ENERGYMISSION
MACHINERIES (INDIA) LTD.

CIN: L29100GJ2011PLC063696

Date: 23rd November, 2026

To
The National Stock Exchange of India Limited
SME Emerge
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai 400051

Subject: Submission of Transcript of Earnings Conference Call held on November 18th, 2026.

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find enclosed herewith the transcript of the earnings conference call with analysts and investors held on November 18th, 2026, in respect of the unaudited standalone and consolidated financial results of the Company for the half-year ended September 30, 2026.

The above intimation will also be hosted on the website of the Company i.e., https://www.energymission.com/

We request you to take the above on your record.

Thanking You,

For Energy-Mission Machineries (India) Limited

SURABHI GUPTA
Digitally signed by SURABHI GUPTA
Date: 2026.11.23 15:04:04 +05'30'

Surabhi Gupta
Company Secretary & Compliance Officer
ACS: 46821

Energy Mission Machineries (India) Limited

H1 FY27

POST EARNINGS CONFERENCE CALL

November 18, 2026 02:00 PM IST

Management Team

Mr. Snehal Mehta - Promoter and Chief Development Officer

Mr. Gaurav Shastri - Finance

Call Coordinator

KAPTIFY®

Strategy & Investor Relations Consulting

Presentation

Moderator: Ladies and gentlemen, on behalf of Kaptify Consulting Investor Relations team, I welcome you all to the H1 FY27 Post-Earnings Conference Call of Energy-Mission Machineries (India) Limited. Today on the call from the management, we have with us, Mr. Snehal Mehta, Promoter and Chief Development Officer, Mr. Gaurav Shastri, Part of Finance team.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements which may involve risk and uncertainties. Also, this is a reminder that this call is being recorded.

I will now request the management to detail us about the business performance highlight for the period ended September 2026, the growth perspective and the vision for the coming years, post which we will open the floor for Q&A. Over to the management team.

Snehal Mehta: Thank you, Kishori. Thank you, Kaptify team for your efforts for organizing this investor call and good afternoon, everyone. I welcome you on this concall for this discussion of first half year of '27 results.

Vinay Pandit: Snehal ji, can you speak a bit louder and closer to the mic?

Snehal Mehta: Yeah, yeah, sure, sure. Am I audible now? Okay. So, I would like to thank you, everyone, for joining this call and let us start, begin with the results discussion. The major highlights of this particular result is the parent business has improved the profitability in last six months' time.

If you look at the figures consolidated revenue was INR 80 crores. Okay. So, standalone EBITDA increased 7.1% H-O-H to INR 10.65 crore with the margin improvement of 11.88% to 13.27%. And the profit after tax grew around 21.4% to INR 5.50 crore on revenue of total INR 80.26 crores. This profitability is -- it's contributed by the lower employee expenses and it is supported by this recovery, although earnings remain below the corresponding period of last year. Consolidated revenue was INR 80.86 crore up to 6.6% year-on-year. EBITDA was INR 9.9 crores at the margin of 12.36% and profit after tax was INR 4.49 crores. This particular six months, we have completed the opening orders, committed price, despite of higher material cost. Everybody knows there is a cost-input ratio from a lot of reasons. But despite of higher material price, electrical components, imported items and logistic and currency-related procurement issues, we have committed to complete our orders, opening orders. And from March,

April onwards, we've taken the price revision and operating improvement has partially offset those cost-inputs.

Our priority is to carry the recovery in the current business into a consolidated profitability. Looking to the product mix, CNC Press brake has contributed almost 73% of the product revenue and other remaining major contributor was hydraulic shearing machine, which is around 15%. And share of plate rolling machine, which last time also we said it will grow, so it has grown by 3% was earlier, now it is 4%, 1% growth has occurred in that. And balance remains.

Next slide, please. Okay. So, if you look at the geographical revenue breakup, the domestic industrial clusters drove growth with machines sold across more than 20 states. Gujarat and Maharashtra is one with our largest market. And this spread reduces the dependence on individual area or individual market. Almost, if you see, we are selling around 20 states.

Export remained around 3% of the total revenue, total sale. The business in the USA, UK -- not UK exactly, UAE and Nepal, and providing a smaller base for the international. Order inflow was the strongest operating development. We received orders worth INR 91.5 crore in this six months, with 15.6% year-on-year growth and 28% growth over the preceding six months. The September closing order book is approximately INR 62.27 crore, with an increase of 31.8% or 32% from the start of this financial year. This gives us the better execution visibility for coming months.

And I would like to share one good -- that is, we have recently participated, there is an exhibition called Fabtech, which was held in Las Vegas. And we participated with our machines. We received good inquiries, good interest. And now we are in the process of converting it into orders, which further will increase the second year of business for the exports.

Looking to way forward, we intend to increase our output from the existing capacity manufacturing. We also plan to pursue some of the fabrication business in our subsidiary, and expand US distribution network in Canada, East Coast and West Coast. Our target revenue growth is 18% to 20% compounded annually over three years, and EBITDA margin of 13% to 15%. And 6% to 8% of the PAT margin. These are the management objectives to continue to maintain growth across all the segments.

About company, Energy Mission, EMMIL is a proprietary concern in 1998. And we basically cater to sheet metal machinery market, particularly in forming segment. And as a company, we have in-house design team, in-house customer support, manufacturing team, and a lot of new developments are continuously going to cater new market demand across the industry.

We have one more subsidiary, we have added last year EM Press Form Solution. I mean, it was started earlier, but from July onwards, we have commenced the operation in the new factory, which is around 5,000 square meter area, with all set apart facility for metal cutting, banding and surface coating, powder coating units are also in-house. So this is actually catering to 30% to 40% capacity of our own backward integration. And we have remaining 60% capacity that we are going to utilize it for some of the external customers.

So in the coming time, we expect good business from fabrication business from outside customers also. Similarly, in Energy Mission USA, we have our major distributors, Bud Machine Tools. And with that, we are also trying to expand in Eastern Coast, as I said, and Canada also. So with this presence helps us to improve our service, our reach to the customers and try to develop overseas business to this network. These are the product, key products at glance.

CNC and Hydraulic Press Brake is our flagship product and is almost, as I said, 73% of our total revenue. Other than that, shearing machine, hydraulic presses and 4-Roll CNC machines, those are also extending the range across the cutting, pressing and rolling applications. And servicing, because now we have more than 7,500 installations across India. We are also focusing more on the service portion, like the parts, spare selling and service selling. That has also contributed well.

Major expansion, margin expansion driven by the backward integration. I would like to say, we have started the EM Press Form Solution where we manufacture control panel boxes, electrical controllers, fabricated covers in-house. So this actually we used to buy from outside. Now we are making it with our own subsidiary. And apart from that, we also had a fleet of CNC machines in our workshop where we started doing most of the jobs in-house. So that margin expansion is also reflected in this result. If we look at the job work expenses, it has fell down by 27%.

In absolute figure, it was earlier INR 3.89 crore in H2 FY26. Whereas this, it is now INR 2.85 crore in H1, '27. So this share of revenue, it's

declined from 4.6% to 3.5%. And external processing absorbed less of our end. So in-house production also gives a greater share to the control. Overall sharing depend on the internal cost, including manpower, power, and depreciation. And separately, we aim to reduce this further by and large like 16% to 18% in the absolute terms against FY26. Across the group, employee expenses also declined by 15.3%. Manpower services expenses also fell by 52%. And travelling expenses for the services, that has also reduced by 25.7% on H-O-H. So these reductions actually eased the little bit of expense and burden and the cost input pressures.

As we see our key strength, we have capacity of around 1,500 machines annually. And we participated to a lot of exhibitions. We work with our own network, sales network. So it is our direct customer relationship. Similarly, we provide service network across India and abroad. So with that, we are more preferable having a better relationship with the customers on repeat orders, on references across all the sectors. Demand for precision and automation that is always going on with the market and we continuously work on it. And that is the reason it gives us, it opens up lots of new opportunities, replacing the foreign supplies to our field. And we are continuously working on it.

These are our manufacturing infrastructure, the highlights of some of the things for our manufacturing facility, our assembly line. This was in the main plant and now with new subsidiary also, EM Press Form Solution is also coming soon. Similar kind of facility, which is one of the state-of-the-art facility. Now any customer, when they visit, they are more happy to see these things happening here. And that becomes a positive point for us.

Next, these are our esteemed clients, like we work in major multinationals like Tata, ABB, Philips, Hitachi, BHEL, Toyota. These are our customers. We are serving even some of the PSUs like BrahMos, BHEL, some of the government like ISRO, BRL. They are on our customer list and that makes us a favourable choice.

Okay, looking to FY26, our revenue was last year INR 160 crores and profit after tax was around INR 11.93 crores. Now at September, some of the points which I need to highlight, that is inventory and receivables were higher compared to March. The working capital days also increased from 120 days to now -- from 112 to 120 days, largely due to increase in receivables, which has increased from 30 to 37 days and remains with the average standard terms of number of days. Managing inventory and collections therefore remains essential and core focus for

area of management and started working on it as we received the larger order book this year and that would be more essential.

EM Press Form Solution facility has also started the operations in new facility in July. So we expect this next half year it would be more utilized and we'll start working with some of the bigger customers outside. So by and large, our responsibility is to deliver these orders efficiently and turn this projections in to collections. Thank you for your continued interest and we'll be now happy to take your questions.

Moderator: Thank you for the presentation and opening remarks. [Operator Instructions]. We'll take the first question from Yogesh Patil. Yogesh, you may go ahead please.

Yogesh Patil: Thank you very much and good afternoon, sir. I just want to understand, from here let's take it that India is also doing a lot of things on the plates industry and that includes prefab, HAVC everywhere. In Kerala, I also seen one order from shipbuilding. So do you think shipbuilding could be very game changer for us?

Snehal Mehta: Yes, let me answer you in both ways. As you said, PEB. So PEB is one which is very fast growing sector and we have specific product for the pre-engineering building solutions. Today, if you look at the total base of the PEB manufacturers in India, I think we have covered 70% of them with our products and services. So PEB is yes, it is growing and we are getting good business from the PEB sector. Shipbuilding is a growing sector right now and some of the measures have entered. We have also started working on it. We have supplied to a company called Swan Energy which is a subsidiary of Reliance Industries. They are into shipbuilding and we have supplied machines to them.

Machines are commissioned and they are happy with performance and all. But I definitely see a good opportunity in shipbuilding industry in coming time because I am sure more and more people will be entering into this. It is now shipbuilding is at primary stage I would say because you are looking at the total possibility of expansion. It has just started at 5% of the total. So yes, definitely I agree. In coming time, we will see good opportunity in shipbuilding.

Yogesh Patil: And sir, in terms of, let’s say when you are competing with imported players and the global players, so roughly how does that going forward going to differentiate? One is capacity. We already have capacity. But in terms of output or maybe measurable performance, where do we stand there and in terms of pricing? What is the difference in pricing?

And according to you, why should clients switch to us? Because if it switches, then definitely it could be a very big opportunity for us.

Snehal Mehta: Sure. Okay, let me ask you one more question. Are you especially focusing the shipbuilding or the general industry?

Yogesh Patil: No, in general. I am saying in terms of everything.

Snehal Mehta: I agree. See, what happens is, I tell you, if we talk about the total competition in the market, we have some of the players from Europe, some of the players from Turkey, strong competition from China and some of the Indian players. Now, slowly we will be trying to tap one by one market. Because being an Indian manufacturer, sometimes it is a limitation for us to give confidence to customers saying that this particular machine, imported machines everybody is using and people don't want to change on capital expenditure. But it is always a reference in terms of the customer where one starts using it, he is happy with the performance, he is happy with the price, he is happy with the responses from the manufacturer. Immediately other people will also -- other competitors will also start. Because we are better in price compared to European suppliers, compared to Turkish suppliers and high-end Chinese suppliers.

So definitely the final product cost is impacted because of that. And ultimately it is a cost which inspires others to think like how we should do that. There are several examples of that. And okay, this is not a time I can give you. See, if in terms of technology, if we say, we are almost at par in terms of technology, the technology which we are getting from Europe or we are getting from Turkey, similar technology we are offering here because we are also selling these technologies to the US market. So tomorrow if somebody says we are not comparable in terms of quality, I strongly refuse that.

But the thing is plant building. Plant building is something different. If somebody is going for 50 years and you are going since last two years, so naturally there will be a preference of that 50 years old experience. But anybody who is entering in market, nobody will come up with the same 50 years experience. So this is the place where we started and slowly we are entering into market. And I am sure after five years, we will have more reputation, more installations, more referrals, and more good words for us.

We are strong at service. And this is the base for any CapEx industry that if you are able to manufacture a good machine and you supply it,

but if you are able to provide a good service and good spare support, that's the key where you win the heart of the business. We will start thinking good things about it. So we always focus on that. We always try to see that our customer is happy and he has invested a lot of money on this machine. I have a moral responsibility to see that his money comes back with the right time and right manner. He should be able to do his job comfortably. So I'm sure it takes little time, but we can win.

Yogesh Patil: For next three year guidance, Basically FY29 guidance it based on your client inquiry or maybe it is a combination of import substitution and domestic growth?

Snehal Mehta: Three years guidance worked out based on past growth figures, number one. Number two, our study to the market and our development activities where we target certain new markets. And we have already given that particular thing, 18 to 20% CAGR over next three year. There are conditions which are changing. Capital market always won't go in the way we predict, but by and large, we'll be able to achieve those figures.

Yogesh Patil: Thank you very much and all the best.

Snehal Mehta: Thank you.

Moderator: Thank you. I request participants to limit their questions to the two per participant. We'll take the next question from Harshil Bhayani. Harshil you may go ahead, please.

Harshil Bhayani: Hello. Hi. Can you hear me?

Snehal Mehta: Yes. Yes. Harshil, please.

Harshil Bhayani: Hi, sir. Hi. Congratulations, sir, for the very good set of numbers. Sir, I just have a couple of questions. My first question is on our consolidated numbers this quarter. So quarter on quarter, our margins have slightly declined. Wanted to know your take on that and what will be your full year guidance margin for this year?

Snehal Mehta: Okay. See, there's a decline in consolidated margin largely because of the two reasons. One is the utilization of subsidiary. So that is one. We are expecting EM Press Form Solutions to expand more in business in the H2. So that is going to help us a lot. And second, we expect more orders after this exhibition from US. So US subsidiaries will also perform. So that is one. And second.

Harshil Bhayani: Hello. Yeah. Hello. Yeah. Can you hear me? Yeah. So, sir, on our backward integration subsidiary, which is there, how much of that utilization will be from this EMMIL and how much of that are we expecting to sell outside market?

Snehal Mehta: Around 40% would be for the Energy Mission current company and 60% we can engage the external customers.

Harshil Bhayani: Understood. Okay. Sir this quarter or this half year, we saw that our order book has increased substantially. That's a very positive news, sir. I wanted to know your take on that. How much of that order book is from our current customers? How much are from new customers which we have added in last year, this year? And how much would be domestic and export specifically US, the subsidiary we have there?

Snehal Mehta: This 97% is from domestic market, 3% is approximately for the export, which is Nepal, UAE and US. And if you take about the repeat orders from the customers, that is around 35% of the total volume. Rest are newly added customers.

Harshil Bhayani: Sir, we have one partner in US, right? And since more than two years now, we have formed a subsidiary in US and trying to penetrate the market. But again, there is no the progress is there, but it's taking it's a bit slow. So I wanted to know your take on that. How are we planning on that and what changes or efforts we are taking? I know we participated in that exhibition. How's the response from that exhibition? How much orders we are planning to get from US? And overall in this year, how much of our revenue are we projecting from US?

Snehal Mehta: See, US subsidiary started two years back, and we have one distributor, one major partner that is working with us. But with this exhibition and before that, we had a lot of discussions on the same page. There were a lot of variations on tariff and other confusions were there and they were not able to somehow get confidence because if they place some orders and finally the cost of material goes high because of that situation they wanted to avoid.

Now, slowly things have come to a certain level and we have also asked them to go for sub-dealers in the different different areas for East and West for both to expand jointly with us because we are continuously monitoring that particular market. And apart from that, now we have started Canada. So US subsidiary can build for mainland with Bud and then we have separate engagement with the other distribution for the

Canada. So sample orders are already received and it would be little early to say on all set numbers right now I am not telling it, but we can definitely plan to have better business in US.

Harshil Bhayani: Okay. Sir, now since we have done the CapEx of doubling our capacity at parent company and also the backward integration, what would be your CapEx guidance for next two to five years or two to three years?

Snehal Mehta: Sorry, I --

Harshil Bhayani: Yeah, no, I'm saying, since now after the IPO, we have doubled our capacity at the parent company and also did the backward integration. Now, what would be your CapEx guidance for the next two to three years?

Snehal Mehta: Right now, we don't have any CapEx guidance immediately. I think.

Harshil Bhayani: Are we planning to have any CapEx?

Snehal Mehta: First, we have to utilize this capacity, then we can think of further CapEx.

Harshil Bhayani: Sir, how much would be our optimum revenue at the doubled capacity at 1,500 machines? What would be our optimum revenue?

Snehal Mehta: Around INR 275 crores.

Harshil Bhayani: INR 275 crores. Okay. And sir, what's the EBITDA margin we are giving for this year and the next one to two years? Sweet spot of our EBITDA range?

Snehal Mehta: Yeah, I have mentioned in my presentation also. See, for the compounding three years, we are considering *(turnover growth at cagr***) 18% to 20%. And this year EBITDA would be around 13% to 15%. And PAT will be around 6% to 8%.

Harshil Bhayani: So you're saying 13% to 15% for this year and in future it would be 18% to 20%.

Moderator: Harshil, I request you to please rejoin the queue.

Harshil Bhayani: Sure, sure.

*** added for clarification*

Moderator: We'll take next question from CA Garvit Goyal. You may go ahead, please.

Garvit Goyal: Hello. Thanks for the opportunity. Sir, you mentioned we can do an optimum revenue of INR 270 crores and currently we are at INR 160 crores. Is not it we are very conservative in the terms of the growth guidance that we are speaking about in 20% CAGR in just a few years, considering the demand environment that we are witnessing as of date, and considering the kind of industry we are in, can you comment on that? Like, is it why we are so conservative in terms of the growth outlook?

Snehal Mehta: See, basically, machine building exercise is something which we need to have a lot of inputs and a lot of infrastructure that we make. Infra in terms of manpower and servicing and other. Normally, any machine industry, if it is growing, if it is growing by 20%. That is something a good number, just from my experience. So, it takes a little time to grow. So, it is not very conservative. But the thing is, if we give -- see, we put our full efforts on that, but these are the practical figures that we can see.

Garvit Goyal: That is what I am trying to understand from you. If I look at your peers, higher base, they are going at a higher rate, while our base is low. So, we should be doing more than that, like 30%, 35%, 40% kind of growth we should be having in our mind. That is why I am not saying when the industry demand is not good, then I can understand. But demand is there, you are having the capacity to do that, you are at INR 270 crores, already infrastructure building, right? So, that is what I am trying to understand, what is resisting us to grow faster, rapid up faster and then do another CapEx and take on that opportunity that is in front of us.

Snehal Mehta: Again, I think I am not able to explain it properly. See, the thing is, CapEx industry, it is a brand building. So, it takes time. Like in domestic market now, we are spread across 20 states. So, today, India market, we can say, yes, Energy Mission is a reputed brand name. But suddenly, when you want, when you expect a 40% growth, so that means the same territory will not give it. So, we have to expand in the other territory. We have to go establish in other regions. And it is not only selling the product, it is about establishing the service, it is establishing the referrals and other things.

So, for CapEx, it is little difficult to enter a new market or new territory immediately with higher numbers. It requires, in US also, now we started from last three years. But now, slowly that time has come when

-- but once we are approved in the market with a large number of customers, yes, there we can grow faster. So, what you say is correct. We should aim for 40%. But since I am being responsible management, I should not give you wrong figure. So, I am giving you 20% of it. But as you say, rightly, correctly mentioned, we have capacity. And tomorrow, if we are able to convert the orders, we are more happy to do that.

But today as a guidance, I cannot predict 40% as of now our efforts are there. We are trying to put a lot of exhibitions, a lot of our activities of sales and service. And with that we are trying that. But practically, we should understand based on figures.

Garvit Goyal: Do we have any plans on debt reduction?

Snehal Mehta: Sorry?

Garvit Goyal: Any plans on debt reduction?

Snehal Mehta: No.

Garvit Goyal: Okay. Thank you sir.

Moderator: Thank you. We will take the next question from Abhijeet A. Abhijeet, you may go ahead.

Abhijeet A: Yeah, am I audible?

Snehal Mehta: Yes, please go ahead, Abhijeet.

Abhijeet A: So, my first question is, how much time does it take to make one machine? And why that inventory so high?

Snehal Mehta: Okay. I think I have also answered this question earlier. But you know, the first thing is that we have a variety of machines. We have more than 600 variants on our product to go through our presentation. So there are a lot of varieties. Even along CNC perspective, there are five different types of machines. Types in the sense series, we call it as a series, different level. But the technologies are different. Some mechanical structures are common, but otherwise controller, hydraulics, electrical, sensor, so many things are there. Each machine will have more than 600, 700 components on one particular machines. And there's a difference of price also. Because these products are solutions, again, different level of competition.

We have Indian competition, we have low-end Chinese competition, high-end Chinese competition. We have Turkish competition or European competition. So, we have to offer different level of technology, different level of sophistication competition. So, this is the nature of the industry. Now, with that, if we look at the product mix, we have to have some of the inventories. And 30% or 35% of the inventory is directly or indirectly imported, like high-end sensors, hydraulics, electronics, some of these are. So, these things have to be kept in inventory just because the lead time for that particular items are sometimes higher, sometimes we buy in bulk, considering the logistic cost and other things.

So, finally, we should be able to achieve a good blended price for that particular product. The manufacturing time for, on an average, a standard machine, a regular running series machine would be around 3 months (*incorrectly mentioned as 3 weeks on the concall)*. But since it is a CapEx, sometimes it happens that one is our manufacturing time and second, sometimes, most of the time, it is financed by the bank or something. So customer inputs are also, customer readiness is also one of the major criteria. And dispatches are concluded based on his readiness or his clearance of the finance. So, these two things are sometimes increases our machine time on floor. But on an average, we can consider 3 months (*incorrectly mentioned as 3 weeks on the concall)*.

Abhijeet A: Understood. Yeah. So, the reason was that, let us say, so when we are guiding for 20% revenue growth, so with an increase in order book and the kind of growth that we are aspiring for, do you think inventory is a constraining factor why we cannot grow at, let us say, 40% 50%? I mean, this is in relation to the previously asked question. Do you think inventory is the factor that you think is dragging down?

Snehal Mehta: See, inventory is focused right now as a management. We have started because we understand that yes inventory is increasing and it is going to become a factor someday. So, let us do in a different way. We have started implementing certain purchase techniques, certain specific purchase techniques to align the supplier for some of the interest to carry it. Number one. Number two, some of the -- we are already now shifting to SAP, which is a better planning software compared to our earlier ERP. So, we expect, yes, there will be a better in-depth of the planning because there were some limitations of earlier system, which we will be overcoming with the new system.

We are trying to use specific AI tools, trying to use new technology that how much we can optimize on that. We are working on standardization of certain things, like we have five series of machines, but let us progress it to 40%, 50% where things are standard and then it can go to any of the series based on the order. So, we are working on that strategy also. So there are I would say multiple efforts to -- with different, different directions we are trying to move to that our inventories are within the control. I am sure these things we will definitely work out and we will be able to achieve more turnover with not much increase in the inventory.

Abhijeet A: Understood. And how many machines did we sell in the first half and what was the average realization per machine?

Snehal Mehta: Average price was around 23.5. The exact numbers are -- so around 344 machines.

Abhijeet A: Okay. And my next question will be on the gross margin. I think from the 41% level that we saw in the FY23, in the first half it was somewhere around 35%. So, can you help us understand whether FY23 was a one-off and what was the reason why there is a softness in gross margin? And more importantly, where do you see the gross margin going back? Can it scale back to the 40% kind of levels?

Snehal Mehta: I think, no -- I -- can you just repeat the question?

Abhijeet A: Yeah, I was talking about the gross margins. So, in a FY23, our gross margin was somewhere around 41%. And it has kind of declined in the first half, it was somewhere around 35%. So, what was the reason? And can it further improve to 40% kind of levels?

Snehal Mehta: Gaurav ji.

Moderator: Snehal sir, he is asking about the gross margins.

Gaurav Shastri: Yes, let me just, let me just answer this question. Basically input cost rise sharply between last November to September, especially from November to March '26, it rose by around 8%. And remaining around 8% to 10% it rose from April to September period. So, the base material prices has increased and logistics and other ForEx increase that has also impacted some margin. So what we did like up to March, whatever order book was there, we had to supply like INR 47 crore of that order book we supplied up to as per previously committed price. From April onwards, we increased the price of our sales products by 5%.

And that will gradually be reflected in HY2 of improvement in margin. Plus, we are also doing continuous cost reduction in terms of job work and other like operational efficiencies, we are achieving good expense control over other expenses. That will also reflect in HY2. And so, we are confident to get back to our gross margin of 40%.

Abhijeet A: By FY28?

Gaurav Shastri: Sorry.

Abhijeet A: 40% by when?

Gaurav Shastri: By next 6 months.

Abhijeet A: Okay. Okay. I have a few more questions. I'll get back in the queue.

Moderator: Thank you, Abhijeet. We'll take next question from Milind Deep Jain. Milind, you may go ahead, please.

Milind Deep Jain: Thank you. My first question was around the order book which is reported in the H1 as INR 62.3 crores. So, I want to understand is it all executable in the H2 FY27?

Snehal Mehta: Yeah.

Milind Deep Jain: Okay, Snehal ji. On the order book itself, so how much orders are we expecting to add in the order book in the H2 FY27?

Snehal Mehta: Okay. Normally, if we look at that trend, we have a 40-60 ratio on start year to second half year. And this is that time because second half year always the orders are more, number one. Now, with this increase of order book, we will be able to make more decisions. If we go to numbers, see total order received in this particular first half year was INR 91.55 crores, right? And we executed around INR 76 crore orders. So, we have order book of INR 62 crores. We can consider around INR 110 crores in next second half year. So, that is the around 20% increase would be there.

Milind Deep Jain: Got it, sir. My second question was about the subsidiaries. So, I want to understand, we have added EM Press Form, like it started operations three months back. So, how's the -- could you just give us some colour about how's the numbers has been in terms of revenue and the margin for EM Press Form and also for the US subsidiaries?

Snehal Mehta: See, EM Press Form major business, as I said, 30% to 40% will be our backward integration. So I'm not considering right now that. But our major focus is to tap the customers, particularly FC. If you look at the location, we are sitting in the heart of the industrial hub in Sanand, where you might have heard this Tata Nano project has come in. After that, a lot of people have come. Even recently, Micron has come, all kinds of people have come. And this particular zone, this factory is one of the state of the art factory for the fabrication.

A lot of little manufacturers are here and slowly we want to tap them as a regular customer, because our 60% capacity are -- we can employ them for this type of customer. So, if we think, I can expect, roughly, apart from Energy Mission business, I am expecting around INR 12 crore to INR 15 crore business from the customers at full utilization. Now, it depends on time, little bit of time, because multinational companies have to do a lot of trials for their products, they do get enrolled and slowly they'll start doing, offloading the products to us. So it takes little time, but yes, at full utilization, we can do around INR 15 crore for the outside customers. This is our first target.

Milind Deep Jain: Okay, got it. Sir, also, could you share some numbers for the USA subsidiary? How is its performance like? What are you expecting in the near future?

Snehal Mehta: I think, I don't know, it will be available with me right now. So, later on, we can answer this question with numbers.

Milind Deep Jain: Okay, got it, sir. Also, can you just tell me the rough estimate of what is the export share in the revenue in H1 FY27?

Snehal Mehta: It is now 3%.

Milind Deep Jain: 3%. So, are we like still intact on a guidance of 10% export share?

Snehal Mehta: See, as you know, situations are changing very quickly. So, some of the targets, those things are not in our control. So, from our side, we have everything ready. Like, we are ready with conquering the market, but if the market permits, if things are going in the right way, yes, we can definitely I think it is a time we need to wait.

Milind Deep Jain: Okay, sir. Also about the subsidiary, I want to understand the Bud Equipment partnership we have. So, how are we expecting to take advantage of it? And is it exclusive partnership we have with them?

Snehal Mehta: No, it's not exclusive, number 1. Bud is a very well established firm, like 50 years in the market, US market. And initially, they were used to source the machine from Turkey, and they used to sell in their own name. Now, in the US, there is a tradition, people, they, big dealers, they generally buy machines from the market, and they put their name on this. When we started, we had a lot of discussion, but we said, no, we can put your name as a service partner, we will sell as our brand. So, today, one major benefit, which I would consider as a company long term is, US machines are sold with Energy Mission brand, manufactured by an Energy Mission India. This is an Indian product. We don't say that this is a US product or something else.

We simply say it is an Indian product, good quality product, good priced product and service and supported by Bud Machinery. So, slowly, like two years time, it started creating impact in the market. People are now getting aware about the Energy Mission brand. In the long run, we are trying to building a brand in US market. Tomorrow Canada or Mexico market will also take reference from main US market. So this was the idea and it is already going on. For Bud, they are situated in Salt Lake City, which is on the somewhere mid on the western side. So, we are continuously in discussion with them to expand their own business towards East Coast because US is very large state, very large area. And for Canada, we have engaged with another distributor. In Mexico also, some discussions are going on.

Last year, May, I have personally visited Mexico, we had a show, we had a lot of interactions. But normally, what happens is any established player, when they want to connect with you, they take little time. They try -- because still we are going for three years or four years, they are new in the market. So, they try to see you for some time, they try to see your bearings or installations or references from the other people, immediately they will not come. They are considering you as a very good opportunity for the future. So, I think it takes little time to enter and ice break the market in US or Mexico or Canada. US it already started and some of the other countries, one of our promoters is already there in California, he lives there. So, he is continuously on that job to get more orders and get more penetration.

Milind Deep Jain: Got it sir. So like --

Moderator: Milind, I request you to please rejoin the queue.

Milind Deep Jain: Okay.

Moderator: We will take next question from Ishpreet Kaur. Ishpreet, you many go ahead please.

Ishpreet Kaur: Hi Snehal. Is it possible to give a breakup of the revenue sector wise?

Snehal Mehta: Yes, I think it is sector wise. See, there are seven to eight different sectors that we normally cater, that is automotive, pre-engineering, building, agriculture, equipments, railways, transformer and electrical industries. So right now, I don't have readily available those figures, I need to find it. But on an average, normally we monitor. So, those figures are on an average 14% to 15% for each sector. Last few years trend also show in the same way. So, it is equally distributed across six or seven sectors of industry.

Ishpreet Kaur: Okay, the sectors that you have mentioned in the presentation.

Snehal Mehta: Yes.

Ishpreet Kaur: And the revenue potential that you mentioned of INR 275 crores, this would be on a base of how much gross block?

Snehal Mehta: We are planning for next -- I do not understand that.

Ishpreet Kaur: So, 1,500 machines is the total capacity, right?

Snehal Mehta: Yes.

Ishpreet Kaur: Which can fetch us INR 275 crores?

Snehal Mehta: Yes.

Ishpreet Kaur: What would be the total gross block as of date for us?

Snehal Mehta: Gaurav bhai, can you help me on this, I don't understand this gross block.

Gaurav Shastri: Yeah, see our fixed assets are as of today INR 57 crore and we are not planning any CapEx for next two to three years until we fully utilize the present available capacity.

Ishpreet Kaur: And if at all there would be a future CapEx, would it be brownfield, do we have enough land space or would we be going in for a complete new area?

Snehal Mehta: That would be.

Gaurav Shastri: Yeah, it is still under consideration. Once we cross this, we will take the call of expanding within vicinity, but in a new facility.

Ishpreet Kaur: Okay, sure. Thank you.

Gaurav Shastri: Thank you.

Moderator: Thank you. We will take next question from Abhijeet A. Abhijeet, you may go ahead, please.

Abhijeet A: Yeah, thanks for the opportunity again. Sir, with regards to your previous answer, we sold 344 machines at an average price of INR 23.5 lakhs, right? Again, so your guidance is INR 275 crores on a 1,500 machine. So the average realization, it comes around INR 18.33 lakhs. So can you help us understand why we are expecting a decline in average realization?

Snehal Mehta: No, it won't be declined because it might be in this approximate figure INR 275 crores to INR 300 crores.

Abhijeet A: Yeah, so if we go by that metric, I think we should be doing a much higher revenue than what you are guiding for. I mean, it should be at least upwards of INR 350 crores or thereabout.

Snehal Mehta: Yeah, because with time change, cost will not go. I mean, average price will not go down.

Gaurav Shastri: Okay. At present pricing structure, we are expecting anything between INR 275 crores to INR 325 crores. And average realization depends on the higher product mix. If there is a higher product mix, like here we range, we sell ranging machines from let's say INR 5 lakhs to even more than INR 60 lakhs. So higher price mix product, if we sell, then the average realization would be on a higher side. This we are talking about, considering the average product mix, which we know having larger shares in our product segment, sales segment. And then based on that, we are giving the range of INR 275 crores to INR 325 crores.

Abhijeet A: No, so this is what I was implying because from the answer, it seemed that the realization would drop.

Gaurav Shastri: No, it's not the realization that drops. Normally, the product range changes. Let's say somebody who would ask for a tandem machine, which is like a combination of two machines, but it is one product only. So the average sales price can go up to more than INR 50 lakhs also. But actually, that is depending on the customization requirement or any particular -- we cannot project that. So what we are projecting is based on the average running machines, which we are selling on a higher side and volumes on year-on-year basis.

So anything which is higher product mix selling, it may take our business higher. I mean, the average realization higher for that particular year.

Abhijeet A: Understood. Sir, just one last question. So the employee cost, I think it declined in the last half year, even though the new factory came up. So can you help us understand the reason and what can we expect going forward? Because I think expenses must be booked in this particular half.

Gaurav Shastri: Yes, all the expenses are booked in this particular half year and we have been consciously working on the efficiency and the operations efficiencies and based on backward integration also, some automation we have done in our plant and that has helped us to reduce the employee benefit expenses. So and of course, all these expenses are properly booked, provisions have been made and we have achieved this. This is sustainable, we are going to continue with this level of expense.

Abhijeet A: Got it, got it. And just one small request, the result PDF, the numbers are not actually visible. So that was really painful to read the numbers. So if you can do something on this front that would be really helpful.

Gaurav Shastri: Okay, sure. We will check with our CS and compliance officer and they will re-upload the new scanned image.

Abhijeet A: Yeah, that would be helpful. Or either you can do that from the next. Yeah, thank you.

Gaurav Shastri: Thank you.

Moderator: Thank you. We will take the last question from Ishpreet Kaur. Ishpreet, you may go ahead, please.

Ishpreet Kaur: Just to understand, are the margins and realizations very different when it comes to exports?

Snehal Mehta: Gaurav?

Gaurav Shastri: Yeah, I mean, the export margins are better compared to our domestic margin, which is in range of 5% approximately. And likewise, the realization would be better 5% around from domestic to export.

Ishpreet Kaur: Okay.

Gaurav Shastri: 5% to 8% depends on the product.

Ishpreet Kaur: Right. And the service component of our revenue, which is currently maybe around 3% to 4% odd, could this materially change going forward, say to closer to a double digit number?

Snehal Mehta: Yes, we are working seriously on it. There are so many specific efforts we have already started making. And I'm sure it will grow. It is a high margin business and it will grow in numbers.

Ishpreet Kaur: Okay, so is there is a possibility, not sometime soon, but maybe say three to five years down the line, it could be?

Snehal Mehta: Yes, every year it will grow. Because, as I said, we have a concentrated focused approach of increasing that particular business segment. So, yes, every year we will see the change.

Ishpreet Kaur: And how different would be the margins versus the product business?

Snehal Mehta: So, see, basically, any service and spares margin, it is a high margin business for any company. So, I'm sure it will definitely, we understand very clearly that increase in that particular segment will improve the overall margin of the company. And that is the reason we have our focused approach to have a high margin business.

Ishpreet Kaur: And as of now, the focus would be only for the servicing for our own installed base and not third party machines?

Snehal Mehta: No, it's only for our base. But ours is a very large base where we have focus.

Ishpreet Kaur: Okay, great. Thank you so much. Thank you.

Moderator: Thank you, Ishpreet

Vinay Pandit: Chat from Abhishek Sarda. Can you give sector mix of revenues?

Snehal Mehta: It is -- I answered this question earlier, sector mix would be approximately 7 to 8 sectors, roughly 15% of whatever segments we have shown in our presentation, like pre-engineering, electricals, construction, equipments, agricultural railways. So, on an average, 14% to 15% segment revenue.

Vinay Pandit: And what is the current capacity utilization and further expansion plans, if any?

Snehal Mehta: Right now, the total capacity is around 1,500 machines. And right now we are making around 900 plus. So, we have some time for capex.

Vinay Pandit: Sure, sir. All other questions were answered.

Moderator: Sir, since there are no further questions, would you like to give any closing comments?

Snehal Mehta: Yeah, thank you so much for joining today. And I'm very happy to answer your questions. I'm really happy to see the interest in our company. And I'm sure we will once again meet soon with better opportunities, better results and better conditions. Thank you.

Moderator: Thank you. Thank you to the management team for your valuable time. And thank you to all the participants for joining on the call. This brings us to the end of today's conference call. You may disconnect now. Thank you.

**Minor corrections done in the concall transcript to account for errors while speaking on the concall or typographical errors during transcription*