Transcript of 35th Annual General Meeting of AXISCADES Technologies Limited held on Wednesday, September 24, 2025 at 11:30 AM (IST) through Video Conference

Moderator: Sir, the time is 11:30. We have the requisite quorum. We'll start with the proceedings, sir. We can start with the proceedings.

Sonal, you are not audible. You are still not audible.

Ms. Sonal Dudani: Mr. Moderator, are you able to hear us?

Moderator: Yeah.

Ms. Sonal Dudani: Okay. Thank you. So, good morning, ladies and gentlemen. I, Sonal Dudani, Company Secretary and Compliance Officer, have great pleasure in welcoming you to the 35th Annual General Meeting of the Company. I hope you and your family members are safe and in good health. Before we start with the main proceedings of the meeting, I would like to introduce the Directors and KMPs of the Company who have joined this meeting through Video Conference. Dr. Sampath Ravinarayanan, Chairman and Managing Director. Ms. Mariam Mathew, Independent Director and Chairperson of Risk Management Committee. Lt. Gen. C.P. Cariappa, Independent Director and Chairman of Audit Committee and Stakeholder Relationship Committee.

Lt. Gen. C.P. Cariappa: Namaskaram.

Ms. Sonal Dudani: Mr. Tanmoy Chakrabarty, Independent Director and Chairman of Nomination and Remuneration Committee.

Mr. Tanmoy Chakrabarty: Morning and Namaskar.

Ms. Sonal Dudani: Mr. Venkatraman, Non-Executive Director.

Mr. Venkatraman Venkitachalam: Namaskaram.

Ms. Sonal Dudani: And, Mr. Shashidhar, Group CFO. We also have with us Mr. Pradip Agarwal and Mr. Vishal Saraogi representing M/s S.R. Batliboi & Associates LLP, Statutory Auditors; Mr. CS Pramod SM from BMP & Co. LLP, Secretarial Auditors and Scrutinizer of the AGM, who have joined this meeting through Video Conference.

We have the requisite quorum present through Video Conference to conduct the proceedings of this meeting. Participation of members through Video Conference is being reckoned for the purpose of quorum as per the MCA Circular and Section 103 of the Companies Act, 2013. The quorum being present, I call this meeting to order.

As the members are aware that this AGM is being conducted through Video Conference and is in compliance with all the applicable regulations and circulars issued by MCA and SEBI from time to time, the Company has taken all feasible steps to ensure that the shareholders are provided with an opportunity to participate and vote hereat.

The soft copy of the Annual Report has been sent to all the members holding shares in dematerialized mode and whose email addresses are available with the depository participants as well as to the members holding shares in physical mode, whose email IDs are registered with our RTA for the communication purpose.

The statutory registers as mentioned in the Notice of the Annual Report are available for inspection of the members and members seeking to inspect such documents can contact the Company Secretary and Compliance Officer for the same. As mentioned in the Notice convening the meeting, since the meeting is being held electronically, the proxy related procedures have been dispensed and hence the Proxy Register is not available for inspection.

The Company has received requests from a few members to register them as a speaker at the meeting. Accordingly, the floor will be open for these members to ask questions or express their views. The Moderator will facilitate this session. Once the floor is open for questions and answers. Members are requested to refer to the instructions provided in the Notice, for appearing on the Video Conference page or else may reach out to the helpline number given in the Notice.

The Company had provided the facility to cast the votes electronically on all resolutions given in the Notice during the period September 21, 2025 till September 23, 2025. Voting will be in proportion to the shares held by the Members as on the cut-off date, being September 17, 2025. Members who could not avail this remote e-facility and who are participating in this meeting, will have an opportunity to cast their vote electronically during the AGM on all proposed resolutions through Kfin's InstaPoll mechanism. The InstaPoll facility will be activated at the end of the meeting. Once the opening of e-voting is announced, members can click on the "Vote" tab on the Video Conference screen to avail the feature. Members may please note that there will be no voting by show of hands. Now I would request the Chairman to deliver his speech.

Over to Chairman sir.

Dr. Sampath Ravinarayanan: Thank you, Sonal and good morning everybody.

Dear Shareholders, it is both an honor and privilege to address you today at this Annual General Meeting. As I return to AXISCADES as Chairman and Managing Director after more than a decade, this opportunity to lead our Company at such a transformative moment fills me with immense pride and a deep sense of responsibility. We stand at the threshold of an exciting era, not just for AXISCADES but for the entire industry. The pace of the change is truly unprecedented and the expectations of our customers, employees and investors continue to rise. In this dynamic environment, our commitment to excellence and innovation must be unwavering.

Upon assuming my responsibilities as Chairman and Managing Director, my immediate priority was to concentrate our efforts on three primary business segments, which we have identified as our core areas - Defence, Aerospace and ESAI, which is Electronic Semiconductors and Artificial Intelligence. These sectors have been chosen with careful consideration as they present the strongest opportunities for us to optimize the utilization of our resources and achieve maximum results. By directing our strategic initiatives and investments towards these domains, AXISCADES is well positioned to pursue sustained stepwise growth. This targeted approach not only strengthens our competitive advantage, but also sets the stage for AXISCADES to emerge as a global leader in these high potential industries.

In pursuit of our vision to position AXISCADES as a global leader, we have established an ambitious target to reach USD 1 Billion (9,000 crores) in revenue, by the Financial Year 2030. So, this strategic initiative known as Power 930 serves as a clear and focused roadmap for the organization's growth trajectory over the coming years. Power 930 is built upon our commitment to drive strong performance within our core business segments of Defence, Aerospace and ESAI.

To achieve this goal, we are aiming for robust growth rates of 40% to 50% in FY26 and FY27. This momentum will further accelerate with the targeted growth rates of 70% to 80% in the subsequent years - FY28, FY29 and FY30. At the core of our strategic vision, is an experienced and dedicated leadership team whose collective expertise inspires confidence in our directions. Team members include Alfonso Martinez - Head of International Operations, Murali Krishnan - Chief Operating Officer, Mohanakrishnan - President of Aerospace and Deputy CEO, Sharadhi Babu - President (Defence), Manikandan - President of ESAI and CEO Mistral, Anurag Sharma - Chief Growth Officer and CEO of add solution, Ravi Joghee - Chief Marketing Officer, Group Captain Selvamani - Chief Technology Officer of Defence, Vijay Bharat - Chief Delivery Officer of Defence, Sunil Nair - Chief Business Officer of Defence. In Aerospace, Ganga Ready is serving as Chief Delivery Officer and Selvaraj - overseas delivery at ESAI as CDO. We are also privileged to welcome Dr. Arun Arumugam, a distinguished radar expert, who will play a pivotal role in advancing our radar and space innovative through the development of strategic partnership and he is located in the UK, London.

In the Defence sector, we are concentrating on rapidly evolving domains with particular emphasis on unmanned combat systems recognizing the dynamic nature of these technologies. Besides in those product development endeavors, it is essential for us to establish partnerships with providers of the battle proven solutions that are continuously advancing. To this end, we have entered into collaboration with leading Polish companies whose products have demonstrated their effectiveness in current conflict scenarios notably the ongoing war with Ukraine. Specifically, we have partnered with Jakusz for lightweight munitions and MADDOS for advanced counter UAV solutions. The proven performance of these products in active combat environments underscores their critical importance to our Defence capabilities. Most of these partnerships come with TOT for Make in India co-development and export options.

The key focus within ESAI is AI data center inferencing. This area is witnessing significant expansion and we are actively engaging with some of the most promising future leaders in the industry to harness its potential. In addition to this, we have shifted our focus towards design to built-in ESAI moving away from traditional service only model, this strategic pivot has already resulted in securing several prestigious customers, demonstrating early success and validating our approach.

In the Aerospace sector, we have established ourselves as pioneers in aircraft structural design, backed by over two decades of specialized expertise and solid reputation for excellence. Building on this strong foundation, our strategic vision is to broaden our scope well beyond structural design. In our next phase of growth, we are focusing on three key areas – Expanding into comprehensive aircraft supply chain management, developing a dedicated speed shop for rapid one-off production requirements and diversifying into component maintenance services. This three-pronged approach will enable us to deliver holistic aerospace solutions, responding proactively to evolving industry demands and customer needs. As we advance in establishing robust partnerships, innovating products and solutions and integrating new technologies, it becomes essential for us, for our infrastructure to match the face of and expectations of the leading-edge companies. Recognizing this, we are investing in developing one of the finest infrastructure purposes built for our core domains and anchor customers. The strategic initiative is designed to ensure our readiness to meet industry standards and respond to the evolving needs of our partners and stakeholders, thereby reinforcing our ongoing commitment to excellence and future preparedness.

We are delighted to announce the completion of our new facility at Devanahalli Aeroland. This facility will house a center of excellence for MBDA - a global leader in missile systems, Indra - a prominent name in Radar and Defence technology, along with two of the world's largest hyperscalers. Spanning 165,000 square feet, the state-of-the-art facility is set to commence operations on the auspicious occasion of Vijay Dasami scheduled for next week, 2nd October. We expect this expansion to significantly contribute to our revenue growth and further strengthen our operating margins.

Additionally, the groundwork has begun for our major infrastructure project, the Devanahalli Atmanirbhar Complex ("DAC"). This sprawling facility covering 3 million square feet situated on 20 acres adjacent to Bangalore International Airport, is planned to be operational in alignment with our targets for the Financial Years FY27, FY28 and FY29. The DAC has been meticulously designed to address the critical challenges and capitalize on the significant opportunity within our key domains. With this focused approach, we are confident that the DAC will be instrumental in helping us to achieve our ambitious objectives for FY27 through FY30.

In summary, AXISCADES is set for significant growth, driven by strong leadership and investments in advanced infrastructure. Our team's dedication and stakeholders' trust are central to our resilience and success. We are building not just facilities but an ecosystem supporting excellence and contributing to the Make in India movement. Thank you for your ongoing support as we move forward confidently towards new milestones. Thank you.

Ms. Sonal Dudani: Thank you, Sir. Ladies and gentlemen, the Notice dated 22nd August 2025 convening this meeting along with the copy of the Annual Report for the Financial Year ended 31st March 2025 has already been circulated and with your permission, I shall take the same as read.

The Auditor's Report on the financial statements of the Company does not have any qualifications or observations or comments on the financial transactions or matters as having any adverse effect on the functioning of the Company. There are no qualifications, observations or comments in the Secretarial Auditor's Report too. Accordingly, the Reports are not required to be read out at the meeting.

We now take up the resolutions as set forth in the Notice. We will open the floor for any questions by members after all the resolutions are tabled.

The ordinary businesses set out in the AGM Notice pertain to the adoption of the Audited Financial Statements, Standalone and Consolidated - to receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 March 2025, including the Audited Balance Sheet and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, including the Consolidated Financial Statements together with the Report of the Board of Directors and Auditors thereon. Appointment of a Director in place of Mr. Venkatraman who retires by rotation and being eligible, offers himself for reappointment. The special businesses set out in the AGM Notice pertain to - to appoint Dr. Sampath Ravinarayanan as Managing Director of the Company. To appoint M/S. BMP & Co. LLP, Company Secretaries as Secretarial Auditors of the Company. Approval for the borrowing limits of the Company and approval for the creation of charge on the assets of the Company. The resolutions and the explanatory statement in respect of the above proposals, wherever applicable, have been provided in the Notice.

Now, before we go live with the Q & A, here are some points to note for convenience. Members are requested to keep their questions brief and specific. The Moderator will facilitate the questions on the video feature. Whenever your name is pronounced, kindly turn on the video so that the video is projected on the broadcast screen. Kindly unmute yourself and proceed to ask the question. Please mention your name, DPID and client ID or the folio number and the location from where you are joining. Each shareholder will have one minute for their question. To avoid repetition, the Board will respond to all the questions at the end. Once you have asked your question, you may switch off the video, mute yourself and continue to watch the proceedings. Members may also note that the Company reserves the right to limit the number of members asking questions or making suggestions depending on the availability of the time. Now the floor is open for the shareholders' Q & A.

Over to you, Mr. Moderator.

Moderator: Thank you, Ms. Sonal. We now start with our question and answer session. Our first speaker, Mr. Ramesh Shanker Golla. Mr. Ramesh Shanker Golla. He is not in the room. Our next speaker, Mr. Aloysius Peter Mascarenhas. Mr. Aloysius Peter Mascarenhas. He is not in the room. Our next speaker, Ankur Chanda. Ankur Chanda. He is also not there in the room. Next speaker, Ms. Celestine Elizabeth Mascarenhas. She is also not there in the room. Our next speaker, Chanchal Bala. Chanchal Bala. He is also not there in the room. Our next speaker, Mr. Manoj Jivrajbhai Bagadia. He is also not there in the room. Our next speaker, Mr. Manjit Singh. He is also not there in the room. Our next speaker, Mr. Gagan Kumar. He is also not there in the room. Our next speaker, Ms. Savita Rani. She is also not there in the room. Our next speaker, Mr. Sarvjeet Singh. He is also not there in the room. Our next speaker, Mr. Subhash Chandra Wadhwa. Mr. Subhash Chandra Wadhwa. He is also not there in the room. Our next speaker, Mr. Nirmal Kumar. Mr. Nirmal Kumar is also not there in the room. Mr. Vinay Vishnu Bhide. Mr. Vinay Vishnu Bhide. He is also not there in the room. Our next speaker, Mr. Shripal Singh Mohnot. He is also not there in the room. Our next speaker, Mr. Rupesh Gulabchand Tatiya. Mr. Rupesh Gulabchand Tatiya. Please unmute yourself and ask your question, sir. Mr. Rupesh.

Mr. Rupesh Gulabchand Tatiya: Hi sir. Am I audible?

Moderator: Very much, sir. Very clear, sir.

Mr. Rupesh Gulabchand Tatiya: Yeah. Okay. I think I just wanted to take this opportunity to express gratitude to Dr. SRN and I think Shashi is also here. I mean, I used to read Defence Industry Reports one year ago and AXISCADES was not there in any of the Reports. I mean I used to find it so funny that companies who are supplying electrical cables to the Indian Navy were covered under the Defence Industries. Companies supplying paints to the naval ships are covered under the Defence industry. And AXISCADES was not even considered in any of the Reports. So, I think that has significantly changed. I now at least see in 30%-40% of the Report that AXISCADES is considered as a part of the Defence industry. And given that we do so much of, you know, core design work, IP work, it was really shocking at that point of time. So I think I must congratulate you for, you know, turning around this perception and communication with so many details you have done so that I think I must express gratitude and I think the share price is a reflection of that communication and also many times it requires an external leadership to shake up an organization which I think you have done very very well and you have set an ambitious target and my good wishes, best wishes to for you to achieve so really thankful for that. I have just two or three questions I think mostly to Shashi. One question, Shashi, is we have said we'll do ₹210 crore EBITDA this year. So will it be like a little bit because I think quarter one is ₹35 crore. I think seven, eight quarters, we are at the ₹35 crore run rate. So, when will we, when will we break out to you know ₹50 crore, ₹60 crore. Will it be a little bit back ended? Can we have a big Q4 with ₹800 EBITDA? How will the phasing be? That is question number one. And then the second question sir is this 114 multi-role fighter aircraft some there is an order, I mean there is a discussion now that we'll order another 114. So, then that should expand our opportunities-wise quite a bit because I think there will still be MBDA there, Indra there. So, this is I think a new development compared to last conference call. So, if you can address that. That is the second question. And then the third question I think we have talked so much about Defence but Aerospace I think we're looking at the 30-40% growth and I think tooling is I think one area we're focusing on. So that tooling area I think we have not discussed in a little bit of detail. So, if you can just talk about how and where we are going into that tooling and how this year, next year will look at. So, these are only three broad questions. And once again congratulations, sir. I mean absolutely fantastic work done.

Moderator: Thank you, sir. Our next speaker, Mr. Pula Tarun Kumar. Mr. Pula Tarun Kumar, please unmute yourself and ask your question, sir.

Mr. Pula Tarun Kumar: Good afternoon, sir. And Sir, I have four questions. The first question was what are the major triggers for this 40-70% growth and is there any expansion of the margins in the future? Second, for this growth is there any funding? Are we looking at any equity dilution or any debt or any or internal accruals? And my third question was could you explain how we are transforming from service to the product Company. And last, fourth question. This is a small doubt. When there is a huge scope of growth, I can see that promoters are selling. This is my final question. Thank you very much.

Moderator: Okay sir, thank you so much. Our next speaker, Mr. Praveen Kumar. He is not there in the room sir. Our next speaker, Mr. Murlidhar Talreja. Mr. Murlidhar Talreja. He is also not there in the room. Our next speaker Mr. Raju. He is also not there in the room. Our next speaker Ms. Poonam Bala. Ms. Poonam Bala. She's also not there in the room. Our next speaker, Mr. Krishnan Lal Chadha. Mr. Krishan Lal Chadha, he is also not there in the room. The next speaker, Mr. Chetan Chadha, is also not there in the room. Our next speaker is from FICOM Advisory LLP. Our next speaker is from FICOM Advisory LLP. Sir, please unmute yourself and ask your question, sir. The speaker from FICOM Advisory LLP, please unmute yourself and ask your question. I think they are not responding, sir. Our next speaker, Sarbhjit Singh. He is not there in the room. And our last speaker Mr. M. Shanmukha Anjaneyulu. Mr. M. Shanmukha Anjaneyulu. He is our last speaker. Please unmute yourself and ask your question, sir.

Mr. M. Shanmukha Anjaneyulu: Hi sir, good afternoon. My question is like where would we be, can you give a roadmap of the Company for the coming three years?

Ms. Sonal Dudani: Mr. Moderator, are we done with all the registered speakers?

Moderator: Yeah, we are done with all the speakers.

Mr. Shashidhar SK: Should we start answering the questions? Thanks everyone for raising these questions at this AGM. So, we will take the questions in serial order. Thank you, Rupesh, for the questions which you asked. The first question which you asked is with respect to the EBITDA numbers as to the guidance as what we have given and as you know, and as what we have been repeatedly talking about in the earnings call this year we are guiding towards about ₹200 crores in terms of EBITDA and mainly the EBITDA is going to, I would say backlog towards Q3 and Q4 because of the preponderance of Defence revenues this time. So, you will see that in H1, between H1 and H2 the proportion of EBITDA would be about 35 and 65. So you will see the majority of the EBITDA being logged in Q3 and Q4.

And the second question which you raised was with respect to, you know, the Company's role in the 114 multi-role aircrafts as what is currently on the horizon and I request Dr. SRN to reply to that.

Dr. Sampath Ravinarayanan: Thank you, Shashi. Rupesh, thanks for the questions and thanks for the questions. Just to add to Shashi that we will meet the guidelines that you mentioned and we are on track and regarding the pacing of the innings it is 35, 65 as always this time could be around 37, 38 and 62 and so we are comfortable about that. And as far as 114 Rafale, of course it is still under consideration, at least selected, the negotiations, everything by the time it's completed will take about a year or so. But as you know we will. There are four stakeholders Dasso, Rafael, sorry Dasso, Saffron, Thalis and MBDA and we have a good relationship with two of them. So, we should feel one of the highest beneficiaries in this, so I feel as and when it comes. And so that is what this and what is going to precede that is the 26 Marine Rafales. So, we are already talking about it.

So the next question you asked about is aircraft tooling. I think yeah, aircraft, yeah, Aerospace. What we have started off for comprehensively taking up the tooling, our facility has to get ready. Meanwhile we are booking the orders and subcontracting them. Initially we are taking some from the sub-contracting from Indian vendors and doing that to just wet our feet. And then slowly we hope by Q4 we should have some tooling done for the aircraft for the Aerospace industry and in FY 26, we see a substantial revenue coming from that. So, tooling will be on track as well. What is another question from Rupesh?

Mr. Shashidhar SK: These are the three questions from Rupesh.

Dr. Sampath Ravinarayanan: See basically we will divide our growth trajectory into two parts which is FY26 and FY27 which probably, I'm very confident, will grow between 45-50% this quarter. We are on track. I'm talking only about the core activity. Core activity, as you know that last time we did about ₹750 crores approximately. So, we are trying to grow by 45-50% this year. And same on the EBITDA pattern, every measure and then next year also the same pace. We are also confident we have order books to support that. And the subsequent three years, that is, in 2028, 2029 and 2030 the same growth in the core areas will continue. When the new offerings will start kicking in, such as, as I mentioned in my speech, there are three new areas in Aerospace. Yes, Supply chain management, speed shop and component maintenance. There are new offerings in ESAI, which are going to be AI-inferencing products and along with the new companies that are emerging. And in the Defence, we are going to make massive investments into radars, missiles and unmanned. So, these things through solutions, we should be able to grow at a good speed. Whatever the Delta that is, I'm talking about 40-45% to 75%. Let us say, the 30-40% delta will come from the new offerings that have a dependency in the Devanahalli Aerospace Complex. So by that time we are aligning in such a manner we have started the work. It should be completed by FY27, by March 27, it should be completed. And just to give more clarity you asked about product and service. By the end of 2030 we are looking at, let us say we make ₹9,000 crores out of which about roughly 21-24% will be service. The remaining will be solutions, products and solutions. So that will be around. This will be flipping the last. This year in FY26 will be doing 60 and 40, approximately. 60% in services, 40% in products and solutions. So, products and solutions keep growing and in 2030 it will reach approximately 78%, somewhere around 75-80%. So, the remaining will. So that is our growth path. It will be backed by strong technology innovations and infrastructure.

Mr. Shashidhar SK: So, I think this also answers the question which was. This also answers the question with respect to the road map for the next three years as what Mr. Shanmugam Anjaneyulu wanted to know. And the other question which we had from Kunal was with respect to funding, as to how the entire expansion is going to be funded. And just to let you know in FY26 we will be investing about ₹150 odd crores in terms of the expansion as what we're talking about which will all come from internal accruals and going forward of the expansion of the kind of investments of what is planned for FY27, FY28 and FY29 we are looking at strategic investments coming into our subsidiary which holds the land, which is AXISCADES Aerospace Infrastructure Private limited and the investments are going to happen into that entity, not into the listed entity. So, at a listed entity level, no dilution is planned at the moment. I think we are done with it. So that roadmap Dr. SRN has explained.

Ms. Sonal Dudani: Yeah. So, with this we complete the Q & A session. If any questions by any of the shareholders who couldn't join, you may please write to us and we'll respond to all your questions offline. Thank you.

Members may please note that the voting will continue to be available for the next 15 minutes. Therefore, members who have not cast their vote yet, are requested to do so. The Board has appointed Mr. Pramod S.M. of M/s. BMP & Co. LLP, Practicing Company Secretary, for scrutinizing the e-voting process in a fair and transparent manner. Once all of you have cast your votes the votes will be counted by the Scrutinizer. He will then unlock the results of the remote e-voting which will be then consolidated with the results of the voting done today during the meeting. The voting results along with the Scrutinizer's Report will be communicated to the Stock Exchanges within two working days of the conclusion of the Annual General Meeting and the same will be placed on the website of the Company and on e-voting platform of KFin.

I thank all the shareholders, members of the Board, Auditors and the management team for joining this meeting over Video Conference. Thank you all for attending this meeting and I declare the proceedings as closed.

Mr. Shashidhar SK: Thank you.

Moderator: Thank you, Ms. Sonal. We will have the InstaPoll start now.

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