



sealmatic

Sealmatic India Limited

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Date: - 20th November, 2025

To,
The Manager,
Listing Department,
BSE Limited,
SME Division,
P. J, Towers, Dalal Street
Mumbai- 400 001.

Subject.: Transcript of Earnings Call
Ref: - Scrip Code: - 543782 - SEALMATIC INDIA LIMITED

Dear Sir/ Madam,

Pursuant to Regulation 30 and Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find attached the transcript of the aforesaid Conference Call held on Tuesday, November 18, 2025 at 4:00 p.m.

Kindly take the above information on your records and oblige.

Yours faithfully,
For, Sealmatic India Limited

UMAR A.K. BALWA
Managing Director
DIN: 00142258

Encl: - As above



“Sealmatic India Limited H1 FY '26 Earnings Conference Call”

November 18, 2025



**MANAGEMENT: MR. UMAR A.K. BALWA – MANAGING DIRECTOR,
SEALMATIC INDIA LIMITED
MR. RATAN BHABUTLAL KANDARE – CHIEF
FINANCIAL OFFICER, SEALMATIC INDIA LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Sealmatic India Limited's FY '26 Half Yearly Earnings Conference Call for the period 1st April 2025 to 30th September 2025.

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 touchtone telephone. Please note that this conference is being recorded.

A statutory notice, all content on this earnings call is for informational purposes of a general nature only and does not address any circumstances of any particular individual or entity. Do not construe any such information or material as legal, tax, investment, financial, professional or any other advice. Content on this earnings call does not represent or constitute any solicitation, inducement, recommendation, endorsement or offer by Sealmatic.

Any information, materials, statements and/or data set out herein is subject to change any time without notice. And as such, no reliance must be placed on fairness, accuracy, completeness or correctness of any information and materials contained on this earning call.

I now hand the conference over to Mr. Umar Balwa – Managing Director of Sealmatic India Limited. Thank you, and over to you, sir.

Umar Balwa: Thank you, Michelle, for this introduction. Good evening and a very warm welcome, ladies and gentlemen, to the 6th Earnings Conference Call of today.

I take this opportunity to express my heartfelt appreciation to all of you for taking the time out of your busy schedules and accepting our invite and to be a part of this call. I would also like to express our gratitude towards our shareholders and the keen interest expressed by investors and the analyst community in our company, Sealmatic.

As I have already briefed over the previous five earning calls about the company and our journey in the business of mechanical seals, and hence, there is a lot of data available on the BSE side and also on our social media handles such as YouTube, LinkedIn, Facebook, Instagram, etc. I will make this introduction as brief as possible, which will allow us to take as many questions as possible.

Sealmatic succeeded in increasing its turnover by around 23% on a half yearly basis, first half, as compared to FY '25 first half. EBITDA increased by around 19% as compared to the period of the first half of FY '25 and FY '26, though the margins have come under pressure and has resulted in EBITDA of around 20% as compared to the previous period, which was at around 23%. This shall be enumerated later on during this earnings call.

Despite the strong headwinds, Due to changing geo and eco-political climate globally, the demand for Sealmatic products is very strong and is being driven by the market in India, Europe, Middle East, North America and other regions globally. Our continuous investment into research

and development drives our commitment to keep evolving our capabilities as a filling technology leader.

We participated with great success in the following exhibitions in the period April to September 2025. Highlights of such activities are NEFTEGAZ, Moscow, Opening of Delhi Office, Oman Petroleum Show, Defense and Technology Exhibition, Pump Symposium in Houston, USA, and the RoTIC Exhibition in Dubai, UAE.

In the Middle East, Europe, Russia, and USA, we are currently expanding our footprint to support various OEMs and end users. As of now, we have bagged orders which are being successfully executed for critical API seals in the region of Abu Dhabi, Oman, Kuwait, and Iraq. Once commissioned, this OEM Sealmatic supplied seals will garner profitable business for Sealmatic till the lifetime of the equipment, which generally is 35 years.

We work very closely with end-users such as ADNOC, KNPC, PDO, OQ, ROO and OEMs like KSB, Sulzer, Sundyne, Ebara, Ruhrpumpen and host of other EPCs such as PEG, Saipem, Maire Tecnimont, Worley, Wood Group and many other important customers.

The service center in Abu Dhabi shall be up and running by December end 2025. Similar activities which were in an exploratory stage are now getting momentum in Oman, Kuwait and Qatar for the Middle East region. A state-of-the-art service center which is similar to Abu Dhabi is under discussion in Oman, Kuwait and Qatar. Russia has been a good opportunity and a lucrative market for us. We are putting a major thrust over there and have found considerable success in that market.

Our drive towards penetration in various markets is relentless. And we are committed to establishing Sealmatic as a global player. Our global markets exports to over 63 countries have demonstrated a longevity along with year-on-year growth and they will remain essential even as we explore new markets in the future.

We will continue to invest for particularly in demanding API 682 oil and gas, nuclear, marine, and other high-pressure, high-temperature, high-speed applications. In this manner, we will create long-lasting value for our shareholders and our employees. As a result of which, we are one of the chosen companies in the field of mechanical seal for critical applications in nuclear, marine, power plants, oil and gas, etc.

We have undertaken various CSR initiatives for development of society, including education, health care, destitute care, women empowerment, etc. I would like to extend great appreciation and thanks to our shareholders for all of their support and to our employees, customers and partners, without whom none of our achievements would be possible.

I will now hand it over to Ratan Kandare, who is our CFO, to share vital details about the half year that went by. Over to you, Ratan.

Ratan Kandare: Thank you, sir. Good evening, ladies and gentlemen. We are pleased to present our results for the first half of financial year 2026, which shows a significant performance. During this period, we have achieved revenue of Rs. 53.63 crores, which is an increase by 23.44% as compared to first half of FY '25, where the revenue was Rs. 43.92 CR.

We have achieved the profit before tax of Rs. 8.67 CR during the first half of FY '26, which is 15.70% of our total revenue. This profit earnings are in line with the profit percentage earned in March 2025.

In this first half, we have achieved the EBITDA of Rs. 10.84 CR, which is around 20% of the total revenue earned in first FY '26. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Shantanu Nakade from Value Educator. Please go ahead.

Shantanu Nakade: So, my question was, what was the reason for the decline in the EBITDA margins in the H1?

Umar Balwa: Primarily because of the nature of the business, as it has been explained over many earnings calls than the more of project activity that we do. That is, we have to subsidize our sales to OEMs for gaining market shares with the end users. That is one.

And secondly, also, increase in expenditure towards market penetration. As you would have noticed in my address that I mentioned that in the last six months' period, we have participated in six exhibitions. So, that is also a considerable cost towards such EBITDA decline. And this was expected as we would move towards the value chain, our EBITDA would come under pressure as and when we take many projects which we have taken in the last six months.

Shantanu Nakade: Yes. So, other expenses have also increased. My next question was the joint venture, that is the SealTech. So, earlier, I think the timeline was July, August. Now we are expecting December. So, when can we expect a business to start from this JV?

Umar Balwa: The business in the joint venture again established in a workshop would start up and running by say December end. But the business of mechanical seals which would come from ADNOC would take time for the seals to get commissioned. The seals are under execution at the moment. The seals will be supplied via the pump OEM to ADNOC in Abu Dhabi, and the commissioning would only happen by end of, say, 2026, early 2027.

So, that business, that profitable business, which is about 175 seals that we have supplied to ADNOC, would start generating business in, I would say, to be conservative from April 2027. But in the meanwhile, we are also in discussion with various EPCs to service mechanical seals. So, once our workshop is up and running, we will start our business beginning January 2026.

- Shantanu Nakade:** My next question is, like, we have participated in various exhibitions in the September month. So, how was the response? And are there any potential customers that we are expecting from these events?
- Umar Balwa:** Not in September, in the last six months, that is from April until September, we have participated in, as I mentioned, NEFTEGAZ in Moscow, then Oman Petroleum Show in Muscat, Defense and Technology Show in Chennai, Pump Symposium in Houston, USA, and RoTIC in Dubai.
- So, this is the kind of activity, and this is a relentless effort that we are putting in our efforts to penetrate the market. And the response, obviously, was very good. And we are excited with the opportunity that will come to us in the future by participating in such exhibitions.
- Obviously, no participation will get immediate business. This is long-term penetration. This is long-term engagement with customers. So, the response was good, as I can tell you. And we are hopeful and confident as well that this will result into substantial business for us in the coming years.
- Shantanu Nakade:** I will fall back and look after this question. My last question was, are we in the line to get the replacement business in FY '27?
- Umar Balwa:** Yes.
- Shantanu Nakade:** That's it from my side.
- Moderator:** The next question is from the line of Rahil Dasani from MAPL. Please go ahead.
- Rahil Dasani:** Sir, first of all, I would like to understand on the replacement demand since we know that it is going to come in from FY '27. But just to zoom out a bit, as a total portfolio or total seals that we have supplied till now, what would be the replacement value of that whenever that comes in? For example, in FY '24, we started the projects business. And if we have supplied in total of maybe 300, 400 seals, what would be the cumulative replacement value of that in the coming years that we have in hand based on the seals that we have supplied?
- Umar Balwa:** Mr. Dasani, until now, in the last collective period of 2.5 years, we have been very successful in getting 490 seals fitted with the Sealmatic on the various pump OEMs, which is divided between Kuwait, Abu Dhabi, Saudi Arabia, Oman and Iraq. And if you multiply, simple arithmetic I will give you, 492 seals multiplied by US\$7,000. So, we are talking about, say, about \$2.8 million odd figures. So, that would be amounting to be something like Rs. 25 crores that will start generating for us as and when they get commission, beginning FY '27.
- Rahil Dasani:** So, you are saying you have supplied 419 seals and then the placement value is in total Rs. 25 CR, in very simple words.
- Umar Balwa:** Approximately. That is a very conservative figure. I am very sure it will go much higher, but I am just for the sake of being conservative, I am quoting these figures.

Rahil Dasani: And the project business was started from FY '24 itself, right?

Umar Balwa: Yes, around that time, we started our major thrust in that direction.

Rahil Dasani: And as of date, I believe in FY '25, what would be our total project revenue as a percentage of sales?

Umar Balwa: I am sorry. Sorry, I didn't get the question. Please, come again.

Rahil Dasani: As of FY '25, what would be our total project revenue as a percentage of sales? How much is from the OEM business?

Umar Balwa: I can only give you approximate figures, which would be--

Rahil Dasani: Of course.

Umar Balwa: I will just talk about, I don't have figures handy in my records over here at the moment. But what I can talk to you about is the six months that went by. So, if you break up the turnover of Rs. 53 crores, 52% was OEM. That is OEMs and projects put together. API and non-API both put together. And 7% was end user and 41% was our business which has been going on since the inception of the company which is distribution in Europe and other parts of USA and South America. So, 52% was OEMs.

Rahil Dasani: So, sir, I am a bit confused because if we are saying that we have supplied close to, let's say, 416 seals and you are saying the replacement value is conservatively Rs. 25 CR to Rs. 30 CR, but then the sales itself, initial sales that we have done on the lower cost side would be north of that. And I believe when we met earlier also, you said that when you sell these seals in the initial phases, these are in a couple of thousands. And when you sell it in the replacement markets, it is in a couple of lakhs. So, I am not able to understand this gap as to why the replacement value is so low if the initial sales of these seals that we have done at a lower cost is only so high.

Umar Balwa: Probably you missed what I said, Mr. Dasani. I said 52% both OEMs API and non-API. So, if you only segregate API, that would be something like 12% or 13% of turnover. So, that would be Rs. 5 crores for the six months.

Rahil Dasani: So, do we get the replacement demand only for the API seals, you are saying, not for the non-API?

Umar Balwa: API is a non-critical seal and of course that would also generate a replacement business. But that would be so high as the API seals. API seals are critical in application, and that is why...

Rahil Dasani: Hence, the lower number, I get it. So, the API sales is a much lower number and in last six months only we have done only that Rs. 5 CR of number.

Umar Balwa: Six months.

- Rahil Dasani:** Sorry?
- Umar Balwa:** I am only talking about the last six months as we are...
- Rahil Dasani:** Of course, of course. Fair enough. And now, sir, coming to these naval and power projects that we have announced for which we have won orders from Moscow as well as BHEL. These would not come under the project and OEM segment, right, where we don't make the margins initially?
- Umar Balwa:** These are very specialized business, long-drawn projects. Say, any order that you get for marine application, which is typically for the Indian Navy, that takes about 2, 2.5 years, 3 years, sometimes to execute those orders. So, those orders are long-drawn. And those orders, obviously, you don't lose money. You make your money in the initial phase because even the replacement cycle also takes a very long time. So, there is no point in investing your money in that particular segment.
- Why? Because it also is difficult to get qualified for such projects. There are very few companies who qualify into naval business, especially for the propeller shaft ceiling, where only, I believe only three or four companies globally are qualified. And in India, we are qualified with all the shipyards, such as Mazagon Docks. Goa Shipyard, Cochin Shipyard, GRSE and likewise.
- Rahil Dasani:** And sir, while we have announced these orders, we haven't announced the monetary realization that we make off of it, both for the BHEL project as well as for the Mazagon Dock project. So, if you can share that, what would be the amounts there?
- Umar Balwa:** I will be very honest and frank with you, Mr. Dasani. We cannot share those figures. Those are confidential figures and we are bound by certain confidentiality.
- Rahil Dasani:** So, if I try to ask this question in a different way, for the power projects, I believe we are the only one approved with BHEL, right?
- Umar Balwa:** Along with the other three companies. As an Indian company, we are the only one who is approved by BHEL for 660 Megawatts, 800 Megawatts projects. At the moment in the country, only the new projects which are coming up are 660 Megawatts and 800 Megawatts.
- Rahil Dasani:** And just one another thing, unlike our other partners and collabs that we make globally with several of our partners, for example, in Egypt and in other countries, we have done a JV for the first time in Abu Dhabi. So, why is that? Did we get some strong visibility from their side as a bargaining chip? Or what was the reason to do this JV?
- Umar Balwa:** For us to get approved by ADNOC, ADNOC has a stipulation. Like if you would be aware that in the Middle East, there is a strong drive being done by various kingdoms, which is called the in-country value addition. So, if I have to do business with ADNOC, this was a precondition. Otherwise, they wouldn't approve me as an approved vendor in their AVL.

So, that was the first condition they asked us to put up our own service center because these are critical applications. So, if my seals are coming to ADNOC and tomorrow something may go wrong, how would I service those seals? So, even before I got my first seal solicited with ADNOC, I had committed myself to putting up a service center in Abu Dhabi.

And we have done a joint venture with a company with whom we have been having a comfort zone for the last few years. And we know them well because they are entrenched in ADNOC and they do a reasonably good job. And we thought it fit that going all alone, it would be better to have a local partner who understands the culture, who understands the language. And that is why the JV has been done in Abu Dhabi.

But I can assure you that in the coming years, the same philosophy will also drive us in Oman, in Kuwait, and in Qatar, and also, of course, Saudi Arabia. Because it is a mandate from the government over there, or rather from the kingdom, that anybody who wishes to do business has to put up a local service center. And there is a lot of stress by the local government over there. Unless until you are not locally present with your own setup, you won't get a chance to be approved for the various projects.

Rahil Dasani: And sir, just last two, three things from my side. First of all, you said the total fees that we are given till now is north of 400. I am not able to recollect the exact number. But does that also include the 160, 180 seals that we have given to the pump OEM for ADNOC?

Umar Balwa: Mr. Dasani, I was not listening to the question. Can you just stick to one question? Because there are many other people waiting in line. So, it would be fair for you to contain yourself to one question.

Rahil Dasani: I will get back in the queue.

Moderator: We will take the next question from the line of Harshit, an individual investor. Please go ahead.

Harshit: So, I was going through the financial statements and somewhere it was written that you incurred a loss of Rs. 51.61 lakhs in the joint venture and the business started from the month of May. And there was no revenue on it. Can you a bit explain on that?

Umar Balwa: Harshit, when you start a company, it is in an inception stage and there are expenses cannot be commercialized. So, these are startup expenditures. So, as you would have heard and read that the workshop would only start in January 2026. Obviously, there would be the expectation without any sales.

Harshit: I just wanted to get a clarity on that only. And sir, secondly, like last year, like in the month of Feb, I think you last posted, okay, you have received the orders and all. So, now you have stopped doing that. So, sir, it would be greatly helpful if you start posting, like, if you are getting new orders or something, so that we are aware about it. Otherwise, we need to wait for six months for this earning call. And only then we can get an update about the company.

- Umar Balwa:** Also, Harshit, even this earnings call is not mandatory. We are not required to do that. We do it for giving information to our customers, to our shareholders, to investor community. So, as much as information we feel it is vital and important, we will upload on the BSE side.
- Harshit:** Sir, do you have any plans for fundraising?
- Umar Balwa:** That is a very private question. Probably you may write an email to us. We will answer to that question.
- Harshit:** That's from my side. And sir, like, previously in the earning calls, you have said like the Chandragupta Maurya would start from FY '27. So, are we still on line on that?
- Umar Balwa:** Yes. The Chandragupta Maurya period is ready with Chetak horse.
- Moderator:** The next question is from the line of Shantanu Nayak, an individual investor. Please go ahead.
- Shantanu Nayak:** So, I have one question to ask. Out of the almost seven to eight exhibitions that we have done in past six months, what would be the approximate cost for all of them? If you can just put some ballpark figure, not exact but still.
- Umar Balwa:** Every exhibition would cost us Rs. 35 lakh to Rs. 40 lakh for participation.
- Shantanu Nayak:** So, we can assume around Rs. 2 crores to Rs. 2.3 crores for all the seven, eight that we have done.
- Umar Balwa:** Yes, it cost that much. Imagine traveling to Moscow, 3 people traveling from Bombay to Moscow, hotels, the booth cost, the decorations.
- Shantanu Nayak:** Right, exactly. That makes sense. So, all these exhibition costs are expensed in this half-year results, right?
- Umar Balwa:** Yes, I said yes.
- Shantanu Nayak:** That's it from my side.
- Moderator:** We will take the next question from the line of Rahil Dasani from MAPL. Please go ahead.
- Rahil Dasani:** So, sir, the question I was asking is that the 400 seals that we have given till now, 400 plus, you said something, 410, 420, does that also include the ADNOC project for which we have given close to 160, 180 seals?
- Umar Balwa:** Yes. These 490 seals that I am talking about are, some have been supplied, some are under execution, some are under engineering or preparation of drawing. So, all put together as on date, we have 492 seals which will go in Abu Dhabi, in Kuwait, in Saudi Arabia, in Oman and Iraq.

Rahil Dasani: And sir, how many of these you said were API seals? Can you repeat? I missed it. I am really sorry.

Umar Balwa: No problem, sir. All are API seals.

Rahil Dasani: All are API seals, you are saying?

Umar Balwa: Yes.

Rahil Dasani: No, because initially you said that only a few of these are API, other are non-API, hence we only make replacement revenue of a smaller number comparatively.

Umar Balwa: No, the turnover that I expressed, which was 52% OEM, also included non-API. But now when we are talking about, see, we are talking particularly about these 490 seals. When I talk about these 490 seals, which are all API seals, which are divided into the GCC countries.

Rahil Dasani: And sir, what sort of seals demand are we already seeing in this year, excluding the 100 that we have already won the contract from BHEL? Since we have also gotten into a few new countries like Russia, Middle East, Egypt.

Umar Balwa: Sorry, are you talking about BHEL or what are you talking about?

Rahil Dasani: No, so I am asking what sort of total seals demand do we expect to supply for this year based on the talk that we are having as of date? Because we have entered several new countries like Russia, Middle East, Egypt. I believe we already have 100 seals order in hand from BHEL. So, excluding that, I am asking.

Umar Balwa: From BHEL?

Rahil Dasani: Excluding from BHEL.

Umar Balwa: I am confused. Where has BHEL come up from?

Rahil Dasani: I will ask in this way. What sort of total seals that we are expecting to supply in this year based on the talk that we have had with our customers? Last two years, it has been close to 490, you are saying?

Umar Balwa: Yes, I would be conservative in putting a forecast on that, but say another 70 to 80 in the next 6 months' period.

Rahil Dasani: And sir, while I understand you cannot share much on the defense side of things, but then us as investors, how should we try to figure out this opportunity? How can we measure it and understand this? Because we are also supplying for the Tejas. The Midget Submarine, I understand it is in the development program and still far away, but the P75 is online, the Tejas is online. So, how should we understand and capture that opportunity for your company?

- Umar Balwa:** I am sorry, I will not be able to divulge any further information on that aspect because these are long drawn projects. These are very, very projects which entail a lot of data which needs to be secured. And I am sorry, as much as I would love to...
- Rahil Dasani:** Fair enough. Yes, sir, that would be all from me.
- Moderator:** The next question is from the line of Lokesh Meena, an individual investor. Please go ahead.
- Lokesh Meena:** Sir, my question is, is Sealmatic considering seal as a service model to offer seal solution to customers?
- Umar Balwa:** Sorry, can you come again, please?
- Lokesh Meena:** Sir, I am asking that Sealmatic is considering a model seal as a service, not as a material, seal as a service to its customers.
- Umar Balwa:** No, seal is a product, Mr. Meena. And once you sell a product, you need to also service that product, right? When you buy a car, it needs servicing as well. So, it is a product that we sell. We don't sell services.
- Lokesh Meena:** Because nowadays contracts are floating about complete refurbishment of seal, not parts of seal that procure.
- Umar Balwa:** Certain seals would require refurbishment. Certain seals would require complete replacement. So, it cannot be generalized. I know you would have seen these tenders being floating on the GeM portal. But yes, obviously there would be refurbishment. There would be new seals. So, it would be a combination of all aspects.
- Moderator:** We will take the next question from the line of Shantanu Nakade from Value Educator. Please go ahead.
- Shantanu Nakade:** So, last year we saw a big jump in revenues from Russia. What was the geographical mix if you have for this H1?
- Umar Balwa:** The last year was exceptional year for us in Russia. This year, in the half yearly, we would be touching something similar to what we did last year in Russia. So, half yearly would be Rs. 3.5 crores that we did in Russia.
- Shantanu Nakade:** So, for FY '26, we can expect a 60%-65% export revenues.
- Umar Balwa:** At the moment, if you compare the last six months that have gone by, it is 56-44. 56 is exports and 44 is domestic sales.
- Shantanu Nakade:** Do you have numbers for the revenues coming from USA?

- Umar Balwa:** No, USA is one of the most smaller components for us. Our major revenue is Europe.
- Moderator:** The next question is from the line of Chinmay Nema from Prescient Capital. Please go ahead.
- Chinmay Nema:** So, could you share the revenue from the 492 seals that you called out which would generate Rs. 25 crores in annuity revenue? Could you call out the revenue number from the sale of these seals?
- Umar Balwa:** It is impossible because this combines the data for the last 2.5 years.
- Chinmay Nema:** So, I mean, to ask this in another way, could you explain the basic unit economics in the sense of if you are selling one seal, then how much A&M revenue you expect from the sale of it?
- Umar Balwa:** Mr. Nema, these questions have been repeatedly answered. I would request that you please refer to the transcript from the first earnings call until the last fifth one. You will get all your answers.
- Chinmay Nema:** And would it be possible for you to call out the order book number for end of H1 FY '26?
- Umar Balwa:** Sorry, I missed that line. Can you please repeat?
- Chinmay Nema:** I am saying, can you call out the order book number? What is the current order book and compare it with the end of H1 last year?
- Umar Balwa:** It would be similar.
- Moderator:** The next question is from the line of Shantanu Nayak, an individual investor. Please go ahead.
- Shantanu Nayak:** So, I just wanted to check in for, as you said, as you answered the previous participant. So, in the next financial year, we would be expecting a replacement revenue of Rs. 25 crores, right? Approximate?
- Umar Balwa:** Yes, I would say spread over. In the beginning, I think you missed that point. Starting from April 2027, all these seals will come up for replacement business. So, once they get commissioned, we will start getting the replacement business. So, beginning from FY '27, for this particular 490 seals, let us restrict our discussion on these 490 seals. Of course, many more will keep adding. So, the replacement cycle will start from FY '27, from April.
- Shantanu Nayak:** So, in number terms, that would be around a ballpark figure, Rs. 15 crores, Rs. 20 crores to be guesstimate.
- Umar Balwa:** Anything in the range of Rs. 15 crores would start kicking in.
- Shantanu Nayak:** And what would be growth on our replacement revenue every year?
- Umar Balwa:** Can you come again, please?

- Shantanu Nayak:** And I am asking, what would be the growth on our replacement revenue that we will incur in the next two, three years?
- Umar Balwa:** As many things as you add, in the end user market will add to your end user business. Like today, we are talking 490 seals. Say, we assume and we expect that 60 seals more would be added in the six months. So, it would become, say, example 550. And every year, it is our endeavor to add at least 150 to 200 seals of API every year. So, that will all increase business and generate recurring business for the company.
- Shantanu Nayak:** Yes. I do get it. Thank you for answering.
- Moderator:** The next question is from the line of Rahil Dasani from MAPL. Please go ahead.
- Rahil Dasani:** Just one last question on our base legacy business of the distribution of these seals, not the project business. So, what sort of growth has that seen since 2024, FY '24? For example, in FY '24, we did Rs. 70 crores in sales. How much was the home legacy business? You said in '25, it was 40%.
- Umar Balwa:** That export business is stable and growing. So, that has been a very, very steady flow of income for us.
- Rahil Dasani:** But can you share any numbers as to what sort of growth it has seen and what numbers are we doing from that business in the last four...
- Umar Balwa:** I just answered your question, Mr. Dasani. It is steady as compared to last year. So, it is on the same path. So, we are happy that we are maintaining the same growth despite strong headwinds and despite the geopolitical situation that we have world over. And we are very, very happy that our export has remained as strong as last year.
- Rahil Dasani:** No, so why I was asking this is because I don't think we give a split of this, usually the project and non-project. We used to give it before. Hence, I was asking this question to get a better grip on the business segment.
- Umar Balwa:** If you are based in Bombay, I would be happy to have you over at Sealmatic. You can see the plant, you can discuss with the management. You will get a better idea about the company and the products and the business that we do. You are very welcome to visit us.
- Moderator:** We will take the next question from the line of Manoj Shetty from MS Investments. Please go ahead.
- Manoj Shetty:** Sir, I had this question on the annuity income thing which you had said. Sorry for harping on the same. There are two clarifications I wanted on that topic. So, the one is, we started our project business from 2024. So, this income and all would start from after three years. So, that would be April 27. Is that understanding is correct?

- Umar Balwa:** Yes. Please go ahead. I am listening to your question. Go ahead.
- Manoj Shetty:** So, that is one. Because you said April FY '27. So, FY '27 would be April '26 to March '27.
- Umar Balwa:** I will correct myself. FY '26. My apologies on that.
- Manoj Shetty:** No, problem, sir. I am just asking for the clarification. And the second is, so you have given this figure of 490 seals being sold till whatever to date. But from April '27, we would start getting not all these Rs. 25 crores into sales, but maybe Rs. 5 crores or Rs. 10 crores to start with. Is that understanding is correct?
- Umar Balwa:** Yes, I think earlier to your question, I think I have answered this for Mr. Nayak or somebody. Business will start kicking in from April 2027, and we expect that it should be something in the range of Rs. 15 crores.
- Manoj Shetty:** So, which would slowly and steadily increase as the years pass.
- Umar Balwa:** Yes.
- Manoj Shetty:** The last question I have is, what is the current order book you have on hand, which you expect to execute for the remaining part of this financial year?
- Umar Balwa:** It is a price-sensitive question. I will pass that question, yes.
- Manoj Shetty:** No issue. But will you able to maintain the same margin as H1 or would it be better than that?
- Umar Balwa:** It would be similar.
- Moderator:** The next question is from the line of Shantanu Nayak, an individual investor. Please go ahead.
- Shantanu Nayak:** So, I just wanted to ask one question. How is our new facility at Kaman holding up? It must be integrated, right? So, what would be the utilization, both combined?
- Umar Balwa:** At the moment, both combined would be something close to about 75%. It depends, Shantanu. It depends on the configuration of business that you are doing. The more project business you do, the more laborious, the more time-consuming, the more precarious it becomes. So, it depends what kind of business configuration is happening. If it is purely only mechanical seals which are non-API, I would say we can utilize 85%. If it is project business, which is slow moving, which requires a lot of engineering, would be 75%. So, safely, I would say 75%.
- Shantanu Nayak:** And we do expect a 75% utilization throughout the year, right?
- Umar Balwa:** Yes.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to Mr. Umar Balwa, Managing Director of Sealmatic India Limited for closing comments. Thank you, and over to you, sir.

Umar Balwa: Thank you so much, Michelle. And I see more than 50 participants. I thank everybody for taking out the available time and attending this earnings call and also taking and asking interesting questions. And while answering those questions, it also brings out a lot of conviction in us. We are confident that Sealmatic is on the right path and Sealmatic will have a glorious journey as we move forward, thus making Sealmatic as one of the leading companies not only in India, but globally as well. So, I thank you all for your attention, and I look forward to seeing you all on the next earning call.

Moderator: Thank you, members of the management. On behalf of Sealmatic India Limited, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.