



Date: March 03, 2026

The National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East), Mumbai- 400 051
Symbol: RACLGEAR

The Bombay Stock Exchange Limited (BSE)
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001
Scrip Code: 520073

Subject: Investor Conference Call Transcript

Dear Sir/Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, please find enclosed herewith the Transcript of Analysts/Investor Earnings Conference Call which was held on Friday, February 27, 2026 at 03:00 P.M. (IST) to discuss the Company's Q3 FY 25-26 earnings. The aforesaid information shall also be made available on the website of the Company at www.raclgeartech.com.

You are requested to take note of the above and oblige.

Thanking You,

For RACL Geartech Limited

Neha Bahal
Company Secretary and Compliance Officer



RACL GEARTECH LIMITED

Q3 FY 2025-26 EARNINGS CONFERENCE CALL

FEBRUARY 27, 2026

MANAGEMENT:

MR. GURSHARAN SINGH - CHAIRMAN & MANAGING DIRECTOR

MR. PRABH MEHAR SINGH- CHIEF OPERATING OFFICER

MR. JITENDER JAIN- CHIEF FINANCIAL OFFICER

<p>Ms. Chaniksha</p>	<p>This is Chaniksha, Senior Executive- Secretarial Department of RACL Geartech Limited. On behalf of the company, I would like to extend a warm welcome to all of you to this post-results conference call for the third quarter of the financial year 2025-26. I will be your moderator for today's session.</p> <p>Before we begin, I would like to make a few important announcements. Please note that this conference call may include forward-looking statements based on the company's current beliefs, opinions, and expectations. These statements are not a guarantee of future performance and are subject to various risks and uncertainties, which may cause actual results to differ.</p> <p>Additionally, all participant lines will be on mute during the presentation, and we will have a Q&A session at the end of the presentation, where you can ask any questions you may have. If you need any assistance during the call, you can submit your questions via the Q&A box or raise your hand, as per the available options on the screen, and we will assist you accordingly.</p> <p>Please be informed that this call is being recorded.</p> <p>We are pleased to be joined today by the management team of RACL Geartech Limited, represented by:</p> <ul style="list-style-type: none"> • Mr. Gursharan Singh, Chairman & Managing Director • Mr. Prabh Mehar Singh, Chief Operating Officer • Mr. Jitender Jain, Chief Financial Officer <p>With that, I now invite Mr. Gursharan Singh for his opening remarks. Over to you, Sir.</p>
<p>Mr. Gursharan Singh</p>	<p>Thank you, Chaniksha. First of all, good afternoon to all our investors, fellow colleagues. It's really my pleasure we're joining you in this call, and we are really thrilled by the performance of quarter three for the FY2526, and I really look forward that this journey of excellence and consistent growth keeps on going on the same path. As you know, global markets are highly volatile, global markets are on one side, we say flexible, we are changing every day, every quarter, every month, but certainty always remains a question mark. But yes, India has always remained a very resilient economy and it has always shown its strength and it's really preservice in challenging the global scenarios even in other times. In terms of 1.4 billion population, so we are always a big market. So despite all the challenges, despite all the geopolitical situations, India is growing consistently and rigorously and definitely we as a proud manufacturer, proud citizen, proud person living in this country. We really are proud to be participating in growth of the company and growth of the country, and of course our endeavour, our efforts, our initiatives will always keep on increasing the performance of the company in a big way,</p>

	<p>more better way, despite all the challenges and toughneses, and we have already shown that FY25-26 so far is doing very good and hoping that the remaining now we are only almost one month away from final closure of the year. So, things should generally be good. For our call today, so we'll be making the presentation and we'll be answering all your questions and answers. Wish you all the best, and good luck to you. Thank you. So, now over to JJ, maybe if you can present. Thank you.</p>
Mr. Jitender Jain	<p>Thank you. Good afternoon, everyone. Welcome to the quarter three Investor conference call of our company. I am Jitender Jain, the CFO of the company. I extend the heartfelt welcome to all the investors. We have We have a very good response this time. I think one of the highest number of people who have joined this time. So that really, that's really feel good. So I'll start with the presentation. So, this is the index of the topics which we will be discussing today. Just a brief snapshot of what all we'll be covering in our presentation this time. So, this is the brief snapshot of your company. We started in 1983 and we are a 40 years young company. We have the DUNS registration as well. In FY25, we clocked a turnover of close to \$50 million. We have close to 887 permanent employees. We are headquartered in Noida. We have two manufacturing locations. One, the mother unit is in Gajraula, and we have second unit in sector 80 Noida. Our corporate office is also based at Noida, and we have 3 warehouses in Europe.</p> <p>Our product application, we have almost 22 active customers and up 900 plus SKUs. Our product application spreads across two-wheelers, three-wheelers, passenger cars, commercial vehicles, ATVs, industrial gears, and agricultural equipment. Our product range ranges from transmission gears and shafts, machine parts, sub-assemblies, chassis parts, and industrial gears. We are basically the high-end automotive component manufacturers. We are proud to share that we are A-minus credit rating by Care. We are listed on both the stock exchanges of India, and we have 100% owned subsidiary based at Austria.</p>
Mr. Gursharan Singh	<p>Well, I'm glad that we have now 887 employees, so we are contributing positively towards the Prime Minister's vision. It generates more than one employment, so that is where a positive contributor towards the employment. From in last quarter, this was around 860. Yeah, so almost twenty-seven people have been added. Yes, yes, this is only permanent other than contractual workers. .</p>
Mr. Jitender Jain	<p>Our strength lies in the value-added technology in automotive component industry, which we are proud to share that we have all the latest technology which we can think of for the automotive components under one roof,</p>

whether it is gear cutting, whether it's aluminium machining, precision machining, heat treatments, leisure welding, and etc.

We have all the certifications on the IT side and other activities available with us. So, this is the standalone revenue for quarter three, 2025-26. We are proud to share that we clocked a turnover of 134 crores in quarter three of 25-26. The export revenue was 93.75 crores. Its domestic business was 27.62 crores. The other operating income is 9.44 crores and other non-operating income is 3.20 crores. Our segmentation sales segment, we have around 70% exports and 30% is the domestic business. This is how the pie is changing for us. So, this is the business segment distribution for the nine months of current financial year. Our two-wheeler business now is 29%. I just want to clarify here that it's not that in absolute number, the two-wheeler businesses have decreased, but the pie, the contribution of other business segments have increased. So, the pie is changing. Basically, like commercial vehicles are now 19%, which used to be around 8, 9% two, three years before. No, it was only 2%. It was only 2%. This is comparison, yeah. And passenger car segment is 13%, recreational vehicle is 21%. So, this is the pie now for nine months of FY2526. We were getting some feedback that we should have more numbers for you all to understand. So, we tried to put this slide additional, which was not. Now we will go in forward for every quarter. This gives you an idea of how the quarter behaves separately, differently. Sometimes two-wheeler business is high, sometimes agricultural business is high. This should give you a good transparency about the numbers what we report.

So this is the quarterly performance YOY. We clocked a turnover of 134 crores in third quarter of FY25-26 as compared to 109.75 crores in same quarter last year, which is a growth of close to 22%.

Our EBITDA is 33.41 crores, which is 24.93%. as compared to 25.08 crores, which was 22.86% same quarter last year, which is a growth of 33.21% and our profit before tax is for quarter three is 19.65 crores, which is 14.66% as compared to 10.25 crores, which is 9.33% for same quarter last year which is a growth of almost 92%. This is 9 monthly performance YOY. So, we clocked A turnover of 364.81 crores in nine months of current financial year as compared to 321 crores same quarter last year, which is a growth of close to 13.5%. I'm happy to share our EBITDA is about 90 crores for this year nine months, which is 24.67% as compared to 69.68 crores, which is 21.69%, same numbers last year, which is a growth of close to 29%.

And our PBT is 47 crores, which is 12.89% as compared to 25.42 crores, which is 7.91%, same period last year which is a growth of 85%.

	<p>So this is standalone quarter on quarter comparison. So, we started quarter one of this financial year, we clocked 107.96 crores, quarter two we clocked 122.84 crores, which is a growth of 14% and quarter three we clocked 134 crores, which is a growth of almost 9%. Accordingly, our EBITDA has moved from 26.8 crore in Q1 to 29.79 crores, which is 11.16% in quarter two to 33.41 crores, which is 12.15% in quarter three. And accordingly, our PBT has moved from 11.25 crores to 16.13 crores to 19.65 crores in from quarter one to quarter two to quarter three in current financial year. So this is again from the feedback of a few of our investors. So, we have started displaying now the consolidated numbers as well quarter on quarter. So, our consolidated numbers, which is basically the consolidation of numbers of our 100% subsidiary based in Austria. So, our consolidated numbers, the turnover has moved from 108.7 crores to 125.86 crores. to 141.7 crores quarter on quarter.</p> <p>EBITDA has grown from 26.87 crores to 29.95 crores, which is a growth of 11.46% to 35.15 crores, which is a growth of 17.36% and accordingly, the PBT has moved from 11.27 crores to 16.18 crores, which is a growth of 43.57%, to 21.37 crores, which is a growth of 32%.</p> <p>Now coming to the business updates. So, in our last board meeting, we have declared our budget for the financial year 26-27. So, for the financial year 26-27, we are targeting a revenue plan of 565 crores plus minus 5%, which is growth of about 17% as compared of financial year 25-26. We will be incurring a CAPEX of about 77.45 crores. We wanted to share this bifurcation this time. So out of the 77.45 crores, our heat treatment plant, which is one of the major technologies which is used.</p>
<p>Mr. Prabh Mehar Singh</p>	<p>Let me explain that. Yes. So basically through this slide, what we are trying to explain that 77 crores which is coming into the organisation in the form of Capex out of that 34 crores goes to the replacing our not obsolete but it is a heat treatment which has done its life. This heat treatment is a process which is very core to gear manufacturing or for that matter any process. which has heat treatment in the world of, you know, machining or in the world of component manufacturing.</p> <p>Heat treatment is a core process and a core setup which not many companies even have in-house, forget even having the know-how to run it. So, this has been one of our core strengths and this is the reason why, you know. In the last 30, 35 years, we have one of the biggest brands working for us because heat treatment, nobody likes to outsource because if they're buying an outsourced product, they don't like the heat treatment to be further outsourced by the sub-supplier because it's a very important process. So, this plant has done its life. So now these 77 crores which we are</p>

	<p>trying to bring in this year, around 33- 34 crores goes there. What that means is in one year, this will be invested and the plant should be up and running next year. This will have two impacts. One, it will increase the capacity what we have for this process. Yes, next slide. So maybe we can explain there and remaining, JJ you can explain.</p>
<p>Mr. Jitender Jain</p>	<p>Yeah, so and out of that, so at the core capacity expansion, both at Gajraula and Noida, we would be spending about close to 34 and a half crores. And we are, I'm happy to share that we are expanding both at Gajraula unit as well as our Noida unit. So, and currently we do not have a heat treatment facility at Gajraula and at our Noida plant. So about 9.17 crores will be set up for the backward integration of setting up heat treatment plant and rooftop solar power plant at our Noida unit. So, 33.88 crores for heat treatment replacement at Gajraula, 9.17 crores for heat treatment setup and rooftop solar at Noida. So around 34-35 crores go for Capex for production. But for productive use, out of 77 crores, only 34 goes for capacity building, rest all is either for backward integration or replacement.</p>
<p>Mr. Prabh Mehar Singh</p>	<p>So, basically, what I was trying to explain in the previous slide, so what this testification of replacement is, you may ask why it is required, why cannot we live without it? So, I was, as I was explaining, this has already done its life.</p> <p>Now we have two options, either to entirely outsource this process or to keep making whatever we are doing, because this also results in a lot of wastage of natural resources, rejection in house and 3rd capacity, since we have plans to grow in next three years, double of this number. So, we need to either have this capacity available or to be outsourced.</p> <p>Many years back, we decided to focus on the core business, on the core infrastructure and setup and this is where we were always deploying in productive assets like, you know, machinery, which increase our fixed asset turnover ratio. Now, this is kind of a backward or a process integration. In these three advantages, as we have listed, will come in one energy saving. As you know, your company is a green manufacturer, so we have 0 carbon footprint on the electricity since it is all solar. But we still use LPG as a process for this heat treatment. Now with this new setup which we are trying to bring in, this will be replaced to electric. Now electric will have its own advantages because as you know, gas. The pricing is governed by a lot of political and other factors. So, the LPG price is always very subjective to the inflations in the country and the world and the exchange rate as well, since most of this gas, as you know, it comes from outside. Electricity on the other side is a commodity which has remained constant for many years and you know, the India's expansion in solar electricity prices will reduce in the</p>

	<p>coming years only. So, it helps us to save energy to make us green in terms of, you know, we don't now depend on gas. Second is cycle time. So, as we said, LPG, since these furnaces are pretty old, they had their own technology, which was 35 years older. For example, the burners which we use, it is basically like an oven, so when you are, let's assume in a layman's language, baking donuts in an oven. So that needs a lot of infrastructure inside that furnace, which involves burners, the brick lining, then there are many mechanical parts which are attached to it. So that was running at a very low efficiency. There were many wastages in the process. Second, since we do not get active time, so even now, whatever capacity we have deployed, we are judiciously able to load only 30 to 40%, because the rest of the time is either downtime or we are doing maintenance, or you know we are wasting the resources which are being used and of course, in that I did explain that process controls and quality, so this helps us to improve whatever internal quality targets we have and also, since you already know, we are expanding for BMW cars, so their parts also require these non-fossil fuel based technologies to be used because we have a commitment for a green process environment for electric products. So, this also helps us to use this capacity for the business which is start to begin end of this year. So over in all this is we have just tried to, we know nobody asked this justification, but as a corporate governance, whatever penny we invest, there might be a certain inclination that, oh, you know, 80 crores is coming into a business. No, because some of the turnover or some of the investment is being put in to create this plant, which will have a life of roughly 30 years for future. So it's a future integration which we are doing today.</p>
<p>Mr. Gursharan Singh</p>	<p>And to add what Prabh said over there, because it's not only going to increase our capacity, it is also going to give us the latest, the latest technologies available in the field of teaching and as he has already explained to you, in gear making, heat treatment remains the core for deciding the strength of the or durability of the components, so rather, with this technology coming in, will be one of the most latest equipment plant available in India. And on top of it, although we have to invest very heavily initially to replace the equipment, but running costs of this is going to be very, very low. Just to give an example, when we started our company, LPG, Six rupees per kilo, and electricity cost was 2 rupees per unit. Today, in past 35 years, electricity cost has increased by only four times 7 to 8 rupees, and now with solar coming in, we are getting around 4 to 5 rupees per unit and whereas LPG cost has gone almost 100 rupees per kilo. So, you can imagine the kind of cost thing we'll be doing. Of course, we'll have to pay interest and depreciations on the new equipment. But yes, operating</p>

	<p>costs will be very low and on top of it, Up time will be very high because there's going to be highly efficient and we're able to have a very high. These are those few highlights.</p>
<p>Mr. Prabh Mehar Singh</p>	<p>Yes, sir. Thank you, sir. Yeah, so we are also very happy to announce and why we have put in this call is because we got this only yesterday. So sometimes timing is also very good. So only yesterday evening we received, we were discussing from December this project. We are very proud to share and announce that we have again further diversified into a new product line as you know. We started for a project with ZF Rane in electric power steering systems, but that was still recirculating ball technology and that was for pass cars. That was for pass cars segment. This one is going to the trucks. These are trucks which it is for ZF. ZF will sell to their end customer, which is an American company and this truck is right now being made with a normal hydraulic steering system. They have now decided to bring electric power steering system in the trucks for the first time. This, of course, will have application at the moment for the fuel based, but since electric power steering are futuristic, so they will also be introduced in electric trucks as well, which customer may plan to do. This will be again a very long supply chain. So we will be making in India, then they will be assembled for electronic integration in Mexico and then from there it goes to North America where the end OEM will be. It is going to start maybe early next year, though it is not very high volume. Since you know in truck markets, this is a segment which they are not going to introduce electric steering system in all trucks. Maybe one of the segments they will and this is something which ZF is pioneers in, you know, gear manufacturing. They do transmissions, but they as a company are also growing with a lot of chassis technologies. So, they're also launching this steering system for the first time. And this is where they, of course, partnered with us. for providing the entire gearbox which goes into this steering system. Conventional hydraulic steering systems will have a pump and the fluid to take care of this will have a motor and a gearbox to take care of the torque which assists the driver.</p> <p>This is something which will be an export business to Mexico and yeah, and this will also help us to offer this technology with other steering makers, which are very much known in the world. So, this will help us to also de-risk ourselves from, you know, automotive.</p> <p>In American terms, this is off highway. So, this is also for us, a second project for the American market, but first in the truck segment. So far, we have not been in the truck segment for US. So, this is also helping us to enter a new market.</p>

<p>Mr. Gursharan Singh</p>	<p>So just to add what Prabh said that, you know, business always diversify, then grows from one segment to another. We got the entry to that of running business for, so, and they were so impressed by our performance that the very first proto samples were okay by all the testing and next build phases they were quite happy with our product quality and all the build phases are going on very strongly. So they, and there was opportunity for them to know, put this product into commercial vehicle segment, we were the next choice. And this time now it will be direct export to Mexico because for pass cars, the entire steering system will be mechanical, manufactured by that are front and India, but for commercial trucks, because you know the US has a lot of tariffs listed on the USMCA and Mexico, so then technically from Pass cars to commercial trucks, our transition has occurred. This technology will be now, once you know that it will always launch in one product category. Once it is successful, they will add to all. So, this opens way for us for all leisure product market in the US for that in the coming years. Yes, over to you.</p>
<p>Mr. Jitender Jain</p>	<p>Now, this slide is regarding the facility updates at the various facilities which we have done in last quarter. So, as we have said, so we have already done the Bhumi Bhushan for our heat treatment plant, which will be set up, which we discussed previously in the previous slides. This heat treatment plant, Bhumi Bhushan, was done on January 23rd, 2026. This will be a new plant which will run on electricity and it will have a 0-carbon emission to the society. It is, we are targeting to make it fully operational by February 2027.</p> <p>As shared earlier, we are also expanding our Noida unit. So we have taken an additional space on lease in our Noida plant, which is almost close to 27,760 square feet, new built up area. It is getting constructed right now. It will be a dedicated space for our new projects where we will be setting up our heat treatment plant there and advanced machinery installation. It will be a capacity enhancement for us and it will this infrastructure is being set up for our future growth as well as backward integration.</p>
<p>Mr. Prabh Mehar Singh</p>	<p>And when we say future, as you know, we recently bagged A two-wheeler high premium project, which was expected to start in January. It did start in January, probably one of the first quickest project for us since you were nominated only in September and January the start of production happened. Anyway, so we will check with customer if we can disclose the name but that project now which started, we are very proud to share. They are now, if I can use the word buying like cakes, because it is really a very good quality product that they are receiving. And since the customer is also getting very high demand from their market, since it is a motorcycle, after the GST reduction, you know motorcycles are getting good traction. So now we are expanding this plant for that customer because we did commit for 10,000 motorcycles, but now they are wanting us to at least take to 20,000. And with time, we will see how we are able to ramp up. We are working on very active scenario with this particular customer and of course in general, TVS, which is already one of our customers for Noida plant. As you know, you have read, they are launching Norton, TVS, many new motorcycles are coming in. So, this plant, we believe in next one year, should also add good amount of turnover to this group now and third one is about the readiness of our Venus plant. As you're aware, we had two new</p>

	<p>nominations from BMW. One was Titan, second was Venus. So, I'm happy to share our Venus plant is ready now. You can see it in the pictures. The plant infrastructure and installation, everything is completed. Trial runs have already been conducted. We are fully prepared for the SOP by the end of this new, by the end of this year for the BMW car. But we have set up this plant in a manner with an additional space that about 50% of the space we will be using for the new projects.</p>
<p>Mr. Jitender Jain</p>	<p>So as a responsible company, we have we do few CSR initiatives also. We have this is one of the CSR initiative which we wanted to share with our Investors. We are happy to share that we have set up a charitable health centre which is a CSR initiative of RAEL Geartech in near in our factory at Gajraula. This will be managed by Max Hospital. So, since nearby to our factory area, there was no proper healthcare centre and emergency support infrastructure which was available. So, in that response, our CSR Foundation, then we have we have often utilised our dedicated healthcare centre in partnership with Max Hospital. I'm proud to share that this this health centre, the inauguration of this health centre was done by the Honourable District Magistrate of Amroha, Miss Nidhi Gupta Vats on Feb 12th, 2026.</p> <p>As of now, this health centre, we will be ready. We are planning to operationalize it by next, by coming month and we will be initially, we will be able to provide the immediate first aid and the initial trauma stabilisation and emergency services and we will be providing OPD facilities to the nearby people at a very nominal fees and based on the response and all, we will be seeing if we will expand it further.</p> <p>This again, so we are proud to share that we, so every year we conduct a Familiarisation Programme for our board of directors where they visit our factory, the entire board, I'm happy to share, as you know, that we have two new members in our board of directors now. So, our board of directors have visited our plant on February 12th.</p> <p>First of all, they have a discussion with the entire senior management people, including functional heads. They're able to get the update on the company's performance and the challenges which people are facing. They get an opportunity to take a detailed tour of our entire plant and we are able to showcase our technological advancements and capacity expansions, which we have done.</p> <p>Our board members are quite involved in our business. They also had an opportunity to interact with the workers and the ground level staff. And at the same time, as you're aware, we have our board members from various having vast experiences from various fields and all, including automotive and non-automotive and all. So, this programme also gives us an</p>

	<p>opportunity to get their suggestions and advices for any procedure improvement and better productivity.</p> <p>So, these are the awards and recognitions which your company has achieved in last quarter. We got an award for the Export Excellence by EEPC India in northern region, which was 54th and 55th Export Excellence Awards. The company has been recognised as a star performer. in automobile component product group under the Northern Region for Export Excellency category. We are proud to share that company has also been awarded silver rating with a certificate of appreciation by TVS Motors. This is basically a recognition of our initiatives and as you know that we focus a lot on the ESG practises and all. So, we got a silver category rating from TVS in the field of ESG practices. And this event was held on December 15, 2025 at Bangalore, Karnataka.</p>
Mr. Prabh Mehar Singh	<p>So, that's it from our side. Thanks a lot, and we'll now open the session for the Q&A. For Q&A, can we have a raise of hands that helps us to then align them? Yes, so far we have two raise of hands, so we can just wait for everybody else. Yes, if you can raise, then we can take point by point, hand by hand. Yes, yeah Mr. Jainam, if you can unmute yourself and you can ask your question.</p>
Mr. Jainam Madrecha	<p>Yeah, thank you for giving me the opportunity. So, my first question was on like in FY27, we are having like many major projects that are going to be live this year. Be it BMW, a large domestic customer is also going to get started. Then there is Norton and then there is KTM, which apart from all these orders, there is KTM, which is also coming back online and growing. So, does this create a room for like growth to surprise on the upside versus our 20% guidance?</p>
Mr. Gursharan Singh	<p>I would like to answer that. So of course, there is never any scope for surprises. That should always be part of how people and how we work. But since we already gave a guidance, the idea behind guidance is not to give guidance, but is to justify why we are bringing in a Capex of 30 to 35 crores. As you understand, whatever Capex comes in does not always mean that it will result in higher turnover because some things are for future, some things are for backward integration. But as an indication, the company has grown 15 to 20% in the past. Now we of course, we maintain that because we are confident whatever indications we receive from our customers and as you correctly said, you know, certain things which were beyond our control like the KTM, those things are also shaping well now. So, if those things, whatever our customers are telling, if they perform better than what they have told us, then yes, we will be also equally surprised. If not, at least</p>

	<p>this is what we are trying to transfer to you in terms of what we know. This is our discussions and projections from our customers.</p> <p>And as you know, always whatever we say is a pass on of whatever our customers expect of the market but this is the current scenario is what they transfer to us and that is how we plan our budgets and capital expenditures.</p>
Mr. Jainam Madrecha	<p>Understood. The next question is on like now Europe is progressively getting better and the commentary of OEMs over there has also moved from like they were earlier; the commentary was earlier very bleak and it is now getting better. So, if OEMs over there are doing well, what's your view on the supply chain situation in Europe now?</p>
Mr. Gursharan Singh	<p>No, I'll answer you. First of all, you rightly said that, which was going on twenty-three, twenty-four, and twenty-four, five in Europe, that's not there the roots of growth are already started coming up, and yes, things are going, but the supply chain scenario, whatever is happening, it is in India's favour, because first of all, this latest EU FTA, which has happened between India and European Union although FDA will be applicable after one year but this has actually brought India into limelight because in European Union okay all big brands bigger companies they were already knowing India very well but there were other brands other companies who did not have that cross country or intercontinental businesses, they have also started looking towards it. So that way business, these all scenarios are looking promising. But you know, whatever happens, supply chain, Europe will not jump on overnight. They always have a long decision period, they always have a long decision-making period, but yes, overall situation looks very promising, not only for RACL, generally for the Indian auto corporate constructing scenario, because geopolitical things are in India's favour as far as business between European Union and India is concerned or for that matter.</p> <p>Although American markets are a little difficult as on today, but still prediction that that even with American markets, India business, and of course our company were a small not in the whole slide chain, but yes, we're still small.</p>
Mr. Jainam Madrecha	<p>Understood, sir. And next question was on like now, since we are transitioning from a 500-crore company and we will now be much, now we will be moving beyond 500 crore company. So, as we transition to this next orbit, how are we planning for like senior level hiring? Have we any, have we done any senior level hiring's or are we planning for any new hires as of now?</p>
Mr. Gursharan Singh	<p>Any campaigns being hired, always you get notified, but you know recruitment is a regular process, and you know this you can also very well</p>

	understand, and no business can grow until you have the management team, but it is part of the routine business, I don't feel that this has any borders on this forum to discuss, but yes, senior management, I think at all level is always is an ongoing process.
Mr. Jainam Madrecha	Understood, sir.
Mr. Jitender Jain	Thank you. Thank you, Mr. Jain.
Mr. Jainam Madrecha	Yeah, just one last question if I could.
Mr. Jitender Jain	Mr. Jain, actually, there's a long list of maybe you can write an e-mail and we will respond back to you, or maybe at the end, we will again give you a chance.
Mr. Jainam Madrecha	OK. Thank you.
Mr. Prabh Mehar Singh	Thank you, can you unmute yourself and ask question, Mr. Piyush, you can have your question.
Mr. Piyush Jain	Yeah. Thank you for the opportunity and congratulations for the good result. Hello, am I audible?
Mr. Jitender Jain	Yes, you are.
Mr. Piyush Jain	Yeah, sir, first thing just wants to know, we have given guidance of 565 for 2027 guidance. So, what is the number for current year? Because we have already done 365 crores in done.
Mr. Prabh Mehar Singh	Sir, current year we still have not closed, so maybe after next quarter you can ask this question, because that will be always, but we have already done 360 odd crores until 9 months, so you can.
Mr. Piyush Jain	So, so actually, I am coming from this. We have already done 365 crore last quarter was on 130 crores. I still assume we will do somewhere around this number, so we will be touching around 500 crores in this year only, correct?
Mr. Prabh Mehar Singh	Yes, you are missing the plus 5%, which is in the bracket, and all you're also missing is still to close this year. So, whatever we have done in the last nine months, we still have to achieve three months. So, we are maintaining that we will grow between 18 to 20%. So of course, when we say 565, it is not that it is a number which is in front of us and we are calculating. Maybe it can be higher, maybe it can be lower, but the range is between 15 to 20%, the growth should come in. Of course, if we close at 485, this becomes 18%. If we close at 500, that becomes something else. But for that, we have to wait till end of this quarter. That is what I said in the beginning.
Mr. Piyush Jain	Okay, okay, got it. Okay, second question is, any update on this BMW, the locking program, something which is supposed to start in 2026, when it will start or started?

Mr. Prabh Mehar Singh	Right. Yes, it will start on time. It will start end of this year, maybe July, maybe September. But we are now entering the final phase of sampling. April, the interview team is visiting us to do the sign off for final sample submission. It is the final state of sample submission. So once those are submitted, then of course, I think the vehicle is also set for launch, I think early 27. So, keeping on their call of scenario, I believe it should start from September, but it can be one month here or there.
Mr. Prabh Mehar Singh	Okay, we are muting you, Mr. Jain, since we cannot hear you. Is there any other question because we cannot see any raise of hand? Otherwise, we can have Mr. Tej Patel, you can unmute yourself and ask your question.
Mr. Tej Patel	Yeah, perfect. Am I audible, sir?
Mr. Gursharan Singh	Yes.
Mr. Tej Patel	Yeah, perfect. So just wanted to get your view on, you know, the, the duty on auto components, you know, was almost like 4%. So, I just wanted to ask, is there any benefit from this India you get. The reason I'm asking is, for example, the imports into India were coming from, let's say, a Chinese plant, right, of BMW. Is there a scope of, you know, supply chain realignment where, you know, we probably getting more RFQs from other plants of BMW where they were duty advantage now with India? Are we having such discussions or do you see, you know, scope there?
Mr. Gursharan Singh	<p>We already, I already answered in the previous question also. The first of all, this EU FTA is applicable for January 2027. That is clear. Secondly, I already answered that EU FTA has actually highlighted India's as a potential partner for European Union companies in a bigger way in the coming times. So definitely these situations are very positive looking and promising. But one thing is clear, then you know, whether it's a BMW or a Mercedes or any of the European companies, they are... Big, big conglomerate; they will not jump over the things overnight. This is always a strategic decision, and you know, leaving aside India or China or any other country, like they always have to have a geographical balance. I will not never say that they'll say, okay, they will close China and come 100% in India. And tomorrow, if something goes wrong, they will close China and go to India and go to other countries. They always take a strategic decision and in the long-term perspective. But overall things are looking very promising and we have already started getting good responses, good. It is our interest from things are looking very positive because whether it's India, UK, FDA, India, EU, FDA, these have actually brought our country to limelight. So that way this really advantage goes to the down to the value chain.</p> <p>And you know, I can only say we are having an advantage that we already have a very, very strong presence in European Union. So, if I want to see competitive edge as compared to my other co-manufacturers from India, so we get that advantage because you know any European Union new customer, they will first like to see Indian supplier who already has a</p>

	<p>presence in Europe, so there we have a competitive advantage because we don't only not only we have the presence, we are operating 5 warehouses in Europe and we are present in Europe now for today for the last 16 years, so that really gives us the upper hand. So this will be in coming time, these things will be really in our favor.</p>
Mr. Tej Patel	<p>Got it. That's great to hear. Sir, in your introduction, Prabh Sir mentioned, you know, we are probably doubling our production for this new premium customer. Was that number? Can you just repeat that number? You said 10,000 to now probably we will.</p>
Mr. Prabh Mehar Singh	<p>Ohh yeah, they are asking us to double, so nomination is for 10,000, but they are asking us to bring it to 20,000.</p>
Mr. Tej Patel	<p>Okay Perfect, perfect and then just wanted to get clarity on the incremental Capex which we are doing apart from the backward integration. Is it for, if you could help me understand what projects is it for? Because what we, what I understand today on our current blocks, gross block only, we probably are able to do it, let's say about a 60-50 crores of revenue potential, right? So, is there any particular project we are doing this capex for?</p>
Mr. Prabh Mehar Singh	<p>Yes, there are a couple of projects which are yet to come and there is a couple of Capex which is also yet to come. So one thing what we should note is whatever has been invested in the past, there are two options. Either we wait for the customer to grow that business or we use that capacity for someone else.</p> <p>We do not do the option 2 because in automotive and as you know how the last few years have been, volatility is always there. So, we can't really switch. We can, but we should not. So similarly, whatever projects have already been invested in, we are waiting for those volumes to grow from the customer end which volumes, as you correctly said, would have grown. We would have been today sitting at 550-600 crores, but we could not because of, you know, the stream. But going forward, whatever these 30 crores, of course, some of the things are generic. Not all processes have equal capacity, some will be bottlenecked, so we need to add for even the organic business.</p> <p>For some, we add for the new businesses, but yes, whatever investments we make, we make only when we have business in hand or when the business is to start. So, we are not investing much, to be honest. This is the lowest Capex we have taken in the last three years. If you take out this heat treatment, it goes 30- 35 crores, this customer I'm telling you to who's asking 20,000 and then there are some other small projects. Kawasaki is 1 big customer which is coming up really nicely for us. We have not taken that. So, such things we are taking care of at doing this capex.</p> <p>Thanks, Mr. Tej. Thank you, thank you.</p>

Mr. Tej Patel	Okay, can I ask, or shall okay, I will join back into no problem.
Mr. Jitender Jain	Please, there is a long queue. Please, thank you. Yeah, Mr. Shashank, Can you please unmute yourself and ask questions?
Mr. Shashank Kanodia	Yeah, hi, good evening. Good evening team. Thank you for this opportunity. Just a couple of things. So do we have any road type benefits accrued to us and you know, with the government slashing some of the benefits, does this have any impact to us?
Mr. Prabh Mehar Singh	We had the benefit, and yes, the government of India has cut down by 50%, so yeah, so this will be hitting our next year, yes, because they are reduced 50%.
Mr. Shashank Kanodia	So, but what was the rate? What is the percentage of export revenues you were getting the benefits?
Mr. Gursharan Singh	Actually, we'll be losing, I'll say, around a crore of rupees from next year, but it is still a long way to go because FAE Federation of Exporters has already approached the Government of India. Point to be, they will review this process, but yes, if it happens, it will be a loss, yes.
Mr. Shashank Kanodia	Understood. Right. So, sir, you know this year we are going 15- 16 percent. Next year we already given a guidance with BMW and other initiatives taking place. So do you feel that the next year onwards will let inflexion panel growth will only improve from here upon or will still?
Mr. Gursharan Singh	Yes, we all are here for bringing the growth here. Definitely, we always keep optimistic. You know, one thing is clear that one has always to work with a long-term vision. One has to always look for optimistic and growth-oriented plans as we have already told you that BMW electric car business what we got as hope will happen somewhere end of this year. So eventually FY27-28 will be the full year when we'll be having that order out of this. So it's very clear that. This new business will add to this, and our rage is, although nobody knows what is going to happen tomorrow, but keeping the current scenario in. Our site, we feel that this growth trajectory should always remain, but one thing is very clear that when you grow the when you grow, you know, 15% of 100 crores will be 15 crores and 15% of 500 crores and 75 crores. So, eventually, at some stage, absolute numbers will still be growing percentages error there will always happen because absolute delta absolute becomes sometimes very high. But this growth, optimistic growth will always change.
Mr. Shashank Kanodia	Right, so, so this BMW order in first of operations, what kind of revenue do you expect it to clock? So, in FA 28, any ballpark number?
Mr. Prabh Mehar Singh	It is difficult to comment since as I told, everything will start by, let's assume September, October, maybe till March we get that revenue. So, customer is still also not sure about the volumes. They have given some numbers. So, it

	<p>will be immature on our part to pass on because volumes are also being re-discussed.</p> <p>But at the moment, yes, the biggest milestone is that project should start, which is starting on time. Whatever revenue comes, first when it happens, we'll share, but it will come this year. At least three months revenue we are targeting, we should be able to get in. This year means next financial year. That is all will become more realistic when the vehicle is actually launched and looking on the initial bookings and all, you know, these days this is very, very competitive, so whether it's a BMW or any top brand, they also cannot really forecast beyond is certain level. Accuracy of forecast, forecast is there, but how accurate it is. But yes, the way these guys are investing money, we're also very optimistic. Yes, because they are launching a first of its kind, active vehicle in the market, hopefully it will be.</p> <p>Thank you, thank you,</p>
Mr. Shashank Kanodia	Thank You.
Mr. Prabh Mehar Singh	Hey, we have, we have, we have one more, we have few more people, sir, please, Mr. Devesh Kayal, can you please unmute yourself?
Mr. Devesh Kayal	Yeah. Yeah, just want to understand based on the SOPs available now, so what would be our export mix in FY-27?
Mr. Gursharan Singh	<p>There's only always range bound the same sixty-five, normally it is sixty-five plus or minus 2% error, sixty-five, sixty-five, ha, but that is because Kubota will ship to domestic, yeah, sixty-five is around sixty-five, but because one of our customers is not converting into domestic.</p> <p>It is not an export business is reducing one of our customers and that will actually help us for our working capital management. One of our biggest customers is now taking goods India from us. So, you all may be aware, Kubota has acquired escorts. So now actually whatever we were exporting, so gradually Kubota is shifting that we will shift, give these parts to Escorts, and then they will export, so eventually our business still remains, but instead of export business in books, it will come as a and receivables will be faster, yeah, and we'll get there, and they shifted this.</p> <p>So, they also are not, they are that they change only for this incentive, yeah, yeah, and they got it.</p>
Mr. Devesh Kayal	I understood. And sir, what would be our top three customer revenue in nine months FY26 till now, like this year?
Mr. Prabh Mehar Singh	So we don't disclose, we don't disclose customer individual revenues because that's, you know, competitive strength. No, we don't do that, but we give you a segment of industry-wise which we give.
Mr. Devesh Kayal	Top 3 out of five. Okay, okay. I understood. Yeah, yeah, that's it from my side. Thanks.
Mr. Prabh Mehar Singh	Thank you. Thank you. Mr. Rohit Ojha, can you please unmute yourself?

Mr. Rohit Ojha	Yes, sir, good afternoon. Thanks for the opportunity. Just wanted to check on this ZF opportunity for electric power steering that's mentioned. Any estimates on qualitatively on the numbers that we can look at? Not now, maybe you mentioned.
Mr. Gursharan Singh	Good afternoon. I think since we got this only yesterday, we are also not very clear, but first of all, it is a first pilot project. It's not a very high revenue project, but this is opening up a gate in entering the commercial truck business. You know, that have also is entering into this electric.
Mr. Rohit Ojha	Okay.
Mr. Gursharan Singh	Power sharing, because they know, this is not part of their business. They historically was doing only the hydraulic power sharing that I've actually now started developing this electronic power sharing. First, they offered us one of us, they got business from American manufacturers, so they give us the business now, they entered into the truck market and the first business which they gave this has come to us, but eventually truck market business will never be of the volumes at the level of Pass cars, but yes, monthly truck market is too big. Eventually, it will grow, but first value, this is not too high, but this is a big doorstep towards the. Large volume growth into truck market for us into U.S. market.
Mr. Rohit Ojha	Yeah, and does this also open opportunities for other customers in the similar product segment?
Mr. Prabh Mehar Singh	Yeah. Obviously, yeah. Well, you know, once you enter, like we started working with it, just a historical thing, a two-wheeler business, a very, very niche product producing only 2000 gearboxes per year. and that too, for Italian motorcycle company and today, from 2000, we are producing almost 15- 30,000 gearboxes per month, so this is how the station efforts, you know, whenever you enter, you enter as an incubation project, and then it grows and then we started business with Square and today I'm proud that all leading prime premium motorcycle manufacturers are already our customers. Same way today we are entering into, we enter into electronic power steering components only one year back with ZF, not even one year as fast. We already got a second project, and then it opens doors for all future because it's from ZF, as well as from other customers.
Mr. Rohit Ojha	Yeah and sir, it was mentioned earlier that KTM production should normalise by FY-27. Do you think that's still likely or do you see like some?
Mr. Gursharan Singh	That is going on as it is going on as per plan, and in fact, so far, situation is very promising because whatever they projected, they have maintained even to the last vehicle level, so it means that projections and forecast is very, very robust, and now FI 28 forecast.

	<p>They have already released; this is better than previous year, and obviously we hope that, you know, getting the new management of Bajaj is on the new manager, so initially we were feeling that, okay, all the revival process will start but so far, results are very, whatever. I'm not saying that volumes have come back to the original level, but whatever they have forecasted, they are maintaining to the last vehicle level. That is a very, very important thing to note. That was something which we have in our next year budgets taken KTM at the most conservative best level, whatever that supplier element is, it will grow, will help us because even this quarter three was negligible, but what is trying to convey is from a financial instability to now at least projections being met. So, it means they have now visibility of what they are making the problem started because they were produced and this is where the problem came in. But now at least their market feedback is correct. Whatever they are asking from suppliers, it means they're able to sell also.</p> <p>So, in coming years, you know, Bajaj and investing, I think, more than 8,000 crores. So they will make sure it grows that we will grow with them, because you know I'm just telling you, because I met some of the senior management guys of KTM when this company went insolvent, they had a vehicle dealer level stock of almost 200,000 motorcycles.</p>
Mr. Rohit Ojha	Okay.
Mr. Prabh Mehar Singh	200,000 motorcycle stock at dealer travel; last figure was its stock has come down to 20,000 and 20,000 is the operating level, but technically now their old inventories are finished. It means now they will again start, so that way we are quite up to it.
Mr. Rohit Ojha	But when do we see the peak revenues coming back from KTM for us? Do we have?
Mr. Prabh Mehar Singh	We already said that we are kept very conservative. If something grows up, it comes to our advantage. You know, we always, I don't know how long we are attending our call calls, but we always take a very, very conservative view. If we feel any kind of known disability is going to occur, unknown disability, nobody on earth can predict, but if any known instability is there, we always take a conservative view, so this now we are sure whatever we have forecast.
Mr. Rohit Ojha	Understood. Thank You.
Mr. Gursharan Singh	This will never, this will not go down at KTM front. If something grows, it will come to our advantage. And in coming years, then we will align our forecast accordingly. You have already seen that if we are given 560 crores plus 1 is 5% an age bound. So this plus 5 probably can come from

	ATM itself, but it can come minus 5 also from other customers of that. But eventually, we, as I explained to you, that KTM since has done extremely robust in the past one year, so we are feeling that whatever forecast they are given, that forecast they will maintain, they will not go down if it grows or that, it will be better you know, but Bajaj is a very aggressive company. I'll say put it other way round, so they will not allow it to go down and they will always aspire to make it more and more.
Mr. Gursharan Singh	Thank you. Thank you. One last question we'll take from Mr. Shashank Kanodia. I think he has asked, but I think he has some one more question to ask. Mr. Shashank, you can unmute yourself.
Mr. Shashank Kanodia	Yeah, sir, what is the capex number you will end this fiscal year, April 26th?
Mr. Prabh Mehar Singh	Fifty, the same number, which it was 50, less than 50, maybe a crore less than what we plan.
Mr. Shashank Kanodia	Okay, around about 45 to 50 crores.
Mr. Prabh Mehar Singh	Forty-nine. Yeah, we planned 50, maybe a crowd here or there, but not plus 50, whatever layer do you want.
Mr. Shashank Kanodia	Right, right and second, sir, in this quarter of, you know, performance, you had very nice margins in terms of 22.8% at the console level. I believe there was some amount of, you know, depletion of currency which came to a benefit. So, sir, setting that setting that up by itself, what should be a normalised margin for us going forward? Your take on this, please.
Mr. Gursharan Singh	That this currency, we cannot keep getting a quarter, but technically currency also more or less not stabilized, so frankly speaking, the further advantage of currencies will not come, but whatever, yeah, so to give you a better to give you a more depth answer I think what we can say is that basically the foreign exchange in quarter three was not that much, maybe 1% difference because of quarter because of the foreign exchange fluctuation but what I was trying to say, this is not very less, yeah, because now it's stable.
Mr. Shashank Kanodia	Okay, so then as you kind of scale up, so there's a scope for margin improvement as well, right? So, we might touch to.
Mr. Gursharan Singh	No, actually what happens at quarter through performance was good because, you know, historically our Q3 is always highest because our business cycle is such that Q3 is always higher sales. You know what happens when you cross a particular threshold of profitability? Then, Delta goes very high, but this time we did, I think, all the it was this content all-time high, all time, so it was all time high performance of 130, 100 thirty-five crores, yeah, so normally we do about 120, one twenty-five,

	<p>so this 15 crore or 10 crore delta which we did, so that will actually have a higher percentage of profitability, and one more thing: this year probability was very high, as you know that since we raised fresh funds during this year, we paid the entire long-term debt, although not entire, but no entire proceeds of that was used for the used for the finance cost has come down. I think the jump in PBT, which you are looking at, it is predominantly because of reduction in the finance cost. Yeah, so that has also helped us to increase.</p> <p>Of course, BMW prototyping is also helping. It is doing it. Yes. Yeah, BMW also.</p>
<p>Mr. Prabh Mehar Singh</p>	<p>But to give you a more approach-based answer, I don't know how you take it, but between having a higher margin, because margin is something which is governed and earned by, you know, a lot of factors. But you also have to understand we never ever go back to our customers for any inflation related activity. So whatever margins what we are quoting today is basis of course new projects which will add the revenue, but there are also old projects which will now become more expensive. So, there is always a delta which we have to then earn from in terms of, you know, employee cost will increase, input cost will increase.</p> <p>So, to give you a blank answer that it can increase, of course it should. But the point is we have to always play between the inflations and the new projects. If we are not adding new projects, because new projects come at the new prices. So that is where even if we are growing with new projects, if old projects are growing, that margin balance needs to be maintained. You know, business is always a balancing cycle, because somewhere the costs are going up, somewhere the costs have to go down, like we have already disclosed today that we are now going to invest almost thirty-five growth of heat treatment facility. Now, what we do, it will happen, it will increase our interest cost, but it will substantially reduce our operating cost. We are putting up a heated room facility in Noida unit. So of course, it will reduce our in outsourcing cost because at Noida plant we are getting 100% heated on outside. So, moment we insource our outsourcing cost will go down. The profit margin with outside supply was taking that will be taking. And, as the other way around, we will be paying higher interest costs, but net will be gaining, so then in all permutation combination, our interest always remains that we maintain our basic profitability, old projects. will start reducing the probability because no customer gives you pricing. New projects, they always have a higher element of profit, that's the reason that we always keep on adding new and new projects so the balance remains.</p>

	So, this is how for the past five, six years this strategy is working and we do hope that in coming years this strategy will keep working. Thank you. Thank you. There is no other person. We can close the call.
Mr. Shashank Kanodia	Okay, Thank you so much.
Ms. Chaniksha	Thank You, on behalf of the management, I would like to sincerely thank all the participants for joining and engaging with us today. Your participation is greatly appreciated. I would also like to extend a special note of gratitude to the management team for their thorough and patient responses to all the questions raised during this session.
Mr. Gursharan Singh	Thank you everybody.

Notes:

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