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September 1, 2026

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Scrip Code: 520073

Subject: Transcript of the Conference Call held on August 25, 2026

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed is the transcript of the Conference Call held on August 25, 2026 for Q1 of FY 2026-27.

The above information is also available on the website of the Company i.e. www.raclgeartech.com

This is for your information and record purpose.

Thanking You

Yours faithfully,
For **RACL Geartech Limited**

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RACL GEARTECH LIMITED

Q1 of FY 2026-27 EARNINGS CONFERENCE CALL

AUGUST 25, 2026

MANAGEMENT:

MR. GURSHARAN SINGH – CHAIRMAN & MANAGING DIRECTOR

MR. PRABH MEHAR SINGH- CHIEF OPERATING OFFICER

MR. JITENDER JAIN- CHIEF FINANCIAL OFFICER

Ms. Neha Bahal	Good afternoon, ladies and gentlemen. I am Neha Bahal, Company Secretary and Compliance Officer of RACL Geartech Limited. On behalf of the company, I extend a warm welcome to all participants joining us for the earnings conference call to discuss the financial performance of the company for the first quarter of the financial year 26-27. I will be moderating today's session. Before we commence, I would like to draw your attention to a few important points. During the course of this call, the management may make certain forward-looking statements relating to the company's future performance, business prospects, growth opportunities, and outlook. These statements are based on current assumptions and expectations and are subject to various risks and uncertainties that may cause actual results to differ materially from those expressed or implied. For the smooth conduct of the session, all participant lines will remain muted during the management presentation. This will be followed by a question and answer session, during which participants will have an opportunity to interact with the management team. Should you require any assistance during the call, you may submit your queries through the question answer box or use the Raise Hand feature available on your screen, and our team will be pleased to assist you. Please note that this conference call is being recorded. We are pleased to have with us today the management team of RACL Geartech Limited, represented by Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer, Mr. Prabh Mehar Singh, Chief Operating Officer. We are grateful to have them with us today to share their insights on the Company's financial performance, key developments, business outlook, and strategic priorities, and to address questions from the participants during the interactive session. With that, I would now like to invite Mr. Gursharan Singh, Chairman and Managing Director, to deliver his opening remarks. Over to you, sir.
Mr. Gursharan Singh	Hello Investor Friends. First of all, very warm and rainy greetings from RACL. Today, we are having probably our first investor meeting from sitting from our factory, so probably it is the first meeting? So, No problem, anyways. So, as I'll not be speaking much about the numbers, because numbers are already with you of the first quarter and within the course of discussions, our CFO, Mr. Jitender Jain and Prabh will definitely will run through this number, but I'll just give you a brief. All we are performing briefly in the current year, we have closed almost now. Four and a half months or five months, almost, and coming seven months are there for this year, but in a nutshell, I'll say that, despite all the challenges of geopolitical conflicts, despite all the challenges of severe energy crises which happened. It started from March 2026 and extended even now energy crisis. India is still not energy crisis free. But given the common saying that when the going gets tough, the tough gets going. So we have been able to face these challenges collectively.

	with your support, with your best wishes, and dedication and commitment by all our supply chain partners, by our employees, our colleagues, and our customers also have supported us in this difficult times, not to our entire content, but yes, whatever within their means. So we have been able to perform very good, and coming times are also showing very, very encouraging, and since you all investors already know the markets much better than us. The automotive scenario in India is emerging very, very fast and all the segments, whether it is two-wheelers, whether it is passenger cars, whether it is agriculture machinery or the commercial trucks, they are generally growing. So that way our domestic market is really growing good. And all the initiatives which we undertook in the past to focus our performance in domestic markets, so that has really helped us to increase our performance in domestic segment. Similarly, in export segment, our performance is actually going very, very resilient and with a growth-oriented trajectory. Because in Europe, also economy, okay, not growing by the Indian standards, but by their standards, they have already seen the plateau in 2025-2026. Generally, automotive industry is doing good. Two-wheeler industry is doing very good. And I am very glad to share with you specifically about KTM because many of our investors who are associated through this call for last two- three years, you all must be aware that KTM had some difficulties because of some financial insolvency and all. But now KTM has bounced back and it is really doing very good numbers. And in coming time, we'll be able to see very positive impact on our performance of not only the Indian operations, even our Austrian operations from where we are serving our KTM as a prime customer. And I'm also glad to share with you that our businesses, whatever businesses we had invested, or capacity expansion of the new projects, everything is going as per track, as per forecast, and at most of places either it is as per forecast or better than the forecast. This really shows that coming times should be very good. And my big thanks to you, my big compliments to you that you guys have always maintained your support, your confidence, and your trust in us, in general, in me in particularly, all our colleagues, because your trust and confidence keeps us very, very inspired and very, very motivated. In the course of discussion, you will Get a chance to listen to Mr. Jain and Prabh for the numbers or the explanations about what we did in the past and what we are doing in the future. And of course, in Q&A sessions, we'll be able to address your queries. So then I'll really pass on now to JJ, over to you. Kindly take it up.
Mr. Jitender Jain	Yeah, thank you. Thanks a lot, sir. Good afternoon, everyone, and a warm welcome to everyone. We'll start with the presentation now. So these are the brief index of the areas which we will be discussing today, including the financial performance and other updates. So this is the overview slide of our business. We are a little more than four decade young company. We started in 1983. We crossed the historical milestone of 500 crores last financial year. We clocked that consolidated turnover of 512 crores in FY 25-26. We have more than 1200 employees working for us. We have 29 active customers and more than 1600 SKUs.

	Our product application applies to all industry segment, whether it is two-wheelers, three-wheelers, passenger cars, ATVs, commercial trucks, agricultural equipment, industrial gears, etc. Our head office is in Noida. We have two manufacturing locations. Our mother plant is situated at a place in UP called Gajraula. And our second plant is in Noida. We have 100% subsidiary based at Austria. And we have 5 warehouses across Europe. Our product ranges from transmission gears and shafts to sub-assemblies to position machine parts to chassis parts and industrial gears. We are credit rated A- and listed on both the recognized stock exchanges in India. Our core competencies goes from gear cutting to precision machining to R&D to concurrent engineering, heat treatment to sub-assembly, everything. And we have all these certifications, whether it's locally or whether it's globally required to run manufacturing operations in India. So this is a slide for the total revenue for Q1 of 26-27. In Q1 of FY26-27, we clocked a consolidated turnover of 132.60 crores. The breakup is 85.06 crores of exports, which is 64%, 40.54 crores of domestic business, which is 31%, 6.75 crores of other operating income, which is close to 5%, and very minuscule of 25 lakhs of non-operating income. On a standalone basis, we clocked the turnover of 127.82 crores, which is 80.37 crores of exports, which is 63%, 40.54 crores of domestic business, which is 32%, 6.72 crores of operating income, which is close to 5%, and a very minuscule 19 lakhs of other non-operating income. Now, this is the business share of on a net sales basis. On a net sales basis, our export turnover is up 66% and our domestic business is 34%. And on a geographical thing, now this time we have changed the pie, so we have now classified regions as Europe, India and Asia Pacific, and North America. So Europe contributes about 59% of our business, India and Asia Pacific about 36%, and North America contributes 5% of our business. This is the consolidated financial performance for Q1 of FY 26-27 on a quarter on quarter basis. On a quarter on quarter basis, we clocked a turnover of 132.6 crores as against 108.7 crores last year, same quarter, which is a growth of close to 22%. I just want to clarify this one thing that we had seen that this time in this quarter, we have very negligible non-operating income. So our operating revenue has grown from 100.65 crores to 132.35 crores in this quarter on a consolidated basis, which is a growth of 31 and a half percent. EBITDA has grown from 27.29%, which was 25.11%, to 32.19 crores, which is a growth of close to 18% on an absolute basis. And PBT has grown from 11.26 crores, which was 10.36%, to 16.82 crores, which is 12.68%, which is a growth of close to 50%. Now this is a snapshot of quarterly performance on a standalone basis. On a quarterly basis, on a standalone basis, we have clocked a turnover of 127.82 crores against as against 107.96 crores achieved last year same quarter, which is a growth of 18.4%. Again, I want to clarify here that our operating revenue has grown from 99.91 crores in Q1 of last year year to 127.63 crores in this quarter this year, which is a growth of 27.74%. Our EBITDA has grown from 27.23 crores, which was 25.22% to 32 crores, which is 25.04%, which is a growth of close to 17.5% on an absolute basis.

	And our PBT has grown from 11.25 crores, which was 10.42%, to 16.66 crores, which is 13.03%, which is a growth of close to 48%. This is a head wise comparison of our profitability for Q1 of FY 26-27 with Q1 of FY 25-26 and Q4 of FY2526? So our, I mean, comparison, everyone can look at, I just want to showcase our consumption of raw material is close to 28%, employee benefit expense is close to 12%. Our finance cost has come down significantly now because of the payoff of the loans last year, so which is now almost 4.81%, depreciation is 7.2%, manufacturing expenses 33.5%, and administration selling other expenses at 9.4% comparison of all these expenses versus Q1 and Q4 is displayed for your reference. So coming to the general updates, I want to share a very proud moment for RACL Geartech. Your company has been recognized as the best organization to work 2026 by ET Edge, which is an initiative of Times Group. It showcases that we believe in growth, but we believe in inclusive growth, including all our employees because they are the pillars. Human capital is a pillar which basically helps us to achieve and to come where we are. So we have been recognized by them as the best organization to work. It basically showcases the people-centric work culture which we have. We focus in on developing leadership within our organization. Whosoever has visited our plant, we have, you know, they have met quite a few people who have joined us as a management trainee quite a few years back, and today they are heading one or two other departments and all. So we believe in leadership development. We believe in workplace excellence. We believe in employee engagement. And we are a responsible organization who believes in achieving the growth sustainably as well. So coming from the previous slide, as I said that we believe in inclusive growth. For everyone's information, we organize our annual award ceremony; this we organize every year. Last year, we could not organize it due to some unavoidable circumstances, but we have organized our annual award ceremony this time. And this time it was organized at Jim Corbett. And we had taken all senior employees there. And we basically recognized the best department of the year. We also recognized Chairman's Award for Exemplary Leadership, which is given to one employee across the entire organization. And we also recognize Emerging Leader of the Year and Employee of the Year. This we recognize at every level and in all our locations and all. So this event, I think this was first time, sir, we had done it outside Gajraula Plant, second time, second time. Yeah, so it was it was a good weekend spent together and recognition of the people and obviously it actually helps us to connect with all our employees on a personal basis as well. So as we had declared last time that the total capex which we are doing, so we are constructing the entire heat treatment plant afresh. We had disclosed last year that we are replacing our entire heat treatment plant. So we just thought that it's our, we should give an update on that. So the heat treatment plant, its foundation was done on 21st of January 2026. And these are the actual pictures of 24th January, 16th August and 24thAugust. Our construction started on 21st January. We are expecting the building and construction to be completed by October 2026. Just to update all the equipments which are required have already been ordered and we are expecting all equipment to arrive within September to October 2026. And we will install and do commissioning from October 2026 to December 2026. And as of now, if all goes

	well, we are planning to start the trial production by January 2027. At this heat treatment plant, as we had explained earlier also, currently, our heat treatment plant is running on LPG, and this heat treatment plant is basically will be completely run on electric-based furnaces. LPG is an outdated technology. And anything you want to add on heat treatment?
Mr. Gursharan Singh	Exactly, because you know we already anticipated that this energy crisis. It eventually has now hit the entire globe. We already anticipated about a year back. We took the actions, but this equipment are all long made item. Hopefully, by the end of this financial year, this plant will be fully commissioned and the entire production will switch to the new heat treatment facility, which is going to be state-of-the-art technology in line with all of our machining processes. Because our heat treatment plant was little outdated also because we did not replace this equipment, which are most of our equipment are over 30 years old. So, they have already completed the end of their life. They were just running with an extended life. Now eventually this new equipment will be matching with our organization program. That's how we do.
Mr. Jitender Jain	Thank you, sir. Now, this is a new dashboard which we will be now sharing with all our investors in our Investor call. So as I explained that we believe in growth, but we believe in achieving the growth on a sustainable and responsible manner. So we monitor all our carbon footprint on a monthly basis. So this is the ESG dashboard for Q1 of FY 26-27. So we had generated scope one carbon emission of around 750 tons and scope 2 carbon emission of around 321 tons. Now I'll just explain how the scope one and scope 2 get calculated. So as you all are aware that our Gajraula plant is running entirely on 100% green energy. So as of now, we do not generate any carbon emission from our Gajraula plant. So scope 2 is basically the generation of carbon emission from electricity sources. So right now the 321 tons of carbon emission which has been generated under scope 2 is predominantly from our Noida unit and from our corporate office. In Noida unit also we are planning to set up our rooftop solar and all. So once that will set up, so hopefully this carbon emission of Noida unit will go down. Scope 1 carbon emission calculations is done through other sources. So currently our majority of scope carbon emission is coming from fuel gas for HT, which is LPG. So 73% of our carbon emission from the scope 1 is coming from LPG right now. And as we have shared that we are shifting our entire heat treatment plant to electric. Now once that entire heat treatment plant will be shifted to electric, then that consumption of LPG will go down significantly. So then we will be able to reduce our carbon footprint of LPG gas under score one. And 23% of our scope 1 emission is currently coming from DG set, which is difficult for us to control. And the balance of 5% is coming from fugitive emissions and company-owned vehicles. So this is the dashboard on the ESG. Again, coming to a responsible organization, so we have shared our initiatives on the CSR from CSR perspective earlier as well. So we have, we are sponsoring education of around more than

	400 kids of a school in the Nithari village in Noida. We are also sponsoring women empowerment session in Noida also. This slide is basically so now we have decided that apart from funding the primary, middle and secondary education of the students, we should also support students in higher education so that they are able to eventually get a job and and get settled down in their life. So this initiative was started in last financial year, 25-26, where we had supported 13 students in completing their higher education, which basically helps, which is basically some skill development to get a work profile. So they had done from Federal Institute of Hotel Management, Jet King Information, AC Academy, and they were courses from hotel management, cloud computing, and radiology. So these 13 students higher education is being sponsored by us for last year. This year, we have selected 14 students for 26-27, where we will be sponsoring their higher education. Again, these education are in cloud computing, AI, and radiology. So this basically, we basically our target is to help them in their primary education at the school level, then providing them at a higher education level, which is some skill development force so that eventually they are settled down in their life. So yeah, that's it from our side. So I think we are open for questions. Yes.
Mr. Gursharan Singh	Are there any pre-registered questions?
Ms. Neha Bahal	No sir, No sir, there are no pre-registered questions. Mr. Sid, we have unmuted your mic. Could you please ask your question? You need to unmute himself from his side also. Mr. Sir, you need to unmute yourself.
Mr. Sid	Hello, am I audible?
Ms. Neha Bahal	Yes, Mr. Sid, we can hear you. You may proceed.
Mr. Sid	Yeah, Hi. My first question was regarding KTM. So can we assume that it has made a full bounce back and under the Bajaj ownership, can we expect a higher share from India sourcing now?
Mr. Gursharan Singh	Actually, since our relationship is always with KTM Austria, so definitely our business, private business remains always with them, and what Bajaj is doing in India, that is purely under Bajaj's portfolio. Until now, we have no such direct communication with Bajaj for the India production, but definitely it is a open world if anything comes to our, I will definitely love to add that, but our primary focus remains with KTM for Austria.
Mr. Sid	No, I was just trying to understand that sourcing from India and developing countries is something they had mentioned that they will increase. So about that.
Mr. Gursharan Singh	So, we are already exporting to KTM, because we are already exporting to Austria, and we are exporting to Austria not today in the last 15 years, so our relationship is already very well established with them, and for all their new models which are being launched now in Austria, of course, now under management ownership of Bajaj, we are already getting new business opportunities from KTM Austria, but yes, you are right for Bajaj India, there are a lot to work with there, but you know we are already working. In a big way, with Royal Enfield and with TVS, eventually we're already very well established in the Indian foot size industry. When Bajaj comes, greatly pleasantness and love will be there too.

Mr. Sid	And can we expect the volumes to come back to normal soon?
Mr. Gursharan Singh	Since I already explained to you, KTM has already bounced back and they have already arrived almost pre-COVID levels. And now, in fact, you know, they are actually modular 27 means the vehicles which now they will start producing. From September, they will be classified as modeled in 2027. They have very good plans for 2027, and it is back to normal or slightly above normal.
Sid	Understood. Perfect. Thank you.
Ms. Neha Bahal	Thank you. Mr. Sid. Mr. Piyush Jain.
Mr. Piyush Jain	Am I audible?
Ms. Neha Bahal	Yes.
Mr. Piyush Jain	Yeah. Yeah. Good afternoon, sir. Just a couple of things. Any new update from the last quarter we discussed till this quarter with respect to any client or some program getting started or something? And what is the status of this BMW SOP, which I suppose should be starting from October' 26 if I'm correct.
Mr. Gursharan Singh	Yes, everything is going as per plan, and you know there are a series of approvals. So, level one approval is already done, and conditional shipping have already started, and the final approval, I think, now probably is 24th October. Yes, so 24th October, their team is finally visiting us for the final sign off. So from there on, then we are, in fact, we have already starting making some pilot supplies, which I told you as conditional approvals. And those are now the parts which are already started moving. They will be put into the customer cards. Until now, whatever books are producing, they were either the validation card, the testing card, or the road drive card, and so on, or the demo cards. Now, pallet supplies are already started from our company, so everything is going as per trend.
Mr. Piyush Jain	So, what I understood, BMW supply will start from October, correct, sir?
Mr. Gursharan Singh	Yes, exactly.
Mr. Piyush Jain	Okay, only last one, one more thing, sir. Can you just give a little bit more insight on this Royal Enfield last quarter which we announced and we have got this empanelment and everything. Anything which you can share, what you cannot share is okay, like what type of size, what, how many models and when it will start and how it will add, and with this, because this is a very big domestic order for us, and how it can open more venues of the higher CC bikes and something, and are we discussing with any other domestic or any export new company which right now is not in our client?
Mr. Gursharan Singh	I will request Mr. Prabh, as he is more updated than, so please kindly lighten the audience.
Mr. Prabh Mehar Singh	Mr. Jain, can you hear me?
Mr. Piyush Jain	Yeah, yeah, I can hear you.

Mr. Prabh Mehar Singh	So on the Royal Enfield, yes, we did convey from January onwards, the commercial supplies did start. So we have already done around 8 months of turnover. As we said, we have been nominated for roughly 10,000 sets per month. When I say sets, motorcycles, we are working on that level. So we were ramping up earlier and we reached to a level of 7.5 to 8000. We are sustaining that level. So the model, of course, we did mention the engine is a 350 CC model. We are not clear and we can't disclose. However, this is the project which started, but there are multiple projects which are under development for the new upcoming variants or they are doing some changes to the engine and they are launching some new engines which are still under the confidentialities, but we will work on all such platforms since they usually work with not much many suppliers, they either make it in-house through their sister company or they have a couple of suppliers in India who are working transmission gears.
Mr. Piyush Jain	And what could be the size of this business can become not maybe today, maybe in two years, three years down the line. And do we see any...
Mr. Prabh Mehar Singh	Yeah, sorry, sorry. Please complete yourself.
Mr. Piyush Jain	Yeah, because what I understood, we are not doing the entire transmission gear box or something. We are doing some parts. Do we see ourselves moving towards from the parts to the entire transmission gear box or something in a two-three years time?
Mr. Prabh Mehar Singh	So it depends on the customer we are doing for their competitors from last 10 years. So it is for them to decide if they want to use that as a service. But right now they want to do the assembly in hull. But we are doing the entire loose component. So they just have to assemble and buy the shafts from their other supplier. But we are doing it for other companies. So we can do it. That is not a problem. Only thing is they have in their strategic fit quality norms, whether that comes into is their topic. On the size of the business, at the moment, we are not disclosing because it is still developing as a relationship and to also keep our competitive edge because our competitors then also know what kind of, you know, volumes of pricing we are doing because simply you just multiply by the value, you get the price. Since domestic market is highly price sensitive, so such things we don't disclose, but it's a sizable business.
Mr. Piyush Jain	Okay. Okay, no issue. Just last thing, just last thing, but we never discussed this. Can we give some color on the, like in many companies in the auto ancillaries companies, give this a value per kit or realization per kit. Do we have such type of some measure number or something where we can see this? Value of our product per kit to the customer has increased over a period of time, two-three years, or we are right now standing?
Mr. Prabh Mehar Singh	I will give a red color to that. So we don't really disclose that because as I said, that is the competitive edge. If I know what price I am selling to my customer, my competitor can sell at the same price. So that competitive edge in domestic is pricing. So we don't really disclose on the domestic business.
Mr. Piyush Jain	Okay, fine. Last thing only, how the business with ZF is going on? Any substantial volume increase happened in the last quarter or something or in the coming quarter?

Mr. Prabh Mehar Singh	In ZF, in the last few years, as you know, there was a bit sluggishness due to the end product, which was the OEM car not doing well. That is why last year we had to say certain decline in volumes. That now product, ZF, like, there is platform sharing. So it was going to a specific very high end premium car. Now it has come down to their main bread and butter SUV, which is just launched. I'm talking about the end customer. So that is an X5. So now with those volumes coming in, we are now seeing that traction coming back. We are working at 50% to 60% utilization of the installed capacity. The peak year of ZF revenue for this specific project initially was 2028, but since that couple of years went away, they shifted to 2030 now. So maybe in the next couple of years, this should pick up, but it is, as I said, very much better from last one, 1-1/2 years. And another good thing is the customer has shifted the assembly plan to a low cost country from within Europe to East Europe. So that also helps customer to be more competitive to their end customers in return giving a bigger share to the project. Parallelly, though this is still very early in fancy stages, customer is talking to another OEM for the similar project for the Chinese market. So if that comes in, that should really change everything we have put here. But still, these are very early updates. But from ZF, another project which you already know is the electric power steering segment for which we are now investing. That should be, that is on the track. And I think from end of 2027 or middle of 28, the commercial supplies. For that should also start and that goes to an American OEM and that is also going to be a big project for us via ZF.
Mr. Piyush Jain	Okay, last thing, how much is the capex will we be doing this year in 2027 and what is our debt position will be remain in the peak debt during the year?
Mr. Gursharan Singh	So, we have already disclosed to the stock market, yeah, 77.4 crores profits.
Mr. Piyush Jain	Okay, okay, sir. Sorry, I missed it. Okay, no issue. Thank you.
Mr. Gursharan Singh	Actually, we already explained to you since out of the 77 about 40 crores, we are investing only into the heat treatment replacement. Actually, in real terms, it's not CapEx. It is basically a replacement program of the old equipment, but remaining 30-35% is for the additional capacity expenses.
Mr. Piyush Jain	Sure. Thank you. Thank you so much. Thank you.
Ms. Neha Bahal	Thank you. Mr. Nisarg Shah?
Mr. Nisarg Shah	Yeah, hi, am I audible?
Ms. Neha Bahal	Hi, yes.
Mr. Nisarg Shah	Hello everyone, Good Evening. My first question was related again to the Royal Enfield business. Many OEMs which were making these gearboxes components in-house have started to outsource these products just like Royal Enfield. So is there a particular reason or pattern that we are seeing in the whole industry? Is there more opportunity coming our way?
Mr. Prabh Mehar Singh	So, Mr. Shah, I would like to understand: you are saying that many customers are adopting this outsourcing strategy, and does that help us in the long run? Is that the question?
Mr. Nisarg Shah	Yes.
Mr. Prabh Mehar Singh	So you're right, see, eventually an OEM would like to focus on making the assembly. Assembly is the king of the supply chain, so they would like to take that commanding position. If you're putting

	your investment people cost in making the components as well, then you lose the scale at which the customers are now wanting to grow. Earlier gears of such critical products, why remained in source were because there was not a very credible and established supply chain which were able to meet such specific moderate volume batch type, you know, at least I can speak in the terms of gears. Like we are now creating a niche of our own in the premiumization of this entire product portfolio of these companies. For example, TBS is now launching motorcycles above 350 CC more than what they did in the past. The entire. Gear train for all of their motorcycles. We are the single source for, you know, even the platform under Norton or these Apaches you are seeing coming in now. Similarly, KTM has always been with us. Royal Enfield, keep taking a clue from that, also decided to now, you know, maybe coming to suppliers like us. There is one or two another big OEM's motorcycles, which are now wanting to expand their presence in premium industry. They're also approaching us, so yes. This outsourcing is something which is becoming an increasing factor because, like you know, Royal Enfield is investing roughly 6 to 7000 crores in setting up one new plan near Andhra. So their focus will be to make motorcycles, not the loose parts. So that is how this is the shift you are witnessing.
Mr. Nisarg Shah	Got it. On our second side, I also have a very preliminary question. So the gears in high performance vehicles that we are targeting, I understand that the micron level and the precision is very clear and minor. So other than that, what is the difficulty in making these products?
Mr. Prabh Mehar Singh	It is a very small question with a very broad answer. Difficulty is not in making the product. It is anybody can make samples and submit 100 parts. It is consistently doing same thing on a large scale volume where not everything is checked, not every parameter can be checked on a 100% basis. So you have to rely on three things. One is the process capability. Second is the traceability of such areas where issues if come, how do you go back to clarifying to the customer? And 3rd, which is most important, is right now a lot of these decisions are orienting to a lot of technologies which are required since if I talk about even electric mobility EVs coming in and such high performance motorcycles, these are though motorcycles, but they run at very high RPMs. So then you need processes like grinding or certain other areas which can give you a very, as I said, consistently producing, let's say if I'm doing 100,000, 200,000 parts per month, if I check each and every gear for the practical characteristics, it takes roughly 40 minutes, maybe 30 to 40 minutes to check one part. One can't do it because it is impractical, cost effective. So you need to depend on the process on technology, on people who can do it day in, day out without any issues. A customer, if has a run out problem of, let's say, even by 5 microns extra to the drawing, he simply asks, how many vehicles have similar parts that can have these issues? How many are in production, which batch, which date? So there are so many things. So customers don't want to take risks. So eventually they were always doing in-house because everybody believes I can do it best, right? So that is how the approach was. But now with evolution of supply chain in the country, of course there are other suppliers who do similar high precision products.

	So this is how the trust on the supply chain from OEM side has increased and that is how it is transforming into growth for companies like us.
Mr. Nisarg Shah	Got it. So just on the finance side, in this quarter our tax has increased a bit more as compared to the previous quarters. Could you just throw some light over there?
Mr. Jitender Jain	So Mr. Shah, we had explained it in the profitability side, profitability comparison slide. Our higher tax liability, current tax liability has come because of the difference in depreciation and gratuity as per Income Tax Act. And our higher deferred tax liability has come because there is a change in the surcharge rate of income tax and because of which I think the difference as per Income Tax Act, the difference of the entire block, the deferred tax liability gets created. It is because of that, it will get.
Mr. Nisarg Shah	OK, OK, sorry, I might have missed there.
Mr. Jitender Jain	So, we had given that explanation, the profitability comparison slide.
Nisarg Shah	Okay, got it. Thank you so much. Thank you so much for that.
Ms. Neha Bahal	Mr. Abhisar Jain
Mr. Abhisar Jain	Yes, sir, hi, you can hear me today?
Mr. Jitender Jain	Oh my god! Yes, finally we can hear you.
Mr. Abhisar Jain	Sir, I have deliberately tried to use some other instrument today instead of my laptop. Otherwise, you know, you can always not hear me. So thank you so much, sir, for the opportunity. And my first question is that, you know, sir, as you and Prabh have been repeatedly, I think over the last one, two years, been mentioning that RACL is working very hard on, you know, honing its capabilities and further improving our competencies in, you know, niche products and manufacturing on the precision machining as well as gear shafts, which is our core area. So I wanted to know that on the non-auto side, you know, what are the areas that maybe the company is trying to focus so that in the long run, the growth for the company gets supported from projects which are on the, you know, the non-auto side also. So as we see that globally, robotics is now becoming a, you know, a big area for everyone and for automation and all. And maybe the robotics involves a lot of usage of actuators where maybe some gears are used. So is that one of the area where we may look or is there which are the other areas on the non-auto side where you guys are trying to make effort and where at least in next two - three years we can see some, you know, some revenues for us.
Mr. Gursharan Singh	Obviously, I'll answer the question to you. First of all, you're right that we have already made a very good brand presence as RACL into the premium product category, whether it is passenger cars or motorcycles or commercial trucks and so on. This business is eventually growing at its own pace and in a good way. So to answer your question, we have also started working very closely on some, we have identified some areas where we'll like to put our focus. And I'm not saying when we have identified it means we'll implement everything or will not implement anything, will implement all. But few areas where we are actually identifying areas which we have identified. One is actually aerospace for civil aviation. That is the area which we also see going very fast and indications are going big way basically for Airbus. The Boeing is still not having such big forecast but Airbus is going in a big way. So we are also thinking that it is an area where we can really utilize our skills because we

	are a company with very, very established skills in positions and visibility and ESG, probably the same technologies we can use for aerospace for civil aviation. Second area which we are identifying is a little bit of diversification, use the word of actuators. We are also trying to diversify a little bit in such field, maybe with small micromotors or actuators, all that stuff. So that is the area where we are identifying where this also has a huge potential, and hardly which you have told even I had that robotics. Now, this area, actually, It's very clear that it has huge demand for the gears itself. So, technically, they have still the mechanical components, and but they are geared of different counter, different designs. Some of the technologies which we are already having are capable to do this, but bit of challenges in this field. And there are not many Indian manufacturers who have entered into a field of human and robotics, and if there are some, but they are at infancy stage. Chinese 1 difficult to crack because China has its own very well established by then, but Europe, our target area, and we are exploring this avenue within European continent. So hopefully something good will evolve because we have, because this is very clear that we have identified a yes, I must come because you know for next two, three years visibility of automotive we are already on that we can really scale up our processes. But these are a few areas which we have told you. Other than this, it has manufacturing, we have already told you, industrial manufacturing, we are already doing for Bharat Heavy Electricals and some other companies. So this is the area which already, as a pilot, we are already doing it. And in coming times, this will also have a potential for scaling up. But as I told you, yes, it will take maybe another few months to one or two years when we are able to 0 on, and then we start executing some action rules. So, we stay connected and we'll update you and then when something can be shared with you.
Mr. Abhisar Jain	Sir, so. Yeah, sir, so on these non-auto fronts, while you are making the efforts already and you are identifying the areas to go, but is there any investments that you guys have already started making in your plans which you will need to address these opportunities or that is still far away?
Mr. Gursharan Singh	Yes, investment in the form of our thought process and efforts, not the papers carrying a photo of Mahatma Gandhi, but our papers definitely. We have started putting our human resources out. Because, you know, first of all, you know, we know each other for quite some time. We never work with this conclusion, but never start money until we are very sure, yes, this will develop into develop into a profitability. And we also have a very, very clear strategy. We always work on a concept of incubation. We'll never splurge, okay, I'll give you 25 days and now we spend 50 crores or 40 crores or 100 crores in this project. No, we just incubate. Then we test the track. If track is bumpy or curvy, in any case, in today's business, no business is going to be without pumps and costs, but yes pumps and costs which we can withstand, will incubate, will make it stable, and then we will scale up. This is always our strategy, and that same strategy will be adopted in the new fields, also.
Mr. Abhisar Jain	Understood, sir. So the second question was on Project Venus for the electric sports car. So I assume that the final production starting for this is slated for October. And if you are getting any indications from the customer on how this is looking likely, is it as per the expectations which was shared by the customer or? Is it difficult to comment, like, if any direction you can give on that?
Mr. Gursharan SIngh	I think I think you are a bit late because there was a question we answered that this project is going very well as per track and on level one approval has already been granted and final

	approval is that day is coming precisely on 24th October, and after that, the product sign up is there, but based upon our level one of role, which is a normal process of the customer, some pilot suppliers have already started shipping by sea transport board, which eventually will be ported to the customer cars. Everything is going as per track. There is no delays and nothing, and they are given the forecast, which is fired by as per the forecast given as a type of getting business rest when the car is launched, so along with customers we have to also keep the fingers crossed the end user, except the vehicle, because eventually, you know, we all are working hard, and who is actually the actual consumer of those cars, but so far everything is going as well.
Mr. Abhisar Jain	Yeah. Okay, understood. Understood. Right, sir. And the last one, I think on KTM also, you gave some comment earlier in the opening remarks. I'm not sure in the Q&A initially also it came or not, but just wanted to know that do you expect KTM to Come to, you know, the run rate, the higher, highest run rate that we used to do earlier, anytime soon.
Mr. Gursharan SIngh	I have already seen the social media and the Indian newspapers. KTM has already launched a new Duke Science 790, and there is a very, very good comment market that that vehicle has very, very good acceptability in the US market and it's a totally new product and new product. So hopefully, and I have not seen the vehicle because many months I have not wasted KTM, but from the pictures I find that they have made a very, very futuristic vehicle and the entire kinematic for that bike is going from your company. So hopefully next year should be very good. In fact, I already told in our opening remarks and on our answer also that KTM is already doing very good and they have reached very, very good respectable volumes and forecast of the coming months is very, very good.
Mr. Abhisar Jain	Okay. Amazing, sir. Great to know, sir, and always good to interact with you. My best wishes always with the RACL team.
Mr. Gursharan Singh	Thank you, and big congratulations, at least we have been able to speak today on the con call.
Mr. Abhisar Jain	Thank you. Yeah. Yes, I'm more glad than you.
Mr. Gursharan Singh	Thank you, bye-bye.
Mr. Abhisar Jain	Thank you
Ms. Neha Bahal	Mr. Shashank Kanodia?
Mr. Shashank Kanodia	Am I audible?
Ms. Neha Bahal	Yes.
Mr. Shashank Kanodia	Yeah, hi, hi. Good evening, team. Congratulations for your performance. So, three questions from my side. First and foremost, sir, given that you know KTM has rewarded well for us and we'll be getting traction for new customers as well, including Royal Enfield. So, do you plan to revise your guidance for this year in terms of top line growth? You, I think, kind of alluded to 570 crores kind of a figure at 16-17% kind of top line growth. So is there a chance of an upper division there? And do you see that growth X rating next fiscal year as well?

Mr. Gursharan Singh	Yeah, to be very honest, yeah, you are speaking so fast, and in between the voice was cracking, so I could not hear it fully.
Mr. Shashank Kanodia	Right, right, so the point I was alluding to that, you know, that since you alluded that KTM is bounced back favourly to us, and being considering getting interaction with order as a customer domestically, so does it make a case that can we upper revise our revenue guidance for this fiscal year? I think initially. We got it for closer to 570 quotes of revenues or 16-17% kind of revenue growth. And correspondingly, do you see the growth accelerating next year, FY'28?
Mr. Gursharan Singh	So, you know, eventually the revenue, we always give once a year kind of thing, and we have to always, you know, mid year, we normally we cannot keep on reviewing that numbers. close our new numbers or not. But yes, the revenue guidance which we are given, that is our benchmark. And we have already told you that is plus or minus 5% generally it always happens. But if KTM, even any of the customer is growing, it's not that growing, they are inorganically by 50% to 60%. They're just going to the normal and our business share in our, none of our customers is more than 20%, so if even if some percent grows by 10%, eventually our top line of it affects, so generally giving such new revenue guidance will not be appropriate at this point of time, but I can only say this: that whatever numbers we are forecasting, we should be performing very well within that limits, and obviously there will be all state things are only nothing on the like.
Mr. Shashank Kanodia	Secondly, sir, there isn't, you know, very healthy uptake in the EBITDA margin profile for you this quarter, closer to 181 and 90 basis points gains. So, do you see that this amount of margin profile being sustaining going forward as well?
Mr. Gursharan Singh	So you should be happily accepting these margins because we are maintaining these margins for pretty long time and for any of the investor and I'm also, you know, one of the investors only. So we all are together on this journey and we should aspire for targeting this margin. But this, you can always see that nothing remains stationary, so either we go up or we go down, so nothing remains stationary. So, as regions are always to maintain our growth, but definitely 2 percentage error there will always happen, and it happens, quarter to quarter, year over year. You know, today's world is very, very volatile. Today's world is very, very, I'll say, inconsistent. So we can't really say that everything will go very good. We can't really say that, yes, things are going very bad. We have to always remain optimistic. And all of us have to always aspire to maintain the basic profitability, because you know all the top management, all our operating people, all our management, we all are working with a common goal that, yes, the basic profitability of company should remain and that really is the same aspiration which our investor fraternity also has. Eventually, we all are working.
Mr. Shashank Kanodia	And so what should be the blended tax rate for the full year? So do we expect the blended tax rate could be closer to 25 to 26 percent? As in since you're taking a high charge, can we expect low taxation for next three quarters?
Mr. Gursharan SIngh	This, I think our CFO should be able to answer more clearly.
Mr. Jitender Jain	So it will be 25.62%.
Mr. Shashank Kanodia	Okay, so the next three quarters you could expect lower effective tax rate, right?
Mr. Jitender Jain	Lower effective tax rate. What do you mean by that? I'm not getting that.

Mr. Shashank Kanodia	So, right now, the effective tax it for this quarter was forty-seven percent, right? Eight crores on a base of 16.8 as a P.B.T. So, for the next three quarters.
Mr. Jitender Jain	Yeah, yeah, so you're talking about blended tax rate? It will be, yeah, so it will be 25.62% in that rate.
Mr. Shashank Kanodia	For the full year?
Mr. Jitender Jain	Yes, yes.
Mr. Shashank Kanodia	OK, OK, and secondly, sir, have we done any reclassification of any line items, because you know our raw material cost was usually 30 - 33% as a percentage of sales, whereas for this quarter it has become quite low at 22-23 %, whereas other expenses have taken a higher share. Anything you have reclassified from?
Mr. Jitender Jain	Shashank, please review our profitability comparison sheet. That's why we have put in that sheet with line by line item. When you will review that sheet, you will understand everything. Maybe if you can share that. It's part of the presentation. but the raw material consumption is about twenty-eight percent.
Mr. Shashank Kanodia	I'll see too.
Mr. Gursharan Singh	You have probably you have missed out that, you know, there was a stock in transit had increased, so consumed on that also.
Mr. Jitender Jain	Shashank, we have explained in detail in the profitability comparison sheet, you will study that and you'll understand that.
Mr. Shashank Kanodia	I try to do this. Thank you so much. Wish you all the best.
Ms. Neha Bahal	Thank you. Mr. Jainam, you may ask your question.
Mr. Jainam Madrecha	Hello, am I audible?
Ms. Neha Bahal	Yes.
Mr. Jainam Madrecha	Yeah, thank you for giving me the opportunity and congratulations on good set of numbers. I had a few questions. Firstly, few quarters back, we had alluded to a new tie up that we had done on with Arc Technologies, which was from the, which was our upward value chain movement to build from build to print to concept to print. Can you update us on this tie up? How are things been like and have we cracked anything new with this tie up lately?
Mr. Gursharan Singh	Right now, we are working with two potential customers on this platform, so moment anything about this will definitely disclose this, but you know, since we all are formed by India, so we are not supposed to do this, but we are actually discussing.
Mr. Jainam Madrecha	Understood. And another question is on like there are many programs that are coming up. How should one think about this? How should one think about the ramp up of the upcoming programs? Would it be on an like on an immediate basis or like this would be in a physical manner? Like if you can explain it project wise as well, it would be really helpful.
Mr. Gursharan Singh	No, you know, when we go, when we do revenue guidance for the year, because like last year we had a growth of almost 20-22 percent. Yes, around 22 percent. So this growth happens on various platforms. Okay, now this year, we have also again given you the same almost same level of guidance. So

	eventually when this growth happens, so this growth happens on all the platforms. How to give specific details of all the platforms? You know, it will need a full one day in explaining because we're having 30 active customers, so many projects are there, so many vehicle models are there, so many engine models are there. So it becomes a little, a comprehensive statement is there, yes, with this growth pattern which is coming. It is a mixture of your existing project's growth. It is a mixture of new projects. And when we target expansions for this year or next year, we have one more thing which we had tried to share earlier occasions also, that whatever investments we are making, these investments are necessarily for this year. They are for next year and next to next year. Like if you are saying that we are like we have discussed today that we are investing what 77 crores of rupees of investment out of is of course it's going 35 to 40 crores for heat treatment replacement and remaining 35 crores is going for the capital expansion. This expansion eventually is going to be coming into force, partly maybe in 2026-27, partly 27-28. So you can really take draw from here that if we are growing 20% this year, our growth trajectory will always be at the same level for the next year also. So we have a very clear guidance that we will be growing reasonably, anything between 50 to 20 percent of growth year-on-year basis. And all these platforms are growing the way I have explained.
Mr. Jainam Madrecha	Understood, understood. And like, can you explain like what percentage of our revenue, current revenue, is like at near end of life cycle and like what percentage of our incremental revenue would come from the new sort of revenues, new sort of orders?
Mr. Gursharan Singh	First of all, your question is a very good question. As of today, if I broadly say, there is no such product which is coming out of the, which is at the end of lifecycle. And there was, if there is any product which is current end of life cycle, we always get the successor versions projects, so eventually, like in one of our customers, one project is ending next year, and the successor model, whatever value addition was there in our existing model, successor model, our value addition is higher. So technically, even if we are end of life cycle, we are not losing anything, rather we are increasing, going to increase our revenue. Then the new model, we have got additional products. So, this is how our business is really transforming, because so far in past five years of, if I broadly remember, we have not come across any such customer where the project has ended, and we have not got any alternate project of same or higher revenue. So that way, even that aspect is also very well taken care of. But broadly to answer you, as on today, after this one project which I told you, that is coming to an end, but its replacement, its successor is already under development, so moment the existing project goes to 0, next project will start producing, so we'll not lose anything.
Mr. Jainam Madrecha	Understood. So is it fair to assume like the current revenue would keep on growing over and above the new orders that are coming up? So like new orders would be providing incremental growth plus there would be current some sustainable growth on the current base of revenues.
Mr. Gursharan Singh	Exactly, exactly. You know, business model is such that every two- three years we add new customers and all existing customers keep on adding some new models. So if you really see history of this company for the last 10-15 years, you'll always find that every two-three years one new customer is added. So time has come, maybe you will get to know, eventually, we'll be adding both.

Mr. Jainam Madrecha	Understood. And just some project specific questions on BMW orders that we have gotten. Are these for this for all these orders are we the sole suppliers of the products that we are supplying or like we have we would be competing with someone as well in these projects because what I understand few of this BMW projects are yet to come up with a model when in this would go. So like would we be competing with them or whatever sales that BMW does for those particular models, we would be the sole suppliers for those models.
Mr. Gursharan Singh	This is beauty of our export business. Keep aside BMW, any export business, wherever we are there, if we are supplying a component, that component, we will remain sole supplier until there is a end of life of that product. This is our formal agreement.
Mr. Jainam Madrecha	Understood. Understood. And on the Royal Enfield project, like more than 350 CC is what we are targeting. And what I understand is initially this was an in-source product and now incrementally they are looking for outsourcing these gears. So what percentage is already outsourced and of that outsourced component, what percentage is being catered by us? And do we see a scope of increasing our share in that particular outsourced component if there is someone we are competing with?
Mr. Gursharan Singh	As we already explained to you, in export segment, it's very clear we remain single source for single product. But the customer which you are asking, they do not have this kind of strategy. So they always have a multi-product strategy, a multi-supplier strategy. And eventually, you know, this is generally a concept in India. that they always will keep multiple suppliers. But we have committed certain volumes to them. Okay, now for us, it will be not appropriate. In fact, Prabh already told you that the moment we tell share the what percentage of business we are giving to this customer and what is sourcing from others, then it goes in the public domain and then eventually it gets a little bit of business risk for us. And eventually even customer also does not want that we should disclose that what percentage we are supplying to them because they all want to keep under the wraps. Is it all the suppliers?
Mr. Prabh Mehar Singh	Maybe you can ask them in their Investor call. They also, they will ask.
Mr. Jainam Madrecha	Sure, sure, sir, sure, sir. Yeah, so just wanted to understand like this 20,000 units order, it has already been approved guided to from 10,000 units. So do we still have a scope of like getting more orders? And obviously this is still in on a ramp up phase. So when do we expect this to be like to sort of come up to 20,000 units since we are currently are at 8,000 units. So these are the two last questions and then.
Mr. Gursharan Singh	I can answer this question to your satisfaction. You know when you know that you are going to be a single source supplier, so we always know that we are the single source supplier, he is single, he is dependent on us, we are dependent on him. Moment we go very aggressively with such customers who work on a multi-supplier strategy, we also want to work in a very, very stable and very, very consistent way, because we will not jump on by putting additional capacities for these kind of customers and suddenly, you know, no demand is always growing. Tomorrow, demand can go down also. So if we are a single source supplier, so, we have to sell with these customers in all thick and thin, but if there are multi-source customers, then we also keep a very, very cautious approach. When the one volatility is there, then eventually the little suppliers are always at the risk of getting the first hit, so we

	always keep it pushing that if something goes wrong, it should not disturb us. So, we also do not want to jump on that. OK, customer is producing million motorcycles, so our target is not to give them million sets. Our target is that whatever we are committed. First we see that whether these demands with their forecast, they are going to sustain this for a pretty long time, only then will create next level of capacity, next level of capacity. You know, you all know it that our product is highly capital intensive, who do not have any idle capacities sitting, okay, capacities are there, and now we aspire, okay, this customer can consume more, we start producing more. So we have to invest for creating additional capacities, and we will create additional capacities only when we are doubly sure, yes, this capacity will be deployed 100% as per the requirement. So in multi-supply strategy, we always invest in it very, very cautiously. So because our customer is, we are added only a few months back. So, we have to really first sustain, we have to feel their taste, and they have to feel our taste. You know, our focus is, we give them such a good quality that they demand, they sign an agreement with us. OK, we give you an agreement, irrespective. This is committed demand to you, so this is eventually it will happen, and what you are saying, this is our target over a period of time, we will grow this customer also, but you know it is, we have to go step by step.
Mr. Jainam Madrecha	So is it fair to assume like this is a deliberate thing that we have not scaled up to full potential and we are still looking into the customer base to with the customer how the relationship develops and eventually we'll sort of turn out to be come up with the peak sort of potential.
Mr. Gursharan Singh	Exactly, you are right.
Mr. Jainam Madrecha	Okay, sir, I'll come back to the queue for follow-up questions.
Ms. Neha Bahal	Thank you. Mr. Bhargav Buddhadev
Mr. Bhargav Buddhadev	Yeah, can you hear me?
Ms. Neha Bahal	Yes. Yes.
Mr. Bhargav Buddhadev	Yeah, good evening team and congratulations on a very good performance. Sir, my first question is in extension to the earlier participants question. So when you say that you have 100% of wallet share in your export business, just to clarify that, does that model in which we are 100% shared is selling in just one particular country or does that model sell globally?
Mr. Gursharan Singh	Now, global business scenarios like this in our product, you know, our product are very critical applications in transmission are in engines, so vehicle makers do not have any such strategy to have multiple suppliers for the same component, because you know, these customers, whether they are in Europe or in Japan or in the US, they have to sell this component, this vehicles globally. If something goes wrong in the field, for them it will be a brilliant task to find out which location, which supplier parts are there. This is generally a global strategy for our product. I cannot comment on the other products, but on our product is generally a global strategy for all these reputed, all the big OMs to have a single supplier for the single company. I will not say the product category, I says product name, because if I am making a just give you an example, if I'm making a first speed gear for a truck, so I will be the single source supplier for first speed, first speed gear, for second speed gear, there may be a difference. But this is general strategy for all the global customers.

	Sad, in India, this strategy is not much there, but in India, normally the European companies or Japanese companies by and by follow this strategy, but they have deviation jobs. But purely domestic companies, they work always multiple suppliers.
Mr. Bhargav Buddhadev	Secondly, sir, obviously ZF is a very reputed customer for us. So is it, can you share, I mean, of the OEMs with who ZF would be dealing with, how many OEMs would be getting business into meeting? Is there a very large room to gain more and more wallet share with just ZF? So that you mentioned they'll be introducing you possibly to a Chinese OEM. So how many such OEMs we might not be dealing with?
Mr. Gursharan Singh	I feel that there is not even any passenger car manufacturer where ZF is not there. ZF has a huge presence into the fast car market. ZF has a huge presence into the virtual clutch market. So, eventually, they are product-specific platforms. We do not have any direct access to find out which product goes to which viral platform. But generally, some major projects, we always know it, because some of the projects we have already identified that , what's that is AMG, our products are going, BMW, best cars are going, but I know it not only, but informally that even some very, very small volumes are going into Aston Martin also, so some small volumes are going into Amar, some very small volume to Amar also, so likewise, because that is switching their product to many, many customers, but if any major customers are there, we also get to know, but in an informal way, not in a not by a formal, but that is generally not disclosing the one who is the end user of these customers, because they also have their own confidentiality and all that stuff.
Mr. Bhargav Buddhadev	Well, because from where I was coming from is that obviously ZF might be having a centralized procurement department. So they would want to optimize their business efficiencies as well. So would ZF know that meeting our relationship managers applying to say Mercedes AMG. Would you know that other RACL products are going into say BMW X5 and they're doing well, so I should include them to Mercedes AMG as well.
Mr. Gursharan Singh	No, no, I'll answer you now. I understood from where you're speaking. You know what happens? They all the big customers, they are having a very big portals for the RFQs. Now, there is a say product gears. No, and if there is and we are a registered supplier for the entire that have proof on that portal. Now, if there is any RFQ required for say, past our component or a track component, so that RFQ will come onto this portal, and if that attracts us, we'll download that RFQ will offer, so it's not. You know, there is no human interface. Any buyer across the globe within ZF group, if he needs any component, he will simply upload his requirement onto his supplier portal. And immediately, as a supplier, we get a notification, or there is a new RFQ onto the portal, so we have our own Marketing department, so they every Monday I think there is some day six, they will see or if there is an RFQ, so then they will download and if it really suits us, we send that, we then commit them, OK, we will, then we are required to tell them, yes, we are participating into this. If we are not participating, then it will be struck off for our name. But once we have written here as we are participating, then the proper buyer will start interacting with our sales department and will start working. So this is how system works. So there is no human intervention and nobody is really required to approach anybody.

Mr. Bhargav Buddhadev	Sir, obviously you mentioned that RACL is known for taking the risk because even if the model is currently under development, we obviously make upfront investment. So in the event that model does not succeed, then is there any way the customer takes care of us, meaning they know that RACL has invested and obviously the balance sheet of RACL is much smaller than the customer. So do they take care of us and even we are a very reputed partner for them.
Mr. Gursharan Singh	I will give you a very, very short answer because the short answer is yes. You know, all these customers leave aside the money, they spend lots and lots of efforts in developing a supply. And if they know that because of their failure, because of their model failure, if supplier has suffered a lot. So it is not necessary that they will give you, they will sign a check and they'll say, okay, oh, you are lost because of us. So please take this check and be happy. No, they, but there is a system, they understand, yes. This customer has support, they will find ways how to support that supplier. Many times they will give you cash compensation. Many times they will give you alternative business. Many times they will say, okay, in the existing business, maybe we can give you some cost increases so that you recover these losses over a period of time. This is a picture. It depends upon a case to case basis. It depends upon customer to customer and supplier to supplier basis. And that all is very majority dependent upon how strong your relationship is with the customer. What was your quality performance? If you are an A-rated supplier, they will always support you. If you are a C rated supplier, they will say, hell with you, who bothers for C rated suppliers? So here writes that customer rating also. This is a very, very long way, but in nutshell, it's good. Customer always takes care. No supplier is put through loss because of them. And this is not even the global supplier, by and by domestic suppliers also take it.
Mr. Bhargav Buddhadev	And lastly, sir, we were sort of speaking to a few bearing companies who are into exports and they were telling us that the kind of other tools that they are receiving primarily from Europe is fairly unprecedented. They haven't seen such speed of RF tools coming in. So obviously we would be also experiencing or something similar. So will we go sort of on a conservative path and take our own time or if the opportunity comes, we can also points upon it and maybe become aggressive and take up that opportunity because this window may not open up by every year.
Mr. Gursharan Singh	If your feedback is correct, yes, there is a spot in RFQs, but you know many times they are not the only RFQs, they are only the RFIs also. You know, geopolitically things are just very volatile, so supply chains are being rewritten, supply logistic routes are being rewritten. So, there is a certain spot we are also witnessing this, but how far it goes into the serious business, and only time will come. Yes, this is a positive sign, and you know we should not be making this statement, but we can still see that, yes, people are looking India with full seriousness. And this way, generally says, that one policy, so eventually many realignments of businesses are happening, and we are also witnessing the same what you have said.
Mr. Bhargav Buddhadev	Sure, and so the this the bearing company whom we were referring to is a supplier to you, and they said very great things about you, so many congratulations and all the best.
Mr. Gursharan Singh	Thank you, dear. Thank you. Thank you.
Mr. Jitender Jain	Sir, one last question on the last question is there on the chat. So it's what is the CAPEX for next three years?

Mr. Neha Bahal	Mr. Adi you may ask you question.
Mr. Adi	Yeah, I'll keep it short. Sir, what is the capex for next three years?
Mr. Gursharan Singh	You know, this year, Capex, we have told you, next year Capex, give us little time, so I think normally we get Capex in January. But, you know, let us stick to the policy of announcing yearly Capex, and you know, as I told you, what Capex we are doing today, it is for the next year. What we will be doing next year, it will be 2028 or 2029. Now, beyond 2029 and 30 year even, we have to also wait and watch. But wait for a couple of months, at least for next year, Capex will come back. But definitely, we'll always maintain that gear breaking is a capital intensive business. So if we are to grow, we are to keep investing. So definitely it is a regular feature.
Mr. Adi	Okay, another question I had is basically in the last 10 years we have grown our revenues quite from a small player to now a decent size, 5X. How do you see in the next five years and also are we also open for acquisition to accelerate our growth, so what are your thoughts on these two?
Mr. Gursharan Singh	Just 2 minutes back, somebody was asking a question. So we already said that yes. We have already started looking and finding out some new avenues of alternate businesses, additional businesses like civil aviation, like something on the actuator or something on the robotics or some industrial components or defence, that is such opportunities will come. So then definitely it will be a need to stay. So and coming on the revenue figures, we always say that we always have a very, very ambitious growth plan to grow, 15 to 20% per year, so you can, and our issue is 15% of 100 crore is 15 crore and 15% of 500 crore is 75 crores, so you can understand that the next three to four years we have to again targeting retargeting that the double what we are doing today definitely. So we'll be growing at a much faster pace. You know, eventually always it happens. Initial scale-up of business is always very, very painful, very, very slow. But once we have made it a stable business, then you can scale it up at a much faster pace. But again, I will say our business model is always will work with a part of caution, will always work with a sustainable growth because we do not want to feed into the rat race of throwing the numbers without ensuring that whatever we do, we do it in a sustainable way. And that is our core focus. But yes, what you are saying, our targets are also the same. So at a pretty good rate.
Mr. Adi	OK, sir. Thank you.
Ms. Neha Bahal	Thank you. Thank you.
Mr. Gursharan Singh	Thank you. Thank you.
Ms. Neha Bahal	We would like to inform all our investors that the annual plant visit for the investors will be scheduled in first week of December 2026. The official announcement will be disseminated accordingly in the due course of time. Registrations will be on first come, first serve basis. Since these slots are limited and gets filled up quickly, we request you to register yourselves accordingly if interested. On behalf of the management of RACL Geartech Limited, I would like to extend our sincere gratitude to all the participants for joining us today and for your continued interest and support towards the company. We greatly appreciate your valuable questions, constructive feedback, and continued engagement. We would also like to thank our management

	team for sharing their insights and addressing the queries raised during the session. Should you have any further questions or require any additional information, please feel free to reach out to our Investor Relations team, who will be pleased to assist you. Thank you once again for your participation and valuable time. We look forward to your continued support and association with RACL Geartech Limited. Wishing you all a pleasant day ahead.

Notes:

1. This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings

2. Figures have been rounded off for convenience and ease of reference.

JITENDER JAIN

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