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November 4, 2026

To

The Department of Corporate Services - CRD
BSE Limited
P.J. Towers, Dalal Street
Mumbai - 400 001
Scrip Code: 500330

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Bandra-Kurla Complex
Bandra (East), Mumbai - 400051
Symbol: RAYMOND

Dear Sir/Madam,

Sub.: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Earnings Call Transcript

Please find enclosed transcript of the conference call held on October 28, 2026, with respect to the financial results of Raymond Limited for the quarter and half year ended September 30, 2026.

The transcript has also been uploaded on the Company's website (www.raymond.in)

This is for your information and records.

Thanking you.

Yours faithfully,
For Raymond Limited

RAKESH MULJIBHAI DARJI
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“Raymond Limited

Q2 and H1 FY27 Earnings Conference Call”

October 28, 2026

MANAGEMENT: **MR. RAKESH TIWARY – GROUP CHIEF FINANCIAL OFFICER**
MR. GAUTAM MAINI – MD, JKMGAL & VC, JKMPTL
MR. SANJEEV SHARMA – JOINT MD & CEO, JKMPTL
MR. NAVIN SHARMA – CFO, ENGINEERING BUSINESS
MR. SALIL BAWA – GROUP HEAD, INVESTOR RELATIONS

MODERATOR: **MR. MANISH VALECHA – ANAND RATHI**

Moderator: Ladies and gentlemen, good day, and welcome to Raymond Limited Q2 and H1 FY27 Earnings Conference Call hosted by Anand Rathi. 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 star then zero on your touchtone phone. Please note this conference is being recorded.

I now hand the conference over to Mr. Manish. Thank you, and over to you, sir.

Manish Valecha: Thank you. On behalf of Anand Rathi, I would like to welcome all the participants to the Q2 and H1 FY27 conference call of Raymond Limited. Today, we have with us from the senior management of Raymond, Mr. Rakesh Tiwary, Group CFO; Mr. Gautam Maini, MD, JKMGAL; and VC, JKMPTL; Mr. Sanjeev Sharma, Joint MD and CEO, JKMPTL; Mr. Navin Sharma, CFO, Engineering Business; and Mr. Salil Bawa, Group Head, Investor Relations.

Without taking further time, I would like to now hand over the call to Mr. Gautam Maini. Over to you, Mr. Maini.

Gautam Maini: Thank you, Manish. Good evening, everyone. Thank you for joining us today for our Q2 and H1 FY27 earnings call. I trust you have had the opportunity to review our financial results and investor presentation. To set the context, the broader macroeconomic environment through the second quarter demonstrated solid domestic resilience.

Strong manufacturing activity, healthy GST collections and active pre-festive channel restocking helped anchor domestic demand. At the same time, the increase in the cost on several areas continue to pose challenges.

Key commodity and raw material prices, including tool costs, have remained firm at elevated levels, alongside persistent freight and logistics volatility, driven by global geopolitical tensions. Disciplined capex execution and flexible supply chains have kept our core operational trajectory steady and on track.

Turning to our automotive and industrial components business. The sector saw healthy operational delivery through the second quarter. In the domestic market, demand was supported by steady pre-festive channel restocking across passenger vehicles and premium 2-wheelers. On the export front, the momentum shifted from post destocking replenishment into steady multi-year production schedules.

As global Tier 1 OEMs and Tier suppliers continue to derisk cross-border supply chains and consolidate their vendor base, India remains a primary beneficiary. We are seeing this reflected in strong customer inquiries and order wins for complex precision machine parts and drivetrain subassemblies.

Turning to aerospace. The global industry continues to see steady production acceleration with major commercial airframers ramping up monthly build rates against historical order backlogs. As supply chain bottlenecks and specialty alloy availability gradually stabilize, we are experiencing firm production pulls across all flagship platforms.

Tier 1 integrators have shifted from holding buffer inventory to steady just-in-time dispatches. This has translated into healthy dispatch volumes across our aero engine modules, actuation systems and critical structural components.

More importantly, shipset value per aircraft continues to expand as our customers entrust us with larger integrated subassemblies rather than stand-alone machined parts. With rigorous AS9100 and NADCAP qualifications, high single-source part approvals and substantial switching costs, our aerospace vertical enjoys strong structural moats. This locks in long life cycle program visibility and healthy margin as we move into the second half of the fiscal year.

Moving to our consolidated financial performance. Raymond Limited delivered a resilient performance during the second quarter, driven by steady execution across our core precision engineering and aerospace platforms. For Q2 FY27, total income stood at INR683 crores, registering a growth of 21% year-on-year. EBITDA reached INR103 crores with an EBITDA margin of 15.1%.

On a cumulative basis for the first half of FY27, total income was INR1,311 crores, registering a growth of 17% year-on-year and EBITDA stood at INR203 crores with an EBITDA margin of 15.5%. This performance reflects our deliberate transition from standard component manufacturing into high-complexity subsystems and critical precision assemblies.

By deepening our technical capabilities and expanding qualified capacity, we are enhancing customer stickiness and securing long-term revenue visibility. In line with our strategy to diversify revenue streams, we officially operationalized our automotive aftermarket business during the quarter.

By leveraging our established OEM-grade manufacturing capabilities and tooling infrastructure, this initiative positions us to capture attractive aftermarket margins across critical components at white label products. Overall, we remain well positioned to maintain the growth trajectory as we expand into new product applications and broaden our geographical footprint.

Now, turning to our individual business segments, starting with aerospace under JK Maini Global Aerospace Limited. The aerospace and defense vertical delivered another quarter of standout performance. Revenue for Q2 FY27 stood at INR139 crores, up 72% year-on-year, while EBITDA reached INR29 crores, delivering an EBITDA margin of 21%. For the 6-month period, revenue was INR262 crores, reflecting a 56% growth with an EBITDA margin of 21.1%.

Growth during the quarter was underpinned by the commercial ramp-up of our newly commissioned capacities, enabling higher dispatch volumes across flagship OEM and Tier 1 engine platforms. Operational indicators remain exceptionally healthy, highlighted by active RFQ inflows and expanding program allocation.

Moving next to precision technology and auto component under JK Maini Precision Technology Limited. The segment delivered robust revenue growth of 15% year-on-year in Q2 FY27, reaching INR471 crores compared to INR409 crores in Q2 of FY26. EBITDA for the quarter

stood at INR61 crores, translating into a healthy EBITDA margin of 13%, supported by steady volume ramp-up and targeted cost optimization initiatives.

On a cumulative 6-month basis, performance was strong across both top line and profitability. H1 FY27 revenue reached INR915 crores, up 13% year-on-year, while EBITDA grew by 24% to INR122 crores. This drove a 110 basis points expansion in EBITDA margin to 13.4%, up from 12.3% in H1 of FY26, driven by higher capacity utilization and enriched product mix and enhanced operating leverage.

Growth during the quarter was anchored by steady domestic transaction and sustained export deliveries against long-term OEM schedules. We continue to remain a net debt-free business. Turning to our strategic manufacturing expansion across Andhra Pradesh.

Our greenfield facility in Andhra Pradesh is tracking strictly to plan, designed to significantly expand our national production footprint and technical capabilities. Construction and setup milestones remain well on schedule to achieve output by the third quarter of financial year '28.

Backed by an upgraded leadership and governance structure, this state-of-the-art infrastructure will serve as a cornerstone for scaling volume across complex aerospace and precision engineering programs.

We have set up an additional brownfield facility as an interim capacity augmentation initiative, which is also serving as a training ground for both aerospace and Precision Technology segments. This decision to accelerate brownfield capacity, in addition, reflects the company's focus on responding swiftly to customer demand while maintaining capital and execution discipline.

Thank you once again for your continued interest in Raymond. We are now happy to take your questions.

Moderator: Thank you. We will now begin the question-and-answer session. The first question is from the line of Dheeraj from InCred Equity.

Dheeraj: Congratulations on the great set of results. I just had a few couple questions regarding something that you had done. We had seen that in the current facility that we have in Bangalore. The maximum revenue potential that we could do in the aerospace segment was I think INR600 crores to INR650 crores.

And I think we had plans of doing debottlenecking that sort of thing to kind of increase that potential and also, we have now committed it from this Q3 onwards we will have a brownfield capacity in Andhra that will help in the ramping up of revenues from here on. So, can you like let me know has there been any kind of upgrade in the facilities and what will be revenue potential of the new brownfield capacity?

Gautam Maini: Thank you very much. Yes, you were right. In the past, we did give an indication of INR600 crores to INR650 crores. But since then, we have actually added several more machines and

other equipment's that are necessary that will be able to drive the turnover to a higher level. We are currently looking at a number of closer to INR700 crores, and we're still working hard to see if that can go to INR750 crores.

So, our ultimate goal would be to try and get it to INR750 crores, but yes, we would probably end up somewhere between INR700 crores and INR750 crores. So, this gives us a little bit more time till Andhra comes up so that the growth can continue.

Dheeraj: Okay. I mean, this is the current facility from like of Bangalore. Any idea about the brownfield capacity that we are adding?

Gautam Maini: So, the brownfield capacity that we're initially adding is mainly on the automotive side because we have lots of orders there as well. And we're also adding machines out there to help training for both automotive and aerospace because the brownfield facility is located 2 to 3 kilometers from our final greenfield facility.

This will help us to understand the region, the area and give us enough experience before we actually venture into a massive greenfield expansion as you are all aware of. So, that is the whole idea of the brownfield.

Dheeraj: Got it. Sure. And can you give the bifurcation of the precision tech and auto components segment, like the mix of the 3 segments in there, like the auto component suppliers and the precision components and the growth rate for the quarter?

Gautam Maini: So, your question is not clear. If you can rephrase it and tell us what exactly you were asking for?

Dheeraj: Yes. In the precision tech and auto components segment, there are 3 different segments, right? There is a Flyer division, there is auto components division and then precision component division. So, would we have any kind of breakup in those 3 segments, like, what is the growth rate among them?

Gautam Maini: So basically, I would look at the segments as 2 broad segments. So, just to sort of put it in perspective, one is the B2B segment and one is the B2C segment. So the B2B segment is the combined OE business that we are doing of the traditional Nashik plants that we had, right, from Ring Plus Aqua, which had all the products of ring gears and flex plates and bearings, combined with all of the several plants in Bangalore of the erstwhile mining position that has a one-stop shop capability to make parts across all the other segments, including hybrid, electric, clean powertrain, power tools, etc.

So, that is called the B2B segment, I would say. because it's all OEM business. Then the B2C segment would then comprise of 2 parts. One is the erstwhile T&H business, which was the tools and hardware business, which was part of the JK Files, if you remember, with JKFEL as the brand leader there.

And combined to that, we have now added automotive aftermarket, which is also the B2C segment, and that has been recently launched this quarter and is gaining some good ground. So, we will see some expansion there as well. So, yes.

Dheeraj: So, sir, like can you give the numbers for these 2 segments and the growth rates, if it's possible?

Navin Sharma: Yes. So, for the quarter, B2B did roughly INR350 crores and B2C did roughly INR120 crores in precision technology.

Dheeraj: Okay. And what was the growth rate so like we can see the past year number?

Navin Sharma: So roughly, that's the growth rate that you see there that on a Y-o-Y basis, this is approximately 15% growth.

Dheeraj: Yes. And like for B2B specifically and then B2C?

Navin Sharma: So, B2B was a little higher. So, B2B was roughly 17%, 18% and B2C was in early teens.

Dheeraj: Okay. Sure, sir. And just a couple of last questions. As you said, we are seeing that most of the export companies are facing cost pressures due to inflation and also the freight charges have increased a lot.

And most of our products are being exported only, more than 60%-70% of all the products. And aerospace -- so, like, almost more than 80% are being exported. So, any kind of partnership that you are reaching with your customers to share these costs and not them having affect the margins a lot?

Gautam Maini: Yes. So first of all, we have a complete pass-through on raw materials as our contracts are passed through. So, you'll just get a lag, but that lag is only the time it takes for the implementation of these contracts. So, in a sense, raw material is a pass-through. However, freight has to be negotiated in some cases. Right?

We had a lot of pool cost increase, which we are also negotiating now with customers. So, it depends from your customer contract, each contract contains certain things that you can go back to them. Some contracts, you cannot go back to them.

Overall, as you can see, in spite of all the cost pressures, the margin has increased significantly because if you remember last year, especially in the precision technology business, we had a INR13 crores one-time income from the sale of land, right? So, when you look at it, the EBITDA has actually gone up significantly compared to that.

And that's because of strong operating leverage, huge efforts on cost reduction, on efficiencies in spite of the headwinds that we were facing. So overall, the team, I think, has done a good job in controlling those costs. But also going forward, we would get back some of these costs in terms of customer price increases.

Navin Sharma: See, what's also helping us in between is if you see our revenue growth, while there are cost pressures, but then we are also getting operating leverage as our revenue continue to grow. So that's also compensating to our increased cost to some extent.

Dheeraj: Okay. Sure. And like, as we saw that...

Moderator: Sorry to interrupt sir, should you have a follow-up question, please rejoin the queue. Next question is from the line of Sahil Karia from White Pine Investment Management Private Limited.

Sahil Karia: Sir, could you just give us a color on the automotive aftermarket that you have mentioned, like what is the revenue that we are looking for the entire FY27 and for FY28? And what could be the margins from that?

Gautam Maini: Well, rather than giving you numbers, let me give you some flavor. We've obviously entered the market in August. So, we've entered with a strong list of several part numbers, I think almost 800 different part numbers. So, there is going to be a time for the market to absorb what we are bringing to the table.

The fact is that we are in hardcore manufacturing very critical components, and that gives us a huge edge that we are a manufacturer. We're also using the leverage of our current supply chain as well as white label. So, I would say that all efforts are being made to have a good growth rate, obviously, off a smaller base. For sure, also the aftermarket brings a better margin than the OE business in many cases.

And therefore, I think we'll be in a better position to make some comments in the next quarter as we see these markets develop. But initial feedback is that we've got good traction and people are able to -- people are looking at us seriously and as a serious player. So, hopefully, this makes more traction, and this helps our B2C business gain more ground.

Sahil Karia: Okay. And the next question was on the LEAP engine program. So, the first shipset value of Raymond products is somewhere around $35,000, right? So, could you just give us that number, what it was for the current quarter? And like how do we expect the number to grow in the future, like for FY27 and for FY28?

Gautam Maini: Are you referring to the LEAP engine?

Sahil Karia: Yes. Yes, sir.

Gautam Maini: Yes. So, see, I mean, you have to look at it this way. Like I said last time also, in many parts, we have a 35% market share. In other parts, we have a 65% market share. And this is a continuously evolving process where our market shares have gone up in some of the areas. And the volume also of the LEAP has been going up as more and more aircraft are being built as you can -- you are aware from the market.

So, there is definitely -- if you look at the total value, there is a growth. But if you look at content, content only changes to the extent of the market share, whereas the total growth is a combination of market share as well as the growth of the market.

Sahil Karia: Sir, just a follow-up on that. So, like, of the total products that we supply to the LEAP engine, what is the proportion of the products in the 65% market share and the 35% market share?

Gautam Maini: I mean, I would say that probably 65% market share is about 45% roughly and the 35% market share would be about the rest with a small content where it's neither 65% nor 35%.

Moderator: Next question is from the line of Balasubramanian from Arihant Capital.

Balasubramanian: Sir, on the first question, especially on the defense side, we have won build-to-spec order. So, I just want to understand -- how do you understand, especially in the defense side, whether we are willing to pursue Indian defense offset or ToT program? So, I just want to understand, especially on the defense perspective apart from aerospace -- commercial aerospace side?

Gautam Maini: Yes. This you're referring to the one in our -- that we have. We can't disclose the name. But yes, we have got an order where we're going to make at a component level and at a subassembly level, we're going to make parts for defense. The same will hold good depending on where the products fit in. If they fit into our JK Maini Precision Technology, we will do it there.

If it fits into JK Maini Global Aerospace, then we would do it there. It's more likely that aero and aero parts are done in JKMGAL. And other kind of defense -- these are again at a component and at subassembly level. They are not at a product level. And therefore, it's very much a part of our strategy to grow and diversify in this area as well.

Balasubramanian: Okay, sir. Sir, my second question, I think I missed -- you mentioned earlier INR700 crores, INR750 crores. That is related to aerospace and defense revenue side, sir?

Navin Sharma: The target?

Gautam Maini: Yes. That was specifically on the aerospace and related to the current facility that we had because the question was how much can we take it up to? And we said we are going to have somewhere between INR700 crores and 750 crores in the current facility by which time Andhra Pradesh would be ready for us to continue our growth. That was specifically aerospace.

Balasubramanian: Okay, sir. Sir, why I'm asking this question because in Q2, we have grown nearly 72%, almost INR139 crores, INR140 crores range. If we did INR150 crores, INR160 crores next 2 quarters also, so the growth rate is more than 45%-43% in this financial year. So, is the right way to assume in the next FY28-'29 also at least a 40% kind of growth we may expect or it depends upon -- yes, sir?

Gautam Maini: Yes. So typically, this year has been a good year so far. And obviously, we will continue to try and keep that. But my commitment to the market will be in the high mid-20s. We're not going to commit to you that we'll do 40%. But I think if we do high mid-20s, and it should be a good indication for you guys.

Balasubramanian: Okay, sir. Sir, on that -- my last question, especially on that shipping side, some of the players mentioned some of the shipments have been deferred because of the clearance issues or Middle East shipping disruptions. Sir, I just want to understand because we are majorly into exports for our products and imports for raw materials. So, how we have been hedged? And in terms of supply side, sir, how we are protected?

Gautam Maini: Well, you have to plan with a little bit of safety stock, so that has some pressure on your working capital. But in the end, it's a better solution than having to airfreight goods at a premium. So, one has to plan. One has to keep in mind that there are global disruptions and one must plan around that. So, that's how we do it to make sure that there's minimum disruption at our end.

And so far, we have been able to manage to not only keep the growth, also have minimum disruption. Yes, it comes at a cost, and that's what we talked about a little bit earlier that we've offset a lot of those costs by our operating leverage as well.

Moderator: Next question is from the line of Keval Shah from Sanctum Wealth PMS.

Keval Shah: Yes. So, firstly, congratulations for the good set of numbers. Sir, now coming to the aerospace part of the business. So, for this quarter, what would be the order wins that we got in this quarter? And what would be the order book looking like?

And then secondly, for the aerostructure part of the business, so what can be the scaling margin from this business? Like I understand the margins can be lower for aerostructure, but what kind of margins are we looking at? And from which quarter will it start contributing to the revenue for us for the aerostructures?

Gautam Maini: So, let me -- I'm not going to give you direct numbers, but let me tell you that, as I have said last time, we are making almost a new product every day or you can say 5 in a week. So, obviously, all of these products keep ramping up and then, therefore, the order position goes up to that extent.

And that's the reason how we are able to keep the growth. What we are also seeing is that whatever the customers are ordering on us, as soon as you deliver them, they seem to be placing a larger order on us, which means that it can be 1 of 2 things that our competition or whoever has the balance of the market share is not able to deliver, so those customers come back to us.

It's also -- we also believe that the number of aircraft that will be delivered by Boeing and Airbus during this second half would be much higher than the first half. So, there is a general market increase and there's also supply chain issues. And I think those suppliers like us that are ready with capacity and we're able to grow and the focus is on execution. We'll be able to grab some of these orders.

So, they don't really show up as orders, but they end up as orders. And I think that's what shows in the growth. And therefore, to come by that, we have more orders than we had last quarter. And if we can fulfil them and more, we will continue to get more orders. So, that's the direction in which we have to look at this business.

Keval Shah: And sir, on the aerostructure side, from which quarter can we expect the revenue contribution to begin? And what can be the scale of this or at least in the foreseeable future until FY28?

Gautam Maini: So, as you see, we've been always doing aerostructure side by side. If you see our percentages, they are only less in percentage, right? So, we will evaluate every business for what it's worth. And like I have mentioned in the past also, we will continuously work to see what combination of business is ideal for us, what ROCE is ideal for us.

We will target long-term ROCEs between 20% and 25%, right? And somewhere in between, we'll have to see how it works out. When you invest a lot in very high precision engine, you end up with higher EBITDA, but lower ROCE. So, we have to always look at it from a mix point of view. The idea is how do you grow every day, how do you scale every day?

And how do you manage long-term ROCE to be in a good range. So, it's always going to be a choice we have. Like I mentioned last time, we have a massive pipeline and significant opportunities from where we can choose. And we will continuously choose business based on financial prudence and a combination that will allow us to execute.

Keval Shah: Okay, sir. And sir, for the new Andhra plant, which should be coming up, say, in next 4 to 5 quarters, so we would be having most of our work together under one single roof. So, what kind of incremental benefits would we get from that? Like is there any quantifiable numbers that maybe margins by a few percentage points can improve or the working capital will reduce because of having everything under one roof? So, can you throw some more light on that, the benefits coming out from that plant?

Gautam Maini: I think there will be pros and cons, right? In any new plant, it would take a little bit of time to settle down. We would need time to get customer approvals. And that's why we are trying to do these things in parallel. On the other side, because we'll be far more vertically integrated, you're absolutely right.

We hope that our -- not only our working capital should come a little bit down, but more importantly, that we'll be exposed to get larger packages and larger businesses and go up the value chain, which will then bring significant business opportunities to us in the right direction. So, I think it's a large strategic move, which we are trying to do, and it will have these pros and cons. So, we'll have to have some patience in the beginning, and then it will start to give us good returns.

Keval Shah: Okay, sir. And for the auto business in Europe, so which are the top EU OEMs that we are supplying to? And also, the -- how the current situation is like Chinese auto OEMs are gaining market share in Europe? So, can this be potential risk for us in future? How do you see that situation, sir?

Gautam Maini: Sanjeev, do you want to take this answer?

Sanjeev Sharma: Risk for the business because the numbers are going up, customer RFQs are going up. So Chinese suppliers, I mean, I feel that we'll have enough opportunity and room to grow in Europe, U.S., across the globe.

Moderator: Next question is from the line of Ajinkya Jadhav from KRIIS Portfolio PMS.

Ajinkya Jadhav: Yes. Congratulations, Gautam sir and the team for the good set of results. My question is regarding the earlier participant's answer to his question that you said, we can do INR700 crores revenue from the aerospace from the existing Bangalore facility. And so, my question is how much revenue we can generate from the brownfield interim facility that we have put up in Andhra?

Gautam Maini: So, I don't want to mix the issues and maybe Sanjeev can answer that. So, the brownfield facility in Andhra will be more on the precision technology side, whereas the INR700 crores we are talking about is on the aerospace side. For the aerospace side, in the brownfield, we're going to have several machines that will be used for training people in both the precision technology side and the aerospace side, right?

So, are you interested to understand the precision technology and how it will grow in the brownfield, then Sanjeev can give you a background? If you're interested to know that the aerospace facility, will it go to the brownfield? It will not go to the brownfield.

Only training will be done in the brownfield, and we will continue to grow the business in the current facility till we have to go to Andhra because getting customer approvals and those processes, we cannot do on a temporary basis. So, it has to be a permanent basis.

Ajinkya Jadhav: So, from growing from INR600 crores to INR700 crores in the Bangalore existing facility, are we adding any machines to achieve that jump in the revenue or we are increasing the efficiency? What changes we have done in the facility?

Gautam Maini: So, it's a combination of everything, right? We are continuously adding machines. We're continuously creating more space. We're changing layouts. We are putting mezzanine floors where required. We are getting cycle times reduction done. We're improving the OE of the plant. So, it's a complete combination of several, several small things that come together to ultimately add up.

Ajinkya Jadhav: Got it. Yes. My second question is regarding -- you said like we are aiming to add one part a day. So, in H1, how many parts we have added? And how much cost was incurred for this development?

Gautam Maini: Well, do you want to give that?

Navin Sharma: Yes. So, I mean, roughly 4% is the number that goes in development. So, you look at our revenue, if we really look our margins or our EBITDA margins without the R&D cost, we can easily add approximately 4%. But as Mr. Maini said that we keep on developing one part every

day, so we have taken a call to write it off in the P&L. Hence, you see the numbers the way you see it, the number comes to approximately 4%, a little bit here and there every quarter.

Ajinkya Jadhav: Got it. Last question from my end, like, we have spoken in the past about the inorganic acquisition that we are planning to do. So, any progress made in that direction, if you can give?

Gautam Maini: So, I mean, like we said last time also, we are in continuous process and we will continue the process till we find the right one. And once we find the right one, you will all come to know about it. So, the efforts will always be on, and it is our intention to pursue them.

Moderator: Next question is from the line of Vignesh Iyer from Sequent Investments.

Vignesh Iyer: Congratulations on a good set of numbers. My question is basically on our Andhra expansion. What is the normal time line when it comes to approval of the product by our customers? What is the general time line post starting of the commercial aspect of the facility?

Gautam Maini: So, are you referring to automotive? Are you referring to aerospace? Are you referring in general to both?

Vignesh Iyer: No. Aerospace basically, but in general, would also would like to know what is the approval time line?

Gautam Maini: Okay. I'll give you something on aerospace, and I would want Sanjeev to give you more accurate feedback on the precision. So, in terms of aerospace, normally, a customer approval could take anywhere between 3 months to 6 months. So, we have a complete plan in advance of how we're going to do this so that we close the gap as much as possible.

So, there will be a set of parts that we already make for these customers, which we would actually transit to the other site to make it faster because we already know how to make them. So, we will focus just on plant approval and not on part approval, and that would speed up our transition process.

So, we have a complete transition team working customer-wise on how we're going to address with each customer and what ramp-ups will take place in Andhra on priority. So, all those plans are being worked out to make sure that we do not lose any opportunity while growing or shifting or expanding in Andhra.

Sanjeev, do you want to cover the automotive side?

Sanjeev Sharma: Yes. In automotive, it will take about, say, 3 months to 8 to 9 months, depending upon the validation required for the part. So, in our brownfield facility, we have already initiated this activity. And in greenfield, it will be replicated. So, we should start our production in brownfield in this year itself and greenfield should start next year itself.

Vignesh Iyer: Okay. And sir, could you share for this phase or the block of the greenfield facility that is going to come -- start in this current year that is, so what is the total amount spent on that specific block or phase, if you could share that amount?

Gautam Maini: No, I mean, are you talking about what is spent so far? Are you talking about what we are going to spend by the time we launch? I didn't get your question properly.

Vignesh Iyer: So basically, the phase that is going to start commercial production in December or I mean, end of this current year, what is the amount that we have already spent on that phase of the block that is going to commence the production?

Sanjeev Sharma: So, we will start our greenfield next year December. Are you talking about the brownfields that we are starting? Greenfield, our mega factory is in Andhra, that's starting in December '27 next year.

Vignesh Iyer: Right. Right, right. That is the -- that facility I'm talking about. Yes.

Sanjeev Sharma: By the time that factory starts, roughly INR400 crores will be the investment. Our total commitment remains INR1,000 crores between aero and auto, spread over a period of 5 years. And by the time factory starts, we shall be spending close to INR400 crores. And depending upon how the RFQs, etc., really take place, it can increase or decrease, but that's the ballpark number that we feel at this point.

Moderator: Next question is from the line of Sanjeev from Antique.

Sanjeev: Okay. Sir, my question was regarding the capital allocation. So, we have a very good bank balance right now and plus we are raising funds. So how would we -- at the same time, we have some debt also at the gross level. So, how do you plan to spend the overall capital raising over the next 2, 3 years? And how will the debt look like by the end of FY29?

Navin Sharma: So, to answer your first question, see, the liquidity is at the holdco level, whereas debt is in the operating company. As for the -- in the share warrants, what we are going to use, as we have clearly specified that the amount will be used for specific purpose of inorganic growth perspective. So, this is a war chest which we have created since we are looking at various opportunities. When the right opportunity comes, the amount will get deployed accordingly.

Sanjeev: Okay. And sir, if you could also share the company's vision regarding the name change recently?

Ashish Agarwal: So, for the name change, basically, since now Raymond Limited, as you are aware, after demerger, mainly has these 2 businesses, which is engineering aerospace and auto component. We felt that from a Raymond perspective, the name should get changed so that it signifies it because for a general public, Raymond otherwise remains as a suiting from a name perspective. So, we wanted that clarity to come, and that was the idea. That was the reason for doing this name change.

Sanjeev: And also, we have added defense. So, on the defense side, have we been able to kind of outline the overall plans and where we want to take the company in that segment?

Gautam Maini: See, defense was always part of the plan because at the component level, it was anyway going to be done together. So, there's clarity that these 2 companies will do the component at the subsystem level. The rest of the plans are strategically being worked out. And clear intention is

that defense is always going to be part of these 2 companies. It was always part of and it will continue to be part of. So, it just brings more clarity.

Sanjeev: Sir, lastly, typically, our aerospace business margins in the fourth quarter have been much better than the first 3 quarters. So, do you think that trend will continue in next quarter?

Gautam Maini: Well, generally, the fourth quarter has a higher sales. So, your operating leverage to that extent kind of increases. And therefore, it appears to be the same. But in the end, if you continue to keep growth and continue to keep efficiencies and use the operating leverage, it will be correct. In some cases, like now in this case, we grew 72%. But then to grow 72%, you had to spend a lot more on R&D.

And therefore, the percentage point went slightly less because you wrote off a lot more than you would normally write off. So, there's a little bit of a double-edged sword here that when you grow very fast because we write off R&D, it can have a small impact. But long term, the growth trajectory and efficiencies will always catch up.

So, it's just a question of timing. It's a question of how much R&D work you did in that quarter, how much scaling you did, how much improvements you could achieve, how much operating leverage you could achieve. So, it's always a combination of factors. But in general, when you increase your turnover, it's expected that obviously you would get. But beyond a point, it also -- you have to write it off.

Moderator: Next question is from the line of Sagar Shetty from Wealthyvia.

Sagar Shetty: Yes. So, my first question was around if we grow at the current pace, so the aerospace industry would hit INR750 crores by mid FY28 and that would be before the Andhra facility contributes. So, is this assumption right that we should expect that the aerospace growth should slightly moderate to high-20s or 30s so that we don't fully utilize the INR750 crores? And once the Andhra plant is active, we are fully utilizing or is that understanding right?

Gautam Maini: No, I think you got your numbers a little mixed because even if we grow high-20s, we would still not complete it by the end of FY28. So, maybe you'll have to relook at your numbers a little and not assume that we will continue to grow at the same rate. It will be moderated to mid-20s, I would say, is what we are committing. So, we would still have enough capacity at the current facility before Andhra comes in.

Sagar Shetty: Okay. That's fine. And sir, I just wanted to know in the previous con call, you had mentioned the asset turns of the aerospace and the auto business is approximately 2 and 2.5, right? And we are investing approximately INR1 crores in -- like dividing INR1 crores among the both. So that is implying like a peak revenue estimate of INR1,000 crores of each revenue segment. So, is that range, right? And like how many years, like, do you expect this to happen after commissioning?

Gautam Maini: Well, typically, you don't scale immediately. You first get the sample approved, then you start with the market share, which is smaller, then you do a good job, then you increase the market share. So, it's a process. And then depending on the mix of machines that you would use,

depending on the level of vertical integration, there's too many ifs and buts. It's not like a line, which you set up and you straight away know you'll do this much, right?

It's discrete manufacturing. It's low volume, high mix, combinations change, market conditions change. So, you have to be geared up to have an execution plan that's extremely flexible where you can manage the ups and the downs of your customers and at the same time, manage your growth. So, it's very simple to say and try to equate it, but it's not that simple when you work towards it.

Sagar Shetty: Okay. Yes, got it. And sir, one more question. Like in Slide 22, you say that nozzle guide range capacity is doubling from 8,000 to 16,000 units per year. And I guess this was missing in the previous PPTs. So, could you like help us with the guidelines and like time line case and revenue potential of the same?

Gautam Maini: So basically, the machines have all arrived. Now it will take about 45 days, for instance, for the machines to run, then you slowly ramp them up. So, I would expect this quarter to be settling down. And then from the last quarter, the revenue would then start to reflect in the last quarter.

Sagar Shetty: Okay. And sir, can you also -- like this was tied to LEAP-1A, right? So, what is your content in LEAP-1B?

Gautam Maini: No, this is 1A and 1B. We do both.

Sagar Shetty: It's both. It's for both. Okay.

Gautam Maini: It's for both. It's total LEAP.

Sagar Shetty: Total LEAP. Okay.

Moderator: Next question is from the line of Prince Goenka from Narnolia.

Prince Goenka: My question is what challenges we are currently facing in tools and hardware business? And what is the growth outlook going forward?

Gautam Maini: Sanjeev?

Sanjeev Sharma: We are targeting to launch several new products and about 50% we have already launched in the last 3 months. So, we are expecting on an average growth in double-digit only.

Moderator: Next question is from the line of Pritam from Wealthyvia.

Pritam: Congratulations on good set of numbers. I want to understand more about the order book and RFQ. So, contractually binding purchase orders, like, can you quantify for next 24 and 36 months? Also, during these long-term agreements, how we are protecting against any possibilities of OEM program delays or let's say, reductions? Are there any such mechanisms in the contracts?

Gautam Maini: So typically, I mean, in aerospace, are you referring to aerospace or to automotive?

Pritam: Aerospace.

Gautam Maini: Yes. So typically, in aerospace, your order positions, like I said a little bit earlier, keep increasing. And even the backlogs keep increasing. So, you will also monitor and see. If you study the 2 OEMs and the aircraft deliveries that they have done for the first 6 months and what they're going to do for the next 6 months, you will see that big difference.

Second half of the year, there's a lot more planes that get delivered, and they are basically waiting for engines to get delivered. So, in a way, we do expect always that the volumes would sort of go up. So, the order position is not a very simple thing to say because your schedules can change on a daily basis or a weekly basis. But in general, you have the market share. Right?

So, for instance, if your market share is 35%, but then the market itself, the number of planes itself go up or the OEMs start increasing it, then your order increases. So it's a factor of more than one thing, but I think the trend is in the right direction. The market share is also increasing and the number of parts in the market are increasing. So, that is the most important thing to take into consideration and your order position changes every day almost.

Pritam: Understood. And about the win rates on like multi-mill or new complex structures versus the older critical engine components, so how your pipeline is currently shaping up? Is it more towards the commercial aviation sector or towards defense and specific ecosystems, etc.?

Gautam Maini: So, I think we have a mixed trend out there. We are getting more and more mixture of aerostructure, engines, defense, localization, Make in India. So, there's a lot of mixture out there. And we are making our choices based on what would be the best financial implications for the company.

And the important thing is that because we have large RFQs, we are able to make a choice of what we want to do and ensure that our numbers are in the right direction. And that's what we've achieved so far. If you've seen in the last 3, 4 quarters, we have consistently made improvements, moved in the right direction. We've combined it with the growth as well as bottom line.

Pritam: Right. And about, sir, the Andhra facility, basically, what is typically the lead time would be from first article inspections to the PPAP approvals and how we are budgeting the cash burn during that period? So, what is basically the provisions for that?

Gautam Maini: So basically, I don't know if you heard a little while ago, I explained that we have massive project management going on between our customers and ourselves to compress the time that it takes to approve the new facility. So typically, we would move existing parts that we've already made into the new facility first so that the focus is completely on approving the facility rather than the part.

This will help us to squeeze the time it takes for normal approvals. And we're going to simultaneously do this with 5 or 6 customers that we believe will be the first drivers of growth in Andhra Pradesh. So, it's very strategically being managed.

We're already in touch with the customers now, which is almost a year in advance, and we are working closely with them to make sure that this will happen. It is in their interest also that the growth continues and they, in fact, would like to have more strategic arrangements with us. So, we find a very positive inclination from the customers to work with us on approving the new facility.

Pritam: Okay. Great. Fantastic. And sir, any utilization ballpark figure for that plant where you would break even anything like that?

Gautam Maini: See, our business is modular basically. So, we actually bring machines just immediately before a couple of months before when the dispatches are expected. So, we can actually get customer approval even on 10 machines and then bring another 10 and then keep on going. So basically, it's not like a large field where you really take months to get the breakeven, there will be certain pre-operative expenses, but I mean, that's not going to change the profitability trajectory for us.

Also, see -- so there is no point of cash burn or waiting for a large breakeven, etc. Because Andhra facility came a couple of times, and we have reiterated time and again. This is technically outskirts of Bangalore. Just I want to reiterate, this is a 90-minute drive from Bangalore Airport.

Moderator: Next question is from the line of Rahul Rao from Athletico Analytic Services LLP.

Rahul Rao: We work with materials such as Inconel and titanium. I believe most of it is imported. Have you seen an increasing trend of Indian players getting qualified for these materials?

Gautam Maini: Yes. So, I think a very good question. The trend has started, although it will take some more time, but there are certain approvals that have already been received by Indian suppliers. So, we are working very closely with most of the suppliers. Fortunately, for us, we have leverage to discuss with these suppliers because they have dealt with us on the automotive side where we have high volumes.

And just like when we started aerospace 22 years ago, we developed the ecosystem with automotive suppliers that came into aerospace. I think the same thing is happening in raw materials.

There are large mills that have improved their capabilities and all of them want to get into the aerospace now. And therefore, it provides a great opportunity. And the grades are not restricted to just Inconel and titanium. You have high nickel alloys, you have stainless steel, etc., also which form part of the hard machining.

So yes, this is going to be a, I would say, a 2 to 3-year process for some, but some of them have already started. The upside is that as the Indian suppliers start to get raw material at competitive prices, and we have access to them, 2 things will happen.

Our working capital will get better, which is a very big thing in aerospace since the working capital is very large. B, the prices will become more competitive. So overall, we will see India being much more competitive as a country in the aerospace business, and we will also see as an industry, working capital getting much better utilized. So, I think it's a very big plus, and we will see it unfold in the next 2 to 3 years.

Rahul Rao: Great. You said you work with most players in India. Would it be the likes of Adani, PTC, Sunflag? Are you comfortable naming any other ones on the call?

Gautam Maini: I have a few more, but I don't think I should be naming them like this. But there are a couple of others as well that we are working with. But yes, I think the Indian companies are stepping up, and we will see good results from all of them. For us, it's great because it adds value to our business model, brings down our cost, makes us more competitive. So, it's great for us to have Indian suppliers get qualified.

Moderator: Next question is from the line of Chirag Jain from Spark Capital.

Chirag Jain: I just have one repetitive question regarding the order book. Sir, if you can specify the -- quantify the order book in terms of how much is the order book position as of Q2 FY27?

Gautam Maini: So, I would say we had already declared an order book earlier. It's incrementally higher than it is before. Like I said, it grows for us on a daily basis. It depends on the schedule at that point in time. It depends on whether some more parts have got a market share. So, in general, we don't keep calculating it. But the trend is in the right direction because that's how you're seeing the growth.

So, I don't think order book is an issue. Like I've always mentioned, the orders are large. What is important is can you execute? So, I think in our industry, the ones who can execute, do a good job with the quality and the quantity and deliver OTIF, which is on-time delivery in-full, those will be successful companies. I think the orders are very large, including backlog.

Chirag Jain: Yes, sir. Definitely. You are right. It's just that we as an investor, like, it helps us to gauge whether the company is seeing good visibility going forward also. Like every quarter, the order inflow helps us to know the company better. One more question.

Gautam Maini: Just to give you visibility so that you can get over this hitch on order. You have to understand that the large OEMs have order backlogs of excess of 12 years. And when you have market share and you have long-term contracts, normally, they go on till end of life, right? So, nobody calculates that because everybody doesn't sign an end-of-life contract with you upfront.

So therefore, if you start looking at really an order book, like, for instance, if we started 10 years ago with, let's say, on the LEAP, and we had, let's say, 5-year contracts, we've already delivered for, let's say, 10 years, and we probably deliver for another 15 years. So, it's a misnomer.

What is important is to understand that you are on the platform. These platforms have long life. You have a good market share on these platforms and then the market is growing because it has

a huge backlog. And that's how for the aerospace industry as an analyst, you should look at it. That's my two cents to you.

Chirag Jain: Definitely sir. Just one more thing. Like we have deferred our greenfield commissioning by 1 quarter. Anything to look on that like anything critical?

Gautam Maini: We've not deferred anything by 1 quarter. We were always going to do it in the third quarter of FY28. So, nothing is postponed. Where did you read anything else?

Chirag Jain: I think, sir, last quarter, it was mentioned mid FY27 -- calendar FY27?

Navin Sharma: No, might be a confusion of financial year or calendar year. It was always December.

Gautam Maini: So, the third quarter, just to clarify, it was always the third quarter of the financial year.

Moderator: Next question is from the line of Anoop from Equity Intelligence India Private Limited.

Gautam Maini: I'm sorry. If someone is speaking, we can't hear.

Moderator: Mr. Anoop, you are not audible?

Gautam Maini: Nazneen, can we go to the next one?

Moderator: Next question is from the line of Keval Shah from Sanctum Wealth PMS.

Keval Shah: So, sir, in terms of new additional incremental opportunities from new segments, so are we looking at, say, medical components? Is there any near future business possibility from these segments? Like in last quarter, we received a certification for these medical components.

Also, do our products also have a potential business opportunity from something like gas turbine also where they can be used. So, just if you could throw some more light on the incremental segments, if there's any opportunity and if you are looking at it?

Gautam Maini: Yes. So, this constitutes what you call edge and adjacencies, and its very much part of a master plan. Obviously, we don't declare numbers now because we're in the nascent stages. So, like you said, in medical, we're still doing samples for certain European customers to make sure that our back end is very secure.

And in a business like this, your quality, the team, projects is all met. So, we would maybe 6 months from now come out with some plans till then we would like to perfect what we want to say or do.

You're absolutely right, there's opportunities in the gas turbine. It's on -- again, sitting as an adjacency and on the edge of what we do. So, all the areas that sit on adjacencies and edge are being explored in every manner possible.

And the most important there is to then again put them in our funnel to see which business we should have as a question of choice. Where are the margins better? Where is the ROCE better?

Is it great to have this mix of customers? So, for sure, there are many of these which are being explored as we speak.

Moderator: As that was the last question, I now hand the conference over to Mr. Gautam for closing comments.

Gautam Maini: Thank you very much. And I very much appreciate everybody recognizing the fact that it was a good quarter, and thank you so much for your support and look forward to the next quarter. And happy Diwali to everybody, as I think we'll meet after Diwali. So, enjoy the festive season.

Navin Sharma: Thank you.

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