AIA Engineering Limited

November 6, 2026

To,
The Manager (Listing),
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Script Code: 532683

To,
The Manager (Listing),
National Stock Exchange of India Limited
"Exchange Plaza", C-1, Block – G,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051
Script Code: AIAENG

Dear Sir/Madam,

Sub: Transcript of the Investors' Conference Call held on November 3, 2026

Pursuant to Regulations 30 and 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of Conference Call held between the Company and Investors on Tuesday, November 3, 2026 to discuss the Unaudited Financial Results and performance of the Company for the Quarter/Half Year ended 30th September, 2026.

The aforesaid transcript has also been hosted on the website of the Company, www.aiaengineering.com in accordance with the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on record.

Thanking you.

Yours faithfully,
For AIA Engineering Limited

Satyanarayan Chhogalal Jetheliya
Digitally signed by Satyanarayan Chhogalal Jetheliya
Date: 2026.11.06 09:30:17 +05'30'

AIA ENGINEERING LIMITED AHMEDABAD 382415

S. N. Jetheliya
Company Secretary

Encl.: As above

“AIA Engineering Limited
Q2 and H1 FY27 Earnings Conference Call”
November 03, 2026

MANAGEMENT: MR. KUNAL SHAH – EXECUTIVE DIRECTOR (CORPORATE AFFAIRS) – AIA ENGINEERING LIMITED
MR. SANJAY S. MAJMUDAR – NON-EXECUTIVE AND NON INDEPENDENT DIRECTOR – AIA ENGINEERING LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to AIA Engineering Limited Q2 and H1 FY27 Earnings Conference Call. 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 touch-tone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Sanjay Majmudar and Mr. Kunal Shah. Thank you, and over to you, sir.

Sanjay Majmudar: Good evening, ladies and gentlemen, and welcome to this Q2 and H1 FY27 conference call. At the outset, let me apologize. We have delayed this call by about an hour since Kunal was traveling, his flight got delayed. He is just landed. And he also will be joining the call. I believe in next couple of minutes. But since it is already late, I will do the preliminary -- some presentation on the numbers.

And then by that time, Kunal should join, and then we will take a Q&A. So I'm assuming that most of you would have a chance to look at the numbers. We did about 61,500 metric tons sales in Q2 on a production of about 63,600 metric tons. That translates into sales of about 126,000 metric tons in the first half of the current fiscal, slightly above 124,000, 125,000 tons that we did in the corresponding H1 on a Y-o-Y basis last year.

So practically flat. The top line for Q2 was INR1,093 crores -- then there was other operating income of about INR19.5 crores. Similarly, that resulted into a top line of INR2,246 crores in the first half and about INR34 crores of other operating income. As you all know, our other operating income mainly comprises of export benefits. That is a pure operating part of the income.

If you look at the other non-operating income, you will see that in Q2 it was lower at about INR71.7 crores as compared to INR98 crores of Q2 on a Y-o-Y basis. And therefore, in the first half, the other non-operating income stood at about INR182 crores as against INR207 crores that we did again in the first half on Y-o-Y basis. You would have seen that we did an EBITDA of about INR361 crores in the Q2 of the current fiscal.

And INR786 crores again in H1 of the current fiscal. That resulted into a PAT of about INR249 crores in Q2 and INR550-odd crores PAT in Q2 of -- in the first half of the current fiscal. This correspondingly on a Y-o-Y basis, you will see there is a slight decline both in the EBITDA as well as in the PAT number on Q2 as well as on a Y-o-Y basis.

Primarily, if I look at the key reasons for the bit of decline in the margins in this quarter, on a total reported EBITDA basis, you will see there's almost a 5% decline. However, on the operating EBITDA basis, it's about 2.5% to 3%. The primary reason for this decline on an operating EBITDA level basis is a steep increase in the cost of export freight, which has grown by over 3.5% in Q2 and H1 of this year on a Y-o-Y basis.

As you all know, freight costs have gone astronomically high in the current quarter. Though now on the positive side there seems to be some reduction that has started to become visible, but this was a major dampener.

That also is the reason why if you -- most of you will see that the realization per ton or per kilo on per kg basis has increased about INR178, largely attributable to the increase in the freight, which has been passed on. Having said that, the gross margins remain more or less comparable overall, from a directional standpoint, I believe Kunal has joined. So Kunal, you want to brief something on the directional standpoint? Okay. Sorry, I'll continue.

I think his line again has got disconnected. Just quickly, the other operating income reduction is mainly due to reduction in the forex income. Again, if you see my net working capital cycle in this Q2 as well as H1 remained more or less at about 129 days. That includes about 41 days of raw material stock, 79 days of WIP and finished and then about 87 days of receivables.

Again, just from the point of view of reporting our segmental sales, mining sales stood at about 39,700 tons in this Q2, resulting in about 79,000 tons in the first half, more or less showing some increase on a Y-o-Y basis on an H1 to H1 basis and also a little bit increase on a Q2 to Q2 basis in the current fiscal.

That on the order book, just on the capex, we've incurred a total capex of INR86 crores in the first half. We believe that we should be incurring additional about INR250 crores in H2, largely due to the corporate house land that we will be completing the transaction and also some normal maintenance and incremental capex of about INR50-odd crores to INR75 crores. With this, what -- if Kunal is connected, Kunal, do you want to do some briefing on the current scenario and the prospects?

Kunal Shah: Good evening to everyone, please pardon the background noise. I've been in some private issues. The important part I think Sanjay and I would like to share for this quarter is we have moved on to planning for next 2 years for fiscal year '28 and '29 and getting back to a growth of at least 25,000, 30,000 tons each year and then potential upside is all the various things that we have discussed come to fruition.

We are not guiding this as a volume target, but this is what internally that we are working on and looks to be within the realm of possibility. I think that's the possibility I would like to share. Secondly, on the numbers, there were some freight-related anomalies in this quarter. But overall, the quarter's figures will normalize with the rest of the year I think these are the only 2 updates, Sanjay bhai.

Rest of them are all -- I think this is just a quarter as usual, of course subject to a little bit of a profit adjustment on account of freight. Otherwise, everything at par trials continue. Our excitement for what we bring, we believe that mining industry, especially copper in South America and gold continues, and we remain excited about that. Sanjay bhai, you can take up, yes.

Sanjay Majmudar: Yes, yes. Just to add, so on a strategic direction standpoint, while the volumes are definitely flat, as you can all see, what we can very convincingly say that our entire new strategy remains intact. That is to say, go on a value-added focus with liners and NGDS as a package, doing trials. Yes, trials which are undergoing right now at the various mining sites, including the large mines have been elongated a little bit. They are still on, and we are very bullish internally that, that should start yielding good results.

However, it is difficult to exactly give any time commitment. And the strategy is that once the NGDS plus liner-based success in terms of volumes start flowing in which we believe should start becoming visible in the second half of the current fiscal, the grinding media volume should also follow.

And that is the basis on which as a package, we are addressing the markets rather than going the other way around. So everything remains intact. We believe the second half should bring some possible upside, but it's a bit early for us to give any indication or any clear guidance. And therefore, overall, we are absolutely on track in terms of whatever directionally we have been doing. So with this, I think moderator, you can open the house for Q&A.

Moderator: Thank you very much sir. We will now begin the question and answer session. First question is from the line of Varun Jain from Dolat Capital.

Varun Jain: So a couple of questions starting with sir, your Q1 -- Q2 volume growth. So on the mining front, year-on-year, I see a change of 1,340 metric tons. Now Chile order itself was supposed to be 3,000 to 4,000 metric tons per quarter. So had it not been for the Chile order, the rest of the mining business has been declining. Is that correct?

Kunal Shah: That is -- I don't think declining, but the duty impact. So over the last 12 months, we lost some more volume. One of the countries was Mexico, where the Trump administration put in transit duties on certain countries. And Mexico put in -- there's no production. There's no local producer in Mexico.

There's a bizarre geopolitics happening. So there was some volume that got affected on account of that. I think there's a 50% duty on imports from most countries into Mexico, including from India. And so there was some volume that got affected with that. So your point is correct.

It's not -- I think -- I don't think we're still losing volume in that sense. We don't expect any further duty-related reduction anymore. I think this is -- we are at the absolute bottom, if I were to call that. And which is where for the next 2 years, we are getting back to now thinking about volume and growth and factoring all of these current situation.

Of course, freight is another variable that continues to give us some concern. But other than freight, things look a little more on track. And based on that, I think the 25,000, 30,000 volume looks possible.

Sanjay Majmudar: But Kunal, I mean, just Varun, specifically, your assumption that this quarter also that mining order has gone and dispatches have been made at that run rate is slightly not correct because in this particular quarter for almost 2 months, that mine had stopped production. And therefore, our dispatches were also very low to this particular mine, which has again started at the normal traction from the current quarter. So partly what Kunal says is true and partly this is the factor that you should take into consideration.

Varun Jain: Sure, sir. But sir, like I think a couple of quarters back, 2, 3 quarters back, I thought that we had already bottomed out when it came to the tariff action thing and now things will go upwards. So now the Mexico, what is the overall annual volume because if the tariffs have been applied, then the entire volume comes at risk, right, like to what happened in...

Kunal Shah: It was a material volume. Like Sanjay bhai explained, there was some amount of tonnage that we let. It's not a large mining country in that sense. So what I'm trying to tell you is that this year looks to be continuing to be flat, right? Various reasons here and there, we continuously explained. We get back to 25,000, 30,000 tons from next year onwards. That's the current plan.

Varun Jain: And sir, this 25,000, 30,000 tons, which you are saying, this is regardless of whether any trial -- outcome of any of the conversion trials happens or not, like even if there is no outcome and the trials keep running, you are still confident that 25,000, 30,000 will be possible next year?

Kunal Shah: I think what we are saying is trials are important, right? That's the larger strategy where we believe that we have a solution that I think nobody else has, right? But there is a large grinding media opportunity across the world. And I think the whole solution bit flows alongside. So there has been some refocus in terms of given the conditions we are in, how do we look to getting back to growth.

And that gives us the confidence. Like I said, we are not giving this as a guidance yet. But this is what it looks like that -- listen, we've been saying growth for last 2 years with NGDS and trials and other things. This has not come back, right? So we will be happy to announce growth as it happens.

What we are trying to share is the mindset today internally where we are saying that with everything that we know, it looks like that we should get back to growth phase from next year onwards. We will share -- this is in absence of any guidelines on how to think about it.

This is where we are coming from that -- but this is -- we will share a little firmer guidance when we get that confidence. Otherwise, our commentary continues that it will be wait and watch, and we'll be happy to announce the upside that you are all looking forward to.

Varun Jain: Sure, sir. And my other piece of the question was on the non-mining volumes. So non-mining volumes fell 12% year-on-year, 14% quarter-on-quarter. So what was this attributable to? It was domestic cement or is it export or it was thermal power?

Kunal Shah: Timing...

Sanjay Majmudar: I need even specific...

Kunal Shah: No, no. No structural, nothing structural, Varun, underneath that. I think it is just timing between a quarter and the rest.

Sanjay Majmudar: So the sigma in non-mining continues to be good. No problem at all.

Varun Jain: So sir, do you think this non-mining will grow this year overall volumes?

Kunal Shah: The thing with non-mining is that it is not predictable, right? And it may not be scalable beyond the point. So while there may be some growth that may come from that, but it's not going to be needle-moving. And so I mean, we'll be beneficiaries of any upside movement over there, but we don't believe any would be needle-moving. So we'll have to keep our sights on mining growth and...

Varun Jain: No, I understand that, sir. I understand that. I understand cement is not a growth business for us. But like this quarter's weakness was -- did some cement company take a monsoon-related shutdown? Or was it from thermal.

Like just understanding that what happened in this quarter?

Kunal Shah: No, none of that. I mean, you will have to look at the annual basis, Varun.

Sanjay Majmudar: Varun, I would strongly suggest. Yes, yes, you please look at it as an annual, and we don't see any weakness at all.

Moderator: Next question is from the line of Ankur Periwal from Axis Capital.

Ankur Periwal: Just focusing on the volume part itself. So you mentioned 25,000 to 30,000 tons of incremental volumes there. Is this largely on the core business that you are seeing the growth coming back and excluding the benefits from the NGDS here? Or does it include some bit of NGDS as well in terms of volume ramp up?

Sanjay Majmudar: We will share a little more color once we have more confidence in that number. Hopefully, the next quarter or the quarter after that. I think for now, let's stick to a broad directional commentary on 25,000, 30,000 tons.

Ankur Periwal: Okay. Sure. Because even if I look at 25,000, 30,000, we are largely talking of, let's say, 10% to 15% sort of a volume growth. So NGDS, as and when it comes, should that be a top up or probably we get more clarity over the coming quarters?

Kunal Shah: NGDS is game-changing structural shift, right? And those volumes are very exciting. But to put a time line on it, I don't think it's doing justice to the whole effort as it is. So it could be a top-up. We can assume that as a top-up.

Ankur Periwal: Sure. The second bit on the Mexico issue that you highlighted, will it continue to hamper our volumes? Or it's already there in the numbers and Q-on-Q things should be improving from here on even from a near-term basis?

Kunal Shah: It's already in that number. We actually feel that this is the absolute bottom for us.

Ankur Periwal: Okay. Sure. And just one bit on the freight cost, while there is an increase in our overheads, primarily led by freight, the realizations on a Q-on-Q basis are largely flat, even if I look at on a per kg or per ton basis. So what explains then the further decline in terms of absolute EBITDA on a Q-on-Q front?

Kunal Shah: Because the freight cost has gone up. And that freight, this is temporary side effect, all that you are seeing geopolitically. We are not in a position to pass through on a spot basis, right? So we are hoping that this normalizes either with the pass-through it has sustained or hoping it normalizes soon.

Sanjay Majmudar: I'll add one thing, Kunal. It's also a function of product mix. So if you see in Q1, there was a higher element of other castings. In Q2, it is slightly lower. So it has a compensatory effect that your freight increased so your product mix has gone a little down.

So I think, again, quarter-over-quarter comparison or a trend is really not honestly required. What is important is a major impact of the increasing realization is due to the freight pass-through. Again, as Kunal explained, part of it is pass-through this quarter, part of it will go to the next quarter.

Ankur Periwal: Sure, Sanjay bhai. That's helpful. And just lastly on the capex bit and any updates on the capacity expansion for Ghana and China, if any more...

Kunal Shah: So today, we had a very good discussion on this. So right now, for one more quarter we are still maintaining the position of putting this Ghana, China right now on hold, though very honestly, we are going to reconsider this very soon. However, right now, as I said, the focus is continued on the trials and all strengths on that. We will be definitely looking at reactivating our geographical expansion at some point in time, hopefully by end of next quarter.

Moderator: Next question is from the line of Umesh Raut from Nomura.

Umesh Raut: My first question is pertaining to freight cost. If I look at probably second quarter, our freight cost is about closer to 10% of sales.

Sanjay Majmudar: That's right.

Umesh Raut: I think it is significant. So do you think this freight cost is also kind of in a way, temporarily dampening our competitive positioning in various markets, especially outside India?

Kunal Shah: I think Sanjay bhai will take this.

Sanjay Majmudar: Yes.

Kunal Shah: What happened is -- yes, go ahead, Sanjay bhai.

Sanjay Majmudar: See, this 10%, I would say, is a little abnormal. In a normal scenario, it should not be more than 7%, 8%. This particular quarter, due to some composition of freight, part of it being air freight as well is a little bit on the higher side, coupled with high sea freight. So I think on a long-term basis, you can take 7%, 8%. We expect this to come down to that 7%, 8% range in this quarter. Again see...

Kunal Shah: Sanjay bhai, just adding on, cost is one aspect of freight. But there is an uncertain global environment around shipping and logistics and the long delivery lead times. This is true for any producer which is producing at one end and there is some time line from the use of the product. And that uncertainty does -- so when we have spoken about last 2 years, the uncertainty in the shipping environment, right, between Red Sea, the Hormuz, a lot of other things have come along where we thought shipping being a commodity item will normalize and it hasn't normalized. Now there are pundits that tell us that Iran war will get settled in the next few months.

It may not, right? And it is not a cost factor. It is the uncertainty linked to depending on a shipping-linked supply chain, I think, is the question. And when we speak to customers in South America, for example, some have expressed that they would like for this environment to settle down. So that is one of the challenges that when we speak and we go for conversion does come up, we have a solution there where we are saying we'll put more cargo on containers.

So rather than just having, let's say, 2 months of stock on the ground, we'll make sure that there's another 3 months on the sea and ensure that even if things get delayed or interrupted, their ops will not suffer. So while we have mitigation measures, this is something that we are hoping gets resolved sooner than later. So more than it being a cost issue, it is also a larger geopolitical uncertainty and risk that comes from that question.

Umesh Raut: Understood. So hypothetically, if suppose tomorrow situation becomes better, it is also relatively better for us in terms of inherent demand from various geographies, right? I mean, it will also help in terms of -- yes?

Kunal Shah: I think rather than it being a clear upside signal, it will stop being an additional friction point. The conversion that we speak about is not a straightforward commodity replacement, right? There is a solution, there is an outcome, there is measurement, there is trials, there is solution engineering that is done for the client. There's commercial aspects, the currency, thing happens to be one more element that gets -- comes into the conversation. And today, it just become an additional friction point.

So if things normalize, for sure, that's one important friction point hopefully goes away.

Umesh Raut: Understood. My second question is pertaining to order backlog data point that we disclosed in presentation. So if I look at broadly, say, from FY21 to FY25 or '26, largely our order backlog number was hovering in between INR5 billion to INR7 billion. And suddenly now it is in the range of about INR10.7 billion.

And if I look at probably production number, it has remained in and around about 60,000 tons on a quarterly way. So does it also indicate more of, again, logistical challenges in terms of dispatching inventories or finished goods from India to outside various markets?

Kunal Shah: Not really. Open orders are things that has not been fulfilled yet. I don't think there is -- it is just the nature of open orders at this point in time.

Sanjay Majmudar: And just to add, Kunal, as you know, we have recently got some good orders, some large -- reasonably large orders which have come in the last month of this quarter. And therefore, the order book has really actually gone up a little bit. But I want to clarify 2 things. All our contracts are long-term. The order book reflects the purchase orders that we receive under these long-term contracts.

And that is an ongoing exercise. But yes, it is -- there is no bunching because of the delay in dispatches, but rather there is some inflow which has come in the last month of the current -- of Q2.

Moderator: Next question is from the line of Bajrang from Sunidhi Securities.

Bajrang: Sir, just the question pertains to -- predominantly to the U.S. market. Now the midterm elections are already there in U.S. and there is a possibility that the situation is not in favor of Trump. So I'm just trying to understand from that perspective that it might be a repetitive question, but just for the understanding purpose, if the global situation little normalizes, we have already seen the rupee has depreciated against Chinese currency almost 20-odd percent in last 1 year.

So there are multiple industry sources which are talking about significant export opportunities are being seen for the Indian manufacturers. So in that parlance, and obviously a little more calm on the global side once Trump loses the midterm elections. So both situation normalizes, how do you see this export opportunity for the company from the lens of these 2 situations? So just your broader sense on that will be really valuable, sir.

Sanjay Majmudar: Okay. So Kunal, should I take this?

Kunal Shah: Yes. But I think Bajrang bhai, we are a little agnostic to what happens in the U.S. Global factors are important for us. Shipping is one large element. I think otherwise, the end users that we cater to, which is copper, gold, iron, they're all basic commodities, they generally look to be doing okay.

So it's not that our end industry will materially change with any of these aspects. Our ability to go service and deal with them, geopolitical factors and freight is one large element over there. And any semblance geopolitically will help us in that aspect. Otherwise, like you are saying, India is a great place to make and ship to the world. We've been a big beneficiary of that from 2005 onwards, 2004 onwards is one trend.

These last 5 years where all of these global right from COVID to protectionism measures, trade, non-trade, shipping, a lot of that uncertainty expected in the world going back to business as usual is going to be -- is something that we look forward to sooner than later. But no specific signal saying if this happens then that here is a cause and effect.

Sanjay Majmudar: Yes. And just to add to what Kunal said, very important, our major focus right now is on the LatAm and a few other geographies, which are not necessarily, frankly, not U.S. Secondly, the duty structure currently is under Section 232 plus the antidumping part. So immediate relief, if Trump goes away we don't know, very honestly. But as Kunal said, if the Hormuz opens and Red Sea crisis goes away, lot of things can happen.

The global geopolitical environment will stabilize. There will be a 100% positive impact in terms of the overall cost scenarios, etcetera. But it's honestly a wishful thinking. Let us wait and watch. Honestly, let's see what happens.

Bajrang: Yes. So I was just trying to understand this is one part, that once the shipping situation normalizes. The second aspect was that the rupee depreciation vis-a-vis Chinese currency. So we have become a little more competitive. We'll talk about last quarter.

Sanjay Majmudar: So we don't...

Kunal Shah: Are we seeing more export opportunities with this becoming a little more sensible...

Sanjay Majmudar: Yes, Kunal, go ahead.

Kunal Shah: We are getting more competitive. So we don't really compete with China in that sense. Otherwise, we wouldn't be having this conversation. I think for us, the more important part is we sell in cross currencies.

While we are transacting currencies in dollars, we do it's the Brazilian real or Australian dollar, right? So they are really neutral to that question. Chinese -- Indian rupee weakening vis-a-vis China is not -- we don't compete with the Chinese. So it's not relatively less of a signal for us.

Moderator: Next question is from the line of Varun Jain from Dolat Capital.

Varun Jain: Yes, sir. So a couple of follow-ups on my earlier question. So just can you tell us the specifics of this Mexico tariff? Meaning is it a tariff? Is it some other kind of trade action? And what was the tariff earlier? What is it now?

Kunal Shah: Listen, Mexico is not a material country for us in terms of the future opportunity or existing volumes. But there was some gentleman asked us why is the South American volume not reflecting. And small part came from there. It's an action Mexico took against all importing countries on behalf of U.S., is not against India.

Varun Jain: Sure. But like I just wanted to understand that what was the trade action? Is it a tariff? And what is the percentage like that?

Kunal Shah: I think Mexico has applied a 50% duty tariff to a large number of countries as part of their NAFTA obligation. It's not against India as a country or us as a company. This is part of the U.S. like they are doing things with Canada, you may be watching, Mexico has been much more compliant. You don't see that in news, but U.S. has influenced supply chain going through Mexico and bypassing U.S. tariffs.

Sanjay Majmudar: And I think the peak volume was not more than 8,000 or 10,000 tons per year. Peak volume.

Kunal Shah: Yes, under 7,000, 8,000 tons max.

Sanjay Majmudar: Yes, yes, exactly. And in this quarter, even though volumes have been lower, the export benefit has been very high, highest ever probably. So why is that?

Kunal Shah: Export benefit reflects what India has sold, exported, but that may not have converted into billing, right? So the supply chains are longer. So there is a timing difference in that. So sometimes it's lower than our revenue, sometimes it's higher.

Sanjay Majmudar: And it is linked to dispatches, Kunal. So whatever we...

Kunal Shah: That's what I'm saying, the export from India to our subsidiary, that's what this number reflects, not necessarily billing to the end customers.

Sanjay Majmudar: Correct.

Varun Jain: Okay, sir. Okay. And the 2 trials which were running, Peru and Ghana, for this NGDS. So any outlook on when the outcome can come? Will the outcome come in this next quarter or this quarter in this financial year? Any outlook on when the outcome can come?

Kunal Shah: At one mine the trials have been delayed and the other has gone in for a reiteration, they went for a redesign. So we will update when we have a little better guidance to give on it.

Varun Jain: So sorry, I didn't understand, it has gone for a reiteration. What does that mean?

Kunal Shah: Engineers involves liners, involves sometimes grinding media. They work as a solution. So when we implement it, there are design changes that we do, there is work that we do. It's not a one-shot sample or a one shot trial. It's in that process. One is delayed, one is I will not update in next quarter basically.

Varun Jain: Okay. And the one customer which we converted, which was the Chilean copper customer, they had given us trials for their other mines. So any outcome of any of those trials for that same customer for which we have converted one mine?

Kunal Shah: So they are happy with what they bought in grinding media. We are hopeful that it will migrate into more work in the future. But just to exceed expectations there. We are on track for that as well.

Varun Jain: I mean, Kunal bhai, if you can give some more specific guidance, it would be good. Take a very high-level comment.

Kunal Shah: I think we'll stick to that for the time being, Varun bhai.

Varun Jain: Next question is from the line of Madhu Agarwal from Agarwal Family Office.

Madhu Agarwal: Just a quick one. Compared to the last financial year, we see approximately a 20% uptick in the other expenses. Could you throw some color as to what that comprises?

Sanjay Majmudar: Yes, Madhu, as you said, primarily that other expenses major needle mover is freight, export freight, which is almost -- it has gone up significantly. It's almost 10% of sales in Q2. Rest all is normal. Rest all is normal.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for the closing comments.

Sanjay Majmudar: Kunal? I think...

Moderator: Kunal sir's line got dropped.

Sanjay Majmudar: Okay. So thank you very much, dear participants. We know we are facing a little bit of a challenging situation, but we are internally very confident that we should go back on track of, again, meeting your expectations. We are very open between me and Kunal to answer any further questions. And we all wish you a good evening and also a happy Diwali, and we will connect again. Thank you very much.

Moderator: Thank you very much, sir. On behalf of AIA Engineering Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.