4th August, 2026

To

The Manager - Listing,
BSE Limited,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 543276

The Manager - Listing,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex ,
Bandra (East),
Mumbai - 400 051
Stock Code: CRAFTSMAN

Dear Sir/Madam,

Sub: Transcript of the Earnings Conference Call on the Unaudited Financial Results (Standalone & Consolidated) for the quarter ended 30th June, 2026;

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and our intimation and outcome letters dated 10th July, 2026, 28th July, 2026 and 30th July, 2026 respectively, we are enclosing herewith the transcript of the earnings conference call organized on Thursday, the 30th July, 2026 at 3.30 P.M. (IST) on the Unaudited Financial Results (Standalone & Consolidated) for the quarter ended 30th June, 2026.

The transcript of the earnings conference call will be uploaded on the website of the Company at www.craftsmanautomation.com.

We request you to kindly take the aforesaid information on record and disseminate the same on your respective websites.

Thanking you.

Yours faithfully,
for CRAFTSMAN AUTOMATION LIMITED

Shainshad Aduvanni
Digitally signed by Shainshad Aduvanni
Date: 2026.08.04 16:14:22 +05'30'

Shainshad Aduvanni
Company Secretary and Compliance Officer

Encl: As above

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CRAFTSMAN AUTOMATION LIMITED

Transcript of the Earnings Conference Call held on 30th July, 2026
for the quarter ended 30th June, 2026

This document might contain forward-looking statements that involve a number of risks, uncertainties and other factors that could cause the actual results to differ materially from those in the forward-looking statements. We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

Moderator: Ladies and gentlemen, good day, and welcome to the Earnings Conference Call of Craftsman Automation Limited. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the opening remarks are concluded. Should you require assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. Srinivasan Ravi, Chairman and Managing Director of Craftsman Automation Limited. Thank you, and over to you, Mr. Ravi.

Srinivasan Ravi: Good afternoon, everybody. Thank you very much for joining the Earnings Call for Q1 FY27. I will leave the floor open for questions. Kindly proceed with the questions.

Moderator: Thank you. Please note that some of the statements made during this earnings conference call may constitute forward-looking statements, which are subject to risks and uncertainties and are not guarantees of future performance. We encourage you to refer to the disclaimer section in the company's investor presentation. Further, the management will not be addressing any customer-specific queries due to confidentiality obligations. Participants are requested to avoid mentioning customer names while asking questions.

We take the first question from the line of Mumuksh Mandlesha from Anand Rathi Institutional Equities.

Mumuksh Mandlesha: Congrats on the strong results. Sir, firstly, the standalone powertrain has seen a very strong growth on both revenues and EBIT, if you see Y-o-Y. Can you just help us understand what are the key segments and products which are doing well? And how do you see the order book for this segment? And how one should look at the outlook going ahead?

Srinivasan Ravi: It is not really a strong trend. I would say that it was a muted trend earlier. It has come to a normal situation as of now in the Q1 and this is likely to continue...

Mumuksh Mandlesha: Sorry, my bad. Standalone aluminium part. Sorry, my bad, sir.

Srinivasan Ravi: Aluminium, we are on a growth path, and this growth journey will continue. The aluminium segment's pace of growth or the absolute growth and even percentage growth, all of that will beat the other segments that is clear because of the massive investments which has gone in the recent past. And there are capacities still coming into place. Some capacities are still not matured. So that is on a growth path for many more quarters.

Mumuksh Mandlesha: So, anything specific, which segments, particularly in this aluminium other 2-wheeler, which are the segments?

Srinivasan Ravi: We are quite balanced. We are 4-wheeler heavy, if you look at the revenue portion of it. Yes, closely followed by 2-wheeler. But I think the -- further on, both are growing as far as we are concerned that more new orders are coming in. Some are quick order wins where it will see the light of the day in a couple of quarters or even in the next financial year.

Some are a little drawn. These orders are in the development stage, which will come into production in FY 28 and FY 29. Most of the production is coming in FY 29. So that will not reflect in the revenue in the coming quarters. But whatever orders we have taken a few quarters back, some of it is already coming into production as of now.

Mumuksh Mandlesha: Got it, sir. Sir, secondly, can you just update further on this Kothavadi plant stationary engine order book from USD 100 million, which we crossed last quarter? And just lastly, also on the Sunbeam transformation happening, so how do you see that profitability for this entity ahead?

Srinivasan Ravi: Kothavadi project is -- Kothavadi is a foundry. Machining is done at the -- I think the parent plant, Arasur, which is the biggest plant. So it is split into 2. One is the revenue portion coming from the casting side at Kothavadi. One is the machining side coming in from the Arasur plant. So the billing will happen only from the Arasur plant.

So, I would say that -- I'll reiterate that we have targeted USD 100 million sort of revenue in FY '29. We are on track for that. And there is a good glimpse what we are having that in the future, we are starting to get more inquiries. That means what orders or inquiries we're going to get in the next few quarters, we'll see light of the day by FY 30 - 31. So that can take it beyond the USD 100 million, whatever was initially projected.

As far as now we are concerned, we are now doing a little of the automotive, but mostly on the general engineering castings, which are there, which is not significant as of now. The capacity utilization is under buildup, I would say. So we'll have 2 or 3 more quarters before we start seeing some revenue trickle in this business.

Mumuksh Mandlesha: And just on the Sunbeam side, sir? How do you see the transformation and profitability ahead, sir?

Srinivasan Ravi: On the Sunbeam side, we have the restructuring is more or less complete, but some restructuring, we have postponed to a few months because of requests from customer on this matter, like there are exit customers, there are exit parts where we have to handle the customer for a couple of quarters more before we are able to exit that.

So, with that, I think by December, I think 90% of the turnaround or the restructuring will be complete. So, as we move on quarter-on-quarter, we'll see improved results coming from the current quarter onwards, I would say.

Moderator: We take the next question from the line of Mukesh Saraf from Avendus Spark.

Mukesh Saraf: My first question is regarding this capex that you have announced for the Unit 3 at Hosur. You mentioned that we are at about 85% utilization. Just trying to understand, we had just started the alloy wheels plant probably a couple of quarters back. So, have we reached high utilizations there? And also, what components are we looking at in this Unit 3?

Srinivasan Ravi: Yes. Overall, in the Aluminium segment, we are touching the capex are happening across various locations as well as in our DR Axion subsidiary. Of course, Sunbeam is not on expansion anymore per se. Now coming to the alloy wheel, I think we declared whatever the installed capacity is 5.8 million.

And this year, hopefully we'll be touching or crossing 4 million wheels on the current year, that is at the combined plant of Bhiwadi as well as Shoolagiri. So we are not putting in capacity there. Once we see that we are crossing this 80% threshold, we are marginally expanding the capacity.

So now the Hosur facility is not for alloy wheel. It is for the additional high-pressure die casting and to start with high-pressure die casting only on parts which are for the automotive industry. It can be for 2-wheeler, it can be for 4-wheeler, but the -- we have run out of space and capacities in our current plant. So, we are making an enabler. So, we will fill in with the customer orders as and when they come.

But we are seeing good traction on inquiries, and we expect the market to grow. If we're out of capacity, we are proactive to put up capacity. And this capacity also we'll put up in phases. It is not that we will be doing in one single year. It will be spilling out to 2 years, maybe 4, 5, 6 quarters, depending on the need.

Mukesh Saraf: Got it. Got it. And what would be our capex plan for this year, both if you could break it up into standalone and in the subsidiary businesses?

Srinivasan Ravi: So, in Sunbeam it will be maintenance capex and some maybe capacity building capex something like that. In DR Axion it's quite substantial capex is there. Of course, the land has been purchased last year itself. So, this year, we have -- when we started the project, we have a few orders on hand.

Now we have got more orders. And we are seeing also more orders coming in. And some of the orders are maturing in -- not maturing, start of production in FY '29 and some are starting in production in FY 2030 in general. So, there will be capex standardization. We'll be pacing the capex. It will not be bulk capex on 1 year.

If we see more traction coming in from frequent orders, then we may accelerate the capex. So, we have to do a wait-and-watch sort of capex. The approved plan is around INR 430 crores capex for DR. On Craftsman...

Mukesh Saraf: Sorry, the INR 430 crores is for a 2-year period, sir?

Srinivasan Ravi: So, we have taken approval for this year, but I think we'll see whether we will be spending this year or some of it may spill over to next year.

Mukesh Saraf: Sure.

Srinivasan Ravi: So, it depends on the demand because you cannot really cut off exactly on March 31, something may -- always it is not -- the capex will -- ongoing capex will not be a cut-off line, really speaking.

Mukesh Saraf: Sure, sure. And you were mentioning about standalone, sir.

Srinivasan Ravi: Standalone, we have been averaging more than INR 1,000 crores, I think, capex, and that will continue. And everything depends on the next 2 quarters, what growth we see on the standalone. We have shown reasonable growth on Q1.

And this growth rate, if it is -- the traction continues to grow from Q1 level to a higher level, then we may have to accelerate some of the capex, which is meant for last year towards Q4. But as of now, we don't see much need to react very quickly because still we have global problems. Yes. I mean, we are in a wait-and-watch mode.

Mukesh Saraf: Got it. Got it. And just lastly, material costs have obviously been moving up quite a bit and probably now we've seen some correction there. How are we placed in terms of passing through some of these costs that we have already faced last quarter? And how much more is there for us to kind of offset any of these hikes?

Srinivasan Ravi: This is different for different customers. Yes, some of the customers are fair. Some of the customers are taking their own time to make these adjustments, which is there globally. But we are confident all customers will need to align to the new reality that this sort of a situation, suppliers have to be fairly compensated for the alloy prices, which should be a pass-through. So, beyond that, I would not like to make any specific observation here.

Moderator: We take the next question from the line of Chandramouli Muthiah from Goldman Sachs.

Chandramouli Muthiah: My first question is just around the heavy horsepower engines opportunity. So related to some of the opportunities you mentioned, you've had more customer inquiries beyond the supplies that you're currently doing.

Just wanted to understand typically how long is the sort of prove out and initial low numbers of sort of batches certification time frame, low-volume batch certification time frame, after which you typically get into full production on slightly larger contracts with some of these customers. So I just want to understand how long that period is before you could potentially get into full production on some of those customer orders and inquiries that are coming through?

Srinivasan Ravi: Let us give a number to it on the number of customers we are -- these are all large customers. We have 6 customers. 4 customers, the orders have been received. 5 customers order has been received. 1 customer we are receiving the order shortly. With the first 4 customers itself, we have filled in the first USD 100 million sort of revenue target, which we had set up for FY '29-'30.

This is casting and machining, of course. 2 customers, we already started pilot lot machining and it's being used by our customers for production. The casting validation is a little longer. So we will need for these 2 products which we are already machining and supplying, which castings coming from across the globe and going back to the customer, we will need another 1 year to productionize the current parts.

So, the -- I would say 30% of the production will be productionized by FY 28 and another 50% will come into FY 29, I would say. So, FY 30 will be the first year of seeing that full revenue. But what comes along the way, since we established communication channels, established the exchange of information with our engineering divisions where a lot of in-house manufacturing has been done.

So, it has been a very difficult long passage to get all the data and the 2 teams to work together, which we are working for the last 3.5 or 4 years now totally. Now the exchange of information is faster, approvals are getting faster. So for the second set of inquiries or the incremental new order wins for new product lines, it will come from the same customers.

So, it will not take the 4-year time line, which we have initially we have gone through. And already, we have almost 4 years from the time we started, I would say. So, what we get now, I think within 2 years, it will come into production. So, we may see that what new orders we are going to get in the near future, we'll see productionizing by FY 2030 or FY 2031 itself.

So, the biggest challenge about the customers accepting us as a supplier, first of all, and because their product quality depends on us. So that phase has been passed, I would say. We have passed that phase. So it is more likely that we will accelerate from now on.

Chandramouli Muthiah: Got it. That's helpful. Second question is just related to this same incremental business opportunity on heavy horsepower engines. Just want to understand what the typical margin profile and opportunity could be for Craftsman here. I'm just clarifying that this is likely to sit within the Powertrain segment.

I just want to understand related to the powertrain margins, how the margin profile of this business could shift once it hits steady state? Is there any start-up costs that you think will have to be absorbed before which the margin starts to approach steady state? Just want to understand that aspect as well.

Srinivasan Ravi: The current EBIT margins of the current Powertrain business is having a weightage of more than 70%, 75% on investments made on the conventional powertrain, I would say. The new powertrain weightage or the large stationary engines, the weightage will be lower. I will not know the exact number, but I'm just giving you a headline, I would say.

So frankly speaking, the depreciation is already happening in the -- for the large engine investments done. There is also the cost we are incurring during this development phase, which is already factored in the powertrain results in the last few quarters also. So this is as a percentage will not increase because what we have -- what is coming into production in the next few quarters will offset the new incremental development cost, which will happen for new products, which are still not developed yet.

So, I think the worst part of that is over that we have to absorb some start-up costs, which is already in the past history and our results are in spite of that. So, we find that the return ratios are in similar lines. But we have to understand when the new capacity is coming up with a larger capacity and capacity utilization is lesser, the EBIT margins may look depressed on that particular portion for some time until capacity utilization and operating leverage sets up.

But our confidence is that the return ratios will be among similar lines on the current powertrain within a couple of years. So today, as it grows, I don't think it's going to distort the Powertrain business. It is in the same business model what we have built up. Only thing we added the casting portion to the business. That is the only change there.

Chandramouli Muthiah: Got it. That's helpful. And just last question is on the Industrial segment. I know it's a smaller part of the total business for us. But I think this quarter, there's been a spike in what the performance has been versus the normal quarterly range we've observed in the recent past. So I just want to understand what are some of the drivers of why the Industrial segment has sort of inflected this quarter versus the recent run rate?

Srinivasan Ravi: Broadly speaking, we have the very long history with the contract manufacturing that is quite steady. Nothing as much has changed there. But our product lines, both in the material handling system as well as storage division, they are seeing upswing on demand, I would say. It's not capex-intensive business, as you know.

So, the operating leverage is helping us to increase the margins. The capex cycle started in India, and we are seeing a lot of traction, both on the material handling lifting equipment as well as on the storage. Our orders are increasing quarter-on-quarter, I would say. So, this will keep the margins intact going forward. This is not a one spike what we see in the industrial engineering side.

Moderator: We take the next question from the line of Joseph George from IIFL Capital.

Joseph George: Just a couple of questions. One is on Sunbeam, you mentioned that you might give off or discontinue some of the maybe low-margin businesses. I wanted to understand how big is that in terms of scale down? And corollary, what will be the positive impact it will have on your overall Sunbeam margins?

Srinivasan Ravi: The revenue per se, we are replacing as we are exiting some of the business. We are replacing some of the business from some other customers directly or indirectly, I would say, with support from the parent company, Craftsman, where we are also offloading the orders. So that way, our capacity is not getting underutilized in general.

The exit sort of a business are legacy businesses, which are more than a decade old or even in some cases, 2 decades old. And some of it is also partly was outsourced to tiny scale industries. So, this is where we are exiting. So, it is a negative margin profile, which these products we are exiting. So, when we're exiting this, I think surely, the margins will pick up with the better operating leverage from new customers which are coming in.

So, exit rate, I'm very confident about Q4 mid-teens sort of an EBITDA margin for Sunbeam. I said there is a delay in the exit because we need to handhold or support the customer during the exit period. Most customers have requested us. I think as a matter of goodwill, we stand by them while we exit. So Q4, mid-teens will be the margin in line with the Craftsman business.

And revenue, there may be a 10%, 20% sort of reduction in the top line, but there will be an increase in the gross margin or value addition. That is a realistic situation that the top line is more governed in the current case with aluminium, predominantly aluminium and less of machining and less of value addition, that profile will change. So that is what also will lead to the increased margin expansion.

Joseph George: Understood, sir. Just one more question on the capex. So, you listed down the capex for each of the entities. Sunbeam, you said maintenance. DR Axion, you said INR 430 crores, standalone approximately INR 1,000 crores.

So, on a consolidated basis for this year, should we work with about INR 1,500 crores of capex, subject to obviously, revisions depending on capacity utilization in the second half. But for now, INR 1,500 crores sounds okay, right, as a sum of the 3 pieces?

Srinivasan Ravi: Conservatively, yes. But the traction what we see, if this -- we thought because of the Iran crisis, everything will slow down and stop that was when the capex plans were made. Suppose this Q2, whatever is going to happen in the Indian market and global market, if we see the same traction going on, manufacturing globally is increasing, I mean, across the world, I would say, in general, maybe for different fields and different end users.

But still, if this higher traction if we are going to happen in Q2, Q3, our Board will decide in Q3 or in Q4 to increase capex. So we may see at the tail end some revision in capex if things go better than what we expect.

Moderator: We take the next question from the line of Shagun Beria from Anand Rathi Shares and Stock Brokers Limited.

Shagun Beria: Am I audible?

Srinivasan Ravi: Yes, please.

Shagun Beria: Yes. Can I know the current capacity utilization for the segments, the business segment?

Srinivasan Ravi: Yes. Powertrain is averaging around 70%-odd. Of course, in the festive season, it will go beyond 75%, maybe closer to 80%, but that will be for a short period. But after that, again, the capacity utilization during Q3 will come down. Q4, again, it's likely to rise. But on an annualized basis, anywhere between 80% is a wishful thinking.

I think beyond 75% is very difficult because of the seasonal nature of the business and the risk of stopping customer lines. I would say that we are operating I think 10% lesser than the optimum capacity. The 10%, hopefully, we will be able to bridge the gap in this Q2 or Q4 as we stand on the Powertrain. And Aluminium, we are already operating at more than 80%-odd, I would say.

Moderator: We take the next question from the line of Vignesh SBK from Ksema Wealth.

Vignesh SBK: Am I audible?

Srinivasan Ravi: Yes, please.

Vignesh SBK: Sir, just on the confirmation of the heavy HP opportunity, I think 30% will come from FY 28 and 50% FY '29. Is my understanding correct?

Srinivasan Ravi: No, FY 30, we'll touch the USD 100 million, whatever the first initial target. So we may see that increasing if new order wins are there with the same customers and similar product lines where the developmental time and the time for testing is lower.

Vignesh SBK: Okay. But the revenues will start from FY 28, sir, just to understand?

Srinivasan Ravi: Yes, FY 28. Now it is FY 27, really speaking, it's too small to talk about it. So, from FY 28 onwards, we'll see a decent number.

Vignesh SBK: Yes. And just on the standalone capex, can I know like where are we spending this INR 1,000 crores? Anything particular?

Srinivasan Ravi: Okay. This is a very important question.

Vignesh SBK: Just to understand like where are we focusing, yes.

Srinivasan Ravi: Yes. See, let us take about Powertrain and let us also talk about Aluminium. The infrastructure required for a new Aluminium project is quite high and also on the Powertrain today. So when we go for new locations and new campuses, the place itself is quite high. If in the 2 earnings calls away, I think I had mentioned that the land alone for DR Axion plant costed us around INR 150 crores, which is around 50 acres of land.

So -- and to put up a basic infrastructure without any production equipment will easily cost another INR 75 crores to INR 80 crores. So, when you want to go for a plant of a decent size, not mega size, I think the land and building and infrastructure, the ETP, HTP, the power connections and the road infrastructure there, will touch around INR 150 crores to INR 250 crores, depending on the plant size. So then only comes the production equipment.

So, we have been holding back these sorts of activity for a long time, but we are also seeing that just like our customers have been announcing greenfield facilities with 1,500 acres and INR 3,000 crores -- INR20,000 crores something...

Moderator: Ladies and gentlemen, we have lost the line of the management. Please stay connected while I reconnect the management Thank you. Ladies and gentlemen, we have the management line reconnected. Sir, you can proceed. Thank you.

Srinivasan Ravi: Thank you. Sorry for the disturbance, which has happened in the disconnection. I was just answering on the capex, where the capex is going. The -- fundamentally, when we are -- during the IPO, we were around INR 1,500-odd crores only on the revenue side. And when we are quantum growing almost on revenue, we need more plants, more locations.

Our decision to put up a plant will decide whether the customer is going to support us in the long term. And we have to follow our customers across India. Most of the customers have announced greenfield projects and are looking forward to us also investing.

So, any greenfield project, anywhere between INR 100 crores to INR 250 crores will be the basic infrastructure without the production equipment to have a plant readiness to accept the equipment. So, this will have -- unless we fill up the plant with a decent amount of production capacity, the operating leverage will not set in. So that is the reason for the jump in capex.

But also, we see big improvement in the revenue growth, revenue growth even after adjusting the aluminium cost, we are seeing higher traction in the growth. So, our return ratios will not get affected even though these capexes are taking place because the base capex is quite high now for gross block and net block. So further on, I think the -- our EBITDA itself will carry the day for us.

Vignesh SBK: Just to understand, this mostly will be towards Aluminium side, sir?

Srinivasan Ravi: No, it will be for both Powertrain and Aluminium in the right proportion depending on the growth opportunities. Powertrain stationary engines are a little new, so that there will be some capex. Yes, there's a foundry also there. So that will take more than 50% of the Powertrain. But the Powertrain per se is a large amount of capacity installed.

You may recall that our depreciation is around close to around INR 500 crores now currently. And to replace those machinery, the replacement costs are high, even with a lot of planning and a lot of adjustments, reconditioning of old machines still, I think INR 250 crores, INR 300 crores maintenance capex itself is required as we speak. You understand that the dollar, euro, all this has undergone change. So the same capex is going to be very costly.

We did a small exercise for internal and for our Board. We found that the capex, what we did in 2016, we want to have the same capacity in exactly put up. The capex is around 5x to 7x more because the land has increased 8x, 9x, the construction cost has increased 3x, 4x. All the infrastructure cost has increased. Machinery also has more or less, in rupee terms, close to doubled totally with -- over a period of time. So, the incremental capex is quite difficult, I would say.

Vignesh SBK: And just on the capex front, we are saying we are putting INR 1,500 crores. So, funding should be from internal accruals, sir?

Srinivasan Ravi: So, year after, it will be only internal accruals. Of course, the cash mismatch will be there. See, as I mentioned, there's no ever need to come to the public markets per se. That is clear. But at the EBITDA level of whatever we have projected initially on the growth on EBITDA numbers, not the absolute numbers, we don't want to talk about it. But I think it is to keep a good net debt to EBITDA, I think we are on track.

Vignesh SBK: Okay, sir. And last thing on the cash -- sorry, the land, any update, sir?

Srinivasan Ravi: Yes, it is gaining traction. I think something is happening. I think we are close to signing a deal, I would say. That's all.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Srinivasan Ravi for his closing comments.

Srinivasan Ravi: Thank you very much for all of you to join the conference. I have some closing remarks. The capex cycle has started in India. I think this capex cycle is going to continue quite for a long time, I would say, in general, not only the OEMs, but also Tier 1, Tier 2 companies.

India is moving towards a manufacturing economy. And I think we have very bright prospects to continue to grow in the coming years. With these closing remarks, I would thank you all once again.

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

(This document has been edited for readability purposes)