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11th November 2026

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex, Bandra(E),
Mumbai 400 051
NSE Symbol: TIINDIA

BSE Limited
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: 540762

Dear Sir/Madam,

Sub: Transcript of the conference group call with Analysts and Investors held on 6th November 2026

Further to our letter dated 26th October 2026, we wish to inform that the transcript of the said conference group call held on 6th November 2026 is enclosed and the same has also been uploaded on our website pursuant to Regulations 30 & 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, under the link given below.

https://tiindia.com/financial-information/

Please take the above information on your record.

Thanking you,

Yours faithfully,
For TUBE INVESTMENTS OF INDIA LIMITED

S Krithika
Digitally signed by S Krithika
Date: 2026.11.11 11:08:07 +05'30'

S KRITHIKA
COMPANY SECRETARY

Encl.

“Tube Investments of India Limited
Q2 FY2027 Earnings Call”

November 6, 2026

Management: Mr. M.A.M. Arunachalam – Executive Chairman - Tube Investments of India Limited
Mr. Mukesh Ahuja – Managing Director - Tube Investments of India Limited
Mr. AN. Meyyappan – Chief Financial Officer - Tube Investments of India Limited
Mr. Jalaj Gupta – Managing Director – TICMPL
Mr. Govindarajan Narayanan — CEO & Whole-time Director, 3xper Innoventure Limited
And the Management team

Moderator: Ladies and gentlemen. Good day, and welcome to the Tube Investments Q2 FY2027 Earnings Call, hosted by IIFL Capital Services Limited. All participants are currently in the listen only mode. There will be an opportunity to ask the questions following the conclusion of the management's opening remark. Please note this conference is being recorded. I now hand over the conference over to Mr. Joseph George from IIFL Capital. Thank you, and over to you, Sir.

Joseph George: Thank you, Akshata. On behalf of IIFL Capital, I welcome you all to the 2Q FY 2027 Earnings Conference Call of Tube Investments of India Limited. From the management team, we have with us Mr. M.A.M. Arunachalam, Executive Chairman, Mr. Mukesh Ahuja, Managing Director, and Mr. AN. Meyyappan, Chief Financial Officer, as well as all the divisional heads. I will now hand over the call to the management for opening remarks, post which we will have Q&A. Thank you.

Mukesh Ahuja: Yes, good morning, everybody. I would like to share the Board of Directors of TI met yesterday and approved the financial results of the quarter ended September 30, 2026. Standalone results for the quarter, revenue for Q2 was at Rs.2710 Crores, against Rs.2119 Crores in the same period previous year. PBT was at Rs.253 Crores against Rs.250 Crores in the same period of previous year. ROIC stood at 44% for the quarter, ended September 30, 2026, which is the same as the previous year same quarter. Free cash flow for the quarter was Rs.167 Crores.

I will give a view about the business wise.

Engineering division, the revenue for the quarter was Rs.1,828 Crores, compared to Rs.1,382 Crores in the corresponding quarter of the previous year. Profit before interest and Tax for the quarter was Rs.171 Crores against Rs.164 Crores in the corresponding quarter of the previous year. Metal formed product revenue for the quarter was Rs.473 Crores, compared with Rs.408 Crores in the corresponding quarter of the previous year. Profit before interest and Tax for the quarter was Rs.49 Crores against Rs.44 Crores in the corresponding quarter of the previous year. Mobility revenue for the quarter was Rs.247 Crores, compared with Rs.194 Crores in the corresponding quarter of the previous year. Profit before interest and Tax for the quarter was Rs.8 Crores against Rs.4 Crores in the corresponding quarter of the previous year. Others, revenue for the quarter was Rs.260 Crores, compared with Rs.227 Crores in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.20 Crores against Rs.18 Crores, in the same period for the previous year. At a consol level, TI's consolidated revenue for the quarter was Rs.7,330 Crores against Rs.5,523 Crores in the corresponding quarter of the previous year. The profit (before share of profit of an associate and joint venture, exceptional items and tax) for the quarter was Rs.643 Crores against Rs.459 Crores in the corresponding quarter of the previous year. CG Power and

Industrial Solutions Limited, a subsidiary in which the company holds 56.27% stake, registered a revenue of Rs.3,802 Crores during the quarter against Rs.2,923 Crores in the same period of the previous year. Profit before Tax for the quarter was Rs.559 Crores against Rs.388 Crores in the same quarter of the previous year. Shanthi Gears Limited, a subsidiary company in the gears business in which company holds 73.16%, registered a revenue of Rs.128 Crores, during the quarter, against Rs.132 Crores in the same quarter previous year. Profit before Tax for the quarter was Rs.20 Crores against Rs.29 Crores in the corresponding quarter of previous year. Thank you, and happy to take questions on this.

Moderator: Thank you, Sir. We will now begin the question and answer session. Anyone who wishes to ask a question may click on the raise hand icon from the participant tab on your screen. We will wait for a moment until the queue assembles. We will wait for a moment. We will take our first question from Gnanasundaram Saminathan from Avendus.

Gnanasundaram S: Good morning team. So, the first one is kind of a bookkeeping, largely on the standalone numbers. Can you clarify in terms of how much of this growth is coming on account of, HRC price pass- through, and how much of it was volume driven?

Mukesh Ahuja: So, at a TI level, approximately, you can consider about 15% there is a volume growth, and rest is coming on account of the raw material price increases.

Gnanasundaram S: Thank you, and just a follow up to that, any specific reason that we are seeing margins in both engineering and metal form divisions being lower than what we had anticipated.

Mukesh Ahuja: So, as all of us are aware, there is a continuous increase in the commodity prices, and in our businesses, whatever contracts we have with customers. It generally, maybe let us say, it comes with retro effect, but it takes about one quarter to two quarters to settle prices with our customers and the OEMs. So that process is on and maybe, let us say, as of now, we are confident we will be able to recover fully, in the next one or two quarters.

Gnanasundaram S: Perfect, that clarifies, thank you. And my second question with regards to the balance sheet is that there has been Rs.412 Crores of incremental investments that has gone into subsidiaries. How much of this was into TICMPL and the other subsidiaries? Can you clarify, please?

AN Meyyappan: Yeah, TICMPL is around, Rs.250 Crores, and, Rs.78 Crores, we have invested in Shanthi Gears. That is a major investment.

Gnanasundaram S: Got it. And just in terms of TICMPL, can the management throw an outlook in terms of where we are because the losses continue to seem to be there, Rs.150 Crores? I know the revenue

numbers are very encouraging, but can you give us some outlook in terms of where should we look at TICMPL from a revenue as well as from an operating profit perspective? Possibly a one or two year down the line perspective, not immediate quarters, would be helpful.

Jalaj Gupta: Okay, good morning, Mr. Gnanasundaram. So, as you also pointed out, last quarter was a very good quarter for us. So, Rs.476 Crores was our top line. In fact, the H1 top line has exceeded the last financial year top line. So that is on the top line part of it. From the future perspective, it will be difficult for me, and may not be appropriate also to share the future projections in terms of the top line, etc., but definitely, our endeavor would be that every quarter should be better than the previous quarter, and that is what the endeavor would be, you know? So that is on the top line part of it. On the profitability part, there are four businesses, and the four businesses will have their own trajectory for profitability. We are definitely targeting at least one business, which is our truck business, to be an EBITDA breakeven in Q4 this year and two businesses, to be, EBITDA break even, maybe in Q4 of next financial year and that is the roadmap. I mean, that is the roadmap, so we are taking business by business, and hopefully by then, at an organization level also, TICMPL will also be to start with the first target is to achieve a EBITDA breakeven, and then thereafter go on to have a PAT profitability.

Gnanasundaram S: Very encouraging commentary, thank you for that and one last one is that, can you just explain the cash position currently at TICMPL, and how much of further infusion would be required from standalone over the next 18 months?

AN Meyyappan: TICMPL currently, they are having a cash of around Rs.350 Crores in hand.

Gnanasundaram S: Okay, so this would suffice for possibly FY2027, though, so going by the current trend rate that we are having, too? So FY2028 the investments is the understanding is right?

AN Meyyappan: See for current financial year, it is sufficient. There is no need for them to raise any funds and next year we have to just wait and see. We will get back to you by Q4 or so.

Gnanasundaram S: Okay, now I just want one clarification in terms of a strategic thought process that you have in terms of TICMPL, is that, would you be open to having further investors come into it, or would it be further investments going on from TI only on TICMPL?

Mukesh Ahuja: We can discuss these things, offline. As of now, let us say TI is fully funded and committed to TICMPL, but any things are there can be discussed offline.

Gnanasundaram S: Perfect Sir. Thank you and all the best.

Moderator: Thank you. We will take our next question from Gopalakrishnan Subramanian from Uthranush Investment. Please go ahead Sir. Mr. Gopalakrishna?

Gopalakrishnan S: So, yes, first of all, thank you for the opportunity, and I wish the team all the best. My first question is I have seen that the operating margin is almost stagnant at 9% to 10%. Are there any plans in, Tube Investments to restructure the business. Like, for example, what, Mahindra did after Anish Shah took over like exiting some businesses like Ssangyong and Mehru, and, making some acquisitions and businesses which cannot, achieve ROE of 18% were removed and all that. So, like that, whether any such restructuring plan is there for Tube Investments? That is, one point and second point is about, moat building. You know, I mean, whether, you are planning to build moat for the company, so that the growth can be more sustainable and profitable. That is all.

Mukesh Ahuja: So, let me take both the questions. Question number one, like, you are already aware, we follow in the company, T1, T2, and T3 strategy. T1 basically is a continuous focus on the core business, and T2 are basically new initiatives, like TICMPL, investment in medical, we are pursuing CDMO, these kind of businesses, which are getting incubated and T3 is a maybe continuous, have a look for if any acquisition possibilities are there, which can help, at a consol level, TI growth. So we are continuously working on that, and we are pretty confident, like, we have given the guidance in the past also. We will be able to, let us say, at a consol level, to do double digit, higher double digit growth, and, on the revenue, as well as, top and bottom line, both. That is on your first question. Coming to the second question, what was that? Can you just come again?

Jalaj Gupta: How do you build a moat around TI for profitability and growth?

Mukesh Ahuja: So, same thing, it remains the same strategy, T1, T2, and T3, what I maybe, let us say, just indicated, and that is a continuous work. We have been doing since last couple of years, and continue to do it for future. And we are looking for newer and newer businesses where we can continuously increase our growth, as well as the bottom.

Gopalakrishnan S: Okay, actually my concern came because from October 2024 till now, the share price has almost has come down by 50%, from 4,600 level to 2,300 level. So, there must be something, the market is expecting and the company is not able to deliver. That is why I thought whether this kind of thing can really prop up the company that too being an ex-employee of the company, I have this emotional attachment towards Tube Investment. That is why I asked this question.

Mukesh Ahuja: So, first of all, thank you very much for your interest and concern for the company, we really appreciate it and but if you see the year-on-year, the company is able to grow even the

profitability in the core business in the double digits and, like you mentioned, building a moat around the company, TICMPL is our one of the very, very big opportunity where we are continuously invested, and we will keep on investing into business and which is going to create a lot of upside coming for the TI and the moment maybe those things happen, share price is a question of maybe a confidence like investors like you will have in the company, when bottom line and revenues are going to grow. So, share price, we feel it is just a question of time.

Gopalakrishnan S: Okay, Sir. Thank you.

Moderator: Thank you, Sir. We will take our next question from Naman Maheshwari of Shanghvi Family Office. Mr. Maheshwari, please go ahead.

Naman Maheshwari: Sir first of all, great things that you are building. I am slightly new to the company, and wanted to gain some more understanding on the mobility business, I mean to say the e-mobility business, which is TICMPL and, wanted to understand, how we are seeing the competitive intensity increasing in this space, and what puts us ahead of the competition, right because we have seen some of the bigger groups also entering into this space, and having a captive use case for these people. So, how do we plan to enter into this with some good bigger orders? That is part one of the question. Part two is more on the new businesses and the medical devices and the CDMO. If you could just highlight that what our strategy would be in and around this, what sort of things are we targeting, and where our focus lies in the investment cycle for these businesses? So, these are my two questions.

Mukesh Ahuja: I will go for second question, and then Mr. Jalaj can address the first question. Regarding TI Medical, as you are aware, maybe let us say around three years back, I guess, we acquired Lotus, which was basically wound care, invested into sutures business. I am happy to share that maybe that company is growing 20% plus now, and when you see in the last quarter also, the growth was 20% and also to grow this business further, we have invested into a plastic medical devices business including IV cannula and canister, where maybe, let us say, this was a very, very small startup, which we acquired it and we are building the company in terms of manpower and the sales team etc., and those efforts are on. We are hopeful by end of current quarter, which is Q3, the team will be in place. Then it is a question of, first bringing the capacity utilization for the current facility, what we enjoyed, and based on the progress, we will be further investing in that facility because the opportunity is very large for that company. So, we remain bullish about our medical business.

Naman Maheshwari: Okay, and if you could just also talk about the CDMO space, which I think also would be?

Mukesh Ahuja: CDMO business.

Naman Maheshwari: Yes.

Mukesh Ahuja: So, CDMO business, like we are aware, maybe we have bifurcated into two parts. One is, basically lab business, which is doing pretty well, and we are able to bring good customer engagement with various customers, and coming to the manufacturing facility, which is getting ready, and now we are going to start the approvals for the regulatory process, which may take about a year from now, and moment will be and until that time, maybe we will start doing commercial supplies, another one quarter down the line and once the regulatory approval comes, then fully can be scaled up. So, down the line, maybe we can say about a year time from now, you will be able to see a good revenue growth coming in that business also.

Naman Maheshwari: Okay, and what would be the focus area in this space? It would be, like, those small molecules?

Mukesh Ahuja: So, as of now, we are working with all set of customers. Maybe we will not be able to give a guidance on which molecules and all those things, information, but we are having a good traction on all customer engagements in the lab business.

Naman Maheshwari: Okay and just on the TICMPL front, if you could?

Jalaj Gupta: Mr. Maheshwari, yes. So, on to your question. So, couple of just pointers as a response to your question. You are absolutely right. The competition intensity is increasing by the day. However, what we feel is that, we entered into this segment at the right time. We entered into all the four segments simultaneously, which I think was a great and a very bold move by the group and that seems to be getting justified because the way the electric penetration is increasing across the segments. Just to give you some numbers and some figures. Three wheelers already, the penetration is upwards of 50% in Q2. In case of the big trucks, H1 I am talking of industry. In H1, the industry was almost 170% of the last full financial year. Likewise, in case of small commercial vehicles, it was almost the same, H1 volumes of the industry were the same as the last full financial year industry volume. It is the tractor business. which the electrification is taking place and will happen over a period of time. So, first is that the vision which the group had to enter into the segment at the right time, well before the segment is starting blooming up. That is first point. The second point is, we have already put a substantial number of vehicles onto the roads across all the four businesses, right? So, including our small commercial vehicle and tractors, which were the newest businesses, which we started operating, we have already put, let us say, for example, more than 1,000 small commercial vehicles onto the road. Likewise, in tractors also, there are more than, about, 300 odd tractors which are on the road. So there is a huge learning curve that we have accumulated in electric business, which is one of the learning that we have got that, doing an

electric business is slightly different from doing a conventional ICE business, because of the dependency on the ecosystem of charging infrastructure, the concept of project management. Two and a half times upfront higher cost of a product deployment as compared to ICE deployment, etc. So, what will differentiate us is, is this learning curve. Our products, which are already out there in the market. Our understanding of the market, which I think we feel is the accumulated wisdom over the last five to six years. Our relationship with the suppliers of continuous engagement, our dealer network, and the fact that we are focused only on electric. So for us, it is not and electric, for us, it is only electric. So I think these are a couple of things and the last, but not the least, we being an indigenous Indian company, and availing the benefits and the subsidies, etc, which Government of India is rolling out to promote the indigenous design and development of the product. So I think these are a couple of things which we feel could build the moat for us going into the future.

Naman Maheshwari: Okay, I will just come back in the queue for follow ups.

Moderator: Thank you. We will take our next question from Rushabh Shah of RBSA Investment Managers. Rushabh Shah, please go ahead.

Rushabh Shah: Sir, thank you for the opportunity. Just coming on the EV business, on the HCV side, I believe, so earlier, I think last three years, we were targeting the fixed loop routes, cement supports, etc., and we have seen good traction there. So, have we identified any new use cases for existing products? That is my first question, Sir, which can help us significantly scale up.

Jalaj Gupta: Okay, can you just ask the second question, so that we can then just respond to both of them together?

Rushabh Shah: The second one is, on the, i think the significant, the market is a long route, so I believe the charging infra is the major bottleneck there, and we are working on some higher density batteries also, which will help the long range area. So what is the update on that? A new product development for HCV?

Jalaj Gupta: Okay, great. So, Mr. Shah, I will take the first question first. So, you are absolutely right, the endeavor is to build out the use cases except for cement. Happy to tell you that metals and steel movement is another use case that we have now entered into. We have seeded some 80 to 90 vehicles into that application. Mining is another area, which last quarter, I am just talking of the Q2. So at a cumulative level, let us say mining, the cement dependence is just about 60%. 40% of our total contribution of the trucks which are on the road is into the applications apart from cement and this cuts across, steel, mining, chemicals, sugar, retail, tyre movement, etc. So the effort is, as you rightly said is to open up new end use cases. That is the first part of your question. The second is on the long haul and the new product

development, yes. We see the trend of the industry moving towards the higher battery capacity, because that is what will unlock the long haul for the e-trucking, and even we are in the process of doing that. Cannot give you the exact timelines, but we are in the process of developing a higher battery truck on our existing products.

Rushabh Shah: And just on clarification, I think we had earlier set a target for the USD 1 billion revenues by 2030. So, are we on track? And secondly, does this revenue target assume some revenue from long or we are assuming that only from the fixed route operation that we currently are in?

Jalaj Gupta: So, the aspiration of that target still remains? We are not giving up on that particular target, and that target is not only for the M&HCV business. That target is at a consolidated TICMPL level, in which all the businesses will contribute, including long haul, including existing businesses, and including all the business will contribute towards reaching of that target.

Rushabh Shah: And just on the breakeven side, I think there has been some delay, I think, over the last two years, due to external or internal factors. So, currently, we have guided for HCV in Q4 and other two businesses next year. So, what gives us the confidence that we will be able to achieve the breakeven points this time around and what initiatives have we done to ensure that we do this?

Jalaj Gupta: So, Mr. Shah, there are multiple factors. So A, the answer is not one standard answer for all the four businesses, because the four businesses and four segments are very, very different, and different level of maturity. So, for example, tractor business is in a very, very nascent stage in the country itself. So there, the strategy will be very different from the strategy we will deploy for let us say, a truck business, or let us say for a small commercial vehicle business. So, it will vary from business to business. Two to three things which are common cutting across all the businesses is, obviously, scale. So, the first endeavor is to, improve on the scale in each of the businesses, scale again at a different level in each of the businesses. That is number one. The second, obviously, for improving the bottom line, the focus would be on working on the BOM cost because whatever said and done today, also the electric commercial vehicle. The upfront cost of the product is one of the biggest hindrances. That is number two. Third, obviously, in terms of the service or after sales support in the field, right which could be our moat, and which is one of the big areas that we are focusing on across all the entire product range and fourth will be finding up new end use cases which are both profitable and also can give us the scale. So these are the three to four things which will cut across all the four businesses. And again, there will be some other initiative, which will be very that business specific, but these are the three to four which come to my mind and maybe the fifth one could be new products as per the requirement of the market, new segments. So these are the four or five things which come to my mind will be our strategy going forward, across all the four businesses.

Rushabh Shah: Okay, just the last question on the EV side. Sir, I believe recently we have tied up for a 15 minute charging in the three wheeler segment, and which could be a game changer for us. So, how are we scaling up nationally? I think currently it is only at select locations. So, how are we positioned on to capture this as soon as possible given it's, it could be, my sense is it could be a game changer.

Jalaj Gupta: Yes, so I am glad you are tracking it so closely. So, we have tied up with Exponent, who is the fast charging provider, and then realized that our scale up across the city is dependent on our partners' presence in the cities. So, at this point of time, our assessment and even Exponent assessment is that it is cities like Delhi, cities like Bengaluru, and maybe in future cities like Bombay, whereby this facility would be needed whereby the driver has a challenge in having a home installation done for a three wheeler charger. So, this will work very well wherever there is a challenge to get a home installation for a three wheeler charger done at home. So, in those cities, our dependence is there on our partner. They have plans to expand beyond the cities. Our first endeavor is that the cities that we are going to launch it which is Bengaluru, and followed by, Delhi NCR and Ahmedabad. These are the three cities in which we have a plan to scale to taste success, scale up volumes, and then expand it to the other parts of the country.

Rushabh Shah: Okay, Sir, thank you and just the last one question on the medical devices. We have been growing consistently a strong double digit, but on the margin side, it seems slightly subpar. So how should one look at it and what is the optimal margin that can be achieved?

AN Meyyappan: Actually, you have to consider, Rs.4 Crores of whatever, this, fair valuation whatever we are doing on a quarterly basis, we are just doing apart from whatever the business is doing, that thing you want to consider. Then, if you consider it, then profitability will be much better.

Rushabh Shah: Okay.

Moderator: Thank you. Our next question is from Vipulkumar Shah of Sumangal Investments. Mr. Shah, please go ahead. Mr. Shah?

Vipulkumar Shah: Yes, so can you share the volume numbers for each of the four products for electrical vehicles? And what were the same for last quarter?

Jalaj Gupta: So I will read out, I will first talk about this quarter, and then the second number would be for the last quarter. So, for the truck business, which it was 311 and 86. For three wheeler business, this was 2,242 and 1,924. For the small commercial vehicle business, it was 483 and 347. And for electric tractors, it was 50, as against 22.

Vipulkumar Shah: So any of these four products, do you feel that, the results are not meeting our expectations, and we should vacate this space or are you confident of the success in all four products?

Jalaj Gupta: So, Sir, if you were to ask my personal opinion, I am not happy with any of the four numbers. In my view, all the four numbers should be higher. So, from that aspiration side, it is "dil mange more," right, but we also have to see it vis-à-vis the competition intensity. The good news is that out of these four businesses, in two businesses, we are already, as a close number one, or a market leader. So we have already notched up 25% to 26% market share in a highly intense, competition. So, in a market, let us say, for a truck business, which is today competed by some 11 to 12 players, we are already sitting at 26% market share, but we are targeting a market leadership, or at least to be in the top three across all the four businesses. Yes, different businesses are at different stages of our success, but our endeavor and we are extremely bullish on all four of them.

Vipulkumar Shah: So, Sir, will it be possible to share market share of each product Pan India?

Jalaj Gupta: So, Sir, as I just said, that, for truck and SCV business, we are about 25% of market share. In the tractor business, again, it will be, tractor business is developing into across all the segments in different ways. So, we have tractor in both the segments of 27 HP as well as, 45 HP. So, just give me a minute. In tractor for H1, again, we are at about 25% market share of vahan registration. In three-wheeler business, we have two products. One is the passenger business and is the cargo business. The passenger one is the one that we need to pull up our act there. We are at about single digit, low single digit numbers and in the cargo, which is the Super Auto, that is where, again, although we are in a low single digit, but we seem to be gaining traction, in case of the cargo business, and the volume increasing to reach about 200 numbers per month. So, this is the market share position across four businesses.

Vipulkumar Shah: Sir, our private equity partner has also contributed proportionately?

Mukesh Ahuja: Come again, your voice is cracking, please.

Vipulkumar Shah: So, our private equity partner in TICMPL has also contributed, proportionately since we have contribute 250...

Mukesh Ahuja: No, this entire infusion has gone from TI only.

Vipulkumar Shah: Sorry Sir.

Mukesh Ahuja: This entire Rs.250 Crores CCPS, what we have put it is, it has gone from TI only.

Vipulkumar Shah: No. my question is the private equity partner in TICMPL, they have put their proportionate share also.

Mukesh Ahuja: Proportionate share for what? Maybe we need to clarify?

Vipulkumar Shah: So proportionate to their share in TICMPL?

AN Meyyappan: I can explain. Earlier, they invested Rs.2,250 Crores of investments in TICMPL and post that they have not invested any money. Only TI has invested after that. Rs.250 Crores whatever we have invested is only from TI. The external investors have not invested any money in TICMPL further after that.

Vipulkumar Shah: So, I have more questions on EV business, is it possible to connect offline?

Mukesh Ahuja: We can connect offline. Sure.

Vipulkumar Shah: Thank you, Sir. Thank you.

Moderator: Thank you. We take our next question from Salil Desai of Marcellus Investment Managers. Mr. Desai, please unmute your connection.

Salil Desai: Thank you. I have a long list of questions, so whoever is moderating, can stop me if the queue is getting longer. The first question, if Jalaj could help, on the truck side, you had bump up in volumes in Q2 now. I assume this is some, one of large orders, or is this some different strategy that you guys have adopted.

Jalaj Gupta: Okay, yeah. So, Salil, you want to go through all the list, and then you want us to answer, or you want to do it one by one?

Salil Desai: I think one by one is better, because I will lose track, sorry about that, please.

Jalaj Gupta: Okay, Salil, the Q2 volume is not because of one particular order. There were multiple deals that, we are into, and it is contributed by multiple orders. To answer, your question it is not due to a specific deal, which has led to this increase in volume.

Salil Desai: Right, so does this mean that you could see similar range of volumes going ahead also?

Jalaj Gupta: Salil, I think, as I answered earlier also, our endeavor is to have a better quarter, every quarter, better than the previous quarter. That is what our endeavor, would be, that going forward for each of the businesses.

Salil Desai: Great. Second, Jalaj, how are you viewing, there is an emerging Chinese competitor in heavy trucks, and they also seem to be doing pretty decent volumes. So any and I think battery capacity, larger battery capacity is something which they are selling their products on, is a differentiator. Any thoughts on that? You mentioned that you also want to come up with a higher density battery, but how much of a risk are you seeing with this emerging Chinese competitor?

Jalaj Gupta: So, it is not a risk, it is a competition, which I think, in a way is good for the end customer, because the way I see it is not more number of players. The way I see it is that if you look at the penetration of the trucks in the overall pie of the diesel truck, it is still in the low single digit, right? The way I see it is that with more and more players coming in, it will increase the pie itself, right? So, that is how we see it and competition, sooner or later, would be there. So, for example, in tractors right now, we just have two or three other players, but it is just a matter of time? Maybe a couple of years now, that down the line, that we will have other competition also. So, competition is there, whether now it is in form of Chinese players or Indian players, etc., that, honestly, we do not have a control on. What we can control is to ensure that we are doing all of our basics right and improving the business.

Salil Desai: Understood. Next Jalaj, is on the profitability in TICMPL. Right now, in trucks, the breakeven part is understood, but at least this quarter for this, if I do revenues minus the segment EBIT, some Rs.622 Crores, right? So that is assuming the costs, that you have incurred in one quarter to earn these revenues? So this number has, you know, almost is 75% higher than what the run rate has been last three to four quarters. So, any particular reason why we have seen Q2 as one big, quarter off in terms of costs?

Jalaj Gupta: So, Salil, as you would be tracking also, this quarter and as also stated by Mr. Mukesh Ahuja, even for TI also, this quarter, we have been all hit by high commodity costs and TI Clean Mobility is no different. We have been hit by very high cell price increase, where we have a complete dependence. To make the matter worse, the adverse rupee in terms of the exchange rate and third is like TI, adverse commodity price increase. So these three things have led to higher BOM cost increase across all the businesses, which is what has impacted the profitability for the four businesses.

Salil Desai: And any mitigation strategies you have in mind? You think the market is ready for you to take price hikes?

Jalaj Gupta: Yes, so it is a trade-off we need to do, on intensity of competition, volume, which we are chasing, and of course, protecting our bottom line. So we are monitoring the situation very, very closely, and we may be taking some better realization in form of price correction, or improving our realization deal by deal in some of the businesses. We are looking at some

price increase. That is number one. Number two, and the second thing is, we have further intensified our efforts towards the BOM cost reduction across all the businesses. So these are the two things, and third thing, of course, is a slightly long term, arrangement with our suppliers when it comes to the supply part of it and entering those kind of contracts, but these are very few in numbers, so these are the two to three things we are working on.

Salil Desai: Great, thanks. Mukesh, next question is for you. You mentioned that volume growth is approximately about 15% in TI, in the standalone business. Now, the MFP has seen about a 16% revenue growth, so does that mean that the price increase there is only about 6%? Whereas in case of engineering, there is 32% revenue growth, so the price and volume increase are both almost equal. So you can just break this down into the two segments?

Mukesh Ahuja: So, as of now, it will be difficult to break the segment wise because price increase in the midway path for engineering, as well as MFPD, as well as, our IC businesses. So, I think it will take another one quarter down the line. It would be better to see, the real mix between volume increase and this thing. Volume share is absolutely those are the numbers, but price increase is at various stages for various business. It will take another one quarter or two quarters to settle it down.

Salil Desai: We will wait for that. The next question is, for Meyyappan can help with this. There seems to be a change in the terms of the CCPS. So does that, two parts to this. One is, does that make certain what the stake, each of the partners will have, or each of the investors will have in TICMPL and second is that there is an accounting impact of this?

AN Meyyappan: No, no change in the accounting impact, whatever we are considering in the March, the same thing continues here also, and there will not be any change in the return, whatever the investors are going to get. There is no change. Most of it will be the clarificatory in nature. That is what we have mentioned in the notes also of the results.

Salil Desai: Okay, so your stakes are not frozen yet, right? There is still a contingency on what each partner will hold?

AN Meyyappan: Yes, you are absolutely rightly right, it depends upon the valuation which you are going to get at the time of exit.

Salil Desai: Okay, great and the last question is, last quarter we had given an indication that in the CDMO business, the semi-commercial quantities are already being shipped, and some talks with clients on when they could be converted to commercial deliveries and a clean room was under construction that was supposed to get complete. So, if you can just update on the status of both of these.

Mukesh Ahuja: Govind ji, you are there, you can take this.

Govindarajan: Sure, Mukesh, thank you. The semi-commercial plant has been already commissioned, and we have even supplied quantities to customer. In fact, one of the products which we had supplied from the semi-commercial plant, the customer has already given projection for the next calendar year, which is a financial year for the European customer. So, the clean room has also been commissioned, and right now, the validation batches in the intermediate block is nearing completion, then it will move into the clean room in the next three to four weeks.

Salil Desai: Great. Thank you, good to hear that. That is all. Thank you very much.

Moderator: Thank you. We take our next question from Anupam Gupta of HDFC MF. Mr. Gupta, please go ahead.

Anupam Gupta: Yes, good morning Sir. Sir just one question on the core standalone business, so while there is this 16% volume growth, the EBITDA growth, the EBITDA is actually flat, and so is the PAT. So I understand there is a pass through element which you said, which is happening with the delay, but assuming it happens over the next two quarters, should one expect a much faster EBITDA growth in second half in FY2027, is that the right way to look at it?

Mukesh Ahuja: So, Anupam, it is like that, once the entire recovery happens, so one or two quarters prior, ultimately we will be back to whatever profitability level we were maintaining it earlier, so that is how it will look like for a medium term perspective.

Anupam Gupta: No, profitability, I understand, but what I was basically concerned about is that EBITDA is not growing. So, right? So, ideally, with 15% volume growth, EBITDA should have increased. I know that your costs have also increased, so just the question was that, would you catch up the mess which you had in first half, in the second half, and FY'28? Is that the right way to look? Not in terms of margins, but absolute profit.

Mukesh Ahuja: 100% yes.

Anupam Gupta: Understood. That is useful and one question on the medical side of it. So, if I adjust for the Rs.4 Crores amortization, it is close to 8% margin, which you are doing in the medical business and I understand there is some expense which you are taking for the build- out and talent and all, but let us say, what is the medical business sustainable margin once all of this investment settles, and free of amortization? What are the margins one should look at in this business?

Mukesh Ahuja: So, like, it will take some time to stabilize, but maybe let us say our perspective in the medical business will be higher double digit teen numbers, that will be the profitability level for the business.

Anupam Gupta: Okay, understand and any progress which you might want to highlight on the possible electronics acquisitions which you were looking at? Anything that is, you would find, attractive there, or you can expect anything there?

Mukesh Ahuja: So, Anupam, like we shared earlier, maybe we are looking into that, but nothing on the table as of now.

Anupam Gupta: Understood. Sure, that is all for my side. Thank you.

Moderator: Thank you. A quick reminder anyone who wishes to ask a question may click on the raise hand icon from the participant tab on your screen. We will take our next question, a follow-up question, from Gnanasundaram of Avendus Park.

Gnanasundaram S: Thank you. Sir just a quick one in terms of I just wanted to understand the cash flow here. Could you just help us in terms of what is the capex that is outlined over the next two years on the standalone business and a dividend policy in terms of CG and how much of that flow through is expected to happen in terms of cash flow?

Mukesh Ahuja: So, our cash flow guidelines remains that internally, we are targeting about 85% to PAT. This, what is internally, we are driving it, and we are in the course of that. There can be a little bit plus or minus happening in some quarters, but overall, we are bullish about that.

Gnanasundaram S: Sir, this, I would presume, is FCF to PAT, right?

Mukesh Ahuja: FCF to PAT.

Gnanasundaram S: Okay, perfect and this is considering it for the capex, but not considering for the investments that will go into subsidiaries?

AN Meyyappan: Yes. Yes, you are right.

Gnanasundaram S: Right, Sir and in terms of, what is going to be then the usage of excess cash because even if I were to take about Rs.500 Crores or Rs.300 Crores in terms of capex, and Rs.500 Crores in terms of subsidiaries? Tube, over the last five to six years has very clearly stated a policy of not to hold excess cash on books and the further investments, I know the team is pursuing? So how should we really look at capital allocation here, in terms of new businesses, or what is exactly in mind? Because then it would seem like we are accumulating significant portion

of cash, one from internal accruals and two, from dividends from our subsidiaries. What is exactly the thought process here Sir?

Mukesh Ahuja: So here, the capital allocation principles, like you are saying, TICMPL is one of the big investments we made in the past. Medical and CDMO business, which is also getting incubated with these kinds of investments only, internally and we have an interest, maybe we just maybe acquired a small startup, which is MIM metal injection molding. So that is an area also, after we start understanding the business, it will call for investments and like we discussed earlier, maybe we are also venturing into another one or two new businesses, which we will invest after seeing a right opportunity, and future growth perspective. Based on that, we will take a call, but on a long-term perspective, we feel whatever cash we are generating in TI as well as CG Power, we will be able to invest into newer businesses, or use for the core business to drive the extra growth.

Gnanasundaram S: But core business, as per our understanding, you have got limited opportunities for capex, right? So core business, also, could we expect some inorganic pursuits out there? I am not pushing you or anything, I am just thinking what is the thought process of the management is what I am really wanting to understand here?

Mukesh Ahuja: So, there can be an investment in adjacencies in the core business. It is not necessary that when we hold the high market share in the core business, but there is always a possibility of adjacencies in the core business and also, maybe, let us say we are planning internally, can we launch some new products and categories in the core business, which is nothing finalized as of now, but it is a work in progress. If those materializes core business may also call for a little higher capex, which will not be counting, maybe let us 85% of PAT. So, that year, there will be a deviation.

Gnanasundaram S: Got it Sir and one last question is in terms of our core businesses, in terms of international operations. Where are we because we had set an ambitious target of that to be about 25% of our revenues even a couple of years ago, and then we had a few headwinds coming in from there? Sir where are we on that right now, and then what is the outlook on the international business?

Mukesh Ahuja: So, as of now, we are able to maintain around 15% of our revenues are coming from exports at a TI level and, in spite of various, issues in the geopolitical issues, we are able to maintain that number. Obviously, like you rightly said that our initial endeavor was to grow this towards 20%, but which did not happen. While the growth is happening, export pie is maintained. We are looking for, maybe, let us say, that if some stabilization in the geopolitical situation happens, we see customer engagements and contracts are running in good. We have not seen, maybe, irrespective of the situation, the customers walking it out. So it is a right

timing issue. If it works, surely there is headroom available. A lot of headroom is available on the export market.

Gnanasundaram S: And would we be right in presuming that we just stuck to about three to four products in terms of our export business?

Mukesh Ahuja: Basically, all exports are happening from engineering division, and our other businesses.

Gnanasundaram S: Got it, Sir, perfect. Thank you and all the best.

Moderator: Thank you. That brings us to the end of the question and answer session. Ladies and gentlemen, on behalf of IIFL Capital Services Limited, that concludes today's call. Thank you for joining us and you may now click on the leave icon to exit the meeting. Thank you for your participation.