishant, I just wanted to understand. We say that we have increased the high-value, high-margin products in this particular year and the product mix has changed. So what would you articulate the reason for less growth in the EBITDA number? I can understand the sales revenue because of the steel prices which is less but why can't we see some growth in the EBITDA numbers because year-on-year we are almost flat-line?

**Nishant Garg:** Almost like 8% kind of growth is there but see I haven't also analyzed that reason yet. We are working on it. So, I will also have to check like why it is. See the cash flows would have turned positive. Maybe the depreciation part has taken the space like we invested before just the IPO in the last financial year. We made investment of around INR8 crores in capex. So, from our own fund before the IPO. So maybe that is the impact that is taking place over there.

**Dhruv Rawani:** And do you feel like because at the end of the day while our volumes have grown but how do you feel that you may be able to tackle the steel price volatility and to make it more linear in terms of profitability for us like any plans?

**Nishant Garg:** Dhruvji any analytics person would be knowing that this is all cyclical. Though our margins are fixed, so margins shouldn't be hampered in a big way but like this time it happened that the overall growth was somewhere between 18% to 19% despite the fact that high value products were had a better growth. But yet the revenue increased by only around 8%, 9%. So, this was a cycle and due to pre-election time the prices were very tight and closed controlled. So, this is cyclical. The impact will definitely -- I am very optimist that in this financial year just like we have already started seeing it from April-May that the prices are rising in steel sector.

So, I believe this trend is meant to -- it has a tendency to follow on for the coming year and year or two. So it will definitely improve in the coming years because ultimately there is in rare cases there is deflation but the economy always goes on the inflation side. So, I think it should increase soon. So, it will go towards betterment only.

**Dhruv Rawani:** Okay. Fair enough. Thank you very much.

**Moderator:** Thank you. The next question is from the line of Chirag Jain from Yogya Capital. Please go ahead.

**Chirag Jain:** Hi, sir. Good morning.

**Nishant Garg:** Hi, Chirag. Good morning.

**Chirag Jain:** Sir I was new to your company, so I had couple of questions to understand the company. So, what was the capacity utilization for the FY24?

**Nishant Garg:** It comes from see 53,000 was there and we need almost 35,000 so it comes out to be approximately 70%.

**Chirag Jain:** So how much would be our optimum utilization that can be done?

**Nishant Garg:** 85% to 90%.

**Chirag Jain:** So any plans to reach on that?

**Nishant Garg:** No but Chirag what happened was earlier our capacity was around 50,000 tons last year's data. it was around 50,000 tons. So, we increased our sales approximately by 5,000 tons and we increased our capacity by 3,000 tons. So, it's an intentional game somewhere that we tried to keep it under 80.

**Chirag Jain:** Sir, we lost you in between.

**Nishant Garg:** Can you hear me now?

**Chirag Jain:** Yes.

**Nishant Garg:** Yes, so I was saying that we almost increased our sales by almost 5,000 metric tons this year and in the middle of the year we somewhere increased our capacity by 3,000 tons overall capacity. So, it's an intentional game wherein we try to keep it just maximum till 80%. So that one of our USP that is fastest delivery model that remains maintained. That gives us a huge premium in terms of customer retention as well as getting better margins from the customer in ordinary products as well.

**Chirag Jain:** Okay, understood. So next question was on the expansion that we are also planning to that is in place currently. So what product are we manufacturing in that plant and what would be the turnover of that plant that we are targeting from that?

**Nishant Garg:** First and foremost, the primary target of the new plant is to consolidate the activities of the two larger plants that we have in order to improve the efficiencies first and foremost. These are operational efficiencies. These are the -- the call is going all right everyone is – can you hear me?

**Moderator:** Yes sir you are audible.

**Nishant Garg:** Okay I was getting another call from someone else. So, like I said this will increase the operational efficiencies as well as the financial efficiencies. So like we are talking about EBITDA and the overall gross margin those are meant to improve once we have consolidated our activity. These are little costs such as administrative costs in terms of security then we have got electricity costs. These all will improve.

So, that will give an edge to the company in retaining the capital reserves of the company in the future. So first and foremost is that. Secondly, the new plant will have exclusive space like I mentioned in my opening remarks as well that we are going for contract manufacturing kind of products. So, it will have proper packaging machines and proper -- there are multiple products that still have very much high demand side whereas the supply side is deep.

So we are catering to those finished products such as fasteners in stainless steel such as large sizes of forged bars in stainless steel and alloy steel. So, such products we are targeting on in new plants which we initially planned to start by contractual manufacturing. So that the overall asset level remains controlled it remains kind of becomes with time and out of those activities whichever we find that producing at our own end would be far more profitable than getting it contractually manufactured. We would be opting to start the manufacturing of those products as the new plant has almost current area also of almost double than the existing units.

So, that is kind of the strategy that we are playing on currently and I hope the results should be marking should be marked in the next result we can see the direction where it is going

**Chirag Jain:** Okay. So, what I understood that we are kind of debottlenecking and we have expanded our facility approximately by 2x compared to existing facilities?

**Nishant Garg:** Yes, that is already the land has been acquired the operations are expected to start before the Diwali.

**Chirag Jain:** In this year?

**Nishant Garg:** Yes.

**Chirag Jain:** Okay. So next on the what's expected -- we are expecting -- can we expect 2x revenue growth from the facility itself or it would take some number of years to ramp it up?

**Nishant Garg:** No. It will take at least if we are talking purely in terms of manufacturing our own manufactured goods, it should take 2x, it should take 2 to 3 years minimum.

**Chirag Jain:** Okay, understood. Next on the inventory side so our inventory levels have gone up significantly this year so can you give some color on that?

**Nishant Garg:** Yes. See last year also this was the question and this year also. We have increased the volume, so at one go when you are increasing you have to since if you notice the Maiden forging model it has more than 50 grades in stainless steel and carbon steel all combined it has more than 50 grades that it caters to.

So what happens is for example, there is one of the customer that we have gained newly it buys in a let's say, in a container of 20 metric ton it buys almost like 9 or 10 sizes that is 2 metric ton in each size for 2 different grades let's say, so we have to -- because he is giving us regular orders and we haven't yet understood the patterns that what all he requires, so we had to go for over inventory.

Last year it was same and this year also it was same case but since April we have started to focus a lot on optimizing the stock side, inventory side of our business as well as that being said keeping additional stock has always helped us reduce our debtor cycle. So that is giving somewhere an added advantage because stocks are with us and we can liquidate at any point of time but reducing the debtor cycle due to having stock in hand that gives us an additional advantage but yes, this year I think by the year end it should be much more improvement in the stock keeping cycle.

**Chirag Jain:** So how much would be the -- percentage would be raw material and how much would be the finished inventory?

**Nishant Garg:** Approximately you can say the finish would be always around 20% maximum that was ours is a fast-moving kind of thing and plus what happens is supposingly, there is a10 mm-11 mm is one size 10 mm is one size and another is 11 mm, so we have customer demand for 10.1, 10.2, 10.3 it can be any demand and it has to be manufactured from the same size of raw material 12 mm.

So, we keep 12 mm in our inventory as raw and as the customer demands we quickly make it and dispatch it according to the exact size what he or she requires. So, we mostly try to keep it in raw materials most of the finishes are again solid because it is kind of a tailor-made product.

**Chirag Jain:** Fair enough. What's the mix between the value added and the normal steel that we have – products we have in place in the revenues mix?

**Nishant Garg:** Approximately we have 12%-13% this year.

**Chirag Jain:** Value added?

**Nishant Garg:** Yes.

**Chirag Jain:** Okay. What percentage are we targeting to reach…

**Nishant Garg:** Approximately the numbers as I was telling just now, I have just roughly calculated right now approximately 11%-12%.

**Chirag Jain:** So that's the maximum that can be done from…

**Nishant Garg:** No. That is what we have achieved already in this financial year.

**Chirag Jain:** So what level are we targeting to next 2-3 years?

**Nishant Garg:** 20%. No, even in next 1 year we are targeting around 18%-20% because see what happens is this time also I calculated it a bit wrongly we increased overall by 5000 tons and the contribution of higher margin products increased by almost 800 tons, so the overall sales also increased that came out to be 10%-11% while calculating in the beginning I made an error and I expected that it should go around 15% but the overall volume has also increased so the contribution becomes a little lesser. Unit is downsized as per the overall increased volume so it turned out to be 11%-12% so next year we are targeting around 18%-20%.

**Chirag Jain:** What's the typical margin between a normal product and a value-added product?

**Nishant Garg:** For this topic, I think we can have a separate call you and us we can have a separate call or email because I have told multiple times, we have 8 product lines currently, so the margins vary from each product in each product. So almost out of these 8, I can give you a rough idea that 3 products are high value, high margin kind of a product and 5 are the conventional which have lower range of margins to kind of middle range of margin.

**Chirag Jain:** Okay. So those 3 products would be in the higher double-digit side?

**Nishant Garg:** Correct, the 11%-12% contribution I am telling for those products in the last year.

**Chirag Jain:** So, that was helpful. So, next lastly on the competitor side, so who we are do we compete with in the market, that was I was trying to understand?

**Nishant Garg:** Chiragji, see for example in Wires we are competing with Bansal wire which IPO is coming in the coming times. For Steel Bright Bars, we are competing with multiple big mills also for example TATA, also produces Bright Bars, GSW also produces Bright Bars. And for nails we are competing with one company, and one is GK Wire.

So, we are not having an apple-to-apple comparison with anyone due to the business model that we have due to the product mix that we have so we don't have any apple to apple, comparison but yes I have given a few names if you want to see the competition product. And from where this combination only gives made in an edge. That, we are -- different from many big players that we have in industry currently.

**Chirag Jain:** Okay, fair enough. Sir, also on the contract manufacturing side you mentioned, that so how much revenue are we targeting from the contract manufacturing facility that we have?

**Nishant Garg:** See, it should be, I can't comment on the exact number right now, because we are also still because we last month only visited Germany, we exhibited in Germany, in one of the biggest exhibition of our industry. And we started the talks for selling post Bars or Stainless-Steel Fasteners, with those customers during the exhibition itself.

So, as of now we have just one order in hand of value of INR30 lakhs, INR35 lakhs as on date but there are talks with multiple customers the target is that -- we should at least do INR2 crores, INR3 crores some month of sale in these products from August or September, onwards that is the target. I am not giving any numbers or guidance but that is the target that we have, so you can calculate the overall impact in the next year, balance sheet.

**Chirag Jain:** Yes, that was very helpful. Lastly before I get back into the queue, I was trying to understand that why a customer would join us as a maiden forging. In a competitive industry like this, rather than going with other competitors in the similar segment. So, what is the [inaudible 35:16]

**Nishant Garg:** I got the question. So, see, Chiragji, I think we should have a separate call on this. There are multiple reasons and factors why they will opt for Maiden Forging. Naming a few is like you already said, except for the fastest, the needy, what would be the year. See, like I told you, that's for Bright Bars. I'm taking just one example. JSW TATA, these also manufacture have inline facilities for producing Bright Bars in front of their rolling gold products, hot-hole products.

But what happens is they can't cater to; if the customer has demand of multiple sizes, they can't -- cater as fast as we do. They can't, in Bright Bars, we are basically playing with the mechanical properties of the material to make it application-ready. So, it is Tailor-mades products. And whereas the big mills only give standardized products, they don't work on the precision and the infrastructure that we have, like multiple various machines that we have.

We, are able to give the most precise products as required for that application by that customer. That is one of the reasons that why we cater mostly to the end customers. So, one of the major reasons is that made in a stand separate in that way. So, one reason is that there are numerous reasons that I think would be entirely a different tangent that we will have to discuss over a longer call.

**Chirag Jain:** If I got you right that we cater to smaller players who want multiple types of players so that wouldn't limit our market size. Addressable?

**Nishant Garg:** Plus, you know there are multiple factors, numerous factors that I think we will be able to give for more light in a separate call.

**Chirag Jain:** Yes, that will be very helpful.

**Nishant Garg:** Yes, thanks Chiragji.

**Chirag Jain:** I will get back.

**Moderator:** Thank you. The next question is from the line of Mitti Shah from Truealpha Capital. Please go ahead.

**Mitti Shah:** Hello. Yes. Good morning, Nishantji.

**Nishant Garg:** Good morning.

**Mitti Shah:** Yes. Actually, I want to ask about our recent sale of our land facility. Can you give me an idea about what was the consideration received from that sale?

**Nishant Garg:** Sorry. Can you again repeat it?

**Mitti Shah:** I want to know can you give me the amount we received from our sale of land facility which you recently did couple of months ago?

**Nishant Garg:** No, we purchased the land facility, but we haven't made any sale as of now.

**Mitti Shah:** Okay.

**Nishant Garg:** We haven't sold any facility as of now.

**Mitti Shah:** Because as I remember in last call you mentioned about selling of your land facility?

**Nishant Garg:** Yes, we have no it was not to buy a new land. We have already acquired the new land and we would be eventually selling. We are already under the process of offering it to the market. But it can only be sold completely once the shifting has been done. So, we haven't yet sold any of the facility.

**Mitti Shah:** Thank you.

**Moderator:** Thank you. The next question is from the line of Urmi Khania from RoboCapital. Please go ahead.

**Urmi Khania:** So, can you please give me the growth or revenue outlook? For FY'25 and FY'26 and also a EBITDA margin outlook for these us?

**Nishant Garg:** We, are on both the fronts if you talk about top line and in terms of EBITDA. We, are targeting 20%-25% growth rate like I told to one of the person in the earlier question. So, 20%-25% growth rate we are expecting, not expecting we are targeting.

**Urmi Khania:** And also, for EBITDA?

**Nishant Garg:** Yes, both in the similar line.

**Urmi Khania:** Okay. And what would be the growth drivers for these? I know that the increase in the share of value-added products is one of the reasons. Any other main reasons?

**Nishant Garg:** Correct. One is that and secondly, like I said, that the contractual manufacturing thing that we have already initiated. So that would be second growth driver. And third one would be the efficiencies that we would be adding on with the new plant.

And as well as like I mentioned in my opening remarks that the new plant layout and everything, because it's the latest. Then now whatever plants we were making, it was either taking debt or arranging our own funds and creating a new plan. This may be build up three facilities. So it was not a perfect layout and a kind of plant that gets approved by any global brand.

So now with the new upcoming plant, having a perfect layout, well planned layout, we would be able to, with time, grow better brands as our customers. So that would be the third growth driver that should pay off in the coming times, as per my estimate.

**Urmi Khania:** Okay, thank you. And another question is that I see all of your plants are at Ghaziabad and this new pneumatic nails plant is on the same location or have you transferred all of the?

**Nishant Garg:** No. The pneumatic nail plants would remain at the same location. We are not doing any up and down over there because it's a newly installed plant. It is a well-planned plant which has ample area for future expansions as well in the same category.

**Urmi Khania:** Okay, so all of your plants are at the same location?

**Nishant Garg:** Yes, it is and even the new plant is also in Ghaziabad.

**Urmi Khania:** Okay and this pneumatic nails plant has been operational since which month?

**Nishant Garg:** Almost throughout the entire financial year.

**Urmi Khania:** Okay, that's all from my side. Thank you.

**Moderator:** The next question is from the line of Vikas Maloo and Individual Investor. Please go ahead.

**Vikas Maloo:** Nishantji, my first question is that recently you have mentioned that you have monthly digestions. This is 25 crores of sales per month. So can you give a like, what is the current limit in the first two months of the FY25?

**Nishant Garg:** For the first two months, I haven't yet checked. But like someone also asked me a day before or something like that. So someone asked me, so we reach almost in February and March, we reach about INR22-INR23 crores kind of a tape in February and March. So we reached over there.

Despite the steel prices being low, we almost sold like 3100 tons or 3200 tons in each month. Okay, a little lower in March because last 10 days were Holi and everything and labour shortages and everything. But we were almost we have reached 3,000-3,200 tons kind of per month sales. And despite the steel prices being low, we reached around INR22-INR23 crores.in February and March. So that was the last which we have already analysed.

And we closed on March 31st on basis of those incremental phase, which was in the beginning of the year, it was around INR16-INR18 crores kind of ballpark every month. So that was the G, despite the C private PQ. So that I would comment for this these two months, we still haven't seen the -- take the field.

**Vikas Maloo:** Okay. Fine. That’s all from my side.

**Nishant Garg:** Okay. Thank you, Vikasji.

**Moderator:** Thank you. The next question is from the line of Bhavesh Chauhan from Aditya Birla Money. Please go ahead.

**Bhavesh Chauhan:** Okay, thanks for the opportunity. Sir, this consolidation of various land at one location, how much margin improvement do we expect due to this?

**Nishant Garg:** Bhaveshji, you see it's too early to comment on this, but I expect like, just in administrative cost terms we calculate like the savings in electricity cost and everything. We estimated minimum INR10-INR11 lakh per month saving in terms of efficiency. That is just one component of it. Second is financial cost. Third is the increased better customer base that we should be able to get from the new plant. But just based on operational efficiencies, my estimate is that minimum monthly we should save INR10-INR12 lakhs. That being said, it's way too early to comment on that.

**Bhavesh Chauhan:** We are a very small polling company and there are many large players. So any particular company that find a benchmark that we want to be like them, or we are following the footsteps of them?

**Nishant Garg:** We are somewhere if you notice that we have eight product lines right now, which are somewhere either they are vertical expansions or horizontal expansion that we did over the years. Right. Now we are talking about contract manifesting. So if you notice this entire thing, the growth pattern last 2, 3 years. I'm talking the pattern particularly in terms of strategy. If you notice the strategies that we have adopted.

Some day we are going for all those products which have demand, or which have high potential in the future but as on rate the supply side is very weak. So we are catering to multiple products and trying to innovate the supply chain. So that being said, somewhere, that's my reading that I have seen that we are automatically, we didn't do it intentionally but somewhere when I was studying, I saw that we are somewhere falling on the footsteps of APL Apollo. It was a tube plant originally that was just one commodity that it was selling back in 2011.

And today it is doing multiple products which actually have need in the markets, which have a high demand in the market. And they are doing it in a manner where they are somewhere branding those products and catering to multiple diverse products portfolio. Similar ways, somewhere we are also going on the same in the same direction. And that's I find some alignment in their mentality and my mentality.

**Bhavesh Chauhan:** But sir, they are into more of a steel pipes and we are into forging.

**Nishant Garg:** So, we are not into forging sir, we are into steel bright bars wires. Our name is just forging but we just do cold forging of snail headers as on day and that too we were not doing 2, 3 years back. This name we have got from the past history. We are into long products. The technical term is steel long products.

**Bhavesh Chauhan:** Okay, I go it. Thanks and all the best.

**Moderator:** Thank you. Ladies and gentlemen as there are no further questions I would now like to hand the conference over to Mr. Ganesh for closing comments over to you, sir

**Ganesh:** Thank you for joining the conference call of Maiden Forgings Limited. If you have query you can write us at info@kirinadvisors.com. Once again, thank you for joining.

**Moderator:** Thank you. Thank you, sir. Ladies and gentlemen, on behalf of Kirin Advisors, that concludes this conference. We thank you for joining us and you may now disconnect your lines. Thank you.