everest

Transcript

92nd Annual General Meeting of Everest Industries Limited
September 18, 2025 at 3.30 p.m. (IST) through VC

- **Ms. Amruta Avasare - Company Secretary, Everest Industries Limited:**

- Good afternoon to all shareholders and Directors. I am Amruta Avasare, Company Secretary joining this Annual General Meeting from head office at Mumbai. I welcome you all to the 92nd Annual General Meeting of the members of the Company. As per Article 59 of Articles of Association of the Company, Chairman of the Board Mr. Anant Talaulicar will preside this 92nd AGM.

- I now request Mr. Anant Talaulicar Sir, Chairman, to please proceed and chair the meeting. Thank you.

- **Mr. Anant Talaulicar - Non-Executive Chairman, Everest Industries Limited:**

- Thank you, Amruta. Good afternoon, everyone. As the requisite quorum is present, I call this meeting to order. My warm welcome to all members to this 92nd Annual General Meeting of Everest Industries Limited. I am attending this meeting from the headquarters in Mumbai. At the outset, I would like to thank every one of you for your continued trust, encouragement, patience, and support to the company and its management team. We are holding this AGM by video conferencing this year as well in compliance with the Companies Act 2013, listing regulations and circulars issued by the Ministry of Corporate Affairs and SEBI.

- While VC compromises the pleasure of meeting all of you in person, it does provide an opportunity to far more shareholders to participate in this AGM. The company has taken the requisite steps to enable members to participate and vote on the items being considered at this AGM.

- Members may note that this AGM is being held through a video conferencing platform, which has been provided by NSDL. The facility for joining this meeting through video conferencing has been made available for members on a first-come, first-served basis.

- The statutory registers and other documents referred to in the notice of this AGM have been made available electronically for inspection by the members for the members during the AGM.

- All the members joining this meeting are by default placed on mute mode to avoid any background noise and to ensure smooth and seamless conduct of this meeting. Members are requested to refer to the instructions provided in the notice for seamless participation through video conferencing. During the meeting, if the members face any technical issues, please call the NSDL helpline, which has been mentioned in the notice of this AGM.

- Before we start the main proceedings of the meeting and I call up each director for introduction, I specifically wanted to mention and you are aware that Rajesh Joshi ceased to be the CEO and MD last Friday on 12th September after completing 5 years with the company. I am grateful to him for his contributions and partnership. I wish him well for his future endeavors. And I am also very delighted to introduce Hemant Khurana, who joined us on 6th September as President and assumed the CEO and MD role as of the 13th September, subject, of course, to your approval today. I personally led the search along with our Vice Chairperson, Padmini Sekhsaria, as well as the Chairman of the NRC and the Chairman of the Audit Committee. It has been a unanimous selection based on what we saw were absolutely matching values of Respect, Excellence, and Integrity, along with great relevant experience. Hemant, would you care to say just a few words to our shareholders.

- **Mr. Hemant Khurana – MD & CEO, Everest Industries Limited:**

- Sorry for this disturbance. Thank you Anant and thank you Padmini, and thank you everyone, specifically to the Board of Directors for giving me this opportunity.

- Good afternoon to all of you and I am really happy to join in this role as MD, CEO and this is my first AGM, so a warm welcome to all of you. And I would say that this is a great opportunity that has been presented to me. I will tell you a bit about me. I am someone who spent a lot of time in the building materials industry. I have a vast experience coming in from companies like Saint-Gobain where I spent nearly 24 years and I have worked across different businesses, glass, gypsum plasterboard, which is very, very familiar, very similar to what we do at Everest and in construction chemicals, end-to-end solutions. So, a lot of experience that I had was really creating markets, creating differentiation, growing the business, creating new categories and I would say that this is, come to me as a great opportunity. The three different businesses that we have, I see massive potential for growth and I am really excited to join Everest at this time when India is seeing a vast opportunity, growth opportunity across the three segments that we have. So, we are happy to join today and looking forward to contribute and make this business very successful. Thank you.

- **Mr. Anant Talaulicar - Non-Executive Chairman, Everest Industries Limited:**

- Thank you, Thank you, Hemant. I am also at this point delighted to introduce our new CFO, Rajesh Gagrani, who has completed one quarter, having joined us on the 2nd June this year. We followed exactly the same selection process along with the involvement of the directors and felt very comfortable that Rajesh was bringing the same values and also relevant experience, both from a product as well as projects company perspective. So again, Rajesh, if you care to say a couple of words, that would be great.

- **Mr. Rajesh Gagrani - CFO, Everest Industries Limited:**

- Good afternoon, everyone. I am Rajesh Gagrani, Chief Finance Officer of the company. I am attending this meeting from Company's head office based in Mumbai.

- By profession, I am Chartered Accountant and also as an alumnus of IIM Ahmedabad. I have more than two and half decades of experience. I have privilege to contributing to various Indian and multinational organization like Atul Limited, Phillips Carbon, EBV, Alstom, Hitachi, Kalpataru and Big Pro Group. I work both manufacturing as well as project-based companies. At Everest, by following the REI values, Respect, Excellence, and Integrity, my focus is on driving the financial discipline, strengthening governance, and ensuring the sustainable growth. Thank you very much.

- **Mr. Anant Talaulicar - Non-Executive Chairman, Everest Industries Limited:**

- Thank you, Thank you Rajesh.

- Now I will call on each of the Directors to introduce themselves, so over to you first, Padmini.

- **Ms. Padmini Sekhsaria - Vice Chairperson & Non-Executive Director, Everest Industries Limited:**

- Thank you, Anant. I am Padmini Sekhsaria. Good afternoon. I am the Vice Chairperson and Non-Executive Director of Everest Industries, and I am attending this meeting today from my residence in London.

- **Mr. Anant Talaulicar - Non-Executive Chairman, Everest Industries Limited:**

- Thank you.

- Rajendra Chitale.

- **Mr. Rajendra Chitale - Independent Director, Everest Industries Limited:**

- I am Rajendra Chitale. I am an Independent Director on the Board of Everest, and I also Chair the Audit Committee. I am attending this meeting from my office in Mumbai. Thank you.

- **Mr. Anant Talaulicar - Non-Executive Chairman, Everest Industries Limited:**

- Thank you.

- Alok Nanda.

- **Mr. Alok Nanda - Independent Director, Everest Industries Limited:**

- I am Alok Nanda, Independent Director, and I am attending this meeting from my office in Mumbai.

- **Mr. Anant Talaulicar - Non-Executive Chairman, Everest Industries Limited:**

- Thank you, Alok.

- Ashok Barat.

- **Mr. Ashok Kumar Barat - Independent Director, Everest Industries Limited:**

- Namaste. I am Ashok Barat. I am attending this meeting from Noida. I am the Chair of the NRC and the Risk Management Committee and a member of the Audit Committee.

- **Mr. Anant Talaulicar - Non-Executive Chairman, Everest Industries Limited:**

- Thank you, Ashok.

- Unfortunately, Bijal Ajinkya was not able to participate today due to her earlier commitments. She joined our Board in March of last year and is already adding great value to the Board in terms of her legal perspectives as well as business and people related perspectives. Apart from the Directors, the partners of the statutory auditors, SRBC & Company, Secretarial Auditors, TVA & Company and Scrutinizer M/s. Parikh & Associates for fiscal year 2024-2025, they are also attending this meeting through the video conferencing facility.

- I would now like to update the shareholders about the health of the company. I would now like to give you my view on the year that has passed and what the future potential is for Everest. I am very, very conscious that, first of all, that we have let you down in terms of our performance in the year 2024-2025 and this deeply disappoints me personally. While the company certainly faced external challenges which are inevitable in our currently volatile world, I do not believe that we have as a management team stepped up to sufficiently to practicing our values in the most fundamental ways to overcome our challenges. So let me step you through the picture for each one of our businesses. The roofing industry continued to be challenging with the overall market declining in the 2 to 3% level last year and pricing continued to be unfavorable. The industry has not been able to pass on the inflationary cost increases since COVID, and this can be observed in the declining margins of all the players in the industry. Having said that, we could have done far better in terms of managing our costs as well as mix. Going forward, without any change to the industry attractiveness, we will show good improvement this year in the bottom line of this business. The boards and panel industry continues to be favorable in terms of growth and we expect this to continue on the back of the construction boom in India and the growing preference for fiber cement product over gypsum, plywood, aluminum composite panels, as well as other kinds of laminates. The reasons are very sound. Our product is simply stronger, termite proof, water resistant, fire resistant, quick to construct aside from being environmentally friendly relative to the alternatives. Our Board's business was flat, largely limited by our own capacity last year, and the bottom line was impacted temporarily as we invested in a new plant at Chamarajanagar near Mysore, along with the related sales support investments that we made for Southern India. In addition, exports declined sharply due to geopolitical conflicts in the Middle East, which impacted both transportation access as well as cost. We expect to show good improvement this year from both the top as well as bottom line perspective, as we are steadily ramping up sales from the Mysore plant, and the export challenge has eased. The PEB industry is also growing robustly due to the expansion of manufacturing, warehousing, and infrastructure capacities across India. However, we performed poorly in executing our projects. Fortunately, these are all factors under our control. We are in the process of hiring a new business leader as well as the next level leaders. We are looking for people with the right values as well as relevant experiences. This will take us two to three quarters to work through. So I request a little patience from you, but we should begin showing improvements yet this year. At the company level, I am closely managing the MD as well as **CXO** transitions. As I mentioned, our new CFO, Rajesh Gagrani, has completed one quarter and has already got his hands very deep into the operation. In fact, with his extensive projects background, he is currently holding the fort on our PEB business. This should reassure you that at least the bottom line will be protected and improved this year. The Boards and panels business head, Rahul Chopra, is an Everest loyal veteran for 38 years. So, this growing profitable business with amazing potential is in good hands. Our roofing business leader, Puneet Sharma, has been with us for over Three and half years now and is in a position to broaden his impact this year. Niranjan Gokhale, our strategy and internal audit leader, who is also driving Six Sigma throughout the company, has been with us for six years now. Our R&D leader, Trissa Joseph, has been in place for four and half years and you are seeing the results in our new differentiated products in the building segment. Our CHRO Vaibhav Garg, has been with us for a year and a half. Our manufacturing, purchasing and supply chain leader, Parshant Giare, has been in place for a year, and we are seeing costs coming down. We have a very capable CIO in Kedar Rao, who has been with us for five months now. Our focus this year is to improve the roofing bottom line by selling more of our premium products, such as Evercool and Supercolor, which enjoy better margins, while substantially improving our cost structure by fully leveraging the incremental new boards and panels plant capacity in Mysore and improving our cross-functional execution of PEB projects. Going beyond fiscal year 2026, we have acquired land near Guwahati for another boards and panels plant, and we intend to be in production in fiscal year 2028. We have also acquired land at Anantapur in Andhra Pradesh for a PEB plant, but we will only kick off that project once we demonstrate excellence with our existing capacity. We are continuing to innovate, and we will be launching new and excited differentiated boards as well as roofing products, including non-asbestos-based versions. I would like to emphasize that we have a 91-year legacy of customer and partner relationships, values-based trust, brand, and product behind us. We have a strong balance sheet. Our leadership bench strength is being significantly upgraded as we speak. We are into our six sigma journey, which will take us to be a zero defect company in all that we do. We hope to earn and sustain your trust with all of this work. Honestly, I continue to be very excited about the future prospects of Everest, and I commit to you that I will do everything in my control to capture the opportunity and deliver it to you. My sincere thanks to our employees, customers, partners, shareholders, and members of the Board for your patience, faith, and support. We will make you all proud. I promise you that.

- Allow me now to come to the next procedural aspects of the meeting. The notice of the 92nd AGM, along with the copies of the Audited Standalone and Consolidated Financial statements for the year ended 31st March, 2025, together with the Boards and auditors' reports, have been emailed within the statutory period to all those shareholders whose e-mail addresses are registered with the company or are MCS, share transfer agent or depository participants as of August 22nd. Please take note, there are no qualifications, no reservations, no adverse comments or disclaimers in the Statutory Auditors' Reports on the Audited Standalone as well as Consolidated Financial statements of the Company for the fiscal year ended 31st March, 2025 and in the Secretarial Audit Report for the year ended 31st March, 2025. The Statutory Auditor's Report on the Audited Standalone Financial statements and Consolidated Financial statements are available on page numbers 206, 284 of the annual report respectively. The Secretarial Audit Report is enclosed in Annexure - 4 to the Board's Report on page number 131 of the Annual Report. With the permission of the members, I take the Statutory Auditor's Report and Secretarial Auditor's Report as read.

- As the notice of the 92nd AGM is already circulated to all the members, with the permission of the members, I take the notice convening the meeting as read. Before we proceed further, I wish to bring to your notice that the company had provided a remote e-Voting facility to all members through the NSDL platform. The remote e-Voting facility was made available from Monday, September 15th, 2025, from 9 a.m. to 5 p.m. on Wednesday, September 17th, 2025. Members who were unable to cast their vote electronically through this remote e-Voting and who are attending this AGM have an opportunity to cast their vote during this meeting through the e-Voting system provided by NSDL. This voting facility will remain open for 15 minutes after the close of this meeting. Members are requested to refer to the notice of the AGM for e-Voting details.

- I will now read out the resolutions that are included in the notice of the AGM and put them up for e-Voting. I request your support to vote affirmatively for all these resolutions.

- **Item No. 1** - Adoption of the Audited Standalone and Consolidated Financial statements for the financial year ended March 31st, 2025. These Standalone Financial Statements of the Company for this fiscal year, including the reports of the Board of Directors and Auditors thereon, and the Audited Consolidated Financial statements of the Company for the financial year ended 31st March, 2025, including the report of the Auditors thereon, have been provided to the members, and this resolution is placed for your adoption.

- **Item No. 2** - Declaration of the final dividend. This resolution is placed for the declaration of the final dividend of Rs. 2.5 per equity share of face value of Rs. 10 per equity share each for the financial year ended 31st March, 2025.

- **Item No. 3** - Appointment of Ms. Padmini Sekhsaria as Director liable to retire by rotation and being eligible has offered herself for re-appointment. As I am an interested party in item number 4, I request the Vice Chairman, Ms. Padmini Sekhsaria, to chair the meeting for item number 4, please.

- **Ms. Padmini Sekhsaria - Vice Chairperson & Non-Executive Director, Everest Industries Limited:**

- Thank you Anant. I now take up item number 4 of the notice.

- **Item No. 4** - The resolution placed at item number 4 is for approval for payment of commission to Mr. Anant Talaulicar, Non-Executive Independent Chairman for the

Financial year 2025-2026. The text of the aforesaid resolution along with explanatory statement is provided in the notice circulated to the members for the above item. Members are requested to refer the explanatory statement for details on the above item. I now request Anant to please resume the chair.

- **Mr. Anant Talaulicar - Non-Executive Chairman, Everest Industries Limited:**

- Thank you, Padmini.

- **Item No. 5** - Ratification of remuneration of Ms. R. Nanabhai and Company, Cost Auditors for the financial year ended March 31st, 2026.

- **Item No. 6** - Appointment of M/s. Parikh & Associates, Practicing Company Secretaries as Secretarial Auditors of the company.

- **Item No. 7** - Amendment to the Employee Stock Option Scheme 2021.

- **Item No. 8** - Appointment of Mr. Hemant Khurana as Managing Director and Chief Executive Officer of the company.

- The text of the aforesaid resolutions, along with the explanatory statements, is provided in the notice circulated to the members for all of the above items. Members are requested to refer to the explanatory statements for details on these above items.

- Before I now begin with the Q&A session with speakers, let me quickly take you through the protocol. During the question and answer session, the name of the registered speaker shareholder will be announced by me one by one. After each name that I call out, the speaker shareholder will be unmuted by the host. Speaker shareholders are requested to click the video button, which appears at the bottom of their screen before they start speaking. If a speaker shareholder is unable to join through the video mode for any reason, then he or she can speak through the audio. If there is a connectivity problem at the speaker shareholder's end, then we would ask the next speaker shareholder to join. Once the connectivity improves, the said speaker shareholder will be called once again by me to speak after all the other registered speaker shareholders have completed their questions.

- Please note that seven members have been registered as speakers pursuant to their requests and I will now be taking their questions from them one by one. Hence, I request the speaker shareholders to please limit their questions or comments to 3 minutes or less to respect the audience's time and only ask the very important questions.

- We will be very happy to address your questions separately one-on-one with you. It may be noted that the company reserves the right to restrict the number of questions for the smooth conduct of this AGM. To avoid repetition, the answers to all the questions will be provided by me only at the end. I will now begin these question and answers. I first request Mr. Tarbir Shahpuri to unmute himself and proceed with his question.

- **Mr. Tarbir Shahpuri – Shareholder:**

- Good afternoon. Although, Anant has given a couple of lines on the ESBS division. We would like to know a detailed plan for the ESBS division. The division has been inconsistent in its performance over the last four years. Meanwhile, both listed and unlisted players in the industry have shown strong growth and profitability. At this point, we would like a clear articulation by the management team on its plan for this division with clear guidance on timelines, failing which we would like to know if the management intends to close down this division. Thank you. That is it from my end.

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- Thank you, Tarbir. Thank you.

- I now request Mr. Anil Mehta to unmute himself and ask his question.

- **Mr. Anil Mehta – Shareholder:**

- Good afternoon, Sir. This is Anil Mehta, attending this meeting, AGM from my residence, Kandivali, Mumbai. Sir, we have only one question. That due to this tariff war and present situation with our neighbor country and also the present repo rate, and now it is also the presence change in the GST slab rate, how much the growth can we expect in a current FY 2025-26?

- With this, we are supporting all the resolution and thanks to the secretarial department for their co-operations and support. Thank you and all the best for the bright future of our company.

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- Thank you. Thank you, Mr. Mehta.

- I now request Ms. Sakshi Shetty to unmute herself and proceed with her question.

- **Ms. Sakshi Shetty – Shareholder:**

- Good afternoon, everyone. My name is Sakshi Shetty. My question is on the roofing sites. Due to the asbestos issue, what is the plan for non-asbestos sheets and what is the segmental revenue of roofing?

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- Okay. Thank you, Ms. Shetty.

- I now request Mr. Keshav Garg to unmute himself and proceed with the questions. Mr. Garg, a gentle request to you. I have received all your questions and there are numerous questions. So in the interest of time, please do not go through each question right now, but I will respond to the questions.

- **Mr. Keshav Garg – Shareholder:**

- So, I just hope that you answer all my questions point by point. Basically, the outlook for FY 2026 and also, can you please talk a bit about the prospects of the AC roofing segment? I mean, how does the demand look like and how do we expect the demand to carry forward in FY 2026 as compared to what it was in FY 2025. And also, please, I just request you to answer all my questions point by point.

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- Okay, I will do my best, I assure you. Okay, So, with that, I will now turn to the next speaker, Mr. Sujan Modak. Please unmute yourself.

- **Mr. Sujan Modak – Shareholder:**

- Respected Chairman, other Board of Directors, I am Sujan Modak, attending this meeting from my residence in Kolkata. Sir, I have a few questions. What is the capacity utilization of our manufacturing facilities if you can please give us the details? Is it going on 100% or is it a reduced one? And the top line, though, we have a growth, you can, but the PAT has dropped 40%. So you explained that quite a bit. But what is the idea means how much guidance you can give that when it could be revised back. So if you can have some idea that we can look forward to that. These are the two things I wanted to know and what to go further. Thank you.

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- Thank you. Thank you. I now request Ms. Hemisha Thacker to unmute herself and proceed with her question, please.

- **Ms. Hemisha Thacker – Shareholder:**

- Hi, Sir. I am Hemisha. And my question is as to what is the plan of the company to grow the boards and panel business? And it would be great if we could get some details on the status of the Assam plant.

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- Yes. Yes, thank you.

- **Ms. Amruta Avasare - Company Secretary, Everest Industries Limited:**

- Chairman, You have to take Mr. Anil Parekh, Speaker number. 4

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- Okay, Mr. Parekh please.

- **Mr. Anil Parekh – Shareholder:**

- Chairman Sir, I failed to understand why my number is being skipped.

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- I apologize, sorry. My fault.

- **Mr. Anil Parekh – Shareholder:**

- Because I have been waiting from 3.00 p.m. onwards. So, it is almost one hour since I am waiting for my number to come. And now coming to our financials. First of all, I would like to thank our CS team for all kind of support provided to me and Chairman Sir, I would like to draw your attention. This is the second last week of September and my request is, please do not have meeting in September, because every day at the same time there are not less than 4 or 5 meetings. So it is very difficult for us to attend the meeting. And, Sir, also you have elaborated that please restrict yourself to only 3 minutes. That is not good, Sir, from your part, Sir, because we are hearing you for 10, 15, half an hour and you are restricting us only for three minutes. That is not good, Sir. I was attending your meeting at Nasik physically also. You can see in your records also. Now coming to our financials this year, we experienced a decline in revenue to 433 Crores, decrease of 7% and our return on net worth is minus 0.60 and return on capital employed 1.63%. Sir, why we face this negative return? Please elaborate us. What issues came and what hurdles were there to have these losses. Sir, also, what is capital investment plan this year? I would like to understand from you. And our report outlines a period of deliberate investment and corrections with management focusing on building future readiness. So, I would like to understand from you in detail on this parameter.

- Despite a softer demand in some segment, the companies focused on cost discipline efficiency. Total expenses in quarter four FY 2025 were down by 8.7%. So that demonstrates your effective cost management. Sir, I have sent many questions to ask you, but there is a restriction of time, since I have to attend another meeting. I would like to send you in detail my questions and kindly provide me details on that. That would be great, and please have next year physical meeting where we can come and meet you and greet you. Thank you for pleasant hearing, and I support all the resolutions.

- **Mr. Anant Talaulicar – Non-Executive Chairman, Everest Industries Limited:**

- Thank you, Thank you so much. So I think we are through our registered speakers and since I made the mistake of missing Mr. Parekh, I will take his question first. So Mr. Parekh, thanks for your suggestion on maybe moving the meeting ahead of time. So we will definitely work on that. Of course, we have, we have our new CFO and maybe we can look at ways to reduce the timelines from the close to that, to an earlier date. Now, as far as the declines that you have rightly pointed out, I think I mentioned this also in my address, that essentially what has happened is, you know, there has been this cost increase that we have and which is manageable. It is definitely under our control. So our focus will be now to take that downwards so that you can see the improvement in the bottom line as we go forward. In terms of the capex, this year it's not going to be very major. While we have already acquired the land now in Assam, for the next board's plan. By the time we start the project and the execution of it, the capex will probably flow into the next fiscal year. So this year, probably in the 50 Crores ballpark is what we are expecting. So that is addressing your question. I look forward to all your questions and I welcome them, Mr. Parikh. So please do send them to me. So, thank you very much again for your interest.

- Then let me come back to the first question, which was from Tarbir Shahpuri. And Tarbir, so I think as you sort of asked for some more clarity, and I can sense your rightful impatience right now. So first, let me be very clear that there is absolutely no intent to shut down the ESBS division. In fact, we are very bullish. I am very bullish about the PEB industry. I think the data supports that. I'm sure you would agree with me, Tarbir, and we have spoken in the past also. So, it's really more about our execution. So, I think the industry dynamics are very good, really about Everest, you know, improving the execution part and as I had mentioned earlier, we have underperformed and I acknowledge that. But I clearly, we as a management team, clearly understand the reasons why. And let me point those out. So, it starts with the caliber of the top leadership team. So, we are addressing it, as you are aware again. So, the top two levels are being now looked at very closely for upgradation. So that is happening. Then the next point is pricing appropriately with accurate cost estimation. So, we are looking into that factor because clearly there is an opportunity. The third is smart contracts, essentially, having a good balance of risk management between us and the customer. Then, of course, the most important factor, I believe, is the diligent, cross-functional, and synchronized execution, following an approach of doing work in complete blocks, you know, right from engineering to procurement to manufacturing to erection and so on. Also, the other factor is running both our plants efficiently with less outsourcing and also the final one would be having stronger contractors as our partners. I have outlined very, very specific root issues to you, Tarbir. Happy to discuss this with you at length at our mutual convenience. So, we will be addressing each one of these factors. I can assure you we are committed to that. And if I did it and if you did it, I am sure you can do a better job. Even at our current levels of 600 Crores, if we can address these, if we can execute these factors that I talked about, we can improve our bottom line by as much as 40 to 50 Crores, okay, which brings us right back into the, you know, 8 odd percent PBIT levels. So entirely, even with current scale, this can be a very good business. So, it's really a matter of execution. And also, even at this level of 600 Crores, we have a capacity available. So, there is headroom of another 30 to 40%, you know, so which means we can even grow the top line probably by another 240 Crores or so without any significant capex. Of course, we have provided for additional land, but we will get to it once we really demonstrate to you and make you proud, first of all, of the performance at this scale. So that is the response to your question, Tarbir.

- I will move on to Mr. Mehta's question, which was more around certain geopolitical factors like, the tariffs that are going on. Again, for Everest, no impact, because we do not have any exposure, thank God, to Mr. Trump or his policies. Then, of course, the GST impact also, we expect to be only positive. So in terms of the growth etc, I think Mr. Garg has asked, of course, many detailed questions. I will cover it as part of his section, so I do not repeat myself.

- Then we had the question from Ms. Sakshi. who was talking about her concern was more on the roofing side and the dynamics there. And of course, asbestos versus non-asbestos, etc. So, what I would say is that, we do not expect significant industry growth on the roofing side. But having said that, we can certainly improve our market share position, which is running approximately in the teens level. So, there's headroom if we can execute well in terms of our sales activities as well as new product, the differentiated product. So, that's where we are aiming our sales growth. And hopefully you'll see that there is capacity available. So, we should be able to demonstrate growth in that. So, as far as non-asbestos, we already have, you know, so I want to assure you, we already have a non-asbestos offering and we call it high-tech. It is a premium offering and it has healthy margins, better than the standard, you know, ACB offering. It is being already used by discerning customers in India and also some local government have required it in their buildings as well as school system. However, right now we want to quickly, proactively work on further optimizing the chemistry of this product to help it with its quality as well as cost. so that we can scale it up as the demand grows over a period of time in India. So we are ready for it, but we need to do more is my message to you. So, you know, I think you should not have major concerns around this and we are well placed relative to our competitors.

- So, with that, now I will move to Mr. Keshav Garg's questions, which are quite a few actually, but I'm sure he's acting on all of your behalf. I am sure these questions are on your mind. So, one of the questions he had was, what is the outlook for fiscal year 26, that is this year, as well as next year from a top and bottom line perspective?

- So, the way we are looking at the demand, in the AC roofing side, is going to be, sort of more flattish to the single-digit side. So, it is going to be in the single-digit growth as far as our roofing business goes. On the board side, we should expect double-digit growth. We have the capacity, we have great product, so we are all lined up for that. On the PEB side, kind of a flat outlook is what I would say from the top line. From a bottom line perspective, improvement in margins across all three businesses is what we plan to deliver in this fiscal year as well as in the next.

- What were the sales volume and realization during fiscal year 2024-2025 and first quarter across roofing boards and PEB division?

- Of course, I have to mention to you that we only publicly, announce results for the segmental level. So, for the building product segment and of course the steel building segment I would rather not get into each business level because it is only to protect you again, because I am sure our competitors also would be listening to my comments here. But essentially some decline in roofing volume has taken place definitely along with the industry decline that happened, but without any loss of market share, flat sales in boards, which was limited by our capacity, as you know, and also exports declined. I made these comments earlier but I want to assure you that in our building segment, we do earn 4% to 5% premiums across the board. So, on that basis, of course, the brand, the dependability of the product, and so on and so forth.

- Now, again, the question had been asked also, why the EBITDA margin decline, etc. And I mentioned again, the decline largely comes due to the significant inflation in fiber, which is the major cost of raw materials in roofing sheets, which we have not, the industry has not been able to pass on to the market, along with the manufacturing cost increases, which we have not managed very well. Finally, we have not managed PBT, PV project execution, like I mentioned, which has resulted in lower profits. I mentioned the reason specifically plan of actions, and you will see it showing up in the bottom line as we go ahead.

- The next question was around expected volumes. I have already addressed that.

- What is our steady state EBITDA margin, etc? We do not go by EBITDA. I actually look at PBIT, because we are not a startup company, but essentially at steady state, we hope to be in that 8 to 10% PBIT level, which we have been historically also. So, we hope to recover to that and then of course go beyond that definitely.

- What kind of margin improvement or cost of production reduction? Again, that has been addressed. How do we plan to go faster than the 1% CAGR expected for roofing industry? Obviously, by selling the more differentiated products as compared to our competition, such as Evercool, such as high tech.

- What premium or discount do we sell our products? I think I mentioned that it is actually at a premium.

- How does realization and margins of Evercool compare to other roofing products? I do not think it would be appropriate for me to disclose this specific, but I can assure you that Evercool margins are better than the standard product.

- When can we expect to reach 10% margin? I think I addressed that in Tarbir's question on the PEB segment.

- What is the current order book in PEB? It's 15,000 metric tonnes approximately, and it is executable in this fiscal year. By the way that is just the current order book. We are continuing to gain more orders as we go ahead.

- What percent of our roofing is used captively in the PEB segment? Nothing, so there is no inter-divisional sales going on there.

- When was the last price hike taken in roofing and boards? We had taken a healthy price increase, you may recall, in the boards business two years ago. Some of it we have passed back to the marketplace as we have grown volume. But roofing prices have been up and down, but largely flat, I would say, in the last three years. We will continue to try and convince our customers of our value add and push for increases, both in roofing as well as boards. But as you can appreciate, it is not a factor that is completely under our control. This 145 Crores of asset that was capitalized during fiscal year 2025 was related to that Chamarajanagar or Mysore Works, as we call it, plant that I referred to. It is for boards.

- How much subsidies do we expect to receive in fiscal year 2026-2027 and what are these linked to? These are essentially state level subsidies. You saw a good bump that we got, but I want to clarify that the bump that we saw in the last fiscal year was a catch-up bump over three years. And so going forward, we won't see that kind of subsidy, probably in the 3 Crores range in this fiscal year, tapering down to 2 Crores in the next fiscal year.

- When can we expect to recover 16 Crores of receivables that has been pending for over six months related to PEB? Already that number has come down. It is about now 12 Crores so we are steadily chipping away at it and that cash is coming into the company. Of course, if there is anything that goes beyond 12 months, as a matter of policy, we take a provision.

- Why did advances from customers decline from year to year in the last two years? These are just a function of PEB sales variation. So if sales come down, then obviously the advances come up and as they go up, some of the advances increase. So it is nothing to be concerned about.

- How is our raw material sourcing arrangement? So I just want to assure you that our policy is never to rely on a single vendor for any particular item. In general, we have two or more vendors for all items. Also, our payment terms are usually 30 days, sometimes 45 days. There is only one or two vendors where we pay partially in advance of receipt. Those are exceptions.

- What is our current capacity utilization? Again, one of the speakers also asked this specific question. So, in roofing, it is at about 80%. We continue to break new bottlenecks to continue to improvise that capacity. In the board side, last year it had hit almost 90 plus percent, but now we have added something like 30, 35% more capacity with the new plant. So we have good upside. ESBS was at 60%. So there again, like I mentioned earlier, we have upside. The maximum revenue potential at optimum utilization post-capacity expansion running three shifts, I would say that number would be somewhere in the 200 to 250 Crores range for the building product side and a like number on the roofing side without any major capacity expansions.

- What are the capex plans for the next two to three years? Well, obviously the big one will be the boards and panels project in Assam and there we are looking at approximately 140 Crores but again that is going to flow, not in this fiscal year only. It will probably start here, this fiscal year, and then ramp up into the next fiscal year.

- What is the cost of debt and debt reduction plans? Our cost of debt is very reasonable at about 7-7.5% as we generate good free cash flows, we will steadily reduce the debt burden. It is not at all significant. As you know, our debt equity ratio is 27%, which is extremely responsible and debt to capital ratio is even lower than that so nothing at all to worry about.

- What is the working capital days expected for our business going forward? I would say that would be in the 65-75 day range. That is the net working capital days.

- Who are our major competitors and customers? Well, in the roofing side, I think you probably know it's HIL, it is VIL, Vishaka, it is Sahyadri SIL, Ramco RIL, and then Utkal Konark, as they use the brand called Konark, UAL is the legal entity name. In the boards and panels side, it is the same set of players, but Shera instead of this UAL. ESBS is a different cast of characters. So there we run into Kirby, Interach, EPAC, Penar, and Zamil, these are the key players there. The major customers in roofing, it is a widely distributed set of customers. There are probably millions of distributed rural end users but again, we do have relatively large customers in poultry farm companies, in dairy farm companies, and some factories also. On the boards and panel side, again, thousands of distributed end users but again, here, there tend to be larger groups like, there could be hotel chains, there could be malls, hospitals. Airports have become a good source of revenue now. Data centers, so we have large contractors we work with across the country, governments, of course, and of course architects, consulting engineers, and interior designers are the key influencers, actually, that we have to be very, very engaged with. On the ESBS side, it is mostly now for us and very strategically either large cap or medium cap companies that are reputed ones such as the Tata Group. We deal with multiple companies inside of the Tata Group, like Tata Power, like Tata Projects, Tata Aerospace, and a number of them. Then, of course, others are, JSW, Adani, there is SKH Metal, Mondelez, HUL, Flipkart, so on and so forth. But we are getting very, very narrow in terms of dealing with good quality customers and that we want to build long-term repeated partnerships with.
- What are our key strengths and USP of our company? I would say 91 years of trust-based relationships with end users, with influencers, with channel partners, leading market share with differentiated premium products. This is the USP that we have.

- What is our pricing arrangement with our customers? Do we have price pass-through or do we have fixed price for contracts? Prices are largely market-based. In the building product segments, as I mentioned, we typically are able to garner 4 to 5% premiums for our USP. For PEV, we have a combination of fixed price contracts and some pass through for steel variations, and that is negotiated between us and the customer.

- What is the expected IRR that we aim for? It is a minimum of 12% post-tax. That is what we use as a hurdle rate for all our investments.

- Where do we see the business growing in the next three to five years from a top and bottom line perspective?

- I know my fellow directors will kill me for this as they normally do, but based on our performance in the last five years, where I have been saying foolishly that we have the potential to double the revenue and quadruple the profits we have clearly not been able to demonstrate this. But, I do believe that potential remains and I trust that Hemant and team that we have built now will continue to invest their time and talents to help us actualize this dream for you.

- I hope we have been able to answer all your questions. And then with that, I will move to Sujan Modak, who talked about capacity utilization, but again, that was answered in the earlier question. So, I think we are pretty much through, except for the last question that Ms. Hemisha asked. And her question was around the plan to grow the boards and panels business and some detail on the status of Assam. So, again, we are very, very bullish, just like in PEB, very bullish on the boards and panels business. I think I referred to it in my address. We need to understand that from a science perspective, from an engineering perspective, this particular product, the FCB, is far superior to all the alternatives that are prevalent in India. In fact, I would go so far as to say that in many developed countries and some developing countries, it is already a dominant offering compared to all these alternatives like gypsum plywood, laminates etc. Somehow we have not yet succeeded in convincing the influencers, the contractors and end users about this in India, shame on us. So that is really the task. That is the marketing task that we have ahead of us. So keeping that in mind, we have of course built the Mysore work plant and we are getting ready to execute the plant in Assam. So we have taken possession of 20 acres of land in Matia in Assam, which is about 150 kilometers west of Guwahati. The expected investment, like I said, is about 140 Crores and we plan to put in 6,000 metric tonnes per month capacity, which is similar to the Mysore plant. So hopefully I have tried to very transparently and in a relatively detailed manner respond to all the questions. And that gives you a pretty good sense of where we have screwed up, and where we plan to fix ourselves as we go forward.

- So, with that, I close the question and answer session. Members may note that the voting on the NSDL platform will continue to be available for the next 15 minutes after I close the meeting. Thereafter, members who have not cast their votes are requested to please do so. Ms. Jigyasa Ved, the Partner for Parikh & Associates, Practicing Company Secretary is the scrutinizer for the e-Voting process. The combined result of the earlier remote e-Voting and AGM e-Voting will be uploaded along with the scrutinizer's report on the company website, as well as on the BSE, NSE, and NSDL websites within two working days from the conclusion of this AGM. The resolutions as set forth in the notice shall be deemed to be passed today, subject to the receipt of the requisite number of votes.

- Friends, we are largely past the foundation strengthening phase of the company. And under the new management team, we are ready to leverage this foundation to multiply the revenues and profits for you. I once again thank all the shareholders for participating in the meeting and look forward to your continued support to the company. I also thank sincerely the directors, particularly the management team, the employees, the customers, business partners, government for their continued support. I also thank our statutory auditors, the secretarial auditors, registrar transfer agents, the scrutinizer, NSDL, and all the team who have contributed to making this AGM a smooth one.

- Let me remind you again that the e-Voting will remain open for the next 15 minutes. The shareholders who have not yet voted, please do so if you wish to. I hereby declare the proceedings as closed and everyone can log off, regards, Thank you.

- **E – voting started for 15 minutes.**

End of Transcript