JYOTI CNC AUTOMATION LIMITED
CIN: L29221GJ1991PLC014914
Regd. Off.: G – 506, Lodhika GIDC, Vill.: Metoda,
Dist.: Rajkot – 360 021. Gujarat India.

Date: August 14, 2026

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

BSE Script Code: 544081

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

NSE Script Symbol: JYOTICNC

Respected Sir/ Madam,

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 Friday August 07, 2026 is enclosed herewith and the same is available on website of the company at https://jyoti.co.in/investors/announcements/investor-meet-and-related-disclosures/.

Kindly take the same on your records.

Thanking You,
For Jyoti CNC Automation Limited

MAULIK BHARATKUMAR GANDHI

Digitally signed by MAULIK BHARATKUMAR GANDHI
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Maulik B. Gandhi
Company Secretary and Compliance Officer

Encl.: Stated As Above.

"Jyoti CNC Automation Limited

Q1 FY27 Earnings Conference Call"

August 07, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 20th May 2026 will prevail

MANAGEMENT: **MR. PARAKRAMSINH JADEJA – CHAIRMAN AND MANAGING DIRECTOR – JYOTI CNC AUTOMATION LIMITED**
SGA, INVESTOR RELATIONS ADVISORS – JYOTI CNC AUTOMATION LIMITED

MODERATOR: **MR. ANIKET JAIN – ANAND RATHI**

Moderator: Ladies and gentlemen, good day, and welcome to Jyoti CNC Automation Q1 FY27 Earnings Conference Call hosted by Anand Rathi. 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 date of this call. These statements are not the guarantees of future performance, and it may involve risks and uncertainties that are difficult to predict.

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 than zero on your touch-tone phone Please note that this conference is being recorded.

I now hand the conference over to Mr. Aniket Jain from Anand Rathi. Thank you, and over to you, sir.

Aniket Jain: Thank you. Good evening, everyone. On behalf of Anand Rathi, I welcome you all to Q1 FY27 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. We will have opening remarks from the management followed by a question-and-answer session. Thank you, and over to you, sir.

Parakramsinh Jadeja: Thank you, Aniket. Good evening, everyone, and a very warm welcome to our Q1 FY27 Earnings Conference Call. Along with me, I have a senior management team and SGA, our Investor Relations adviser. 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 an overview of the economy, followed by industry and company's operational and financial performance. The global economy witnessed a challenging FY26 with the geopolitical tensions creating uncertainty across markets for a significant part of the year. The conflict in the Middle East disturbed global supply chain and energy markets leading the volatility in crude oil price, raw material cost and inflation. These developments have created an uncertain operating environment for businesses across the industries.

FY27 has begun on a relatively stronger footing. Geopolitical tension in the Middle East have moderated with greater restraint being shown by all countries. While the outlook has improved, the global environment continued to remain sensitive and any fresh geopolitical or trade-related disruptions can once again impact global supply chains, commodity prices and cross-border trade.

In today's interconnected world, no economy remain insulated from global events. India to witness the impact of higher crude oil prices and supply chain disruption during the past year.

At the same time, these events have reinforced the importance of building the resilient and self-reliant manufacturing ecosystems. While India has traditionally been recognized as a service-led economy, there is now a clear policy focus on strengthening our domestic manufacturing as a long-term driver of economic growth, employment generation and global competitiveness.

The government of India continues to accelerate the country's manufacturing ambition through initiatives such as Make in India, the PLI Scheme. Higher infrastructure spending and the development of industrial corridor, sector-specific policies are also driving investment across key industries, including PLI incentives for mobile and Electronic Manufacturing, increased private participation in the space sector, continued focus on to defense indigenization and policy support for automotive industry through EV and advanced manufacturing initiatives.

Together, these measures are strengthening India's manufacturing ecosystem, attracting investments and reinforcing the country's position as a preferred global manufacturing hub. As a company, we are closely aligned with the structural growth opportunity. Our business is a direct reflection of manufacturing activity across the country as our CNC machines enables customers to expand capacity, improve productivity and manufacture with greater precision.

Speaking about the machine tool industry, the global market today is estimated around USD85 to USD90 billion. China remains the largest consumer of machine tools, followed by the United States, reflecting the scale of their manufacturing ecosystems.

India's machine tool market, while currently estimated at around USD4 billion as an inflection point as manufacturing investments accelerate across the sectors. We believe the domestic market has potential to grow multiple times over the next decade.

Despite this opportunity, India has continues to depend heavily on imports with nearly 60% of domestic machine tool demand being met through imports, primarily from Japan, Europe and South Korea. This presents a significant opportunity for import substitution as Indian manufacturer increasingly look for reliable, technological advanced and locally supported solutions.

Domestic machine tools companies are well positioned to capture larger share of this market while contributing to India's vision of becoming a global manufacturing powerhouse.

Coming to the key updates during the quarter for stand-alone businesses. During the quarter, for Jyoti in India, we continue to witness a strong demand from general engineering, automotive, EMS, defense and other precision engineering sectors.

This reflects increasing capital expenditure by manufacturers, rising localization initiatives and continued investment in expanding domestic manufacturing capabilities. The demand environment remains encouraging with customers increasingly looking to automate operations, improve productivity and enhance manufacturing precision.

We recently launched a new product, NX, a high-precision double column machine. The product is targeted to cater primarily to railway sector along with the commercial vehicles, infra, power and heavy engineering. These type of machines was largely imported previously, and we are confident we will receive encouraging response from our customers.

India demand is reflected in our stand-alone performance. Q1 FY27 revenues witnessed a robust growth of 37% to INR509 crores compared to same period last year. Profitability front as well at Q1 FY27 EBITDA adjusted for forex losses stood at INR145 crores compared to INR99 crores in Q1 FY26 with margin of 28.4%, an increase of 190 basis points. Reported EBITDA stood at INR137 crores with margin of 27.2%. Q1 PAT stood at INR88 crores, growing by 21% over same period previous year with margin standing at 17.2%.

Speaking of the global operation at Huron. Globally, demand continues to be led by the defense, aerospace and general engineering. As customers globally continue to invest in advancing their defense and our manufacturing capabilities. We believe the long-term demand outlook for high-technology CNC machines remains robust.

Speaking about the operation at Huron, I'm pleased to share that all operations are running smoothly and are in swing. There have been no disruption to order intake during the period for overall operation happening at Huron facility which shows resilience in our process . We are also witnessing a steadily improving demand environment across multiple industry sectors, which gives us confidence in healthy order inflow over the coming quarters.

Based on current market trends and the customer engagement, we remain optimistic about building a strong order book for Huron. Huron continues to be a key pillar of the company's long-term growth strategy. Its advanced technological capabilities, strong engineering expertise and established global presence significantly enhance our ability to serve customers worldwide. As we continue to leverage Huron's strength, it will play a critical role in expanding our global reach. Accelerating innovation and delivering world-class CNC machine solutions to customers across diverse industries.

Our financial front at consolidated basis. Revenue for Q1 FY27 stood at INR508.5 crores compared to INR410.2 crores in Q1 FY26, a growth of 24%. The consol number also include INR35 crores in revenue from Jyoti CNC to Huron, which gets netted off in consolidation. Further, Q1 FY27 and Q1 FY26 are not strictly comparable as in Huron we have moved away from our accounting method, which led to lower revenue recognition in Q1 FY27 as compared to Q1 FY26 at which time we are following a percentage completion method on a certain terms and conditions. On a like-to-like basis, our consolidated revenue should have been higher by more than INR30 crores.

Q1 FY27 adjusted EBITDA stood at INR119 crores compared to INR100 crores. Adjustment was in account on unrealized forex losses to the tune of INR10 crores. Adjusted EBITDA margin stood at 23.4%. Reported EBITDA stood at INR109 crores with margin of 21.4%. Q1 PAT stood INR57 crores in a margin standing at 11.2%. Overall, both our stand-alone and consolidated businesses continued to benefit from a healthy demand environment. Historically, the first quarter has been seasonally a softer period for machine tool industry with customer ordering activity generally picking up in the second half of the year.

We expect a stronger second half this year as well, supported by a healthy demand pipeline across the both domestic and international market. In addition, our new manufacturing facility is scheduled to commence operation by the end of September, which will significantly enhance our production capacity and enable us to better cater the strong demand environment. As a result, we expect the second half of FY27 to be particularly robust for the company.

Overall, the demand environment today is so strong that we are running at close to our full utilization. Our plant operation at 86% capacity utilization in Q1 FY27, underscoring the need for the capacity expansion that we had announced earlier, I'm pleased to share that our expansion project, which will add the capacity for 10,000 machines annually is in progress as planned.

Installation of machinery is well underway. Our operating teams have already been put on place and we have proactively built up raw material and inventory over the past 9 months to ensure a smooth production ramp-up. We remain on track to commission the new facility by the end of September, following which we will be positioned to cater to strong domestic and international demand, pipeline while supporting our next phase of growth. Our revenue continued to be well diversified across the end user industries, reflecting the strength of our business model.

During the quarter, 37% of revenue came from aerospace and defense, 35% from automotive and auto components. 17% from the general engineering, 6% from electronic manufacturing services. The balance 5% came from other industries.

Moving to our order book. We continue to maintain a healthy and diversified order pipeline. As of today, our order book stands at INR4,848 crores, providing a good revenue visibility for the coming quarters. The industry-wise order book comprised 38% of order book is from aerospace and defense, 20% from general engineering, 19% from automotive and auto components, 13% from electronic manufacturing services and 4% from Die and Mould and with balance coming from the other sectors.

For a detailed update on order inflow during the quarter, you can refer to our investor presentation. On machine sales front, we sold 1,406 machines during Q1 FY27 compared to 1,117 machines in Q1 FY26. The product mix was as followed: entry-level machine sales stood at 1,349 compared to 994 last year. Mid-range machine sales stood at 33 compared to 104 last year and high-end machine sales stood at 24 compared to 19 last year.

Overall, we have started FY27 on a strong footing with healthy revenue growth, improving profitability and robust order book. Demand continues to remain encouraging across key sectors, while our upcoming capacity expansion will further strengthen our ability to capitalize on the opportunities ahead. With a strong manufacturing base, continued investment in technology, our partnership with Huron and a clear focus on supporting India's manufacturing transformation. We remain confident of sustaining our growth momentum while creating a long-term value for all our stakeholders.

With that, I would now like to 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 Harshit Patel from Equirus Securities.

Harshit Patel: Firstly, on your capex, as you mentioned that the additional 10,000 machine capacity will come on stream in September '26. what will be our overall capex outgo for the full year FY27 because there will be some maintenance capex as well. And just a follow-up to that, all our relevant backward integration, foundry, sheet metal fabrication, machining, all those things, they will also come on board in September '26.

Parakramsinh Jadeja: Thank you, Harshit. Let me come back to one by one your questions. So we targeted at close to INR450 crores of capex for our new capacity over there. And until today, we are on to the same target line. We are on the track, absolutely on that.

Another your questions about the detailing. So today, almost our 80% of machine shop is already been constructed, machine has been put up. Already, we started to partially machining and everything has already started. Only the part of automation that we are going to do it now and then it will improved e manufacturing ability over there.

Sheet metal shop, the building is about to finish now and all the machines we already received. And once the building has been handed over from the date within a week time and all, our installations and everything is going to start. Parallelly, our paint shop also, the building is getting ready in this week. So basically, all the equipment, everything is put into inside and to installation is going to start from this.

Only the foundry part, that is running little late. We are expecting to this foundry to be finished in October there. So right now, the foundry equipment and everything is going to come in September and we may take at least 1-month additional time to that. But apart from that, assembly building is also ready now. Assembly building is ready, machine shop is ready, sheet metal is ready. Only in foundry, we will have 1-month to wait over there. So almost you can say that 99%, we are on time.

Harshit Patel: Understood sir. Perfect. Sir, secondly, on our inventory working capital position, as you mentioned in your opening remarks, our current inventory levels are slightly elevated because we are planning for the upcoming execution ramp-up from the second half of FY27 onwards. So how this inventory position along with both receivables and payable, how this metric will look like at the end of FY27? So I'm trying to understand how will our working capital and the operating cash flow generation will look like for the full year?

Parakramsinh Jadeja: So basically, the last year, Harshit, we started to ramp, today, you see that we have close to now INR5,000 crores order book, okay? So, we have ramped up the every procurement and all since last 9 months there. And with this new facility is coming up and execution will set right nicely after the new facility, we are expecting to, let's say, the working capital in the inventory stage is drastically, let's say, improvement we will see. In terms of operating cash flow, we are expecting to very positively surprised to be seen there.

Moderator: The next question is from the line of Ravindranath Nayak from Nirmal Bang Securities.

Ravindranath Nayak: Sir, congratulations on good gross margin. There is a significant growth in gross margin despite very low sales in Huron. But the other figures like that, the staff cost and also the other expenditure on a quarter-to-quarter basis has increased. And also, whether it is due to the new capacity that we are building, so whether it is relating to that, the interest cost, which also has gone up.

So, you mentioned that with the foreign exchange loss, our EBITDA is around 23%. So I'm referring to your past call that we mentioned that whatever may be the realization, INR34 lakh-- INR36 lakh realization go to around INR30 lakhs, our margin will remain 24%, 25%. So how will you reconcile all these things to actually to a 23% margin in this quarter? So, whether there is some capacity cost we have built-in, in this quarter so that our margins are low. So, can you comment on something on this? I will come to the next part.

Parakramsinh Jadeja: Thank you, Ravindra. See, Ravindra Bhai, basically, if you look at that, our stand-alone margin has improved very well, okay? It means we are on a completely on cost and everything is nicely being there. Even though, let's say, individually, we have a 27% plus. And we always guided to people at 25%, okay?

Right now, what we are seeing is the difference are coming basically in Huron. We have made the revenue close to INR35 crores in quarter. Compared to the last year quarter, it was close to INR70 crores. We missed this INR35 crores additional revenue due to this our new accounting structures and all. We have produced, but we are not able to bill them. But the cost and everything has been loaded there, okay?

So that's how it has been looked like. And compared to, let's say, even we have a INR35 crores of material has been transformed from India to there. So that in consolidated revenue, it has been net off. And that's why this revenue has not been seen to be higher there, okay. But in terms of the margin, we are absolutely on track. Once the revenue comes in the coming quarters been booked in Huron, it will be restated to all the margin to be there.

Ravindranath Nayak: Okay. And sir, interest cost has gone up, whether we are booking the cost but why you are not capitalizing the interest for the new capacity that you're going to build?

Parakramsinh Jadeja: So basically, we have fully booked into cost over here. And anyhow, the capacity is going to start in this year, we are going to utilize from September onwards. And partly already, we started using the building up this all our components and all. Already we have put to use. There are many things we have put to use there, okay? And that's how we are able to improve from our third quarter. If I have not put to use and if I start everything from October onwards, then I can capture the revenue from next year onwards there. So already we started, so we put to use and then cost has been incurred. So we cannot push into any capitalization over there.

Ravindranath Nayak: Okay. And if we compare it on a like-to-like basis, whether it is right to estimate that around INR20 crores to INR25 crores of additional cost we have built in, in our cost for which the margin is down?

Parakramsinh Jadeja: Basically, if you look at that, see, the margin, I told you that revenue has not come from Huron at close to INR35 crores. That's supposed to come as compared to the last year first quarter, okay? And if you calculate this margin, we missed the margin of INR20 crores, INR22 crores, exactly the same margin we missed there.

Ravindranath Nayak: Okay. And sir, one suggestion because if you give the Huron's performance on a quarter-to-quarter basis, that would be helpful because instead of discussing in the conference call, if you can give it explicitly, that would be helpful for the investors to actually analyze the things properly. So that is a suggestion.

And last year, there was a forex gain that we have not accounted because if you could have accounted for that in this quarter, then the Y-o-Y, the things would be better because we have got INR10 crores loss. Last year, it was INR20 crores of gain for us in forex. So like-to-like basis, performance should be compared properly. And sir, the new machines that you have just discussed in the opening remarks, what type of machines are they, their realization and also what is the market? What is the import currently India is doing on for this import machine?

Parakramsinh Jadeja: So basically, this large size of the machine are coming from the -- mainly from this Taiwan, Korea are the main supplier of this particular machines. The machines are more than 5 meters range. We have built up the 6 meters, the new first model, then another machines we have put up right now under development is 8 meter and 10 meters also. Particularly for the heavy engineering, last year, India has imported more than 300 machines of this categories there.

And value for this machine is close to INR3 crores to INR5 crores in between over here. So we have just been developed. And the target industries is right now, the railway is also expanding big way there. And we have received some of the orders in this quarter also against this machine for the railway component suppliers over there.

Ravindranath Nayak: Okay. Okay. And is it a 3-axis machine?

Moderator: Sorry interrupt Ravindra sir. May we request that you return to the question queue to follow up?

Ravindranath Nayak: Last question.

Parakramsinh Jadeja: Yes. So, Ravindra, this is a 3 plus 1. This machine is a 5-sided machine, but not in a 5-axis is simultaneously there.

Moderator: The next question is from the line of Saif Sohrab Gujar from ICICI Prudential AMC.

Saif Sohrab Gujar: Jadeja sir, one question around the thing which you mentioned at the initial part of the call, regarding is one of machines where I think the approval was pending because of which it is in inventory, right? Is that correct?

Parakramsinh Jadeja: Correct.

Saif Sohrab Gujar: So, because comparing it to the last call, which you had highlighted, it is about the licenses, which I remember, right? Like for each machine, I think the controller has to issue approvals. So, is that approval received now? Is it a timing issue? Or is it still due?

Parakramsinh Jadeja: No, particularly, it's not in one machine, but specifically, all the export license is right now, they are taking a longer time there, okay? So we are in a waiting mode there. Once we will receive the license, it means there is a certainty for the machine to be dispatched. And then only we can able to book this into our revenue to be there. This is a method been a very conservative method being adapted by the local authorities and the local auditors over there. So that we have adapted over here basically.

And we are in a very strong position. Our 2 to 3 meeting our management has done with the authority there. And they are very much positive. They are looking to the end user client and all, and they will clear very soon there.

Moderator: The next question is from the line of Bajrang Bafna from Sunidhi Securities.

Bajrang Bafna: Sir, congratulations for a decent set of numbers on a stand-alone. Of course, there is some ambiguity on the Huron side. So I'll be a little more specific to get the clarification done from you. So, since you already pointed out, I'm just putting in perspective, earlier, we have adopted percentage completion method. And now we are booking revenues on Huron once the machines are dispatched.

So since the complete dispatch was not there in this quarter on the Huron side, as compared to what we have exportedsome material to Huron, we have seen the revenue dip. And if we would have adopted the earlier method, then revenues would have been higher by close to another INR30 crores, INR35 crores, which would have flown to EBITDA and the comparable EBITDA would have been much better than what it looked like in this quarter. So is my understanding right, sir, to understand.

Parakramsinh Jadeja: Absolutely. Absolutely, you understood as perfectly right. And I already stated into all past 2 questions also. So absolutely, let's say, if this method has been not set, then my top line which should be INR35 crores more and INR22 crores margin should be more there.

Bajrang Bafna: Correct. So now, sir, going into Q2 precisely, can we expect that some dip that we have seen in Q1 in terms of dispatches of machines? Can they pick up in Q2 or we have to wait for the second half? So can we expect some sort of pickup in dispatches of machines in Q2, so Q2...

Parakramsinh Jadeja: Yes. Basically, we are looking to be -- see, this particular things have been changed in the last -- only in the last 3 months, okay? It started from Q1, okay? And now we are expecting Q2 is much better. We have a local machine. Those are the machines are going to be prepared and going to dispatch even not -- we are not waiting for the end user certificate also.

So, we are expecting Q2 numbers to be improved there first, okay? Gradually, I'll tell you one thing. These are the long-term, long large machines and the manufacturing times are longer. So, it's a lumpy things are coming up. So, third quarter and fourth quarter, we will see the bunch will come. Ultimately, we are producing and keeping there into WIP there. So one day, it will go out, and we will see the nice results on the coming quarters to be there.

Bajrang Bafna: Okay. So sir, I'm just trying to conclude it. The earlier practice was that since the lumpiness was not there, so numbers were looking smooth because of percentage completion method.

Parakramsinh Jadeja: Absolutely.

Bajrang Bafna: A few quarters, few quarters might see more dispatches, a few quarters might see lower dispatches on our own side. So, it is better for us to look at the yearly picture rather than quarter-on-quarter EBITDA margins. Is that understood right?

Parakramsinh Jadeja: Absolutely, right. Absolutely. Machine tool company, we need to see a yearly basis only there.

Bajrang Bafna: Okay. And sir, still we stand by with our earlier guidance of close to 25% to 30% growth on top line and maintaining the EBITDA margins in the range of 25%.

Parakramsinh Jadeja: Absolutely. We are fully committed. We are on the way. And we have demonstrated, if you look at that, even this situation also, we are close to 23.4% at margin and growth also is close to 24% at consolidation level also. So we are on track, and we are absolutely going to deliver 25% to 30% as the guideline has been given and margin also to be maintained there. We are fully confident on that. We'll deliver that.

Moderator: The next question is from the line of Aniket Jain from Anand Rathi.

Aniket Jain: I wanted to check on the EMS market. Is the demand environment improving there? Can we see some good ordering in the couple of quarters that are yet to come in this year? So maybe that's question 1for EMS ordering.

Parakramsinh Jadeja: Okay. What is the question number two? Just tell me.

Aniket Jain: Sir, question number 2 is also on the accounting change that you have done. So if I understand correctly, there will be some huge lumpiness in the revenues, basically INR30 crores to INR35 crores. We may see INR30 crores for Huron in 1 quarter, and that may increase to INR100 crores in next quarter because eventually, the run rate was about INR70 crores that was historically done. So doesn't that create a lot of lumpiness in the EBITDA margins also? It can go to probably 30%, 31% when the revenues are higher and can come down to 23%, 24%. So how do you look at the margins, the sustenance of margins?

Parakramsinh Jadeja: So I always say that, Aniket, that, first of all, the machine tool company, we are not a quarter-to-quarter, okay? But anyhow, we are here. So -- and we manufacture the very large machines and all it will going to happen, and we will see that things. And people will also -- you will also be able to understand the complete cycle to be there. So that is a part and parcel of the business. So we will see that things basically.

Regarding the EMS, we are fully busy right now. It's not converted into an order because all my customers also are developing their own capacity. Many customers are waiting, now there is a new Electronics Manufacturing Component PLI Scheme and enhancement up to INR40,000 crores. So many of customers are waiting and then they get the clearance.

Right now, we are fully more than 200 of our people. Those are working with those of our customers and developing each new processes, toolings, the programming and supporting them. So we are fully equipped to support to them. Once they are ready, we are also ready. And basically, right now, our capacity also will come up. They all are looking to us over here also.

Today, we are almost 90% level, utilization levels are there and already, we have a big order book in our pipe, and we first like to execute all these things fast.

Moderator: The next question is from the line of Arafat from Dolat Capital.

Arafat: Sir, am I audible?

Parakramsinh Jadeja: Yes, absolutely.

Arafat: Congrats on strong standalone performance. Sir, my first question is on your realization. If you look at the realization per machine blended, it has come down in FY26 to around INR38 lakhs from INR40 lakhs, INR45 lakhs in FY25. And if you look at the number what you discussed in the 1Q FY27, it's further down to INR36 lakhs. So just want to understand it's mainly due to the, let's say, machinery or the sector or which has drive this lower realization for the FY26 and also 1Q FY27?

Parakramsinh Jadeja: So basically, see, if you look at that, the last year, the first quarter was 1,100 machines are there. This year, we have increased the number of machines to close to 1,406 okay? So the last year, the first quarter average was INR34.41 lakhs okay? And this year is close to INR34.56 lakhs is almost similar there, okay? And we will be in a range in coming days because the way number of machines and capacity on an entry-level and mid-level machines are increasing. So we will be in a range of similar in the coming quarters or 1 or 2 years to be like this.

Arafat: Okay. Got it. And sir, next question is onbookkeeping. You said the total capex for this 10,000 machine close to INR450 crores. So I think if you look at for the '26 capex, I think it's somewhere close to INR300 crores. So I just want to understand what capex we have done till now in FY26? And what would be your capex for FY27 in terms of number?

Parakramsinh Jadeja: So in terms of this year, we are going to do close to INR200 crores to INR225 crores, balance of this INR150 crores plus some maintenance capex and all kind of things.

Arafat: Okay. So can we assume again INR300 crores capex for this year as well?

Parakramsinh Jadeja: No, it is not going to touch to INR300 crores. I told you that INR200 crores to INR250 crores in between.

Moderator: The next question is from the line of Shwetha from ithoughtPMS.

Shwetha: Sir, firstly, a clarification. In the beginning, you said that this quarter's capacity utilization was 86%. Can you tell me what the capacity was for that utilization number?

Parakramsinh Jadeja: So basically, it's 6,000 machines a year.

Shwetha: Okay. Because if I was not wrong, earlier for FY26, you said around like 90% utilization. That's why I wanted to confirm that number.

Parakramsinh Jadeja: Yes, correct. So last year, let's say, at the end of the year, we built 5,550 machines there.

Shwetha: Okay, sir. My question is, even though the ASP declined this quarter, we saw an improvement in the gross margin. So is that how it is going to be going forward even as the entry-level machines ramp up with the new capacity?

Parakramsinh Jadeja: So that's why I'm telling, let's say, the gross margin ultimately with all model mix, I always guided like that. We will be at EBITDA level at 25%. We may sometimes go plus, our business model has been ensured like that. We'll be near by that.

Shwetha: Okay, sir. Lastly, one structural question. Are you seeing any signs of replacement demand, like machines that were imported like 20 years back or something that are getting swapped with Indian machines now?

Parakramsinh Jadeja: Yes, there is a lot of new demand are coming, particularly in the last July, we have seen historically highest order book today now. Every area is demand is coming up. We first time in a local market, local expenses in India, we crossed more than 1,000 machines in 1 month. And specifically, every industrial area is growing, but particularly the area I'm coming from, let's say, Rajkot alone, Jyoti has booked more than 250 machines in July there.

So it's a massive demand. And all the now we have been witnessing the people, those have been used our machine in 2000 to 2005. They are replacing even new capacity being add on and then many, many new things are coming there. See, the last year, none of the Indian machine tool company, we were having the capacity. So import has surged, okay? Import has increased to now in the last year has reached to 62% of total India's consumption there.

Moderator: The next question is from the line of Saurabh Vyas from Systematix.

Saurabh Vyas: So, first question regarding the Huron accounting one. So, as of now, we took this change because of the going on investigation in the Huron capacity. I just wanted to understand that if we get this investigation concluded and if this investigation comes into our favor, so going forward in the next year, we will be again going back to the percentage of completion method or the Huron facility specifically will be accounted as on the basis of deliveries?

Parakramsinh Jadeja: No. Basically, the principle of account is no more connectivity with today, our investigation and all. So basically, the uncertainty is happening due to geopolitical situation and end user certificate is an important parameter there. Previously, it was not that important there. Now they consider this is the uncertainty of the deliveries. So once that -- until that certainty will not come over there, they will not book. If I get, let's say, the end user certificate within 3 months of my order, I can able to book a POCM there also.

Saurabh Vyas: Got it. Got it. Got it. And just, sir, one more question on the new capex. Basically, we will be adding around 10,000 of machine capacity in the coming quarter by September. What number of machines that are we looking from this incremental capacity to be booked by FY27?

Parakramsinh Jadeja: So, what I said that we will be growing up by 25% to 30% this year, okay? That's already we have estimated and we have been given the guideline there. So, you can make calculation based on that because right now, last year, we have built almost 90% of our capacity. So, you can say that we are going to cross more than 8,000 machines this year.

Saurabh Vyas: 8,000 machines. Perfect. Alright.

Moderator: The next question is from the line of Prerak Gandhi from Sowilo Investment Managers LLP

Prerak Gandhi: I just had one question on the Huron subsidiary. First, can you just explain me the rationale behind changing the accounting policy? And secondly, the total loss that the subsidiary has recorded approximately of INR30 crores. Can you just give us the bifurcation of how much that loss has occurred due to operational and probably delay in sales issues? And how much is purely due to accounting purposes?

Parakramsinh Jadeja: So basically, I'll tell you that, let's say, this year, the first year -- last year, first quarter, we did close to EUR7 million turnover. This year also, we have manufactured the machine up to EUR6.5 million, but we are able to bill up to EUR3 million there. So additional INR35 crores revenue we have missed. But all the cost has been incurred there, okay? That is the difference has been seen into INR30 crores of a gap there.

Prerak Gandhi: Okay. And sir, the rationale behind changing the accounting policy?

Parakramsinh Jadeja: See, the rationale behind the accounting policy is that today, now the end user certificates, okay, is getting too much late there, and with this investigation has been started. So the auditor has taken a very conservative step. And based on the accounting standard and French GAAP over there, any percentage of completion method, if any of your dispatches, if there is uncertainties are there, you are not able to book those revenues basically. And uncertainties means that you have received the order, even you have received the funds also, but your government authorities, they will not clear, you are not able to dispatch. So you are not able to book this revenue to be there.

Prerak Gandhi: Okay. So just one clarification. So, we are just awaiting the certification and completion of this investigation. Once these two things get sorted out, we'll just...

Parakramsinh Jadeja: Both things are different. You remember one thing. Investigation is a different parameter and end user certifications are different. End user certification and dual-use end user certification, we need to take any exports from Huron to there, not today, even in past also, okay? But previously, we used to get the certificates very fast. Today, the time line has increased there basically.

Prerak Gandhi: So any reason for the time line to switch?

Parakramsinh Jadeja: Geopolitical situation. It's a defense ministry there. They check every individual user. Let's say, today, if I receive the machine order from HAL, okay? And if I have to export, let's say, give machines to HAL and I'm using a Siemens controller. So Siemens has to take this permission for HAL from German Defense Government there, from government defense there, okay? They will give the clearance based on the users of these machines, okay?

So every time they ask something, we go to the customers. Let's say, we are right now waiting for many of our Chinese customers and Turkish customers to getting the clearance over there, okay? So once the authority asked something questions, we have to go again to that customer and getting the documents and going back. So, this is how it's the process has been increased there.

Prerak Gandhi: Okay. That is quite insightful, sir. Just one -- if I can squeeze one more thing. On the investigation side, can you give any time line as to when this entire thing will get sorted out?

Parakramsinh Jadeja: We will be normalized these things basically. I don't think so. We are not seeing very near future to be, let's say, they are not, geopolitical situation is such that we don't see that it has been finished in 1 month or 2 months like that, okay? But we are sure the way authorities have been responding to us about licensing and all, we also – with our team went and meet them, definitely, they are going to improve the time line over there.

Moderator: The next question is from the line of Aniket Jain from Anand Rathi.

Aniket Jain: I wanted to check whether these export licenses are required when we are manufacturing the machines in India and exporting from India as well? Or is it just a Huron specific issue?

Parakramsinh Jadeja: No, it's every machine tool company. Let's say, today, I'm in India and whatever the machines I'm manufacturing, the machines are simultaneously 5 axis. And if I have to supply to any of the customers, okay? The license, let's say, right now, I'm buying this controller from Siemens. If tomorrow, I buy a controller from FANUC or Siemens anywhere. So, they have to obtain this license from their authority to be there. Right now, Huron is in Europe. So they are making a machine. So they have to take there.

Aniket Jain: Okay.

Parakramsinh Jadeja: I'm buying a controller from Siemens. So, Siemens is taking this basically in behalf of us there.

Moderator: The next question is from the line of Abhishek Jain from KRIIS PMS.

Abhishek Jain: Sir, as you mentioned that you were not able to book around INR35 crores revenue in this quarter. Otherwise, revenue to be around INR65 crores.

Moderator: Sorry to interrupt, Abhishek, sir, your voice is very low.

Abhishek Jain: Are you able to hear me now?

Parakramsinh Jadeja: Yes.

Abhishek Jain: Sir, as you mentioned that you are not able to book around INR35 crores revenue in this quarter. Otherwise, revenue to be around INR65 crores on the Huron. So just wanted to understand what's your full year guidance for the revenue of Huron in FY27? And what EBITDA margin can we expect from this year?

Parakramsinh Jadeja: Okay. So basically, that's the correct question now. So Huron, we are expecting to have close to INR300 crores to INR325 crores of revenue this full year.

Abhishek Jain: And on the margin side, what margin we can make on the Huron in this year?

Parakramsinh Jadeja: So basically, at EBITDA level, we will reach at Huron level at close to 8% to 10%.

Abhishek Jain: 8% to 10%.

Parakramsinh Jadeja: Yes.

Abhishek Jain: Okay, sir. And my next question on the CNC controller. As you are developing your own CNC controllers. So just wanted to understand what is the progress right now? And when we can expect commercial deployment of CNC controller?

Parakramsinh Jadeja: So basically, we are manufacturing, let's say, designing and developing drives, motors, CNC. Today, our HMI is ready. And I think commercialization will happen in the next 2 years' time.

Abhishek Jain: So when can we expect the capex for this commercial production of the CNC controller?

Parakramsinh Jadeja: So right now, we have already applied for the PLI, and we are eligible, and we have been applied there. And we are already now -- plans are ready. Once we will get the clearance, we will make a plan to commence there.

Abhishek Jain: And what would be the incentives for the PLI, sir, in terms of the percentage?

Parakramsinh Jadeja: So today, in terms of a capital subsidy is close to 25% from the central government. And similar, whatever the central governments are giving is the same amount match by the state government. So you can consider close to 50%.

Abhishek Jain: Got it, sir. And my last question on that customer qualification program, which you are running with the semiconductors and with the Apple. So just wanted to understand what is the progress over there?

Parakramsinh Jadeja: So already many customers we have been qualified and many, we are designing and developing the processes for them. Yes. So it is going greatly. In the beginning also, I said that more than 100 to 200 people are connected with them and developing many more products for them basically.

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

Kamlesh: Sir, like what processes we are taking up, like say, in terms of improving our HR, then our financial operations, particularly CFO side and our audit system because you may be looking at a lot of these things circulating on the media, social media as well.

So, what steps we are taking to improve our systems, internal systems? Because let's say, given the fact that we are in such a good position and we are doing remarkably well, like a 10% market share in terms of CNC market. So what, internally, what we are doing better, let's say, on improving the processes, I ideally believe that you should change the auditor. These steps should be taken because it will further improve our visibility in the investor community because these are literally dragging our overall perception.

Parakramsinh Jadeja: So first of all, Kamlesh ji, I will tell you one thing. The improvement is always a continuous improvement, okay? And this is the ongoing process all the time. Every company has been growing from small to midsized to bigger size, and they're evoluting and, let's say, improving every day by day there, okay? So you will look at with your perception. And we are also taking into account on this area. But we are very much, let's say, always in improvement side in terms of the quality, in terms of the processes, we are ISO 9000 company is a fully -- and if we are not in a good in terms of this HR best practices and all this, so we cannot have a walk with the world's largest and biggest customers to be there. They will not qualify to us there.

If you look at that as a customer base and all, if our processes are not into place, none of the customers. But your suggestion, we will take into consideration and we will see that where we can have -- always we are improving and we'll further improve to be more there.

Kamlesh: Yes, I appreciate that, sir. And secondly, and we really look forward to that because despite having such a strong performance, we continue to hear like, a lot of complaints on that front.

Parakramsinh Jadeja: Kamlesh bhai without the people performance never comes. Understand that.

Kamlesh: Yes, yes, I do that.

Parakramsinh Jadeja: Without a good quality work of the people, we should not able to reach out this position there.

Kamlesh: Great, sir. And sir, on the Huron side, you told that we would be doing INR300-odd crores in this year and 10% to 11% margin. So I believe that is on the Huron side only…

Parakramsinh Jadeja: I said 8% to 10%. not 10% to 12%. I said it as very clearly.

Kamlesh: No, no, I'm trying to understand that. That is only on the Huron stand-alone basis. So whatever components which we are sending from India, so that would be having their own 20%, 25% margin built in that. For a company as a whole, on INR300 crores, would we be making like, say, 25%, 30% margin because the machines in Huron.

Parakramsinh Jadeja: Absolutely.

Kamlesh: Yes. So, 10-odd percent is primarily on the Huron stand-alone basis.

Parakramsinh Jadeja: I said that someone has asked to Huron performance. So, I said at Huron level there.

Kamlesh: Okay. And sir, secondly, like on the -- this one percentage of completion method. So when I go to your annual report for FY25, we used to have been following that practice in accounting treatment as well, revenue recognition. So like I'm really confused that whether it was adopted in FY26 itself or because it has been the practice in the previous year as well. So I'm really confused on that part, whether we have followed now or it was there in earlier years as well? So..

Parakramsinh Jadeja: Kamlesh bhai, this practice is in Huron since last 20 years.

Kamlesh: Yes.

Parakramsinh Jadeja: Okay? And that is still exists only one condition has been added, okay? And that is -- I'm telling you that only once uncertainty is back to the end user certificate, okay? Once the end user certificate given by the government, we will add on to a POCM there. So it will be continued there. It has not been closed, okay? And this has not been changed anything. It is been modified. The accounting team has been modified there.

Moderator: The next question is from the line of Sanjay from Bastion Research.

Sanjay: I wanted to understand that what are we expected since our new facility is going live in Q2 FY27. So Q1 FY27 should see the jump in order intake, while sequentially from Q4 FY26 to Q1 FY26, when we see the order intake fell by 15%. So, can you please throw some light on that? How should we view this?

Parakramsinh Jadeja: So basically, we are already having a stretch order book. We have a very large order book compared to the our execution today. And every quarter, let's say, today, if you see that in the last couple of quarters, we are consciously -- let's say, what we are dispatching, we are increasing more than that. Even this quarter also, we have close to INR510 crores is a dispatch and we have INR600 crores is the order book there. And our customers also look at that once our execution capability will increase, we can book further more then.

So definitely, we will see in the last quarter to be more order intake our customers also become a very confident, then only they will place us to order on on-time deliveries to be there.

Sanjay: Okay. Sir, my another question would be, as you said that Q1 to Q1 should not be a comparison, I understand that. But on a sequential basis, we are comparable and the capacity is already going live on building up. So the cost on that front is already building up, right? But when we see on a sequential basis, our margin has been down by 320 basis points. So this reflects some of the points you said that because Huron of INR35 crores. So that's attributed primarily to Huron. Otherwise, our margin would intact on that basis. Is that understanding right?

Parakramsinh Jadeja: Absolutely. You can see my, let's say, the same standalone business, I have a 27.5% margin to be there in this quarter itself.

Moderator: The next question is from the line of Amit from Clear Blue Capital.

Amit: Am I audible?

Moderator: Yes, sir.

Amit: Just trying to understand this end user certificate, it is only for 5 axis, right?

Parakramsinh Jadeja: Absolutely.

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Parakramsinh Jadeja: There are many, many conditions are there. Let's say, first is the 5 axis simultaneously or any -- let's say, there are many long guidelines by EU and all. Certain precision also is a part of that.

Amit: So none of our standalone sales require any kind of end user certificate, right?

Parakramsinh Jadeja: Standalone in India?

Amit: Let's say, Jyoti sales to some of Jyoti subsidiary

Parakramsinh Jadeja: We also required. We also required.

Amit: Okay. Okay. So is there some kind of some lag in the revenue recognition?

Parakramsinh Jadeja: No, we have all this in India, particularly, we are having India and Germany, we have a very good repo systems and all. So, we are able to get it very fast over there.

Moderator: The next question is from the line of Ravindranath Nayak from Nirmal Bang Securities.

Ravindranath Nayak: Sir, actually in the plant visit, you mentioned that INR200 crores of order is expected for MBDA. What is the status of that now?

Parakramsinh Jadeja: So already out of that few orders we have received in this quarter. And many are in the coming quarters, we are expecting there.

Ravindranath Nayak: Okay. Okay. And sir, MBDA is also expanding here with L&T. They have already set up the capacity in Coimbatore. So, whether we have actually the opportunity there to market our product?

Parakramsinh Jadeja: Absolutely. Many European companies are coming in India, and we all are in a preferred supplier to their list, not only this one. Many more are coming in aerospace and defense area to be there.

Ravindranath Nayak: Okay. And sir, again, sir, the BFW is already set up with 10,000 machine capacity in Hosur. How the competitive scenario is going to shape up because we are also developing at the same time. So, can you please throw some light on that what is the competitive scenario is going to come up?

Parakramsinh Jadeja: Right now, Ravindra ji, always every business, there is a competition. And we are coming up here with always -- we have a very fight and tough competition always, okay? So yes, it is part and parcel of the life.

Ravindranath Nayak: Okay. And sir, they are also manufacturing the 3 axis machines in this new facility or they are manufacturing something other...

Parakramsinh Jadeja: I cannot tell about the strategy of my competitors.

Moderator: The next question is from the line of Simran Kumari from Narnolia Financial Services Limited.

Simran Kumari: I have two questions.

Moderator: Sorry to interrupt Simran Mam. Your voice is very low. Can you speak little louder?

Simran Kumari: I have 2 questions. Like first one is on debt outlook. Could you just provide an outlook for the debt for the fiscal year FY27 and walk us through the drivers behind the increment in the interest expense during the quarter? And the second question is regarding the order book. What is the current visibility for the order book for the current fiscal? Both are my two questions?

Parakramsinh Jadeja: So, in terms of right now, we are in a debt situation, we are very much comfortable situation that we are not seeing further debt to be increased from this year because already we have taken term loans and everything to be there. Once, let's say, any further capex in next future, we will think over there, okay?

And still, okay, our balance sheets are allowing us to go up to and we have made a disciplined parameter inside that. We will not grow more than, let's say, our debt should be 1:2 EBITDA level there. And we are within debt limits, and we're not going to increase to be there. So this year, we are at a similar level to be there. It is not going to increase there. What was your second question? I missed that.

Simran Kumari: Sir, second question is regarding the order book visibility.**Parakramsinh Jadeja:** So, order book, let's say, we are very much clear that this year, the first quarter, we took almost INR600 crores, and we are expecting to finish this entire year in between INR2,500 crores to INR3,000 crores there.

Moderator: The next question is from the line of Jay Shah from Genuity Capital.

Jay Shah: Congratulations for a good set. Sir, I just wanted to ask on Huron basically, just one question. You said that around INR300 crores, INR325 crores of revenue. And if I'm not wrong, our capacity there is 240 machines. So, what would be approximately the number of machines for this revenue, if you can say? And you said around 8% to 10% margins. But would it be PAT positive this year? Do you think so?

Parakramsinh Jadeja: Yes. So first of all, 8% to 10% EBITDA, yes, we are positive there, okay? In terms of PAT positive there. In terms of, let's say, the 240 machines is the capacity based on the model mix. Today, what we are receiving the orders is on our large machines. The machine value is more than EUR1 million to be there. And that's why this manufacturing time and everything is longer there. So, for a larger machine in our capacity, we are able to execute in terms of value-wise, close to EUR75 million there. It's close to INR750 crores there.

Jay Shah: EUR75 million, full capacity realization.

Parakramsinh Jadeja: Full capacity utilization.

Jay Shah: So eventually, we will reach there.

Parakramsinh Jadeja: That we have just expanded last year in December, okay, November, December, we add on the capacity. So we have now capacity up to INR750 crores to be there.

Jay Shah: Understood. Understood. And just, sir, last question to understand this license and end user certificate better. So is it that even from France, if you have to locally sell in the European Union like to Germany or Spain, Portugal, even there, do you need certificate or this is only to export out of European?

Parakramsinh Jadeja: No, out of European Union. I don't need a license there for the Germany, for the Italy, for Spain.

Jay Shah: Okay. Understood, sir. Understood. And just last question, sir, you said that a lot of replacement to one of the previous participants a lot of replacement demand and a lot of local demand is also coming in. So, I mean, I have visited Rajkot a couple of times. So just trying to connect these 2 things, is it that you are finding a lot of component guys who are now getting into aerospace or precision engineering even at a local level, Tier 1, Tier 2 suppliers.

Are they also upgrading -- is it fair to say that they are upgrading to a certain level of machineries and that's why in the future, our realizations can go up because it feels that now since with the new capacity, Jyoti can take a lot of import share because you said 62% is import as on today. So are these guys also upgrading because India is seeing so much manufacturing and like you said, all Europeans are coming here. So people would need some better capacity, better capability machinery, right? And if Jyoti can deliver, would our realizations go up with time because people have to also upgrade if they have to work with Europeans and U.S. companies?

Parakramsinh Jadeja: Absolutely. Absolutely. See the face is changing the entire India there. India is moving more and more, this one the maturities are coming is all the manufacturing company is expanding their core competencies to produce the very high-precision component there, okay? Recently, we have supplied some machines in our town. Those guys are supplying parts to Airbus or Dassault and to these programs also.

And based on that, all these Indian manufacturing capabilities are increasing. Second, people are looking more and more on automation on a machine there, okay? So that's another area is opening up, and we are forefront to substitute to import substitution. Yes. In the coming days, we are looking to on a higher and higher manufacturing, the larger machines to be there basically on a high-tech machines to be there.

Jay Shah: Understood. Sir, just to end this, when you say high-tech machines or higher range machines, is it basically that your customers are also moving from components to a system supplier and hence, they also need more advanced machineries? Or is it that they are getting into more technical components and that's why they need advanced machines or it is a mix of both?

Parakramsinh Jadeja: All mix. Basically, they are moving their own high-value chain basically. India's manufacturing is going more and more on a high-value manufacturing to be there. And that's why the precisions are required more and more there.

Jay Shah: Understood. And this is all what's coming from China, Taiwan, Korea, the business that India is now getting -- would it be fair to say?

Parakramsinh Jadeja: Yes, absolutely. Absolutely. It's in China Plus One is the real things are coming up. Even I'll give you a simple example. Earlier, our Indian railway, what the speed was there and what are the now Vande Bharat and all the new trains are coming. So the ones we need to produce the high-speed trains and all, you need a higher precision components and more technology-driven parts to be there. So those are the things that everywhere is improving there basically.

Jay Shah: Understood. So this NX machine that you put in the presentation, sir, what is the use in Indian railways, if you could just spend 1 minute on that.

Parakramsinh Jadeja: To manufacture the bogie, wagon bogies.

Moderator: The next question is from the line of Depesh Kashyap from Invesco MF.

Depesh Kashyap: Sir, just one more question on Huron thing. Sir, I think last quarter, we reversed around INR67 crores of revenue from Huron. And this quarter, we are talking about INR35 crores. So total not reversed...

Parakramsinh Jadeja: This quarter is not reversed then.

Depesh Kashyap: It is not recognized. So almost INR100 crores of revenue, which has to be recognized, right? So, I just wanted to know like how many machines are we talking about in this number? And is this a single order or be the multiple orders?

Parakramsinh Jadeja: It's a multiple order and around 7 to 8 machines.

Depesh Kashyap: 7 to 8 machines, multiple orders. So, there's a different time in like when you have applied for the license. So, will it all come in a single quarter, single month or it will like be spread out? How do you think?

Parakramsinh Jadeja: No, no, no. Once they will clear, I think they will clear everything.

Depesh Kashyap: Okay. So, the entire thing may happen like in a single time in a single.

Parakramsinh Jadeja: Yes, yes, yes.

Depesh Kashyap: Okay. But definitely, I think you said like whenever you are near completion to the machine, right, 2, 3 months before that, you apply for the license.

Parakramsinh Jadeja: So earlier, it was our practice. Now we will start from day 1 now. Already we have received some of the orders in this quarter, we already apply for that.

Depesh Kashyap: Okay. Okay. But this is typically to a particular geography that is taking time from EU or it is like anywhere out of EU that is taking time, sir?

Parakramsinh Jadeja: Everywhere. See basically, particularly our customers are all into China, Turkey. So these are all our sensitive areas basically today's time line.

Depesh Kashyap: Okay. Got it. And sir, what is the debt level right now? I think last year, we closed at around INR700-odd crores net debt levels. So, with the inventory building up, like still how is the debt level right now?

Parakramsinh Jadeja: So from March and today's level is almost same.

Depesh Kashyap: Okay. Okay. So, we are still confident that the OCF generation that we talked about in the last quarter that will continue for this year also.

Parakramsinh Jadeja: Absolutely. We will build up a good OCF this year.

Depesh Kashyap: So INR200 crores, INR220 crores of capex you talked about and like you said that debt will be at similar level. So you expect to generate a similar OCF kind of a number?

Parakramsinh Jadeja: Yes. Basically, this year, we are expecting close to 50% of EBITDA level there.

Depesh Kashyap: 50% of EBITDA, good conversion.

Moderator: The next question is from the line of Saurabh Vyas from Systematix.

Saurabh Vyas: Am I audible now?

Moderator: Yes sir.

Parakramsinh Jadeja: Yes, Saurabh.

Saurabh Vyas: Just one last question. Just wanted to understand that in case the investigation, the entire investigation that is going on in the Huron, would there be any going forward in the coming quarters, if it does not get concluded, is there any impairment loss we supposed to be booking by end of FY27 in case if this gets dragged on by at least Q4 of FY27?

Parakramsinh Jadeja: Yes. Not at all.

Saurabh Vyas: Okay. Not at all.

Moderator: Ladies and gentlemen, in the interest of time, that was the last question for today. I would now like to hand the conference over to management for closing comments.

Parakramsinh Jadeja: Thank you all of you for joining us today. I hope I have addressed all your questions. We remain committed to keeping the investment community informed with the regular updates on any development in the company. For any further information or queries, please feel free to reach out to us or SGA, our Investor Relations adviser. Even I'm inviting all of you, all the expansion and everything is going on. Come over here, witness, see how we are growing, and welcome to all of you over here. Thank you very much to joining in this call.

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