

JYOTI CNC AUTOMATION LIMITED

CIN: L29221GJ1991PLC014914

Regd. Off.: G – 506, Lodhika GIDC, Vill.: Metoda,

Dist.: Rajkot – 360 021. Gujarat India.

Date: February 18, 2026

To,
The Department of Corporate Services,
BSE Limited, Mumbai

To,
The Listing Compliance Dept.
National Stock Exchange of India Ltd, Mumbai

BSE Script Code: 544081

NSE Script Symbol: JYOTICNC

SUB : Submission of Transcript of Earning Call.

Respected Sir/ Madam,

Pursuant to provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a transcript of an earning call held on Wednesday February 11, 2026 is enclosed herewith and the same is available on website of the company at <https://jyoti.co.in/investors/announcements/investor-presentation/>.

Kindly take the same on your records.

Thanking You,
For Jyoti CNC Automation Limited

Maulik B. Gandhi
Company Secretary and Compliance Officer

Encl.: Stated As Above.



“Jyoti CNC Automation Limited
Q3 and 9 M FY '26 Earnings Conference Call”

February 11, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 11th February 2026 will prevail



**MANAGEMENT: MR. PARAKRAMSINH JADEJA – CHAIRMAN AND
MANAGING DIRECTOR – JYOTI CNC AUTOMATION
LIMITED**

**MODERATOR: MR. HARSHIT PATEL – EQUIRUS SECURITIES PRIVATE
LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Jyoti CNC Automation Q3 and 9M FY '26 Earnings Conference Call hosted by Equirus Securities Private Limited. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

Before we begin, a brief disclaimer. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on the date of this call. These statements do not guarantee the future performance of the company and may involve risk and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Harshit Patel from Equirus Securities. Thank you and over to you, sir.

Harshit Patel: Thank you. Good evening, everyone. On behalf of Equirus Securities, I welcome you all to Third Quarter and 9 Months FY '26 Earnings Conference Call of Jyoti CNC Automation Limited. We are pleased to have with us management represented by Mr. Parakramsinh Jadeja, Chairman and Managing Director of the company.

We will have opening remarks from Jadeja sir followed by question-and-answer session. Thank you and over to you, sir.

Parakramsinh Jadeja: Thank you, Harshit. Good evening, everyone, and a very warm welcome to our Q3 and 9M FY '26 Earnings Conference Call. Along with me, I have the senior management team and SGA, our Investor Relations Advisors. Results and presentation have been uploaded on the stock exchange. I hope everyone has had a chance to go through the same.

I'll begin my opening remarks with overview on the economy front followed by highlights on the company. India's economy continues to show strong growth momentum supported by healthy domestic demand and steady policy reforms that improves competitiveness and boost investors' confidence.

The Union Budget 2026-'27 has reinforced this direction by focusing on long-term investment and structural growth. A key highlight of the budget is the continued emphasis on public capital

expenditure as a main driver of growth with an allocation of INR12.2 lakh crores for FY '27, around 9% higher than the previous year.

This sustained capex push is expected to strengthen infrastructure, encourage private investment and provide long-term visibility for the manufacturing sector. The budget has also announced focus measures across sectors Jyoti CNC is catering to.

The launch of India Semiconductor Mission 2.0 aims to expand domestic semiconductor and equipment manufacturing along with chip design capabilities, which will drive demand for high precision machining. Electronics manufacturing has been further supported through a INR40,000 crores outlay under the Electronics Component Manufacturing Scheme helping to scale up EMS and component production.

In defense, higher capital allocation to domestic aerospace and defense manufacturing strengthened the push for self-reliance where precision engineering play a critical role. Similarly, continued policy support for the automotive and auto component sector through PLI schemes and duty reforms reinforced India's position as a preferred manufacturing hub.

On the global front as well, a greater clarity around tariffs supported by a free trade agreement signed with EU and U.S. is expected to provide a meaningful boost to our exports oriented end user industries.

This improvement in trade visibility should support demand across global markets and create additional opportunities for companies like ours. Overall, the current environment place both country and Jyoti CNC in a strong position driven by clear and sustained focus on manufacturing.

In this context, the role of mother machine manufacturers, companies that build a precision machine used to produce other machine tools, become especially very critical. As manufacturing activity expands across sectors, the demand for reliable higher quality CNC machine is expected to rise meaningfully creating a long-term opportunity for players like Jyoti CNC.

Now speaking of Jyoti CNC. As highlighted earlier, the Indian CNC machine tools market continued to be largely served through import, presenting a significant opportunity for domestic players. To strengthen our presence and capabilities and capitalize on the opportunity, we are undertaking a large capacity expansion in India, increasing our manufacturing capacity from current 6,000 machines to 16,000 machines by September this year.

I'm happy to announce that the capex is progressing as planned and we will be able to ramp up sooner than expected on the back of huge industry demand in our product in India and globally.

Alongside capacity expansion, we have also made investment in talent development, including upskilling our workforce and setting up an in-house training institute to build up a pipeline of over 1,000 skilled engineers.

These initiatives form a critical part of our long-term growth strategy to deliver high precision machines across diversified sectors and support sustained growth. At the same time, R&D and

innovation remain a key strategic priority. We continue to advance our product development efforts through initiatives such as the Huma control panel along with plans to integrate proprietary controllers, drives and motors.

These steps will strengthen our product offering, technology capabilities and reduce import dependencies over a period. In parallel, we are actively exploring next generation products for high precision applications, including semiconductor equipment, which we believe can become a meaningful growth driver for the company in the coming years.

In summary, we are expanding capacity, strengthening our talent base, defending our capabilities and preparing to serve a much larger and more global customer base. We remain financially disciplined and future focused and we are confident of delivering sustainable growth in the years to come.

Now I will share with you the key updates of the company. In November 2025, we expanded our capacities at Huron, our facility in France, almost double in line with our growth plans. This expansion strengthened our manufacturing capabilities and positions us well to meet rising global demand.

Huron continued to serve as a key technology hub for the company. With a strong focus on high end machines catering to global customers with the increased capacity, we are better equipped to address a growing demand from the aerospace sector and expand our global footprint.

We have commenced assembly operation at the facility and are seeing healthy ramp-up with material traction expected to reflect from FY '27 onwards. We are seeing a strong traction from defense sector both in India and across global markets.

We have a healthy order book of aerospace and defense of close to 41% and around INR1,900 crores, reflecting growing confidence in our capabilities and the increasing demand for high precision machining solution in this segment.

With the ramp-up of our capacity at Huron, capacity expansion at India coming live in September 2026 and a strong growing order book across sectors; we expect the coming period to be significantly stronger supported by improved execution, higher deliveries and sustained demand across our key end markets.

Before I begin my update on the operational and financial performance, I would like to briefly explain the nature of our business and the reason behind our higher inventory days so that everyone has the right context.

Ours is a manufacturing business with a long production cycle and the working capital requirement is largely driven by inventory. We operate across 3 broad product categories. In entry-level machines, which are largely supplied to EMS, automobile and auto component and general engineering. The manufacturing cycle is around 3 to 6 months for mid-range machines to a low level machine. The cycle extends to about 9 months.

For large and complex machine, the manufacturing cycle can range between 12 to 18 months. Given this long build cycle, inventory naturally remain on the balance sheet for extended period.

Historically, our inventory days were much higher than the current level. Over the last few quarters, through better planning, execution and process improvement; we have been optimizing our working capital cycle and seeing positive trends, in which will release and shorten the intensity of working capital requirement and we are on a trajectory of that.

Speaking of the financial and operational performance for the quarter and 9 months ended FY '26. We reported a strong consolidated revenue growth of 28.1% for the quarter standing at INR576 crores, in line with our internal expectation.

Our performance for the 9 months was also strong with consolidated revenue of INR1,494 crores in 9M FY '26 compared to INR1,242 crores in 9M FY '25, reflecting a growth of 20.3%. With strong order book, stable economic and geopolitical situation, capacities in place and execution rigor; we are optimistic of a stronger Q4 and FY '27.

Historically, also we have witnessed that Q4 is among the best performing quarter across the financial year and we anticipate the trend to continue this year as well. Speaking of segment revenue for 9M FY '26: 42% came from aerospace and defense, 28% from auto and auto component, 22% from general engineering and remaining 8% from other sectors, including EMS and dies and molds.

Our order intake for 9M FY '26 stood at INR1,661 crores. This includes 46% from aerospace and defense, 30% from auto and auto component and 17% from general engineering. Speaking of our current order book, it remains healthy and well diversified at INR4,585 crores, reflecting a steady demand and continued customer confidence.

The industry-wise breakup is as follows: 41% from aerospace and defense, 19% from general engineering, 18% from auto and auto component, 14% from EMS and the balance from other sectors. Let's coming to the margin. EBITDA for Q3 FY '26 stood at INR155 crores, a growth of 37.3% compared to the same period last year.

EBITDA margin were 26.8% compared to 25% in Q3 FY '25, a growth of 180 basis points year-on-year. EBITDA for 9M FY '26 stood at INR379.4 crores, a growth of 21.1% year-on-year.

Profit after tax for Q3 FY '26 stood at INR89 crores compared to INR80 crores in Q3 FY '25, reflecting a growth of 10.3%. For 9M FY '26, it grew by 18.5%. Lower growth in PAT is largely attributed to increased finance cost on account of capacity expansion plans.

As this capacity is coming in live and will start contributing to revenue and profitability, we will see interest burden being absorbed and reduction in debt, which will enhance the overall profitability significantly. As we enter FY '27, Jyoti CNC is well positioned with stronger order book visibility and key capacity expansion, a project nearing commissioning.

With sustained demand across sectors and improving execution, we remain confident in our growth outlook. We look ahead with optimism supported by our manufacturing scale, technology focus and long-term commitment to value creation.

We may now open the floor for question and answers.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Aniket Jain from YES Securities.

Aniket Jain: Congratulations on posting really good set of numbers. So my first question is on the India, EU as well as U.S. trade deal. So I think India is reducing the tariffs at least for European Union from probably 18% to 20% to near 0 now while EU's tariffs are already in probably low single digit. So are we anticipating any kind of competition from European Union suppliers? What are your views on EU as well as U.S. trade deal?

Parakramsinh Jadeja: Basically I'll let you know that in machine duty today, the machines are coming from EU. This duty was only 7.5%. And all these machines our customers were importing against the exports license there. So almost every customer today, what the machines are coming from Europe and U.S.A., it is in machine tool industries are almost at 0 duty there. So there is no significant change in terms of competition over there.

Rather, we are feeling little bit better there now because all our import content like we were importing the controller from Siemens, Germany and all; our duty was 7.5%. This is going to be 0 for us. So basically that will be a cost advantage is going to come to us. So we are looking very happily to see this deal there basically.

Aniket Jain: Understood, sir. And sir, for U.S., I think we had plans to set up a sales office there. So is there any progress on that?

Parakramsinh Jadeja: Basically we were just looking at the appropriate time. So let's say last 2, 3 months, we already progressed all the company registration, legalities and all is over now. And within Q1 now we are, let's say, appointing all our sales team and our tech centers and all. Hopefully, this operation will be started within the next 2 to 3 months. Very aggressively we are going ahead in U.S. there.

Aniket Jain: Understood, sir. If I can squeeze in 1 more. So we are nearing production. So basically we are nearing the capacity expansion for our Rajkot facility, but we are yet to receive any material orders for EMS. So I just wanted to check if you are anticipating any kind of orders during this quarter or maybe in Q1 of next year so that our capacity as and when it comes online, we have ready orders in hand so that it is optimum utilization. So what are your thoughts on orders as of now?

Parakramsinh Jadeja: Aniket, everyone is looking to answer of this. Basically we are fully prepared. Even our capacity is also coming up and we are fully booked with the order book of back-to-back to them. And right now we are working with many more suppliers, many more of these manufacturers and approving their process and all. Basically all –this my future customers, they also are expanding their capacity.

They all are on an execution level there. Once their plants and things are ready, I think they need further machines and all and we are very much hopeful to get a few orders in coming quarters there.

Aniket Jain: So basically in Q4 so this quarter or maybe in Q1?

Parakramsinh Jadeja: Maybe on a Q1 there.

Moderator: The next question is from the line of Yash Patel from Kotak AMC.

Yash Patel: Sir, I wanted to ask you about the cash flow situation this quarter. Can you throw some light on what were the cash flow this quarter?

Parakramsinh Jadeja: Yes. we are on, let's say, end of the year what we are discussing in past also. So we are on a very positive trajectory on the cash flow side there. We are moving ahead very positive cash flow in a direction in Q4 there. You saw that in Q2 and half yearly, we were at breakeven level, as a positive there. Similarly we are at a similar level and we are hopefully that it will be last quarter is always to be a better quarter for us. So we are looking very positive cash flow.

Moderator: The next question is from the line of Manish Ostwal from Nirmal Bang Securities Private Limited.

Manish Ostwal: I've listened to your initial commentary on the industry and we all understand the industry has a very strong outlook in terms of growth. But when I look at, sir, our order book position especially this year compared to the last year performance, last year FY '25 we started an order book of INR34 crores, INR38 crores and end up INR43 crores, INR46 crores, 26.4% growth.

Whereas in this YTD basis in this particular financial year, order book growth only 5.5%. So order book growth has disappointed materially. So can you make detailed comment why the order book growth is not happening and what is our current capacity utilization in the business?

Parakramsinh Jadeja: See, basically now today, we have reached the order book to almost 1.5 years to 2 years. These industries are not ready to listen to us for the longer delivery period so there is not that you are able to see that numbers are growing higher there, let's say, this year our capacity utilization has touched to almost 90% now.

Once our new capacity will come in the picture and we deliver the old order book there, we will see the traction to be more over there today. And we will build a new a bulky order book on that then after only that once the capacity expansions are going on.

So today -- let's say once this is on that. Today, we are at almost INR4,600 crores is a very heavy order book and no more customers are ready to wait more than 18-month delivery commitment there.

Manish Ostwal: So basically, sir, because of supply constraint at our end, we are not taking the new order or customers not placing new orders to us till our new capacity come on stream. That is the way I should actually look at it?

Parakramsinh Jadeja: Absolutely. Because if I get any new orders ,very bulk orders and all, my delivery period is going to be more than 18 months there. No customers are willing to wait for 2 to 3 years there. So INR4,000, let's say, if you look at that, 18-month order book is a very happy order book for our industries there.

Manish Ostwal: Understood, sir. The second question on our capex plan of the new capacity. I believe we have taken term loan of INR300 crores from Union Bank. So how much we have used it for this capacity expansion program and how much we need to spend more through term loan?

Parakramsinh Jadeja: So basically this year, you know that we have earlier announced that we are going to do INR400 crores to INR450 crores capex and we are behind that very aggressively to finish as early as possible because today our growth are being constrained based on the capacity today now. So we have used that almost INR200-plus crores from Union Bank and we will use this financial year aggressively as soon as possible to finish the capex over there.

Manish Ostwal: Right. And the last question on the supply chain situation because a lot of components we import from Japan. So how the supply chain situation is stable, it's volatile or currency impact. Can you talk about that, please? That will be my last question, sir?

Parakramsinh Jadeja: Today, our supply chain is very stable in terms of internationally, Japan and Germany are well, Supply chain, there is not much issues over there. It's a very stable supply chain we are seeing that.

Moderator: The next question is from the line of Balasubramanian from Arihant Capital.

Balasubramanian: Sir, we are planning to develop proprietary controllers, drives and motors under PLI scheme equal to 4% to 5% of gross margins. Just want to understand this proprietary like it's meaning we are going to place CNC controllers like Fanuc and Siemens, which is widely used in the industry. I think we are taking with Huma the front-end HMI.

Moving to full state controllers involve decades of cumulative software stability and server tuning expertise. I just want to understand beyond prototype, what specific milestones like we are planning to achieve under the PLI schemes, whether we are developing entirely Fanuc or Siemens and how it will reliable compared to those softwares? Can you be able to make it reducing royalty or import cost at the component level? If you can share more details about the controller part?

Parakramsinh Jadeja: See, particularly on a journey of Atmanirbhar Bharat

Parakramsinh Jadeja: So basically for this journey of a CNC controller development and Atmanirbhar Bharat over here. See, in a decade this Japanese and German manufacturer has developed this product and they have made mastery and, let's say, today they are a driver of the world's total motion control over here.

Our journey is starting now, but we have now experience people,now Jyoti has completed almost 30 years plus. In Huron, we have 190 years plus experienced people are available there. So we

have a very, in terms of a drive tuning and fine-tuning the parameters and all on a control design side, we have very experienced knowledgeable people available.

Plus in our country today, very youngsters, new people and all our institutes like IITs and CMTEs and all people together, we are quite confident that and we are able to manufacture, design, develop, manufacture reliable product not only the reliable product, in terms of a technological forefront over there.

So let's say today, any new technology is coming, there will always to be one step ahead in terms of a more advancement because those guys are not able to change the platform very easily once the product has been developed. So we are very much confident in terms of that and looking forward to develop one of the best controller in this earth there. I think I've given you the one part of that. What was your next question there inside that?

Balsubramanian: Sir, like if you could explain PLI scheme for proprietary controller, drives and motors?

Parakramsinh Jadeja: So basically the Electronic Component Manufacturing Scheme, what you have already -- the government has expanded the budget also from INR20,000 crores to INR40,000 crore. So we are eligible over here to be on a capital subsidy over there and there is a specific mark out there for capital subsidy.

The amount what has been disbursed by the granted by the central government, same amount will be in Gujarat government also. So we are expecting to be a very large number of this scheme advantage going to be received to manufacturing these controllers, drives and motors and sensors there.

Balsubramanian: Okay, sir. And sir, another part, 4% to 5% gross expansion is entirely dependent on replacing Fanuc or Siemens controllers entirely or it's reducing royalty or input cost at the component level?

Parakramsinh Jadeja: So basically these are the very high value import items. And particularly on high end machines, the cost of these controllers are very high there., So definitely we are able to, and once we are manufacturing in India and now electronics component manufacturing ecosystem also has been developing so nicely in India.

So even the microchips and all also is going to be available Made in India chips only. So we are no more dependent on future on that. So our cost controls will be very much in our hands there.

Balsubramanian: Okay, sir. Sir, my last question. We are designing products for semiconductor manufacturing machine builders. I think it requires extreme precision, even nanometer range. I just want to understand what kind of market we are targeting. It's majorly for like front-end fabrications or back-end OSAT assembly side? If you could go through that?

Parakramsinh Jadeja: Basically in the semiconductor side, you are right there, it's required nano precision. And based on our this experience at Huron as well as Jyoti, we are now entering into nano precision over there. We are going to create the infrastructure to produce the nano precision over there. And particularly we are targeting to equipment to build semiconductor chips there.

So we are designing and developing many differential processors from casting foundry to inspection units and many, many more equipments are there. Around 8 to 10 different technologies we are developing over here in equipment side to serve to our Semiconductor Mission 2.0 there.

Moderator: The next question is from the line of Kamlesh Bagmar from Lotus Asset Managers.

Kamlesh Bagmar: Just 1 question on the part of, let's say, if we deduct stand-alone from consol. So if I see the revenue so it is down 7%-odd year-over-year. So it may be because of ramp-up in the Huron. So can you highlight, because on a consol basis, our margins are looking lower or the growth in EBITDA looking much lower while on the stand-alone, it is looking very strong.

So because on stand-alone we have done INR165 crores of EBITDA while on consol basis it is INR155 crores. It may be because of like say ramp-up in the expenses at the Huron operations while the revenue has not reflected yet. So can you share some highlight or insight into the Huron operations and the gap between the earnings?

Parakramsinh Jadeja: Already what you are saying is absolutely right. You answered yourself only, Kamlesh bhai. Definitely the revenue has not been come over here and the cost has been incurred. In this now with our new facility comes on a picture, we have add on around 27 more people in manufacturing in France to ramp up our production further more now there.

Even in terms of inventory building up also, we have started very aggressively and supply material from Jyoti to there and we started all flows and everything like that. So you will see this be very normalized things.

And number-wise in next year quarter-on-quarter, you will see more and more Huron numbers will come very positively on a growth side there. Once the growth we will be able to execute there, all these costs will be absorbed and you will see the EBITDA level will increase 1 plus 1 like that.

Kamlesh Bagmar: Okay. And sir, if I see margins like if I just do the math EBITDA per machine, let's say, it is roughly around INR10 lakh in this 9 months. So going forward, as our execution improves and the new capacity comes in, Huron further complements the expansion in the growth. So where do we see our margins? Like do we see significant jump in the margins because the scale and like large capacity expansion comes into play?

So that would get absorbed over larger base in terms of fixed costs. So where do we see our margins? Because in the street, there is some concern that the margins, because year-over-year our margins are at INR10 lakh, which was INR11.5 lakh a year back on a 9-month basis?

Parakramsinh Jadeja: Kamlesh bhai, I'm answering to you on consecutive last 6 calls on the same question and my answer is same. Let's say we are delivering, we are committed and we are seeing that there is no margin pressure we are seeing at a 25% or so EBITDA. And let's say, if it is increasing, it is okay; but we are not seeing any pressure on that to below that.

So we are fully committed in the next coming 2 years, the way we have order book with us, we are very much sure that our margin parameters will be maintained very strongly for the next coming 2 years. That's the visibility we have today there.

Kamlesh Bagmar: Great. And sir, you have highlighted in your presentation with regard to the semiconductor. So are we catering to the semiconductor sector as of now or we are developing the machines to cater to that?

Parakramsinh Jadeja: So we are developing the technology today and once the technology, we will reach out and reach out to that same level of requirement, then we will launch our product there.

Kamlesh Bagmar: And how much time lag would be there like say from current date or what time period we would be able to have?

Parakramsinh Jadeja: So I think we are seeing that in the next 2 years definitely we will come with the commercial product to be launched there.

Kamlesh Bagmar: And lastly, sir, can you give the breakup of machines like the entry level, mid-level, high end and commercial programming?

Parakramsinh Jadeja: So let's say quarter 3, the entry level machines is 1,207 at a value of INR247 crores. The average is INR20.46 lakhs. Mid-level we have 128 machines and value is INR83 crores. Average is coming INR64.84 lakhs. Around 23 machines at value of INR221 crores, average is coming INR9.6 crore. So the total number of machines is 1,358 and average is coming as INR40.5 lakhs.

Moderator: The next question is from the line of Shrenik Mehta from Indo Aalps Wealth India Limited.

Shrenik Mehta: I have couple of questions. One, I wanted to ask you, you had almost INR4,600 crores of order book. What is the advance that we take when we do this order book?

Parakramsinh Jadeja: So let me tell you while we take any entry-level product and in entry level, we have a common, let's say, around 5% is the minimum advance to be with us there. And while while high-end machines for exports and all so there we are able to get a milestone payment also and we are getting at around 10% to 15% advance. But in government orders, let's say we have many government defense orders, there we are not getting the advance there. Government don't give advance.

Shrenik Mehta: Okay. Because this will be always your key concern when it comes to the operating cash flow. As you're seeing the trend, you are making a lot of net profit or the operating profit, but your net cash from the operating activities has been negative and there's a big difference. On one side, you earn almost INR500 crores. Other side, you have a negative INR100 crores net cash from operating activities?

And going forward with the expansion of the capacity, your requirements of the inventory will remain quite high even in the next few quarters. So I don't know if you have some idea about when you expect this cash flow from operating activities to be in line with the operating profit that you make?

Parakramsinh Jadeja: Yes. So already in my first question I've answered to Aniket there and my answer is same that you will see the things that we are on a growth trajectory. One side we are capacity expanding, second side, we are expanding. But our overall inventory days we are reducing from very large to that.

Once the scale-up has reached on an economical scale has reached that, that our inventory days also will reduce there. So you will see quarter-on-quarter very significant improvement from the next year. Even you will look at that end of the year, you will see positive operating cash flows to be there. We have very much worked on that and we are on line with that.

Shrenik Mehta: Okay. And for your French Huron capacity expansion, which has happened sometime in November, when can we expect sales to start showing in our quarter-after-quarter results?

Parakramsinh Jadeja: So the growth we are going to see from first quarter onwards because there is a manufacturing time for the machine is longer there. So we will see the good numbers. The first time you will see the growth trajectory from quarter 1 onwards there.

Moderator: The next question is from the line of Jenish Karia from Union AMC.

Jenish Karia: Considering that the private capex will pick up going forward, should we see growth accelerating? And can we guide for 25%, 30% growth in FY '27 and northward of 30% in FY '28?

Parakramsinh Jadeja: Yes. Absolutely FY '27, you can consider same numbers for FY'27 as well as FY'28.

Jenish Karia: Understood. And you mentioned in your opening remarks that aerospace, defense and auto ancillaries are some of the sectors you are seeing incremental growth coming from an order book building up. But apart from that, are there any specific sectors you would highlight both on India and global perspective where the growth you see accelerating not in the current order book, but in the upcoming order book?

Parakramsinh Jadeja: So basically, the entire manufacturing is growing, always it's very much difficult while I'm presenting numbers to you to combine the general engineering and auto and all like that. So many manufacturing sectors are growing; valves, pumps, domestic and every area. Today, I have a 14,000-plus customer base in India.

We are consolidating and bringing this number into 4 sectors front of you there basically. It's exploding completely on manufacturing. If you look at that, the Viksit Bharat India's target is to be a \$30 trillion economy and 25% of manufacturing.

25% of manufacturing, today we are at 13% and growing this economy at 6% to 8% in between. You can understand every sectors are going to grow there, every sector. Railway, apart from what we are not discussing over here, we are seeing the very tractions on the railway.

The railway component manufacturing is increasing and we are there supplying many machines to them, but it falls under a category of what we call as general engineering. If you see that every quarter-on-quarter, our general engineering baskets are increasing there.

- Jenish Karia:** Understood, sir. And just one last thing. What would be the revenue mix from exports currently and do we see that changing materially improving on the export side going forward or we'll be majorly focusing on the domestic growth story?
- Parakramsinh Jadeja:** So Jenish bhai, we are very much focused to be maintained around 35% to 40% is to be exports and 60%, 65% is to be domestic. And this is in line we are looking for the next couple of years, it is going to be maintained similarly like this.
- Moderator:** The next question is from the line of Aniket Jain from YES Securities.
- Aniket Jain:** So I had 2 more questions. So number one is on the material cost inflation. So I believe there is probably 20%, 30% of your total cost could be coming from the raw materials, maybe steel, aluminum, copper. So are we hedging those or how are we protecting our margins? Is there any price escalation clause included in the product?
- Parakramsinh Jadeja:** Aniket ji, we are absolutely on a natural hedging scenario. See, every orders are fixed orders. We are not having a long-term contract to repeat to same price to give the next machines to them customer there. And you know that our inventory cycles are almost at 200 to 240 days of our manufacturing. Whenever this commodity prices plus and minuses, we are transferring on the same next month to the new customers and we are balance these things there.
- Aniket Jain:** Got it, sir. And probably one more on Huron. So I did some reverse calculation. I think one more participant asked a question. So on Huron, what are the revenues? Because on my numbers, I think it is coming between INR45 crores to INR50 crores versus probably around INR60 crores in the last quarter. So why is there a decline in Huron?
- Parakramsinh Jadeja:** No, it's not decline. I'll tell you one thing. It's because of a consol level. I told you that we are now increasing the new inventories and everything there. So in a consol level, there are more material being dispatched from Jyoti to there. So in a consol, it has been reduced there basically. Otherwise, right now there is a almost it is little bit higher than the Q2 numbers to Q3 numbers there.
- Aniket Jain:** By any chance, are you able to share the number? Not sure if you're comfortable doing that, but what is the Huron's revenue and how much are we sending from Jyoti to Huron?
- Parakramsinh Jadeja:** Yes, absolutely. I'll just find out and not front of me. I'm right now in Huron right now. I'll share with you that detail there.
- Aniket Jain:** Sure. And probably last one. So our gross margins increased to 57% now. So what kind of margins are we making on the high-end machines? And probably is there any increase in the margins for low- and mid-end machines as well? And are we able to sustain these kind of margins or is there a one-off or probably a temporary situation although it has been continuing?
- Parakramsinh Jadeja:** Basically, Aniket bhai, we are always working is more and more is to be our value addition program. Based on this, our complete back-end manufacturing cycle and whatever the critical subassemblies and all we were importing, we are adding more and more.

Even our local entry-level product also, we are expanding the margin. Of course our margins are much better on the high-end machines and we are executing like that. In between I'll tell you the this our quarter 3. In Huron, my sales is INR80 crores not INR40 crores, INR45 crores.

Aniket Jain: Huron is INR80 crores, okay?

Parakramsinh Jadeja: Yes, yes. And then total together in the 3 months is close to INR222 crores in 9M there.

Aniket Jain: Okay. So how much is then out of INR80 crores so probably INR30 crores, INR35 crores is being exported from Jyoti to Huron. Am I correct in my understanding?

Parakramsinh Jadeja: Yes. So basically at consol level, let's say whatever the manufacturing is going to increase there, the 70% goods are going from here to there. So if you look at that this year, we have close to INR85 crores worth of material has already been supplied to them and that's how we are going to see the future expansion growth are there. Right now it is affecting to us. In a consol level, it has been removed and once it will be executed from Huron, that number will come in a picture there.

Moderator: The next question is from the line of Keshav Bharadia from Wallfort Financial.

Keshav Bharadia: Congratulations on a great set of numbers. Sir, just 1 question I had. You mentioned that we were trying to get our working capital cycle more in control by various efforts that we're taking. Sir, could you talk a little bit about how we're trying to get those inventory days down and optimize working capital? That is first.

And sir, second, we've seen a lot of tensions between EU and U.S. and that has led to a renewed uptick in defense spending globally. So is there anything that we are looking at inorganically to kind of increase our wallet share with European customers or get access to newer customers to kind of capitalize on that opportunity?

Parakramsinh Jadeja: Basically about the inventory optimization. See, Jyoti is having more than 200-plus product variants. In the last 3 years, we have reached out to almost 2.5x to 3x on similar SKUs. So based on these SKUs, our optimizations are coming, more and more scale will increase, further more optimization will come on the same set of SKUs we are delivering them more. So my inventory is become optimizing there. That's one.

Second, now in a new plant we are doing lot of automations over there. Those are our general - some of the manufacturing processes was in manual. That we are putting into very sophisticated automations are going to be in a place to be there. So we are seeing further optimizations are going to be seen over there in terms of flexibility on the manufacturing, easy setup change and everything like that.

That's the one part and that's how we are looking to be going forward. Going forward, we are looking to be more and more optimizations on there. Your second question about the EU in this area. Yes, there is a lot of now after the EU bill, we are seeing, already there are delegation has came. I met many people over there and all.

And we are seeing that more and more investments are going to be happened in Europe there and particularly, Germany has taken a lead in terms of defense manufacturing. They are going to spend more than \$500 billion.

And rest all the other people together, they will invest close to \$1 trillion in coming days. And already, our all salespeople are working with them very closely. We are seeing that aerospace, defense as well as very high precision manufacturing in EU zone is increasing dramatically there.

Apart from that , I remember just now. Apart from that, I'd like to tell you one thing more. We have recently now started our China operations also there. We are going to furthermore on China with our sales activity there. And all these geopolitical situations, every country has started investing there. So in this quarter, we got a good number of orders from China as well there.

Keshav Bharadia: Got it, sir. That's very helpful. So sir, as part of our efforts to get more automation in the general manufacturing processes of the new plant, do we expect that to kind of help margins more from the 26%, 27% level we are right now ?

Parakramsinh Jadeja: I think here I'm always giving you 1 simple answer. So yes, there is possibilities are there. We will improve the margin. But I would like to be very, let's say, conservative over here and I'll not like to guide you that from 25% to 30%. We'll be in a range in between 25% to 27%. Already we are - one of the best in the industries we are serving over here.

Moderator: The next question is from the line of Manish Ostwal from Nirmal Bang Securities Private Limited.

Manish Ostwal: Sir, I have only 1 question. Like of the total inventory which we have, what is the breakdown of RM versus WIP as on 31st December 2025?

Parakramsinh Jadeja: One second. So I think I have given a number on a half yearly. I need to take from this number because I'm sitting in France right now. I can send you the details.

Manish Ostwal: Alright. I connect to your offices.

Parakramsinh Jadeja: Yes, definitely we'll send you that.

Moderator: Ladies and gentlemen, due to time constraints, we'll take this as the last question for today. I would now like to hand the conference over to management for closing comments.

Parakramsinh Jadeja: Thank you all for joining us today. I hope we have addressed all your questions. We remain committed to keeping the investment community informed with regular updates on development in the company. For any further information or queries, please feel free to reach out to us or SGA, our Investor Relations Advisors. Thank you very much to all of you there.

Moderator: Thank you, sir. On behalf of Equirus Securities Private Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.