Transcript of the 16th Annual General Meeting of Megatherm Induction Limited held on Saturday, 29th August, 2026 at 12:35 p.m. through audio – visual means

- Moderator:

Ma'am, we are live now. We can start with the meeting.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Thank you.

Respected Shareholders, Members of the Board, Auditors, and our Appointed Scrutiniser, a very good afternoon to you all. It is my privilege to welcome you to the 16th Annual General Meeting of Megatherm Induction Limited, convened today through physical presence as well as electronic video conferencing. I am Abanti Saha Basu, serving as your Company Secretary and Compliance Officer. I am attending this meeting from the Company's registered office located at Plot L1, Block GP, Electronics Complex, Salt Lake, Sector V, Kolkata. Before we formally commence the proceedings of the AGM, kindly allow me to outline a few important administrative matters.

This AGM is being organized through Video Conference, which is in compliance with the guidelines issued by the Ministry of Corporate Affairs, Government of India and SEBI. The Company has made all the efforts to enable all of you to participate in the meeting through virtual mode and to vote electronically.

As the AGM is being held through VC, the facility for appointment of proxies was not applicable and hence the proxy register for inspection is not available.

The proceedings of this Annual General Meeting shall be deemed to have been conducted at the Registered Office of the Company at Kolkata.

Attendees can post their queries, if any, in the Q&A box and the same will be replied to respective shareholders within a week's time.

All Members who have joined the meeting are by default placed on mute mode in order to transact the meeting in a smooth and fair manner.

Upon commencement of the Q & A session, I will announce the name of the Speaker Shareholders and if they are present at the meeting they can unmute and then they can ask their query and express their views.

The Shareholders are advised to use the headphones for clear audio and switch off other background applications.

Webcast of this meeting is being provided by National Securities Depository Limited i.e. NSDL through its website.

Members may note that this AGM is being recorded. Please do not disclose any sensitive personal information or personal identifiable information belonging to you or any other persons that has no bearing on this meeting.

The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements and other Documents mentioned in the AGM Notice have been made available electronically for the inspection during the AGM. Members seeking to inspect any of these documents can send their request to cs@megatherm.com.

The Company had provided remote e-voting facility to all the shareholders from August 26 from 9:00 a.m. to August 28, 2026 5.00 p.m., on all resolutions which was set forth in the Notice of 16th Annual General Meeting dated 1 August, 2026.

Members who have not executed their vote till now have option to cast their vote during the AGM and even after the AGM there will be a window of 15 minutes where they can vote electronically.

Mr. Shesadri Bhusan Chanda Sir, Chairman and Managing Director of the Company, is attending and presiding over the meeting virtually via video conference. Due to travel constraints, the Chairman has requested Mr. Satadri Chanda, Whole-time Director and CFO to read the Chairman’s Speech on his behalf. With the consent of the Chairman, I, Abanti Saha Basu, the Company Secretary will facilitate the meeting agenda and voting procedures.

Now I request our Chairman Sir, Mr. S B Chanda to introduce himself. Over to you sir.

- Mr. Shesadri Bhusan Chanda, Chairman and Managing Director, Megatherm Induction Limited:

Good afternoon shareholders and welcome to our 16th Annual General Meeting. Due to some urgent work I am traveling and hence attending this meeting via electronic means. I would request to take it over.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Thank you sir. Now I request Mr. Satadri Chanda Sir to give an introduction.

- Mr. Satadri Chanda, Whole-time Director & CFO, Megatherm Induction Limited:

Yes, warm greetings to all our shareholders. My name is Satadri and I'm Whole-Time Director and CFO and I also preside over the CSR Committee and we are hoping for a productive session.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Now I request Ms. Christina Paul Chowdhury Ma’am.

-Ms. Christina Paul Chowdhury, Director, Megatherm Induction Limited:

Hello everyone. Welcome to our Shareholders. I’m Christina Paul Chowdhury, one of Non-Executive Directors. I also look after our Committee work on Nomination & Remuneration and Stakeholders Relationship. I’m glad to connect with you all today straight from our Registered Office at Kolkata.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Thank you Ma’am. Now I request Mr. Shravan Manjaya Shetty Sir to give his introduction.

- Mr. Shravan Manjaya Shetty, Independent Director, Megatherm Induction Limited:

Hi all shareholders welcome to the AGM. My name is Shravan Manjaya Shetty and I've joined from Mumbai as in the capacity of Independent Director. I’m also the member of the CSR Committee and I chair the Audit and the Remuneration Committee. Happy to connect with you all virtually.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Thank you Sir. Now I request Mr. Bikramjit Ghosh Sir to give an introduction of himself.

- Mr. Bikramjit Ghosh, Independent Director, Megatherm Induction Limited:

Good afternoon shareholders. I am Bikramjit Ghosh running the AGM from London in my capacity as Independent Director and Member of the Audit and Nomination and Remuneration Committee. Thanks to all.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Thank you so much. In addition, we have some special invitees who have joined the meeting through electronic means.

CS Anjan Kumar Roy, from M/s. Anjan Kumar Roy & Co., the Secretarial Auditor of the Company for the Financial Year 2025-26, who have also been appointed by the Board as Independent Scrutinizer for the purpose of this meeting. He is present through electronic mode.

CA Dipak Jaiswal, Chartered Accountant from M/s. MSKA & Associates LLP, the Statutory Auditor,

CA Tanmoy Das Mahapatra, Chartered Accountant from M/s. MATR & Associates, Internal Auditor,

CMA Amit Khetan, Cost Accountant from M/s. Amit Khetan & Co., Cost Auditor of our Company are present through electronic mode.

Mr. Arunava Bhowmick, VP – Finance & Accounts is also present at the Registered Office of the Company.

Distinguished Shareholders, both the notice convening this meeting and the Annual Report for the period ending March 31, 2026, have been formally circulated via email and public announcements. I would appreciate your consent to take these documents as read. Now, I request Mr. Satadri Chanda Sir, Whole-time Director & CFO to read the Chairman’s Speech on his behalf.

- Mr. Satadri Chanda, Whole-time Director & CFO, Megatherm Induction Limited:

Yes, welcome everyone. So with the permission of the Chairman I'd like to begin my formal address. So most of our point of views are not but just some of the points we may have missed out. So before I begin, I'd like to take a moment to thank everyone who makes our Company what it is today. Our Shareholders, Directors, Vendors, Employees as well as our mostly most important our clients because of them we are here and to all employees of Megatherm for their performance in the previous commercial year. So before I speech I just wanted to make clear that just clarify one thing that I have just edited the speech. I'll be reading it out not speaking from my mind you know impromptly so that I don't miss any of the important points.

So let's begin.

So let me start with the big picture. So we are living through a period of where technology is changing faster than any point that we can remember in history. Geopolitics is reshaping supply chains and faster than any point in time. Then domestic policies shifting ground from underneath entire industries, entire sectors as well as you know customer lifestyles preferences are changing. So since these things are all changing I believe there's no shortcut to long-term success and the only way to grow and to protect the value of our shareholders also all stakeholders is to lay a strong foundation, and a technological foundation, a human foundation, customer base foundation, product variety market, variety foundation, and that is why for the last financial year as well as for this year our theme has been laying a foundation. So I want to share that the balance sheet etc may not reflect all the herculean efforts that is going in the background. Of course we have the financial presentation I will have shared that but before we get into that I just wanted to give everyone a flavor of what kind of activities are currently going on. So just to give an idea, although it's not reflecting in the balance sheet, but it will reflect in the years to come. So basically during our investor meets previously I have shared that Megatherm's glow story basically revolves around five pillars. So we have our steady business that is coming from induction venting furnaces steel foundry casting sector as well as induction heating and hardening equipment that goes into various engineering and auto ancillaries sectors. This is going to give us the steady business you know sort of. However for short to medium-term growth, we are seeing we want to focus on our transformers division especially the renewables transformers and the industrial transformers. I'm not so much so the distribution government side but mostly on the industrial and renewables transformers. Thirdly the long-term growth of course will come from niche induction markets as well as the export markets. More on that in my speech. And number four is of course you know executing larger orders turnkey projects that is going to give us security, scalability and fifth one of the primary drivers of our bottom line that is the after sales spares and service. So these are the five pillars with which we are trying to create the foundation so that we can give long-term sustained growth no matter the geographies no matter the markets no matter the industries. So when it comes to our steady business we want to our objective is to quote we want to maintain a strong market share in the large capacity induction furnaces that goes into the steel sector and also blow out into the certain areas where pockets where we are slightly weak and like west south etc. Although the opportunity in those areas are smaller, most of the opportunities are in the eastern zone or simple zone but we want increase our market share there and to get there we are doing a lot of things. So we are strengthening design teams so that we can continuously improve the product to maintain a technological edge over competitors. We are introducing automation very soon AI into our products and into the product itself. The maintenance certain technical parameters can be improved. On the technical side, we are increasing voltage levels, we are improving mechanical design etc. So all this is being done so that we can keep our clients one step ahead and we ourselves one step ahead of the competition. In our smaller capacity furnaces and heaters we are introducing new topologies, new power sources which is going to carry us through for the next 10 - 15 years. So a lot of work is going on and none of this comes free so we have invested in R&D and we have invested in people. The engineering team size is being enhanced engineering, lot of ours, we are moving away from the paper drawings. So a lot of the original analog paper drawings and topologies are being digitized. We have tied up with foreign companies for helping us in this process. So this is going to protect the Company's IP for the next 10 - 15 years and not just that you know product whenever you have a new product there is product validation you supply that piece of equipment if it doesn't work out you buy back supply new one. So a lot of this sort of work is taking place even inside the steady business or as you can call that. Now of course these things in the balance sheet they show up as a pure cost but in reality these are investments that will give us that strong foundation. Talking about the pillar two, a lot of our investors are there. They are very keen to learn about this that is our pillar two is the short to medium-term growth that is transformers - renewables transformers, industrial transformers. So we have expanded our capacity and we are further expanding our capacity by having a backward integration unit plus then another shed and because the demand is there for transformers although in the previous financial year and also sort of the first one and a half quarters of this year it is not going to reflect in the turnover but in the background basically we got our transformers tested investing agencies. Various large companies have come in and given their factory approvals, make approvals.

For that we had to get quality approvals you know production process approvals etc. So we have already got these approvals from companies like Tata Power, Future, Shell, Sprang Energy, Gujarat GUVNL, MAHAJENCO and many more and we are now actively bidding and getting orders. This is not an easy process. We literally have to change our factory layout, equipment, manpower, quality processes to get these approvals in place and the initial orders. But all that is done and the good news is that the demand we are seeing now is tremendous. Just for an example we are basically booked out till December January and we are having to outsource some of the processes basically and our expectation is that from the second half of this financial year we are going to clearly see the impact of this transformer division essentially and again transformer validation getting special giving special discounts to get the initial breakthroughs into the brick groups building a team – sales team, a design engineering team, getting the CPI approvals. So all these involve a lot of cost it will show up as a cost in our it has shown up as cost and it continues to but in reality this is again investment for strong foundation. Then coming to the pillar number three that is the niche induction technologies and the exports. So basically this is where I believe our long-term growth is going to come from. In India, the induction products market is roughly say around 2,000 odd crores plus 1,500 to 2,500 depending on the capex cycle, you know, of the country. And however there are some highly profitable leaf segments like high frequency applications like tube welders various types of high frequency applications and that is catered to that demand is catered to by a few international companies two three of them. So but we are developing our own technologies, we have tied up with SicTech Spain, we just went for joint venture and we will get into this market soon. Of course when I say that the market ceiling of say 2,500 or 2,000 odd crore that is only from India. All countries require these products and hence you know our long-term growth is obviously going to come from the export market like I've said earlier also and some concrete updates. So we have formed a joint venture with an American Company which has recently been converted. We recently got the UIN number for the investment. So we are going to start the investments now and start the marketing etc. And we have signed with the European Company to pitch our products in the European market. We have just signed up with companies in South America to push our products and in the process of developing partners in Southeast Asia, Africa, Gulf etc. So once again you can see there is tremendous work happening these and these partners are not one, every product has essentially multiple partners in every country. So this is another big big task being undertaken by us and travel costs, marketing costs, participation in various exhibitions etc.again these show up as expenses but these are actually investments affording a foundation. Our fourth pillar that will give us scalability is basically turnkey projects and for example now in these turnkey projects we have already executed but we are going to execute much more in the big especially in the export market. We have some orders but a lot of the big orders are now basically stuck. They were from the Middle East they were now stuck because of the war situation but that will resolve. However, in the background, you know, instead of simply buying and selling products, we have developed capabilities in house for products like continuous casting machines, ladle refining furnaces, arc furnaces, continuous casting machine. I already mentioned that material handling systems etc. So that we are not just buying and selling rather we are owning those products and we can derive margins from them. Also the client can also prefer a Company who can who has who owns those products in house and of course building those capabilities requires teams. We have set up our design teams, service teams; you have to install the product run them and things like that. So again these typically show up as costs but these are strong investments for the future. And finally the fifth pillar that is the after sales service and the after sales service is the primary bottom line as I have explained earlier and here we are trying to take India's primary advantage in today's world. If you see India's exports vast like the majority of it is essentially engineered goods so the primary advantage of India is the skilled engineers and we tend to make the most of it so we are continuously growing our service team training them fresh from college some maybe from other companies and training them and we also building localized spare stocks not only in India now we're planning to do it in other key locations for example Dubai of course once the war situation is done and in some of the other countries also where we are trying to expand so and this is the main profitable part of our business. Hence this is again just the marketing side, the sales side and the design engineering side, designing and selling the products is one thing but of course you have to manufacture the product and as you can imagine these products are not easy to manufacture. These are complex processes. It requires skilled manpower and skilled manpower availability like we all know in industries today it's next to zero. So we are recruited we have recruited large number of people. We are still recruiting large number of people and training them you know it's not necessary that all of the people can be trained so some will go other companies other fields but so this tremendous training process is okay and apart from product angle the governance angle is something we are working on so apart from you know so we are looking at from the finance angle we looking division reporting. We are trying to move towards quarterly reporting. So you know this is going to improve transparency tremendously and also give idea to our stakeholders in which direction companies going which are the profitable areas etc. So as you can see a tremendous amount of work is going on and investment time money is going on across the length and breadth of the Company and across markets across designs across validations engineering marketing and basically all over the world. So there's a tremendous work that is being done at this moment which is not may be showing immediately in the turnover but the kind of work I can assure you that is going on it's probably a1000 crore worth of work at least that is going on and that is our venture capital and so and this is why our theme is laying the foundation. So I hope I've been able to explain that in a better way. And of course I want to return to where I started by thanking you our shareholders, your trust and patience in us our Board Members the Independent Directors for steering us you know in the positive direction and every single employee of Megatherm who's putting in their hard work every day to get these make our achievements possible and for our clients of course the most important for believing in us and in our products. So thank you once again and I look forward to questions.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Thank you, Sir.

Dear Shareholders, pursuant to the provisions of Companies Act 2013 and the SEBI LODR regulations, the Company has provided facility for e-voting by electronic means to all its Members to enable them cast their votes electronically and the business may be transacted through such e-voting. For this purpose, we have engaged NSDL as a Service Provider for providing e-voting facility. The Company provided remote e-voting facility to all the shareholders of the Company as on cut-off date 22nd August, 2026. The remote e-voting commenced at 9:00 a.m. IST on 26th August, 2026, and ended at 5.00 p.m. IST on 28th August, 2026.

M/s. Anjan Kumar Roy & Co., Practicing Company Secretaries has been appointed by the Board as the scrutinizer for conducting e-voting process in a fair and transparent manner. The results will be declared on or before 1st September, 2026 after considering the e-voting done today by Members participating in this AGM and also the remote e-voting already done by certain Members.

The results along with scrutinizer report shall also be submitted to the Stock Exchange, i.e., National Stock Exchange and will also be placed on the website of the Company. As the meeting is convened through VC today, resolutions have already been put to vote through remote e-voting and the requirement to propose and second are not applicable.

I, on behalf of Chairman Sir, would like to request esteemed Members to approve the Proposed Resolutions present in the Notice along with Explanatory Statement. Statutory Auditors, Secretarial Auditors, Cost Auditors and Internal Auditors have expressed unqualified opinion in their respective Audit Reports for the Financial Year 2025-26.

With this, I would like to handover it to Mr. Satadri Chanda Sir, CFO to highlight the financial performance of your Company for the Financial Year 25-26. I also request our Moderator to share the Financial Presentation for the Financial Year 25-26. Over to you sir.

- Mr. Satadri Chanda, Whole-time Director & CFO, Megatherm Induction Limited:

Yeah. So this is our presentation. It is already uploaded in our website as well as the NSE platform.

Next slide please. Yeah.

So there's a lot of information about industry overview, key performance highlights etc. So this has already been taken care of by the customer meets and of course if you want to understand our Company in more detail you are welcome to get in touch with Kaptify and they are our investor relationship consultant and but so today we are as a CFO I'll present the key performance highlights. So if you can just go to the key performance highlights if you can recommend the page number. Yes so the key performance highlights. We are coming to the financials. So if you look at the last financial year from the transformer side we have secured 200 plus worth of orders and deliveries have started just started to commence and the order book we have secured it's coming to approximately 37.9 crores just that initial orders of those 200 MVA. This is only from the renewable sector. Of course, we also get into the industrial sector and like I was saying we have been approved by 10 plus leading renewable energy players. Capacity scale has been initiated. So the fourth manufacturing facility or transformer backward integration facility has started. A fifth one is going to come up and we are seeing advanced stage of discussion with market players. So we are saying that this vertical is going to grow not just from the renewable but also from the industrial side and we are also exploring cast resin because we are seeing this is going to be a demand to consumers also. We are exploring the initial phases. Coming to the induction side we are a robust order book of over 250 odd crore close of order carryover and strong execution momentum was there in second half of FY 27. Although right now because of the war situation we are saying that a lot of the, I think, export orders to the tune of 100 odd crore or is a little bit in a sort of gray area. So in some cases the payments have come but the customer is unable to plan shipment in some cases the advances with us but the client is not clarity. So for the Middle East sector but that we sure like I said US business has moved towards transition to an incorporated structure. We have started established presence across some countries and a lot of this work is on the way. The product range we have we are actively marketing the pipes and tube sector. Our product is going to be ready almost and also our dual tracked power supplies that goes into the engineering sector the foundry sectors and like and I also mentioned all the large investments plan towards you know marketing our Company globally. So these are the sort of highlights. If you can just go to the next slide. So in terms of the top line bottom line you know the top line could have been about 10 – 15 odd crores because the war started in Feb and a lot of our exports in March etc. were not captured we could not. It's essentially reflecting as stock inventory and also our transformer factory just got ready and we were in the process of getting all the approvals. So our transformer turnovers basically did not reflect in any meaningful way in the previous financial year. You will see there has been a growth impact but however the next slide is going to be more clear. If you can just go to the next slide. Yeah. So although there has been you know a slight uptick in PAT but if you notice like all the investments that I was talking about so our overall opex has grown by 19%. We are building strong teams - engineering, sales, accounts, governance etc. and our employee benefits have increased by about 23%. and marketing has increased by about 17 odd%. So in spite of the increased expenses we have managed to sort of maintain the bottom line due to primarily due to you know the after sales side of our business and the investments in talent, marketing, training, manpower is going to continue through FY 27 and however if you see the current bottom line of around say 7odd% that is not a true reflection of this business. We have basically frontloaded a lot of our expenses but when you see that the turnover starts coming in towards you know 450, 500, 600, 700 odd crores towards roots that's when you will start seeing the true you know EBIITA and bottom line margins which will be more towards the 10 to 12% and I will be more closer to the you know, 15 to 20% range. So, that was basically just giving you a flavor of the bottom line versus the top line.

Next slide. Yes.

So, as you can see those arrows are showing that the other two expenses and employee benefit expenses have increased. But we have still managed to sort of protect our bottom line and has grown by about 11% and this all the data is available and if you have you know any further deeper questions you are most welcome to have one-on-one. We also participate regularly in various investor meets and you can definitely interact with us. Next Slide. I think that was it regarding the financials. So thank you very much.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Thank you, sir.

I shall now invite the representative of Gaurav SUD HUF who has been registered as speaker for the AGM. Now I request the moderator to unmute the representative of Gaurav SUD HUF.

- Moderator:

Ma’am, he hasn’t joined the meeting.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Okay. So as the Shareholder has not joined, so we may conclude the meeting.

- Mr. Satadri Chanda, Whole-time Director & CFO, Megatherm Induction Limited:

Okay. If any of our Auditors or Independent Directors or Chairman would like to put in any word, most welcome.

- Mr. Shesadri Bhusan Chanda, Chairman and Managing Director, Megatherm Induction Limited:

Yeah. I mean thank you for, thank you all the shareholders who are part who have participated in this meeting and I wish everybody good and we can conclude the meeting.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Thank you, sir.

- Mr. Shesadri Bhusan Chanda, Chairman and Managing Director, Megatherm Induction Limited:

Thank you.

- Ms. Abanti Saha Basu, Company Secretary, Megatherm Induction Limited:

Now I would like to inform the shareholders that e-voting facility will open for further 15 minutes to those shareholders who could not cast their vote during e-voting period.

With the kind permission of the Chairman, I now formally declare this Annual General Meeting closed. We extend our sincere gratitude to all shareholders who joined us via video conferencing today. Thank you for your attendance and your unwavering support of the Company. Please accept our best wishes for your continued health and safety. Thank you.

- Mr. Shesadri Bhusan Chanda, Chairman and Managing Director, Megatherm Induction Limited:

Thank you.

-Ms. Christina Paul Chowdhury, Director, Megatherm Induction Limited:

Thank you.

- Moderator:

Thank you so much ma'am. We have stopped the live streaming. We hereby end the meeting for all. Thank you. Have a great day.