

Date: November 15, 2025

**To
BSE Limited
P J Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 544318**

**To
The National Stock Exchange of India Limited
“Exchange Plaza”,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051
Scrip Code: MAMATA**

Sub.: Submission of Transcript of Conference Call held with investors on November 12, 2025

Dear Sir

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in furtherance to our intimation letter dated November 12, 2025 we hereby submit the transcript of the Conference call held with the investors on November 12, 2025 at 03:30 p.m. and the same shall be posted on the website of the Company at www.mamata.com.

You are requested to take the same on record.

Thanking you.

For, Mamata Machinery Limited

Madhuri Sharma

Company Secretary & Compliance Officer



“Mamata Machinery Limited
Q2 & H1 FY26 Earnings Conference Call”
November 12, 2025



MANAGEMENT: **APURVA N. KANE**

CHIEF EXECUTIVE OFFICER
MAMATA MACHINERY LIMITED

MADHURI SHARMA

COMPANY SECRETARY & COMPLIANCE OFFICER
AND CHIEF IR OFFICER
MAMATA MACHINERY LIMITED

Mamata Machinery Limited
Q2 and H1 FY'26 Earnings Conference Call
November 12, 2025

Moderator: Ladies and gentlemen, good day and welcome to Mamata Machinery Limited Q2 and H1 FY'26 Earnings Conference Call hosted by TIL Advisors.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sayam Pokharna from TIL Advisors. Thank you and over to you, sir.

Sayam Pokharna: Thank you, Yousuf. Good afternoon, everyone and thank you for taking out the time to join us in this Q2 and H1 FY'26 Earnings Conference Call of Mamata Machinery. The Investor Updates including the Investor Presentation and Press Release has already been uploaded on the Stock Exchange and on the company website.

To take us through today's results, we have with us from the management team Mr. Apurva Kane, Chief Executive Officer and Ms. Madhuri Sharma, Company Secretary and Compliance Officer.

We will begin with a brief overview of the financial and operational performance in the H1 from Apurva sir, followed by a Q&A session. Please note that any forward-looking statement made during this call should be considered in conjunction with the risks and uncertainties that we face. These risk factors have been detailed in our prospectus document and in our annual report.

With that, I would now like to hand over the call to Mr. Kane. Over to you, sir.

Apurva Kane: Good afternoon, everyone and welcome to Mamata Machinery's Earnings Conference Call for the 2nd Quarter and first half of FY'26. It is a pleasure to connect with you again and take you through our performance and developments over the last six months.

Let me first begin with an overview of our financial performance:

Mamata delivered a healthy set of results in Q2 and H1 FY'26 driven by well-rounded growth across all key metrics. We recorded a 25% year-on-year increase in revenue for Q2 and an even

higher 31% increase in H1 FY'26 compared to previous years. We continued to maintain a 70:30 ratio for export to domestic sales. Profit after tax for H1 FY'26 was higher by 47% year-on-year, demonstrating the inherent operating leverage of our business.

Q2 profitability saw a marginal decline on a year-on-year basis primarily due to higher spending on exhibitions, marketing and travel during the quarter. These expenses stood out at about INR 5.3 crores in Q2 and INR 9.6 crores for H1, translating to an increase of 47% and 44% year-on-year respectively. This step-up was largely budgeted for as few major international trade shows were scheduled closely together within this period. Some of these are also scheduled in the second half of the year, so we have also budgeted certain expenses in H2. Such industry events help us build a global visibility, strengthen customer engagement and ultimately support long-term growth. I would also like to reiterate, as we have discussed in previous calls, our business carries an element of seasonality. Q1 typically tends to be the slowest period while activity builds up as we move towards the second half of the year. Q4 in particular is usually our busiest quarter. Hence, sequential variations in quarterly numbers are a standard feature of our yearly operating cycle and should be viewed in that context. This also applies to our product vertical-wise performance as depicted in our Slide no. 4 of our Q2 Investor Deck. Product vertical growth should be looked at on a rolling average basis as there may be some lumpiness based on order delivery. Case in point is co-extrusion revenue for H1 FY'26. While revenue is down, we have booked significant orders recently and some are scheduled for delivery in H2.

Let me now take you through some key operational developments during the quarter and the first half:

As disclosed in our recent filings, Mamata has secured three new orders for advanced 9-layer blown-film plants. Two of these will be delivered within the current financial year. These are technologically sophisticated high-value co-extrusion solutions that align perfectly with our strategy of positioning Mamata as a go-to partner for customized high-end projects in co-extrusion space. Alongside, we are also pursuing additional orders for similar seven and nine layer co-extrusion lines which we expect to materialize in coming quarters.

At PACK-EXPO USA event held in Las Vegas in September, we unveiled our new HFFS Duplex Packaging Line, a second-generation product following the success of our HFFS Simplex series. This upgraded packaging line delivers higher outputs, better efficiency, and advanced functionality compared to its predecessor and was very well received by our North American customers. We are confident that commercial orders for this product will follow shortly. We also showcased two new machines at K2025 in Dusseldorf. K is one of the largest exhibitions in the world for plastics and rubber. The first was an innovative wicketter capable of handling both conventional wicketed bags and side-sealed bags with non-wicket flat stacking, thereby expanding operational flexibility for our customers. The second was a pouch-making machine designed to run fully mono-material recyclable films, underlining our continued push towards

sustainable flexible packaging solutions. Mamata continues to be among the pioneers in recyclable flexible packaging technologies.

In recent months, we have achieved meaningful progress in developing next-generation machinery solutions capable of using recyclable or mono-material films. These innovations address key industry challenges that have historically limited the adoption of recyclable flexible packaging in the industry. Despite all of the government regulations and push, by offering variable, viable, and cost-efficient solutions without compromising on packaging quality, we believe this will significantly accelerate brand owners' transition to sustainable flexible packaging while enabling them to meet their ESG and long-term sustainability commitments. We view this development as a positive step towards future growth. These were all the important operational developments.

Lastly, I would like to touch upon micro-development and our business outlook. The recent tariff-related headwinds in the US market have created some temporary uncertainties for exporters across India. Our assessment is that these headwinds are transient, and we remain fully committed to our presence in the US market. Our relationships with customers in this region are strong and built on long-term mutual trust. At the same time, our diversified product portfolio, growing global footprint, and increasing penetration in alternate export markets provides us with natural hedge against such developments. As on date, our order book stands at INR 144 crores, with a similar 70:30 ratio of exports to domestic sales. This solid pipeline gives us visibility for the remainder of the year.

With that, I would now request the moderator to open the floor for questions. Thank you.

Moderator: Thank you very much sir. We will now begin the question-and-answer session. First question is from the line of Nishita Shantesha from Sapphire Capital. Please go ahead.

Nishita Shantesha: I just had a question. The order book of INR 144 crores that you mentioned, can you say what is the execution timeline for that order book? And also from the 70% exports, how much is our exposure to the US market?

Apurva Kane: Absolutely. Out of the INR 144 crores that we have earlier mentioned, there is one nine-layer line order that is going to spill over into H1 of next financial year, the value of which is approximately INR 10 crores. So, that is the first part I have given the answer. The second is that out of remaining orders, 70% are exports. Out of that 70%, the US exposure is about INR 15 crores.

Nishita Shantesha: Okay, understood. So, INR 144 crores, INR 10 crores order will spill over in H1 FY'27. So, the rest INR 134 crores order, are we expecting to execute by the end of H2 FY'26?

Apurva Kane: Yes.

Nishita Shantesha: Okay, understood. And from this order book, 70% is US and from that INR 15 crores is the US exposure. Is that correct?

Apurva Kane: Correct.

Nishita Shantesha: Okay. Now, if you would like to, if you can give some guidance on the top line for FY'26 and FY'27 and some margin guidance. Is margin going to stay in the range of 15% to 20%, EBITDA margin?

Apurva Kane: Before I answer that, I would like to clarify one thing. That we still have a window for order intake from the pipeline that we can execute in our current financial year. For our converting line, that order intake window is about six weeks. So, we still have six weeks in which we can receive and book new orders and execute in current financial year. For our packaging line, that window is about four weeks. And for our extrusion line, that window is two, three weeks. So, that is a rider that I wanted everybody to note. Coming back to margins, yes, we are confident that we will maintain the margins as for our previous year. You see some shrinkage in margins year-on-year as compared to last year and that is largely because of higher exhibition expenses that will spread out as Q3 and Q4 progresses and as new execution comes into play.

Nishita Shantesha: Okay, and so you are saying in Q1 and Q2 we have done a margin of 8% and 12% respectively. So, we are expecting much higher margin in Q3 and Q4.

Apurva Kane: I think we did about 14% last year. We see something similar.

Nishita Shantesha: Okay, understood. And anything on revenue for FY'26?

Apurva Kane: Like I said, we still have a window for new order booking and execution in coming in current financial year. That window is approximately six weeks. So, we would like to wait for six weeks before we can give a figure, or we can float a figure for our investors.

Nishita Shantesha: Okay, perfect. Thank you so much.

Moderator: Thank you. Next question is from the line of Lakshmi Narayan from Tunga Investments. Please go ahead.

Lakshmi Narayan: Thank you. I joined the call a little bit late. Just one question on the packaging segment, especially exports. Can you just help me understand what is the order book like and what kind of clarity we have when compared to exports when we started the financial year?

Apurva Kane: Last year, our total packaging division performance was about INR 46 crores. That was in FY'25. As of now, our assured business stands at about INR 63 crores as compared to INR 46 crores. Currently, we sell our packaging machine lines only in India and in North America. Right? Our current pending order book is approximately INR 20 crores. Of which, 6 crores is for USA and balance is for India.

Lakshmi Narayan: Sorry, how much is for USA? After 20 crores?

Apurva Kane: INR 6 crores.

Lakshmi Narayan: INR 6 crores. Okay. So, what you are saying is that for this year, at least we will do INR 60 crores to INR 65 crores of revenues in the packaging part.

Apurva Kane: Yes, we should be doing that. Yes, comfortably.

Lakshmi Narayan: And that would mean how many machines and what will be the revenue split between India and USA in at around INR 60 crores to INR 65 crores?

Apurva Kane: So, out of INR 65 crores, USA will be around INR 25 crores and the rest will be India.

Lakshmi Narayan: And how many machines do you expect from that?

Apurva Kane: That is about 22 machines.

Lakshmi Narayan: Okay. And the realization is different between two geographies or can you just give some indication on that?

Apurva Kane: That is something that I would not like to disclose on a public platform sir.

Lakshmi Narayan: Got it, sir. So, when you started the year and where we are now, how is it going in terms of your own internal targets and budgets? Are we on a positive surprise or are we actually tracking or we have a lot to catch up with? I mean, how do you assess where we stand now?

Apurva Kane: As far as our extrusion is concerned, we are ahead of our internal targets. As far as packaging is concerned, we are in line. And as far as converting is concerned, we are lagging a little bit. But as I said earlier, we still have six weeks window to make up for it.

Lakshmi Narayan: And in terms of spares and in terms of other stuff we actually sell, how that is actually tracking now?

Apurva Kane: We do not really track aftermarket sales for us. That is not important because it is not a significant part of our top line. It happens to be between 5% and 7%. So, it is basically on a need basis. Customers buy spares from us or call us for services and we provide. We do not really push for it.

Lakshmi Narayan: Got it. If you look at the India scenario, especially in food packaging, what is your read when you talk to some of these wafer companies and other namkeen companies and so on? How they are thinking for the next two, three years in terms of growth? Because I remember there have been

some orders which were delayed, especially from the Indian snacks firm. Can you just throw a light on that?

Apurva Kane:

First of all, the Indian snacks firm, I will not name it right now, which orders were deferred to current financial year. They have been delivered. Not only that, the same company has placed orders for a couple of more machines. As far as the Namkeen industry or wafer industry in particular is concerned, it is growing at a rate of double digits, definitely. On an estimate basis, it is supposed to be around 12%. And so our sales are growing along with it in that particular industry. But there is something that I would like everybody on this call to understand. I did speak about sustainability and that is a huge opportunity for India and for Mamata in particular. What happens is that the typical film structures that are being used by the industry today are non-recyclable. The recyclable structures that are currently available are either not able to provide protection from moisture and from oxygen to the products that are being packed. Or if that happens, it is far too expensive. Just to give you an example, a normal PET PE structure is being bought by brand owners at about Rs.180. This is an approximate figure. This might differ by Rs.10 here and there. But mean value would be around Rs.180. And a good barrier mono-material film compared to that is around Rs.320, which is recyclable. We are the only company that actually makes co-extrusion blown film plants. So, we understand rheology of plastics. And then we make pouch making equipment as well as end-of-the-line packaging machines. Now we have been working on this extremely extensively for the last couple of years. And we have been able to create a film structure by making special designs in our co-extrusion blown film lines. That would allow somebody to make a good barrier film at a much lower cost. So, we think that brand owners can access a good quality recyclable barrier film then at around Rs.250 a kilo. And that we consider a breakthrough. We have also created a complete ecology where we can offer converting machines that can process this film. And also end-of-the-line packaging machines on which this film can be run. So, this is something that we will be taking to brand owners in next few months. And we hope that this will bring the desired change and to some extent relief to brand owners. Because then they will be able to meet their EPR norms much better at lower cost.

Lakshmi Narayan:

Thank you so much, Sir. I will join back in the queue.

Moderator:

Thank you. Next question is from the line of Sanyam Shah from Solidarity Advisors. Please go ahead.

Sanyam Shah:

Hi, Sir. Thank you for the opportunity. Am I audible?

Moderator:

Yes, you are.

Sanyam Shah:

I just wanted to ask, Sir, what is our total US exposure? Because if I see in our investor presentation, it is around 30%. But in the annual report, you know, it is quite lower. So, can you just help me align both these numbers?

Apurva Kane: That anomaly you see is because, please understand that Mamata Enterprises Inc., which is 100% owned subsidiary of Mamata, operating from the US, is responsible not only for the United States of America, but is also responsible for sales in Canada as well as Central South America. So, when we say sale of MEI, 30%, that includes sales into Canada as well as Central South America and USA. If you purely look at sales within USA, then it amounts to about 15% of the top line historically.

Sanyam Shah: Okay. And, Sir, the tariffs are applicable on the 30% of the sales which are done via Mamata Enterprises Inc., or only the sales which are made in USA?

Apurva Kane: Only for the sales that happen within USA. There is no tariff applicable within USA for sales that are done by Mamata Enterprises into Central South America or Canada.

Sanyam Shah: Got it. And Sir, what was our order book in September'24?

Apurva Kane: Order book in September'24 was INR 131 crores. Compared to that, this year order book is INR 144 crores.

Sanyam Shah: Got it. Thank you.

Apurva Kane: You are welcome.

Moderator: Thank you. Next question is from the line of Manish Goyal from Thinkwise Wealth Managers. Please go ahead.

Manish Goyal: Thank you so much, Sir. I have a few questions. I missed the order book comparative number. What was it, Sir?

Apurva Kane: Manish, the order book last year on 30th September was Rs.131 crores. And as of today, the order book is Rs.144 crores.

Manish Goyal: Okay. Thanks a lot, Sir. Couple of questions just on continuing on the sustainability aspect on recyclable films. So, you just mentioned some numbers as to currently the barrier film which is available, recyclable film is Rs.350, you mentioned, Sir?

Apurva Kane: About Rs.320 a kilo, approximately.

Manish Goyal: Okay. And the development at our end in terms of what we have developed in terms of the structure, under that co-extrusion film which can be made from the machine what we can provide, the price can drop to Rs.50 which you claim that it is probably affordable for the global market.

Apurva Kane: I am not claiming that it will be affordable. I am saying that it will be much lower than Rs.320 and therefore it will bring relief to brand owners.

Manish Goyal: Okay.

Apurva Kane: And this Rs.250 is based on today's scale. As the consumption improves, that cost will also drop.

Manish Goyal: Sure, sure. So, Sir, how are we seeing this adoption because we are probably now at all the three machinery levels like film production, converting and as well as the end of the packaging machine. So, have we started getting some enquiries and how is the environment on adoption of this type of film, Sir?

Apurva Kane: So, we were basically waiting for certain certifications to come in, certifications regard to what is the barrier on vapor or what is the barrier on gas and things like that. And we wanted to have authentic information before we go to brand owners. So, this is a very recent development. We have now received a certification from a lab in Singapore as well as from Indian Institute of Packaging as to what is the actual barrier property of the film that we are talking about. And we plan now to take this as an alternative to some of the brand owners that we have identified to begin with. We will know more about this in next couple of months.

Manish Goyal: Okay. And what is the level of competition or maybe any competitive development which has happened or what kind of competition you can see in a simple word?

Apurva Kane: We are leading this. So, we are leaders of the pack. Obviously, there is a pack. The word that I am using is a pack. So, that means there is going to be competition. But since we will have the first mover advantage in this particular case, we should be able to garner a good chunk of the market expansion that will happen. Currently, the non-recyclable film consumption in India in FMCG is around approximately a million pounds or million kg or 10 lakh ton consumption. Even if we think that 10% of that over a period of next 10 years get converted, that will be substantial business for Mamata as well as even our competitors. So, we believe that this will overall expand the market.

Manish Goyal: Okay. So, would it be possible that you probably offer all the three? So, I think you have a different set of customers for co-extrusion and converters and maybe the brand owners. So, as you have explained earlier also. Fine. And hope that we will probably see any success, maybe in the near short term. Hopefully, sir. Sir, a question on our one-time expenses, what you mentioned in your opening remarks, which was, I just want to reconfirm that. That the one-time expenses you mentioned was INR 5.3 crores in Q2 and INR 9.61 crores in H1. So, is this entirely one-time or how should we understand this?

Apurva Kane: The difference between the two is one-time. So, it is about INR 4 crores additional.

Manish Goyal: INR 4 crores additional in quarter 2.

Apurva Kane: Yes. Now, this will get spread over Q3 and Q4. So, from 8% PAT that we have had, we will recover it to our normal PAT that we have been giving historically.

Manish Goyal: Okay. So, sir, but I believe the K trade was in October, which is the biggest trade show. So, in this quarter also, we will have some more one-time expenses, sir?

Apurva Kane: Yes. Some of it will be there in Q3. And then after that in February, we have a very large exhibition in India that is Blast India that is happening in Delhi from 4th of February. The total expenses is nearly INR 4 crores for that just one exhibition.

Manish Goyal: Okay. So, if you can just roughly total up, what could be this one-time trade-related expenses in the current year, which we will incur, sir? Just a rough number.

Apurva Kane: So, basically, we have published our last year's figures. Everybody knows that. Last year, we spent on exhibitions about INR 8 crore in the entire year. This year, we will be spending about INR 12 crore.

Manish Goyal: Okay. Thank you so much, sir. Sir, were there any deferment of revenue booking in the current first half, maybe some sales two years? Because ideally, what we probably have booked in US subsidiary is entirely the deferment what we had of roughly INR 23 crores in Q4, which have been finally booked now in Q2. This is right understanding, number one. And number two, are there any further sales exports what we would have done in first half would have got deferred, sir?

Apurva Kane: There was a deferment, but not very big deferment. It was approximately INR 2 crores, not too much in H1. Coming back to Mamata Enterprises, yes, your memory serves you right. There was a deferred sale of around INR 20 crores from the previous year in MEI, out of INR 31 crores that we talked about when we did the last earnings call six months ago. Now, as things stand today in Mamata Enterprises, the execution in current financial year in Mamata Enterprises is approximately INR 41 crores.

Manish Goyal: Okay.

Apurva Kane: And we have a pending order book of about INR 18 crores.

Manish Goyal: Okay. Thanks, sir. Sir, thank you so much. I will definitely get back into the queue.

Apurva Kane: Thank you, Manish.

Moderator: Thank you. Next question is from the line of Lala Ram from LRS Capital. Please proceed.

Lala Ram: Hello. Good evening, sir.

Apurva Kane: Good evening.

Lala Ram: I have two questions. The first one is, you mentioned about the opportunity size for recyclables films 10 million tons of which even if 10% converts, that will be a significant opportunity. Can you convert that into actual requirement of machines or something in terms of business? How does that conversion work?

Apurva Kane: I would not like to hazard a guess because under the best of circumstances, that will be guesswork. But I can tell you that we expect out of nearly 10 lakh tons of PET PE films that are being used, which are non-recyclable, a conversion rate of at least 10% per year. That would be about 1 lakh tons getting replaced by this film and that is a substantial number.

Lala Ram: Got it. And you are saying 10% per year or is it cumulative 10% over five, ten years?

Apurva Kane: No, 10% per year. That will be the initial this. And then as you build up the success stories, it is likely to grow from there.

Lala Ram: Got it.

Apurva Kane: It all depends on the velocity at which brand owners want to work with. It is not dependent on us. Our job is to bring technology and present that technology to the industry. Adoption by the industry is not in our control.

Lala Ram: So, right now, the adoption from the brand owners will be driven by purely regulatory reasons, the EPR norms? Or is there any other incentive as well?

Apurva Kane: Of course, there is a regulatory reason. In India, no work can be done without a stick.

Lala Ram: Correct.

Apurva Kane: But besides that, there was a special, there was a recent report where McKinsey did a survey of Gen Z in India. And the survey clearly stated that the new generation is quite sensitive to this particular aspect of non-recyclable packaging. And that the new generation is prepared to pay even a little bit more if the packaging transits from non-recyclable to recyclable.

Lala Ram: Got it. So, right now, what is the regulatory norm from the government side?

Apurva Kane: Regulatory norms are EPR and they are well stated. You can always read it up. It is called Solid State Management Rule 2018.

Lala Ram: Got it. And what about international markets? What is the adoption there and are we trying to exploit that market as well?

Apurva Kane: There is an adoption there where mono-material barrier films are being used. But again, everywhere the problem is that mono-material films by themselves, if you use, they are not more expensive than PET-PE. But then they do not offer you the barrier from moisture as well as oxygen. As soon as you start using mono-material films that have good moisture barrier as well as oxygen barrier, then the prices are going through the roof. I would not like to comment if this is actually because of the cost or its opportunistic pricing by people who make this film. But I can tell you as much that we have looked at this aspect and we have basically reduced use of very expensive materials. And therefore we have been able to make films that would allow a brand owner to get good barrier from moisture as well as gas at substantially lower cost. Whether that substantial lower cost is enough for brand owners to adopt this film or not is a question that will be answered in future.

Lala Ram: Okay. One more question is because of this transition, which of our businesses will help? All three of them or is it one specific business that will benefit the most?

Apurva Kane: Extrusion is the mother machine. So, the first impact you will see is on extrusion. Packaging machines, sales is driven basically by the capacity growth of brand owners. But because there are a lot of machines that are already installed in the market, which may not be able to run such films easily, there might be tendency to replace those machines. So, we think that there will be a replacement market in favor of our machines.

Lala Ram: Got it. One last question. In the previous conference calls, you have stated our aspiration to grow at 18% to 20% over the medium-to-long term. Are we on track with that aspiration?

Apurva Kane: The aspiration has not changed. But to some extent we have been trumped like everybody else.

Lala Ram: Okay. Got it. So, is it fair to assume that maybe this year will be slower and then we will try to play catch up?

Apurva Kane: I have already said that we consider this challenge as transient. Our commitment to the U.S. market has not lessened. In fact, our resolve to become stronger in the U.S. market has increased. The proof is that we have currently an extremely aggressive recruitment program to expand our sales team as well as our services. We are putting in money in that market where in PACK Expo we spent something like a quarter of a million dollars in that exhibition. And therefore we are fully committed to that market. Whatever trade deal or India stopping to buy oil or some of these things that are not really in our control slip, actually whatever we are doing today will give us a fillip in that market and we are confident that this will happen.

Lala Ram: Got it. Can I squeeze in one last question?

Apurva Kane: Sorry? Can you please repeat your last question?

Lala Ram: Yes. So, my last question is over, say, long term, which is like five, ten years, do we have certain vision of what Mamata could look like in terms of size, in terms of product categories? Today we are primarily in solid food products, right? We have spoken in the past about liquid packaging as well. Just want to understand right now, what is the long-term picture with respect to how you want to build this company?

Apurva Kane: If we talk of converting machines as a division, which is our legacy, we are considered as one of the top five companies globally. We have presence in 80 countries around the world, almost everywhere in the world we sell our machines and we are well known for that. We would like to achieve similar milestone for our packaging machines. I have said this earlier too, that the engine for growth of Mamata is packaging machines and we are fully committed to that. I have said this today earlier also that as compared to INR 46 crores last year, we would easily be doing around INR 64 crores this year. So, that delivers on our vision, it validates our vision that this kind of 40% plus growth is possible year-on-year. And as we start entering into Middle East, Africa and Europe for packaging machinery markets, we are sure we will be able to deliver something like that. So, that is the vision. Whether we want to be a INR 10,000 crore company or INR 5,000 crore company is not really our vision. Our vision is to maximize our presence globally and then it just adds up to number, whatever number it could be.

Lala Ram: Just a small question sir, if we were to become top five in packaging machine, what would be the thing that we have to do today for example?

Apurva Kane: You will have to really understand the dynamics of how this works because when we talk about top five companies globally, they are all conglomerates. The total global market for packaging machinery is about \$8.3 billion, out of which there are four companies that do \$6 billion. Each company is anywhere between \$1.6 billion to \$2.4 billion, but these are conglomerates. They have become what they have become by buying new companies and adding it to your portfolio. As a vision, I can tell you that there is not a single Indian conglomerate in existence today. Can Mamata become the first Indian conglomerate is the question.

Lala Ram: Thank you so much sir. All the best.

Moderator: Thank you. Next follow up question is from the line of Lakshmi Narayan from Tunga Investments. Please go ahead. Lakshmi Narayan, your line is unmuted.

Lakshmi Narayan: One question is that from an operating cash flow point of view, how should one think about it because for the first half, the operating cash flows have been negative. Do you think it will come to a steady state by year end and if so, what is your outlook and why there has been an increase, I mean why the cash flows have kind of compressed for the first half?

Apurva Kane: I think I will have to relook at this because I have looked at our figures and I do not see what you are saying that our cash flows are negative in H1. That is not the case. We continue to remain debt free almost and we do not see that thing changing. We are operating through our own approvals. We do not even have a line of credit from the bank.

Lakshmi Narayan: I am talking about the operating cash flows. It shows a negative INR 40 crores of operating cash flows.

Apurva Kane: So, basically the cash flow has been converted into FDs so they have become non-current. That is why you see negative cash flow.

Lakshmi Narayan: Can you repeat it again?

Apurva Kane: The additional cash that was approved has been converted into FDs and because FDs are not considered as current, they are considered as non-current.

Lakshmi Narayan: Yes, I could see that, INR 41 crores. Got it. Sorry sir. Thank you.

Moderator: Thank you. Next question is from the line of Sahil Doshi from Thinkwise. Please go ahead.

Sahil Doshi: Hello. Good afternoon sir and thank you for the opportunity. My question relates to the balance sheet and cash flow only. Could you just quantify what is the cash on books today and just as a follow on, I just wanted to understand how do we think about this cash and the use of cash going forward?

Apurva Kane: As on 30th September, it's around INR 41 crores. I have said this six months also. We are building up war chest for financing our expansion plans and also finance any opportunistic acquisitions that we may identify in near future because the growth can be had organically as well as inorganic and for inorganic growth, we will need money. So, we are building a war chest.

Sahil Doshi: Sure sir. Understood. And just a clarity on the packaging machinery number which you said, you said INR 46 crores last year. I think the presentation says INR 36 crore. So, is it that we are including something else?

Apurva Kane: I will have to look at it. Maybe I missed. But this year it is definitely 64.

Sahil Doshi: Okay. Got it. Understood. And just on one of the earlier points in terms of the Mamata Enterprises, if we see the deferment of FY'25 which was around INR 20 odd crores and the revenue in subsidiaries which is console minus standalone is around INR 23 crores in H1 of this year. So, does it mean that the entire deferment from last year has not yet come in revenues or there is further deferment of the existing book or something of that sort?

Apurva Kane: There is no deferment as far as as on date figures are concerned. Our execution in Mamata Enterprises is about INR 41 crore and we have a pending order book of about INR 16.5 crore.

Sahil Doshi: Okay. And the last year revenue of INR 20 odd crores which was deferred is completely booked sir?

Apurva Kane: Yes. It was completely booked. So, INR 41 crores includes that INR 19 crores.

Sahil Doshi: Okay. Understood. Perfect. Thank you for the clarification. I will come back with you for anything. Thank you.

Moderator: Thank you. Next follow-up question is from the line of Sanyam Shah from Solidarity Advisors. Please go ahead.

Sanyam Shah: Sir, just one more question. Is there any benefit which we are seeing because of the GST rate cut that happened?

Apurva Kane: We do not see a direct benefit as such, but we believe like everybody else believes that because of GST reforms, particularly in FMCG sector, there is likely to be a spurt in demand because people have more money to spend. This is in combination of this ITR limit that has been extended for salaried class to up to 12 lakhs, I believe. There is no income tax payable. So, that has also put substantial money in hands of middle class and lower middle class segment in India. And combination of these two will definitely, there is likely to be a GDP growth or at least it will compensate for GDP that has been lost due to lower exports to USA. But FMCG, as the demand grows, so will the demand grow for packaging machines. So, that is the connection. But that pass-through is going to take some time. It is not going to be immediate.

Sanyam Shah: Got it. Thank you.

Moderator: Thank you. Next follow-up question is from the line of Manish Goyal from Thinkwise Wealth Managers. Please proceed.

Manish Goyal: Yes, thanks a lot for providing opportunity again. Sir, yes, continuing on the packaging revenue for previous year which probably shows INR 36 crore in presentation and INR 46 crore what you mentioned. So, is that differential related to attachments and stats?

Apurva Kane: I had added some deferred things. But this year we have already done about INR 36 crores. And we have order books. So, total comes to INR 64 crores.

Manish Goyal: No, sir. Sorry to interrupt, sir. What I was trying to probably clarify is that the breakup what you provide is the product revenue breakup where we have the number of INR 36 crores. But apart from that, you have other revenue attachments and stats.

Apurva Kane: I am talking of machinery.

Manish Goyal: Okay. So, it is like-to-like. So, basically you will do INR 64 crores versus INR 36 crores machinery sales.

Apurva Kane: Yes.

Manish Goyal: And whatever attachment and stats would be separate, which is anyways. Okay. Sir, on packaging machine, we have been looking to enter Europe markets and Middle East markets. And you did mention that we have been hiring teams and would probably want to leverage on our existing customer base of the converting machines over there. So, how is the progress in terms of creating visibility for our packaging machine? Do you see that some of your existing customers can be converted? Or how is it that it will be a newer set of customers? And ideally, by when do you think we should be able to get the first set of breakthroughs in this market? That was the first set of questions. I will probably ask the second question later.

Apurva Kane: We are working very hard at breakthrough. First of all we do have a team in place. So, we have two full time people in place for packaging. And these two people have been led by our President Mr. Rajashekar Venkat and we anticipate to have our breakthrough orders as we call it in Q3.

Manish Goyal: Okay. Great, sir. And any sense on probably out of 8.3 billion market what you alluded to earlier. How big would be, say this, Europe and Middle east or may be let us put it that, probably no hanging fruits for you in near term where you can probably capture some of the orders in near term.

Apurva Kane: Nearly 50% by 8.3 billion is USA itself. That is the largest market in the world for packaging machinery.

Manish Goyal: Oh, Okay. And sir, my second question was on some of the new products which you had introduced recently. And one of them was VFFS, which ideally I understand is for small packets. So, how is the progress and adoption or the success for us in that category, sir?

Apurva Kane: Now we have about three customers who are using or three brand owners who are using this machine from Mamata. And we do expect a few more orders in the near future.

Manish Goyal: Okay. Thank you so much, sir.

Moderator: Thank you. Next question is from the line of Lala Ram from LRS Capital. Please proceed.

Lala Ram: Sir, I want to understand what is the ordering flow year to date versus last year?

Apurva Kane: I do not have that figure handy. I will send it across.

Lala Ram: Okay. Thank you.

Apurva Kane: There is a correction that I would like to make. Somebody asked a question as to what was the cash on hand on, I think Mr. Sahil Doshi asked this question from Thinkwise that what was the cash on hand as on 30th September? The answer is INR 71 crores and not INR 41 crores. So, I stand corrected. The cash on hand as on 30th September was INR 71 crores.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions from the participants, I would now like to hand the conference over to Mr. Apurva Kane, Chief Executive Officer for his closing remarks. Over to you, sir.

Apurva Kane: Thank you, friends, for joining this call today and giving us an opportunity to talk about our company to you. If there are any follow-up questions, you may please approach our ITI consultants, our IR consultants, and we will try and do our best to answer those questions. Thank you very much once again for joining this call.

Moderator: Thank you, sir. On behalf of Mamata Machinery Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.