

**February 14, 2026**

To,  
**The Listing Compliance Department,**  
**National Stock Exchange of India Limited,**  
'Exchange Plaza', C-1, Block G,  
Bandra kurla complex (BKC),  
Bandra (East), Mumbai-400 051,  
Maharashtra, India

**Symbol: MACPOWER****Series:EQ****ISIN: INE155Z01011****Subject: Submission of Conference call transcript.**

Dear sir/ Madam,

The Company had organized a conference call for the Investors on Wednesday, February 11, 2026 at 2:00 PM to discuss the financial results for the quarter and nine month ended on December 31, 2025.

The transcript of the said conference call held with the Investors is enclosed herewith. The Company shall also disseminate the above information on the website of the Company- <https://macpowercnc.com/>

Request you to kindly take note of the same.

Thanking you

Yours Faithfully

**For MACPOWER CNC MACHINES LIMITED**

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**RUPESH J. MEHTA**  
**Chairman & Managing Director**  
**DIN: 01474523**

Encl: a/a

**+91 2827 287930/31**  
**+91 7998 7998 16****sales@macpowercnc.com****REGD. OFFICE :**PLOT NO. 2234, NEAR KRANTI GATE,  
GIDC, METODA - 360021.  
RAJKOT, GUJARAT. (INDIA)



## **Macpower CNC Machines Limited**

**Q3 & 9M FY26**

### **POST EARNINGS CONFERENCE CALL**

February 11, 2026 2:00 PM IST

#### **Management Team**

Mr. Rupesh Mehta - Chairman & Managing Director  
Mr. Vishal Mehta – Chief Financial Officer  
Mr. Kishor Kikani- Company Secretary

**Call Coordinator**



Strategy & Investor Relations Consulting

## Presentation

### **Vinay Pandit:**

Ladies and gentlemen, on behalf of Kaptify Consulting Investor Relations team, I welcome you all to the Q3 and 9M FY26 Post Earnings Conference Call of Macpower CNC Machines Limited.

Today on the call from the management team we have with us Mr. Rupesh Mehta, Chairman and Managing Director, Mr. Vishal Mehta, Chief Financial Officer and Mr. Kishor Kikani, Company Secretary.

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

I would now request the management to detail us about the business and performance highlights for the period ended December 2025, the growth perspective and vision for the coming years, post which we will open the floor for Q&A. Over to the management team.

### **Rupesh Mehta:**

Thank you very much Vinay Bhai. First of all, good afternoon everyone. First of all, I earnestly welcome you all to Q3FY26 post results conference call. We appreciate that you have taken out time from your busy schedule to attend this call. Thank you for being in this call.

The financial results and presentation have been posted on the company's website and hope you have had an opportunity to go through the same. I would quickly run you through the Q3FY26 result highlights first, then we will discuss more about our business.

So in Q3 FY26, the company delivered its highest ever quarterly performance in history of Macpower in terms of EBITDA, in terms of the PAT, in terms of the revenue. So, I would like to give you some figures. Revenue stand at INR86.15 crores, which is grown y-o-y at 43%. EBITDA stand at INR15.58 cr, which is grown y-o-y at 99%, with EBITDA margin of 18.08%. That is also highest ever. And PAT stand at INR9.79 crores, which is grown y-o-y 119%, with PAT margin of 11.37%.

This quarter, this nine-month, our CapEx is also increased to INR12.41 crores compared to last year nine month INR7.81 crores. So that's why our depreciation is also increased by INR1 crore. Then also we achieved a good PAT. Machine average price is also increased, last increased from INR18.28 lakh to nearly INR20 lakh rupees, y-o-y.

Nexa, which we had discussed so many time in 2, 3 concalls that we are focusing on Nexa product. So, I think I am happy to announce that the contribution of Nexa product is also at 39% in our order book, because we are focusing on those Nexa product area.

Strong order book, pending order book is also increased to INR375 crores. It's now 17% growth in the order book also. Domestic bid is also submitted by INR639 crores and tender bids, defence and aeronautic bid is INR319 crores. So total bidding is INR958 crores. So, in Q4, we are expecting more strong order book and more delivery.

We developed few new products also in our product basket. The name is DCM 4222. That is the double column series machines. The weight of this machine is approximately 30 ton and the value is approximately INR2 crores. Turn-Mill Center with Y-axis. This one is our new model, nearly INR1 crore market value product, and one product is GX 100 Super. These three new products in this quarter we recently developed according to the market need.

And as part of ongoing capacity enhancement strategy, the company has recently taken 10,000 square feet industrial set space on rental base so we can not stop our growth journey for coming one year or two years. And secondly, we are looking and discussing for another 50,000 to 1 lakh square feet rental base, new sets to increase our production, our process and we are shifting some of the process in this new ready available rental base set. So, once we start the new plant, we don't have to suffer for next financial year.

Update about our new land, we have already paid a primary token advance amount and all the government said, almost 18 type of the different approvals we received and now everything is clear. We have to just sign the agreement with the government but we are waiting for the government new policy which is maybe in this Gujarat budget or maybe in February end. So maybe I hopefully expect that in March first week, second week we receive our new land for the new project.

And significantly we increase our export business also. As you know that we participate in the EMO Exhibition in Germany and from this exhibition, we received few orders from the few dealers we appointed. And gradually now we are entering into the export market also. This is a brief about the business and performance. And I request Vinayji to start the question and answer.

**Moderator:** Thank you sir. We will now begin the question-and-answer session. [Operator Instructions] We will wait for a moment till the question queue assembles.

We will take the first question from Arnav Sakhuja. Please go ahead.

**Arnav Sakhuja:** Hi Rupeshji. Congratulations on a strong set of numbers.

**Rupesh Mehta:** Thank you very much Arnavji.

**Arnav Sakhuja:** So my first question is just regarding this land rental area that you just spoke about. So this is different from the land that you are acquiring which you are in the process of deciding with the government how much land they will give and those various terms. And that land, correct me if I'm wrong, will have a 10,000 machine capacity over the next five years. So what will the purpose of this rental area of 50,000 to 100,000 square foot be for?

**Rupesh Mehta:** This new land for rental we are just discussing because it is readily available with the very nominal rental base. So in '26-'27 financial year, if we receive the land on March, then also minimum 12 months, one year we have to wait for the infrastructure, plant and machinery and expansion of the capacity. So meanwhile for '26-'27, this land is available for a short period. So we are deciding that if we utilize this land, then we can smoothen our production and production capacity also we can, I think, improve.

**Arnav Sakhuja:** So if we get this land, the 50,000 to 100,000 square foot rental area, then we will still go ahead with the new land that we are trying to get for the 10,000 machines or then we'll just use this existing space for that CapEx.

**Rupesh Mehta:** So, this new 50,000 to 1 lakh, already we shifted 10,000 square feet area, some of the process we are shifting in this new 50,000 to 1 lakh because what we feel that if we want to achieve 2,500 machines capacity, we need to shift some of the process. So we are planning to shift some of the process in this new rental area for a short period, maybe one year or one and a half year. After new building, new construction of new plant will be in operation, we'll shift this rental area and we'll be totally focused on the new plant and new building where we are keeping another 2,500 machines for phase one.

**Arnav Sakhuja:** So this will just be temporary and it won't be an additional capacity enhancement. It will be the same capacity moving to that area.

- Rupesh Mehta:** Same capacity but we have to struggle to achieve these 2,500 capacity because of the shortage of the area. So we decided as a safer side, it is not that much costly also. So we'll shift some of the process to smoothen the 2,500 capacity for next financial year.
- Arnav Sakhuja:** Okay, understood. And my next question is, so last year in Q3 FY25, you spoke about some bank realisation issue and payments regarding those issues which affected the performance a bit. So did we face any similar bank realisation issue this quarter or was that a one-time thing?
- Rupesh Mehta:** No, I think now we have some kind of the financial scheme also available with some of the NBFC and that is why our payment and financial realisation issue is almost sold out. So that's why we make one good strategy also with some NBFC and now we don't have that much problem for the realisation. So that issue is not I think -- and this Q3, Q4 are always the highest ever for every machine tools builder or capital goods manufacturer and that's why we feel that quarter-on-quarter also we will achieve the good numbers.
- Arnav Sakhuja:** And just one last question, are we sticking to our guidance for performance in FY27 or is there any revision in the guidance?
- Rupesh Mehta:** I think as I discussed Arnavji that every year we will achieve 25% to 30% growth. So same journey we are expecting for next financial year also.
- Arnav Sakhuja:** And this is revenue and profit growth?
- Rupesh Mehta:** Everywhere.
- Arnav Sakhuja:** Okay. Okay, congratulations again. Thanks for answering the question.
- Moderator:** Thank you Arnav. We will take the next question from Dhaval Shah. Please go ahead.
- Dhaval Shah:** Yes. Hi, Rupesh bhai, congratulations. Good set of numbers.
- Rupesh Mehta:** Thank you. Thank you very much Dhaval bhai.
- Dhaval Shah:** Yes. So my question is regarding the various models. We have given a lot of information about the new products in the presentation. So where do we stand in terms of our complete offering to the market? At this stage, how many more products or which other new platform are needed

for us to have a complete set of offering to the customer? Say for example, if our competitor is having 10 products, do we have all of those 10 products or we have reached 8 products and the other two we are working upon? So, my question is from that side.

**Rupesh Mehta:**

Yeah, I think about product basket, Dhaval bhai, all the 6, 7 players are neck to neck. I think I have a 5% plus than some of the company and some of the model we are not focusing. So I think almost every manufacturer have a 90%, 95% similar product. So, product basket wise, I think I am proud that we are in top 3 in India. So then also every quarter we are adding new, new product. So product basket wise, we are 100%.

As I told in my last concall also that we are suffering for the plant capacity and that's why we are not focusing on the certain area like tier 1 customer. But now we are focusing. Recently, we got good numbers from Kirloskar and AMIC Forge, or like big companies. So we are focusing on that area but what we have to do for next financial year is some of the -- I think area tier 1, tier 2 customer we have to make the separate team for them and some of the segments which we are not focusing because of capacity.

So we are gradually focusing on this area where our presence is almost negligible because of our plant capacity but now we are increasing the presence in the segment wise and area wise also. And that's why if you can see last year our Nexa contribution was almost negligible. In 9 months we increased by 39%. So we are sure that next financial year according to our capacity we will get the good numbers from the booking and good numbers for the billing also by maybe 20% to 30% we are expecting the growth for the next financial year.

**Dhaval Shah:**

Okay. So this Nexa segment is for catering to tier 1 customer?

**Rupesh Mehta:**

No. Nexa is for the higher end products.

**Dhaval Shah:**

Higher end products. Yes. Okay. But does it mean that the tier 1 customers will be more on the higher end side or even your current MSME customer will also buy?

**Rupesh Mehta:**

No. Right now our regular team is handling the tier 1, tier 2 but we already appointed few people and maybe in new financial year we will active the tier 1, tier 2, our new team for the tier 1 and tier 2.

**Dhaval Shah:** Okay. Understood. Second question is on the margins front, you have written about 25% margin vision. So this gap from 18% to 25% and another 7%, 8%, this is going to be possible because of backward integration or a mix of better higher products and backward integration?

**Rupesh Mehta:** I think it is for the backward integration and we have a fixed cost. Once your revenue will increase your margin will definitely increase. If you can see the revenue, once revenue increase the margin is increased by 1% or 2%.

**Dhaval Shah:** Correct.

**Rupesh Mehta:** So that is one area and second area is backward integration and third area is we are focusing on Nexa product which is premium product where our margin level is little bit high compared to other baskets. And third is the defence business where our focus is slightly more right now and the margin level is highest ever in defence area.

**Dhaval Shah:** Okay.

**Rupesh Mehta:** So that's why I believe that we can achieve this 25% in coming 2, 3 years in new plant.

**Dhaval Shah:** Of course the new plant. So, the current plant by what maximum margins you can do from the current plant?

**Rupesh Mehta:** It depends on the revenue. If your revenue is increased then definitely your EBITDA margin will increase. And if we are not participating in the big exhibitions or not doing anything else but we can keep the cost remaining same then also the margin will increase. So there are two aspects some of -- if my revenue is increased by INR10 crores then margin definitely EBITDA margin will increase.

**Dhaval Shah:** Okay. So you are -- okay. So from here on every incremental machine you sell, all your cost are there in the P&L and it is going to directly go to the EBITDA.

**Rupesh Mehta:** EBITDA. Yes.

**Dhaval Shah:** Right. Every additional revenue you make will go to EBITDA.

**Rupesh Mehta:** Go to EBITDA.

**Dhaval Shah:** Yeah. With very little bit increase in your cost. Okay.

- Rupesh Mehta:** We have a fixed cost that is why.
- Dhaval Shah:** Fixed cost is there, yes.
- Rupesh Mehta:** Yes.
- Dhaval Shah:** Okay, Rupesh bhai. Thank you very much. I will come back in the queue.
- Moderator:** Thank you, Dhaval. Sir, we will take a question from the chat. Actually, there are three questions by Hitesh Jain. One of the questions is the timeline for the 25% EBITDA margin guidance. I think you just...
- Rupesh Mehta:** After I think fully operation of new plant we can achieve 25%.
- Moderator:** Okay. And what were the number of machines sold in this quarter, in the last quarter?
- Rupesh Mehta:** Number of machines we are not disclosing because some of the strategy and competitor are watching everything. So number of machines I will not explain.
- Moderator:** Okay, sir. And his last question is what is the capacity utilization expected in the next quarter?
- Rupesh Mehta:** I think next quarter capacity utilization is not for the quarter but entire year. So we are expecting I think in the terms of capacity utilization is the terms of the production. So almost 85% we are expecting capacity utilization.
- Moderator:** Okay, sir. Thank you, sir. Sir, we will take the next question which is also from chat. It is from Naman Jain. He is asking if we compare with world leading CNC machine manufacturers, margins of those companies, can Macpower reach those margin levels. This quarter we reached 18% levels. How much room is left on the margin front?
- Rupesh Mehta:** No, margin will increase gradually. It is not overnight journey. But with the new plant, I had given the clear projection that we are trying to achieve the 25% EBITDA with the new plant capacity and new investment in new backward integration. So we are expecting maximum 25%. After that I will give you the new guidance. But there are lots of opportunity in this business to increase the margins.

We can start the new vertical also. There are lots of -- but right now we are focusing on 25% with new plant.

**Moderator:** Thank you, sir. His next question is are we looking for any technological or R&D partnership with world's leading producers to become the top 10 or 20 companies in the world? Is there anything in your agenda?

**Rupesh Mehta:** So it is already in our agenda in Q2 concall meeting we had discussed about the joint venture or the technology transfer and some of the product we will produce in India with their technology. We already met 5 companies in last Germany exhibitions and we are almost in the finalization stage. But we are waiting for the new land. Once we receive the new land, I think we will start with one company.

**Moderator:** Thank you, sir. We will take the next question from chat. It is from Aniket Jain from Yes Securities. He is asking what is the impact of trade deals with US and European Union on the CNC market in India.

**Rupesh Mehta:** I think USA we don't have anything. We are importing from USA or we are exporting from India to USA. But European machines are maybe -- they can I think sell in India but their price is right now almost double and the tariff in Europe and India is just 7.5%. So it will reduce only 7.5% if the tariff is zero. So it will not give that much impact because their price is almost double without custom duty. So logistic cost is also a significant role for them also because logistic cost is also 25% to 30%. So it will not give any impact.

But we have a good chance in their country. Our tariff rate in a European market is I think too high. So, it is a good chance where we are focusing right now. We had supplied many machine to European market after EMO Germany exhibition. So, yes, it is beneficially to the Indian company.

**Moderator:** Thank you, sir. We will take the next question from Mahek Talati. Please go ahead.

**Mahek Talati:** Yeah. Hello, sir. Thank you so much for the opportunity. So, sir, just wanted to understand. So, when we say 25% to 30% growth from in FY27 and going forward. So, is it in volume terms or revenue terms?

**Rupesh Mehta:** Everywhere, I think. For the revenue terms also and EBITDA terms also and a PAT term also.

- Mahek Talati:** But sir, but then we are also expecting the margins to improve going forward. So EBITDA and PAT growth should be higher than revenue, correct?
- Rupesh Mehta:** Yeah, yeah. It is relevant to your revenue. Once your revenue will increase, your EBITDA margin definitely will increase.
- Mahek Talati:** Okay. And sir, what was the average realization in this quarter per machine revenue?
- Rupesh Mehta:** Yeah, I think I had given the figure, Mahekji. These are INR20 lakh average price compared to last Q3, INR18.28 lakh. So it is increased.
- Mahek Talati:** Okay. And Q2, what was in Q2?
- Rupesh Mehta:** Q2 was, I think nearly INR20 lakh. So same in a Q2 versus Q3.
- Mahek Talati:** Okay. So going -- but since you are focusing on the defence portfolio, so this INR20 lakh will increase going forward with the rollout right?
- Rupesh Mehta:** So, I think gradually we have a huge pending order from defence and we are going to realize these order on Q3. So definitely Q3 will be -- average price will be increased.
- Mahek Talati:** Okay, understood. Okay. And land will be in Feb end or March first week, correct?
- Rupesh Mehta:** I am expecting because we have to just sign. Nothing is pending right now. All the approvals are clear. But right now they have an old policy and they say stop and wait for the short time. We are giving you the new policy and which is a very, very good and very beneficial to the sectors. So that is why we are waiting.
- Mahek Talati:** Understood. Thank you. Thank you so much.
- Moderator:** Thank you. We will take the next question from Shashi Kant. Please go ahead.
- Shashi Kant:** Good afternoon, sir. Thank you. Congratulations for good set of numbers. Obviously, the numbers is quite a stronger this time and we hope that the company will deliver in future also. So my first question is about the orders that are under evaluation around – INR318 crores tender are under evaluation. When do we see the results flowing in?

- Rupesh Mehta:** I think for the tender business, there is no time frame for them. There is a one rule. There is a one rule for GeM order that after 90 days, they have to pay the some of the fees for tender uploading. So normally they have to complete the tender process in 90 days, but some of the department is not, I think following this SOP. So, maybe it depends on how many tenders, but in almost the trend is Q4 is the maximum opening of tender and right now one HAL tender is open of INR3.5 crores. So now tender will open quickly in Q4.
- After that how much tender we win that is up to the -- I think luck or our background calculations, what price we had supplied, what price some other people are quoting. So according to me average ratio is 10%.
- Shashi Kant:** Okay. Overall bid pipeline is around INR958 crores. So, 10% is kind of conversion ratio for us. Is it right sir?
- Rupesh Mehta:** Yes.
- Shashi Kant:** So, in INR958 crores, INR319 crores is from defence segment remaining is INR639 crores. So, where is the major order coming from which sector?
- Rupesh Mehta:** I think everywhere right now they have a huge budget, mainly HVF and recently this is engine factory, HAL and BHEL, they are I think uploading the maximum tenders.
- Shashi Kant:** So currently I mean as you mentioned there are 6, 7 players having similar kind of product portfolio. So what is the competitive intensity in these biddings from the existing players?
- Rupesh Mehta:** I think average everybody is getting 10% to 12%. Some of the small machines or basic machines tender we are not filing because the process and the bank guarantee amount is hold and some of the institute are not that much good for the payment systems. So and some of the company is not filing the higher end machines like INR5 crores, INR10 crores, INR20 crores. So, it is company to company they are selecting the technicals and then they are filing. So average in terms of the value, in terms of the numbers they are getting 10% to 12%.
- Shashi Kant:** Okay. So what is the on ground status from emerging industries like aerospace that India is trying to have its pie grown? So how much inquiries we are witnessing from that segment?

**Rupesh Mehta:** I have a very good market survey. I think about the segments of our machine tools, CNC machine tools. So I think this year we will close with exactly figure will come out after this Q4, because Q4 is highest ever for everyone and especially March. So I think we are expecting 15% to 25% growth in this sector.

**Shashi Kant:** Okay, sir. So are we also looking to participate in -- do we have a calendar of any exhibitions coming where we are trying to participate in coming time?

**Rupesh Mehta:** We already participated in last Jamnagar exhibition. Now in this 20th we are participating in Ludhiana. So every month we are participating in the domestic exhibition. After that one exhibition in Kolkata. So, this year our marketing aggression also you can see. That is why our order because we had a problem for the capacity not for the market. Till date we are covering only 4.5% market share in terms of the value.

So I think still we have a lots of opportunity once we increase the capacity we will focus more and more on other sectors, other tier 1, tier 2 customer. Right now if we focus more aggressively, then our operating cost will increase and our order book you can see it is like a double or triple but we have a problem for the executions. So that's why we are increasing the capacity gradually and we are increasing our marketing and distributions and new product basket strategy gradually. So we have still lots of room because our market share is just 4% compared to value. So we are participating right now in each and every exhibition.

**Shashi Kant:** Sir, as we have seen we are very R&D focused company launching so many new variants of -- new variants, new models. So have we added recently a good team of R&D members or how is the total strength of the R&D team and have you added further into?

**Rupesh Mehta:** Right now we have almost compared to last year we have almost two time bigger R&D team and we do not have that area. We are not feeling that area is challenging for us because we are in this field since last 27 years. So, our team is capable to manufacture any kind of the machines and some of the import substitute machines we are going to make one collaboration also in coming next financial year. So right now, we are not struggling for the product I think or product development, maybe automation, robotic it is the upcoming product also that we already produce and supply to our client.

So, our R&D team is almost two times compared to last year. So we don't have that area. Right now our challenge is only land. Once we have a land we will build up the new setup and then when we will start and we will show more aggression like other players in market.

**Shashi Kant:** Okay, sir. So do we have any certain kind of internal policy of R&D budget that we are going to spend every year, is there anything like that?

**Rupesh Mehta:** No, I think we decided at least 1% or 2%, minimum 1%, maximum 2% is the R&D budget, but for R&D right now we are not facing that much problem. We have a lot of new product is readily available with our basket, but we are not going to launch because if we launch then we have to face again same problem for the capacity. And it is like in one machine we have to utilize 1,100 components. So, we have to modify our machining process, our fabrication process, our product process.

So right now we don't have that much capacity and space, so we are not launching this product. Once our new plant will start, we will keep the product to product assembly area separately. We will focus on that area. So, R&D team is I think one year ahead than our future requirement.

**Shashi Kant:** Okay sir, very nice to hear. Thank you sir. That's all from my side.

**Moderator:** Thank you, thank you Shashi Kant. Sir, we will take a question from chat from Mr. Abhijit A. He is asking what is the price difference in Nexa order book and non-Nexa order book, trying to understand the margin difference.

**Rupesh Mehta:** I think average price for the non-Nexa book is INR15 lakh to INR16 lakh average price and Nexa product there is a INR30 lakh machine also and INR1.5 crore machine also.

**Moderator:** Okay. So his next question is that good order book this quarter after a sluggish growth in the last few quarters. How do we see then order book run rate in the next year, FY27?

**Rupesh Mehta:** I think as I discussed in my previous concall also that we will try to get the minimum 25%, new orders against executed and the new order. So we will increase 25% order book on each and every quarter-on-quarter.

**Moderator:** Okay sir. His next question is how much is the contribution from exports and where do we see this number in FY27?

- Rupesh Mehta:** I think recently we supplied few numbers in the Gulf and the European market. So gradually we don't want to start aggressively for the export market. As I told you that we are facing the problem of capacity. So gradually in a trial base we are focusing on the few countries, but with the new plant we will set up the separate export division also in manufacturing. Right now market is not that much problem for us. Our problem is execution. So, gradually we increase our export market share once we establish the capacity.
- Moderator:** Okay sir. He is asking that are the margins better in export and if yes how much?
- Rupesh Mehta:** Margin is better in terms of 5% to 7% because of some of the incentive from the government also and the pricing also.
- Moderator:** And his last question is how much can the average realization increase in FY27 considering higher contributions from Nexa?
- Rupesh Mehta:** I think it is not important I think for the average realization because right now we are working with the same plant with all the mixed product basket. So say for example if I manufacture INR20 lakh one machine and INR40 lakh one machine, so the area of the assembly area utilization, so one INR40 lakh rupees machine take two days and INR20 lakh rupees machine take one day. So, the average realization will, I think effective once will shifted into the new plant. But right now average realization as expecting in next financial year that will increase by 10% to 20% in focusing on more high valued machines.
- Moderator:** Okay sir. And he is asking one last question. Sir, you mentioned our R&D is two times of last year. So will this lead to an increase in the employee expense and other expenses in the coming quarters?
- Rupesh Mehta:** No, I think it will not increase that much. We gradually increased double team compared to last financial year to this financial year and we are upgrading the team. It is not that much higher valued cost, but compared to last year we increased the R&D team. That's why our revenue and new models are coming quickly, but it is not that much compared to our entire salary cost. It's negligible cost.
- Moderator:** Thank you sir. [Operator Instructions]. Sir, we will take a question from chat from Naman Jain. He is asking since you are making import substitution product, so how much percent of import you think can come down in terms of percentage in the next five years? Any PLI scheme government is planning for this sector?

**Rupesh Mehta:**

I think it depends on the government policy. I think it is too early to predict how much percentage we can reduce. But yes we can increase our percentage. That I am sure that this sector will grow by 20% to 30% y-o-y every coming five years because still we have lots of room. We are not exporting. India's export is less than 1% and world market is open for India and India's companies are ready to serve the world market right now. But same as I told you that they are busy with the domestic order book. That's why nobody is that much focused on export market except two three companies.

So I think we cannot reduce the import. It depends on government policy but with the joint venture technology transfer and acquisition of some of the company in Europe and other countries we can increase our market share, but to reduce the market share is I think difficult. In terms of the numbers we are highest, but in the import machines are coming with the higher price. The average price of import machine is more than INR1 crore.

So I think India has to focus on that segment, but in coming five years definitely we will achieve that area where right now what I am feeling that 45% to 50% is import and India is - 50% to 55% India is producing. So, if you can see 10 years back story the import was 60% to 65% and gradually I think reduced the import product. Right now we are focusing on double column. India is focusing on double column. We are also five axis and HMC. I already purchased in 2012 I purchased from Hyundai Korea, same machine now we are selling to India.

I purchased lots of double column machine from Taiwan and Japan. Now we are manufacturing same kind of machine. So India is developing a new product basket which is import substitute. That's why this segment is growing by 50% to 55% which is the highest in the manufacturing industry.

**Moderator:**

Thank you sir. Sir we'll take a question from chat. It's from Ayush. He's asking is it safe to assume a 25% growth in revenue for FY27 and FY28 and EBITDA margins to sustain an 18% or even higher based on the contribution from Nexa.

**Rupesh Mehta:**

'27 I think I'm sure that we can increase the EBITDA margin and '28 I think EBITDA margin will be also increased once your new plant will but pre-operating and preliminary expenses cost will be added in new plant. So '28 EBITDA definitely will increase.

**Moderator:** And what about revenue sir. He is asking the revenue growth will be around 25% we can assume.

**Rupesh Mehta:** No. It is after completion of new plant and fully operated. So I think '29 we can achieve 25%.

**Moderator:** Okay sir, okay. We'll take a follow-up question from Abhijit A. He's asking are we planning to participate in new exhibitions in FY27.

**Rupesh Mehta:** Yes. We are planning as I just now discussed that. In each and every month we are participating in exhibition. After this Ludhiana we have at Kolkata. After that we have exhibition in Pune. So every month we are participating. It is ongoing journey and it is the regular process of business.

**Moderator:** Thank you sir.

**Rupesh Mehta:** Last year we don't have capacities that's why we are not aggressively participating. In 2023 we not participate in exhibition, '24 we started gradually we are increasing and now aggressively we are participating in all the exhibitions.

**Moderator:** Okay sir. Abhijit is asking sir what was the primary factor behind the increase in finance cost this quarter? How do we see the trajectory going forward?

**Rupesh Mehta:** So I think we launched one scheme for our customers and we had one tie-up with one NBFC. So this is our internal, I think scheme with the NBFC company which is helped to realize the financial disbursement immediately. So that is why this cost is increased. But we'll cover with our sales price. So it is indirectly cost but it is not directly cost because our margin is improved and we are I think diverting that percentage to the NBFC company.

**Moderator:** Okay sir. Sir, we'll take another question from chat is from Keshav Tantri. He's asking I assume we import the controllers from FANUC. Any impact on the cost of these components due to European Union trade deal?

**Rupesh Mehta:** FANUC is not -- I think it isn't -- we are buying with the yen. So it's yen effect is I think applicable for us. And we are buying this FANUC from FANUC India. So they are giving us with the Indian rupees only and the factor is every four month we have to see the yen. So right now FANUC in last two quarter the yen is decreased so it is benefit to us.

**Moderator:** Okay sir. We'll take the next question from Ronit Kapoor. Please go ahead.

**Ronit Kapoor:** Yeah. Hi thanks for the opportunity. So first of all congratulations on the great set of numbers.

**Rupesh Mehta:** Thank you very much, Rohitji.

**Ronit Kapoor:** Yeah. So I want to know like how's the competition you're seeing from this imported machine this fabricators from China who are bringing in parts and assembling the machine. And secondly I want to know like when is the BIS expected to come to stop this.

**Rupesh Mehta:** I think Rohitji, right now we are not that much -- we are not facing that much problem with the China import and their assembling here because the quality of these kind of machines is just like tiny Chinese toys. So within one year, within six months two years. So initially two, three years people buy these machines, who are just as a new entrepreneur they wanted to start their startup. But after this experience our machines life is minimum five years, and if the good maintenance and good service they are doing regularly then they can utilize for 10 years also for the roughing purpose.

But these Chinese machines is only one year. So I don't think so it will affect our Indian market. But I think new rules of BRTS is I think applicable on next financial year. September-October is the deadline. So maybe after that almost this kind of import from other country and from China will stop. But our import is from China is very, very less in the entry level machine.

**Ronit Kapoor:** No, no, imports are like I mean mainly of parts and all these unorganized sector they are fabricating it and making it right.

**Rupesh Mehta:** No. But unorganized sector I think not in this sector, this segment. They have to organize if they wanted to assemble and they wanted to test the machine then also they have to establish the full capacity plant. So there are two three players are just doing this kind of -- but they are buying CKD, all the machines. But it is entry level machines. The cost of that machine is just like 50% than Indian machine and the capacity is half. Our machine capacity is two times than Chinese machine and the reliability of chinise machine is zero.

So I think now people realize that we don't have to buy this kind of machines but the Chinese market share is in total terms of the value is not more than 5% also. So it is not the threat for us and our threat is to develop the -- for Macpower our threat is, or our opportunity we are missing is the plant capacity. So next financial year once we receive the new land we will increase our capacity. And the second is the import substitute product. So I am sure that we are fully capable to deliver the import substitute product in coming few years.

So China is not a big threat but yes, October-November now this is the last warning from the government for this standard. So after October-November I think September third quarter China machine will stop.

**Ronit Kapoor:** Okay. And lastly like any update on when you will be finalizing the joint venture with foreign entity.

**Rupesh Mehta:** We have a -- I think we have a non-disclosure agreement but we are ready from the both sides. Slowly with some of the things we will start once we receive the new land. Meanwhile we are doing some of the things jointly. Right now, we are selling their machines. We are focusing that we can give the market survey and we are working on that area. Once we receive the land we'll announce the joint venture.

**Ronit Kapoor:** So this joint venture capacity would be at this, the new land or like some other capacity which...

**Rupesh Mehta:** With new land, because they have a certain kind of the criteria. With this plant if we start the manufacturing of their product I think we'll disturb our own setup right now. So we'll make the separate setup for them.

**Ronit Kapoor:** So your new foundry is supposed to come up in the land right?

**Rupesh Mehta:** Yeah new land.

**Ronit Kapoor:** Okay. And lastly like in terms of the joint venture like major you will be having a 50% stake or like majority stake will be yours?

**Rupesh Mehta:** It's not like a joint venture. It is a word I am using but it is like a technology transfer and buyback systems. So they are not investing. They want to invest but I denied them for the investment. So it is a one kind of the business opportunity that we produce some of the machine for Asian market in our new plant and some of the imposed substitute

product they will guide us to produce in our new plant and we'll give some kind of percentage royalty to them.

**Ronit Kapoor:** This would be like a contract manufacturing somewhat?

**Rupesh Mehta:** No, no, contract.

**Ronit Kapoor:** No okay, so this is like a technology transfer agreement as such.

**Rupesh Mehta:** Only technology transfer.

**Ronit Kapoor:** Okay thank you. That's it from us.

**Rupesh Mehta:** Thank you.

**Moderator:** Thank you Ronit. Sir we'll take a question from chat from Zubin C. He's asking how would you compare the quality of Macpower Machines versus other Indian competitors.

**Rupesh Mehta:** I think we all are neck to neck, because we have to follow the Indian IS standards. Everybody is following the IS standard. Everybody have a laser, ball bar, NAS test which are the international norms which we have to follow to deliver the machines. So I think all the top five players are following these standards and I think we all are capable to follow the standard and equal to other top five player Macpower is also in same cube. There is no one, two, three, four because everybody has to follow the same standard of quality.

So in the terms of quality yes, we are different in the features. Our length is higher, our speed is higher. In some of the model we are number one. We are getting some of the segment market share is almost 30% to 40%. We are very strong in that focus in some segments. So quality wise we all are neck to neck. Macpower is also you can say number one.

**Moderator:** Okay sir. He further asks that how would you benchmark the quality against Italian or German CNC machines?

**Rupesh Mehta:** I think, our machine Indian machines is capable to compete them but what we are manufacturing right now, we are neck to neck. That German and Italian what they are manufacturing we don't have that product in India. So what they are manufacturing we don't manufacture in India. But if you can say HMC, if you can say vertical machining

centre we are neck to neck with German and Italian because everybody is following same standard which all the world is following.

**Moderator:** Okay sir. We'll take the follow-up question from my Mahek Talati. Please go ahead

**Mahek Talati:** Yeah, hello sir. Thank you for the follow-up. You mentioned that you will not be taking any investment from the tech partner. So then how are we planning to fund the CapEx once the land is transferred to us?

**Rupesh Mehta:** Right now, what the percentage they are asking is too high. We are discussing. So maximum for 5% we offer them. But after that if we not agreed that will not give more than 5%. But about the new plant fund we'll borrow some short-term loan, and right now we have some of the reserve fund in our bank also. So this is a temporary short fund we'll utilize. And if our foreign partners are ready then we'll give 5%, not more than that.

**Rupesh Mehta:** Okay, wonderful. And yeah that's it.

**Moderator:** Thank you Mahek. [Operator Instructions] Sir, since there are no further questions, would you like to give any closing comments?

**Rupesh Mehta:** Okay, thank you very much, Kaptify, team Kaptify, Vinayji and Vinayji's team, and thank you very much to participating and I promise you that we'll keep this journey for '27, '28, '29. Coming five years we'll give you the significant growth. And with our robust order book you can see the Q4 also we will achieve the good numbers more than. This every quarter-on-quarter we'll try to achieve more and more growth and thank you very much for joining the concall of Macpower Q3. Thank you very much everyone.

**Moderator:** Thank you, sir. We thank the management team and all the participants for joining on this call. This brings us to the end of this conference call. Thank you.