Tube Investments of India Limited
"Chola Crest," No. C54-55 & Super B-4
Thiru - Vi - Ka Industrial Estate, Guindy, Chennai-600 032.
Tel: 91 44 4217 7770-5 Email: tii-secretarial@tii.murugappa.com
Website: www.tiindia.com CIN: L35100TN2008PLC069496

17th May 2025

National Stock Exchange of India Ltd Exchange Plaza, 5th Floor Plot No. C/1, G Block Bandra-Kurla Complex Bandra (E) Mumbai 400 051	BSE Ltd 1st Floor New Trading Ring, Rotunda Building P J Towers, Dalal Street Fort Mumbai 400 001
Scrip Symbol: TIINDIA	**Security Code: 540762**

Dear Sirs,

Sub: Transcript of the conference group call with Analysts and Investors held on 16th May 2025 – ISIN - INE974X01010

Further to our letter dated 9th May 2025, we wish to inform that the transcript of the said conference group call held on 16th May 2025 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: 2025.05.17 21:04:21 +05'30'

S KRITHIKA
COMPANY SECRETARY

murugappa

"Tube Investments of India Limited
Q4 FY 2025 Earnings Conference Call"

May 16, 2025

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. Shivdeep Singh Jammu – Division Head – Tube Investments of India Limited Mr. Sivakumar – Division Head – MFPD – Tube Investments of India Limited Mr. U Rajagopal – Division Head – TI Cycles OF India Mr. Jalaj Gupta – Managing Director – TI Clean Mobility Private Limited
Analyst:	Mr. Anupam Gupta – IIFL Capital Limited

Moderator: Ladies and gentlemen, good day and welcome to the Tube Investments Q4 FY2025 Earnings Conference Call hosted by IIFL Capital Services Limited. Please note all participants are currently in listen only mode. There will be an opportunity to ask questions following the conclusion of the management's opening remarks. Please note this conference is being recorded. I now hand the conference over to Mr. Anupam Gupta from IIFL Capital. Over to you, Sir.

Anupam Gupta: Thanks moderator and welcome everyone to the fourth quarter FY2025 conference call for Tube Investments of India. From the management we have Mr. Arunachalam – Executive Chairman for the company. Mr. Mukesh Ahuja, Managing Director. Mr. AN Meyyappan, Chief Financial Officer for TII. Mr. Shivdeep Singh Jammu, Division Head for TPI. Mr. Sivakumar, Division Head for the Metal Formed Products. Mr. U. Rajagopal, Division Head for the TI Cycles business and Mr. Jalaj Gupta, MD for TI Clean Mobility Private Limited. To start off with, I will hand it over to Mr. Ahuja for the opening comments, and then we will have the Q&A.

Mukesh Ahuja: Thank you Anupam and good morning to all. From management side just a commentary, the Board of Directors of Tube Investment of India Limited met and approved the financial results of quarter and year ended March 31st 2025. The board has declared an interim dividend of Rs.2 per share in February 2025 and the same was paid to the shareholders in March 2025. The board has now recommended a final dividend of Rs.1.5 per share for the financial year 2024-2025. Just a snapshot of stand-alone results for Q4 and the full year. Revenue for Q4 was Rs.1957 Crores against Rs.1962 Crores of the same quarter previous year. Revenue for the full year was Rs.7893 Crores against Rs.7611 Crores of the previous year. PBT before exceptional item for the quarter was Rs.896 Crores and the year was Rs.1544 Crores. During the quarter, the company has recognized a fair value gain of Rs. 569 Crores in its P&L towards investment in CCPS of the TI Clean Mobility Private Limited. PBT before exceptional items in the CCPS share value gain for the quarter was Rs.327 Crores against Rs.318 Crores for the same quarter previous year. PBT before exceptional items and CCPS fair value gain for the full year was Rs.975 Crores against Rs.970 Crores for the previous year. ROCE at 44% for the year ended March 31st 2025 as against 54% in the previous year. Free-cash flow for the quarter was Rs.225 Crores and the cumulative free cash flow for the year is Rs.397 Crores, which was at 55% of the PAT. This is excluding fair value gain. Coming to the respective businesses. Engineering, the revenue for the quarter was Rs.1,229 Crores compared with Rs.1,276 Crores in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.142 Crores against Rs.160 Crores in the corresponding quarter of the previous year. The revenue for the full year was Rs.5029 Crores compared with Rs.4921 Crores in the previous year. Profit before interest and tax for the full year was Rs.617 Crores which is same as the last year. Coming to metal formed products, the revenue for the quarter was Rs.403 Crores compared with 386 Crores in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.39 Crores as against Rs.42 Crores in the corresponding quarter of the previous year. Revenue for the full year was Rs.1565 Crores compared with 1519 Crores in the previous year. Profit before interest and tax for the whole year was Rs.164 Crores against Rs.187 Crores in the previous year. Coming to mobility, the revenue for the quarter was Rs.181 Crores compared with Rs.150 Crores in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.4 Crores against the loss of Rs.9 Crores in the corresponding quarter of the previous year. The revenue for the full year was Rs.670 Crores compared with Rs.664 Crores in the previous year. Profit before interest and tax for the full year was Rs.5 Crores as against the loss of Rs.18 Crores in the previous year. Others, the revenue for the quarter was Rs.244 Crores compared to Rs.230 Crores in the corresponding quarter of the previous year. Profit before interest and tax for the quarter was Rs.13 Crores as against Rs.17 Crores in the corresponding quarter of the previous year. The revenue for the full year was Rs.987 Crores compared with Rs.834 Crores in the previous year. Profit before interest and tax for the full year was Rs.48 Crores against Rs.65 Crores in the previous year. And this is standalone consolidated results. TII's consolidated revenue for the quarter was Rs.5150 Crores against Rs.4490 Crores in the corresponding quarter of the previous year.

The profit before share of profit of associated joint ventures for the quarter was Rs.342 Crores against Rs.405 Crores in the corresponding quarter of the previous year. With this, I hand over and come back to you and happy to take any questions.

Moderator: Thank you very much Sir. Ladies and gentlemen, 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 while the question queue assembles. Ladies and gentlemen, if you wish to ask a question, you may click on the raise hand icon. We will take our first question from Rushabh Shah from RBSA Investment Managers. Please go ahead. Mr. Shah may we request you to unmute your microphone and you may ask a question.

Rushabh Shah: Good morning. Firstly, we have been saying in earlier con calls that TI has room for one more business division that could be incubated. So any thoughts, have you finalized anything? What can it be? And also, lately, the government has started a new PLI for electronic components. Are we looking at this? Anything that could be done that is my first question.

Mukesh Ahuja: Yes Rushabh thanks for the question. As of now, we are still studying for incubating another business line in TI. And regarding your question to PLI, we are yet to take call. We are also studying that option, but yet to conclude on that.

Rushabh Shah: And my second question is on the medical devices. We were expecting certain certifications from the export market. So have you received it? What is the status? Because I believe we are not growing as per the potential of the division so far.

Mukesh Ahuja: So Rushabh, we agree with your remark. We have already invested in CE certifications for the Europe, which was a work in progress. And there is a bit of delay in getting those certifications. And we are expecting it to be over in thisquarter. And after that, maybe the business will also start. Like fixed cost is already invested in, but revenue is yet to click in a large way for the export market, which we are confident going forward will take place but there is a bit of delay we agree on that.

Rushabh Shah: My third question is on the EV segment. There has been high competitive intensity especially in the three-wheeler so I just want to understand what more are we doing to improve the battery range, after sales, and reduce cost given the competitive intensity that has happened and also one of the competitors are saying that they are already doing motor in-house and they are also getting eligible for the PLI in this segment. So where are we on both of these?

Jalaj Gupta: So Rushabh Jalaj Gupta here I will take this call. So you are absolutely right, the intensity of competition in the three-wheeler electric business is increasing that is because we are seeing a very high degree of electric conversion of the ICE and other fuel vehicle into three-wheeler. As far as we are concerned, we have our product plans. In fact, as of today, we offer one of the highest range that is offered on any particular battery offered in three wheeler and we are working on introducing variants of offering other battery packs as well that is one. Second part of your question was doing our in-house motor. There are various microcontrollers that go into electric vehicles, be it three wheeler or other components. We are well on our way to indigenize majority of the microcontrollers within ourselves that is in the business and we will be among the very few ones in the country to have their own microcontrollers for the business itself.

Moderator: Mr. Shah may we request you to return to the queue sir, as there are participants waiting for the turn. We will take the next question from Vipulkumar Shah of Sumangal Investments. Please go ahead.

Vipulkumar Shah: Hi Sir thanks for the opportunity. Can you give the volume figures for all the three electric products and what is the quarter-to-quarter change?

Jalaj Gupta: Okay so I will take this. Q4 was perhaps our best ever quarter since the inception of TI Clean Mobility from the top line perspective. As far as the full year is concerned, the overall revenue grew by almost 160% over FY2024. As regards to specific volumes, the total volume for the year for the four businesses that we operate were 7,540 numbers. There are two, three more things I just wish to highlight over here. IPL Tech, which is the flagship business for the TI Clean Mobility, their Q4 again was the best quarter. We could deploy 65 trucks in Q4.

And just to give everybody the perspective of what IPL tech is doing in the entire last financial year all over the country for heavy electric trucks 206 trucks were deployed in the country in the entire industry out of 206 trucks 172 trucks were deployed by IPL Tech. So that is the kind of impact or that is the kind of lead that IPL Tech has taken in the heavy electric commercial vehicles. Now I will talk about two businesses which saw them moving from project stage to the full-fledged business scale, which is our ESCV, Eviator brand, small commercial vehicle and the electric tractor business. So Q4 saw both the businesses seed volumes, about 14 in one case and 17 in another case into the market for Q4, which was the plan. So the plan was to ensure that in Q4, all the four businesses are fully operational, which we have achieved. And now we have the entire full financial year where all the four business will be fully operational.

Vipulkumar Shah: Sir can you give three wheeler numbers also?

Jalaj Gupta: Three wheeler numbers for the quarter were 1662 and for the year were 7324.

Vipulkumar Shah: And what was the same figure for third quarter Sir?

Jalaj Gupta: Third quarter figure was around 1800.

Vipulkumar Shah: 1800 so we have de-grown.

Jalaj Gupta: For the full financial year, we maintained our market share. In fact, for the full financial year, if I may just tell you, the three wheeler L5M category of business, this particular TIV, it grew by 91%. The TIV grew by 91% and we grew by 116%. The three-wheeler passenger business in which we operate for FY2025 over FY2024.

Vipulkumar Shah: So on any of this truck or three-wheeler business, do we expect to break even at EBITDA level in near future Sir?

Jalaj Gupta: The plan is that yes. For both these businesses, the attempt would be that at least for a quarter or maybe even more, the attempt would be within this financial year, which is the current financial year to achieve an operational break-even.

Vipulkumar Shah: Okay and Sir my last question relates to engineering division. It has stagnated so are we losing any market share? Means can you comment qualitatively? Means tonnages are less or how should we read it? Because that was our main growth engine in previous years.

Mukesh Ahuja: Growth momentum and share of business continues to be strong in the engineering division. Let us say we have rather improved our market share in the domestic market. Coming to the margins what you are able to see the stagnant level that is because of new facility in CRSS at Nasik has kicked off and we are in the process of taking customer approvals, which is expected to be over in next three to four months time and then capacity utilization, which is just started now, is going to improve and then we see the revenue growth as well as the margin improvement is going to happen in the future.

Vipulkumar Shah: So should we expect better numbers in the second half of this year for engineering division Sir?

Mukesh Ahuja: Yes.

Vipulkumar Shah: Okay Sir, thank you very much. I will rejoin the queue.

Moderator: Thank you. A reminder to our participants, if you wish to ask a question you may click on the raise hand icon from the participant tab. We will take the next question from Anupam Gupta of IIFL. Please go ahead.

Anupam Gupta: Yes thanks for the opportunity. So Sir basically coming back to the core business which is engineering and metal formed, can you please talk about how did the exports fare in this quarter and possibly break it up between the engineering division as well as for the industrial chains which we export and similarly how was the performance for the large diameter tubes for which the new capacity was under construction in the last year?

Mukesh Ahuja: So Anupam, morning and thanks for the question. Maybe let us say to answer your question one by one, particularly through the exports business. Exports business continued to be 15% of the TI sales on overall basis. And it continued to be around same level, but however, maybe on account of little uncertainty which all of us are aware, but we continue to have a great relationship with the customers but there is a bit amount of uncertainty in the short run which may be in our view it is a just a temporary period and after that we will be back. Coming to large diameter plant, yes, you are right. For extended range, the plant is operational now and we are in the process of getting the customer approvals which maybe all of the existing customers only. There are hardly new customers and we have to go through the cycle of getting product approved, which we are hoping in next one or two months we will get approved and then we see the extended range in the large diameter also and we will start kicking in for the engineering business.

Anupam Gupta: Okay I understand. And similarly in the metal formed product business also, although there was marginal growth, but margins there continued to remain weak. So what is plaguing the margins for the metal formed product business?

Mukesh Ahuja: So Anupam, like we shared in the previous calls, MFPD business is under pressure because the railway maybe let us say is not kicking off but I am happy to share with our investors today. We have signed a thousand Crores contract for the next seven years period of time which is expected to start in Q4 of this year. So railway business we expect to revive it back starting next year and Q4 of this financial year which will help us to improve the margins in the MFPD business which were stagnant or little lower from the last two or three quarters.

Anupam Gupta: Okay so will this contract also boost your growth because I think for the last six seven quarters railway has not contributed much in terms of revenues, right? The growth also should be stronger compared to what it has been in the past.

Mukesh Ahuja: Yes Anupam starting Q4 of this financial year railway will be on the growth trajectory back to the original positions.

Anupam Gupta: Okay fine. And just one last question on the EV business Sir. So EV we had a target of reaching close to 120 or so dealerships for the three-wheeler business.

I do not think so we have reached there at least what is visible from the website in terms of dealerships. So where are we at this point of time and what is our target if you can break it up between three wheelers, small commercial vehicles, and tractors for this year?

Jalaj Gupta: Okay so Anupam I will go one by one. Three wheeler business at this point of time, we are 85 dealers who are fully operational as of today. When I say 85 I am just talking as on March 31st for the quarter ended last year and the plan is to go upwards of 120 dealership for FY26. For the small commercial vehicle two dealers were fully operational as on March 2025 and the plan is to be having 25 dealers across the country. As far as e-tractor is concerned, four dealerships were fully operational whereas fully operational likewise in small commercial vehicle, there were many LOIs which were issued which I am not talking about. I am talking about the number of dealerships which are fully operational. And as far as the tractor business is concerned, so there again, four dealerships were fully operational. And the plan is to have about 25 numbers. They are also operational before the end of the current financial year. And as you would know for the truck business, it is a direct selling model that we are deploying at this point of time. Maybe we may explore some service dealers, but that will be just done on a pilot basis.

Anupam Gupta: Sure, Sir. Okay I will come back in the queue Sir. Thank you.

Moderator: Thank you, we take the next question from Prithvi Raj Earle from Unifi Capital. Please go ahead.

Prithvi Raj Earle: So you made a point of this new plant in the engineering segment. What will be the incremental capacity growth because of this new segment?

Mukesh Ahuja: It is going to add incremental capacity of overall engineering division about 7-8% but in terms of volume, if we say that it is going to be about 4000 tonnes per month.

Prithvi Raj Earle: And then on the EV side, would you quantify what are the losses for this financial year?

AN Meyyappan: Yes this is Meyyappan here. See for this quarter the loss is Rs.107 Crores. What we have reported is Rs.244 Cr and in this you have to eliminate the CCPS fair value loss what we have accounted for in the consolidated statement. That is Rs.137 Crores. If you remove this, Rs.107 Crores is the PBIT loss for this quarter. And for the year it is Rs.412 Crores.

Prithvi Raj Earle: And we expect this to reach break-even by the end of Q4 of this financial year right by FY2026.

AN Meyyappan: No, no. I think Mr. Jalaj has already explained to you that we are working towards EBITDA positive for break-even for two of the businesses.

Prithvi Raj Earle: Okay and the railways order that you mentioned is Rs.1000 Crores order right over seven years.

AN Meyyappan: That is right.

Prithvi Raj Earle: Okay thanks. That is all from my side.

Moderator: Thank you. Our next question is from Gnanasundaram Saminathan from Avendus. Please go ahead.

Gnanasundaram: Hi team thanks for the opportunity. The first one is on the EV business again. I remember some time back, Mr. Vellayan used to call that we need to do about Rs.1000 Crores in each individual set of these businesses to break even. And we are calling for operational break-even in the next year. So how does the number work? I am not able to add it up sorry.

Jalaj Gupta: Sir the target that TICMPL all the four businesses put together, the first immediate target is how do we reach $1 billion mark, let us say, next three to four years that is the first objective. Having said that, the second most immediate objective is, as also said how do we reach operational break-even at least for the two businesses this particular year. And the third target that we are working towards is that how do we become among the top three players in each of the four businesses that we are operating in. I think these are the three big milestones that we are working towards.

Gnanasundaram: Perfect, Sir. Thank you. Should we have a number in mind to say when you are looking to break even in EHCV and the passenger auto segment? Is there a top line number that we should be aware of to be revised from the 1,000 Crores number?

Jalaj Gupta: That will be difficult and not appropriate for me to comment on that at this particular point of time when we have just started our journey.

Gnanasundaram: Right Sir perfect. But we can still expect operational break-even in FY2026 is your commentary right now.

Jalaj Gupta: For the two businesses, not for full TICMPL; but at least two out of the four businesses that's the plan.

Gnanasundaram: Right Sir and TICMPL what would be the cash kitty that we have currently Sir out of Rs.3000 Crores?

Jalaj Gupta: Almost around Rs.900 Crores we are having it in cash, 940 Crores to be precise.

Gnanasundaram: Right Sir. Thank you. Sir another one is that can you just explain between two businesses which you are written off this quarter, Moshine and the waste to energy business, what is the rationality behind it?

Mukesh Ahuja: So Moshine which we started for a feature-phone market around one-and-a-half years back, our margin expectations are not getting fulfilled in that business. That is why when it was a small business around Rs.15 Crores so we have taken an impairment in this current quarter. What you are mentioning about the Aerostrovilos that was done in the Q1 of this financial year, which was basically an investment in the startup for the R&D project. And when we see that maybe it was not progressing well, so we have taken a call on that. I think it was around Rs.3.5 Crores was the investment in the startup.

Gnanasundaram: Right Sir fair enough Sir. And one more management related question here with Mr. Vellayan not being on the call today. Should we read like this is because he moved to a non-executive role or this time he is not present for one of reason?

Mukesh Ahuja: So Mr. Vellayan is traveling this time and that is why he could not join this call.

Gnanasundaram: Thanks for the clarity. Thank you Sir. That is it from my side.

Moderator: Thank you. We will take the next question from Salil Desai of Marcellus Investments. Please go ahead. Mr. Salil Desai, may we request you to please unmute your microphone and you may then ask your question.

Salil Desai: Thank you. My first question is for Meyyappan. If you can explain the CCPS impairment provisioning that has been done, what is the reason behind this and how should that change in the next couple of years?

AN Meyyappan: Yes I can explain you. With respect to CCPS, what we have invested in TI Clean Mobility. TI Clean Mobility has raised Rs.2,750 Crores of CCPS, out of which Rs.500 Crores has been invested by Tube investments as a promoter, and remaining Rs.2250 Crores has been invested by private equity firms. As per this CCPS terms, it is a variable conversion. It is not a fixed to fixed conversion. It depends upon the performance of the company. At that point of time of the conversion, it changes. The number of shares, what they get changes. That means as per the IndAS we have to treat it as a financial liability. And hence for last two years we were also showing it in the financial liability only. And the funding also got completed in June 2024 and since nine months got over from that time we have to do a fair valuation on that and accordingly account for it. And it should be a regular feature for every quarter, that is every reporting period we have to do. And based on which, we have done the fair valuation. Since the variability is there on this and we have done the fair valuation. It has come to something like Rs.706 Crores of number that has been accounted as a fair value loss in TI Clean Mobility. And in Tube investments, standalone business whatever the investments which we are having, out of which Rs.569 Crores is the fair value gain for us that we have accounted in TI standalone business. In the consolidation, this gets knocked off. This Rs.569 Cr will get knocked off and only Rs.137 Cr that is the investor portion fair valuation that alone will come as a hit to the P&L in the consolidated TI financial statements.

Salil Desai: So just to understand this at 706 Crores share value which is lower than what was anticipated earlier right so should this be read as the fact that as per the shareholders agreement or the CCPS agreement, the actual performance is probably not tracking what was earlier expected. So, fair value has reduced.

AN Meyyappan: No, no. See actually we never said any number earlier on this because the fair valuation the first time we have done it only in March 31st. See earlier period we have considered the cost as the fair value. The reason is the funding was not completed. Funding has completed only during this year. In June 2024, the final money has come in and entire funding got completed and hence we have done the fair valuation now and it has been accounted for and we never mentioned any amount earlier on this.

Salil Desai: Okay, post merger what would be Tube stake in TICMPL?

AN Meyyappan: See, right now we are having 100% only, okay. Everything will get converted only at later point in time, okay. It depends upon the market conditions at that point in time.

Salil Desai: Understood. Okay. Right. Thanks. This is for Jalaj, if you get Rs.106 odd Crores to negative EBIT that we have in this quarter, what would be the major cost items that are leading to this. I think, 2024, we had R&D expense, some corporate support expenses and all as some of the major ticket items and some professional fees also. So it would be good to know what are the big ticket items and if you have a path to secure profitability then which of these items will either reduce or is it going to be just a revenue growth thing that is going to drive the EBITDA break even.

AN Meyyappan: This is Meyyappan here. See, whatever we have reported here is operational PBIT which we had given you. I mentioned in the earlier thing also Rs.244 Cr was a loss which has been shown in Q4 and out of which if I remove that Rs.137 Cr, Rs.107 Cr is the loss because the EBITDA break-even will come in two of the businesses, that is what Mr. Jalaj has said that will come in the future quarters.

That means we will be able to maintain this, it is only operational loss. There is no specific behind this because once the revenue start kicking in, then this loss will automatically come down.

Salil Desai: Right. So what I was trying to understand is, are there startup costs that will reduce, obviously revenues will go up.

AN Meyyappan: Cost will not come down, revenue will increase and by which you will be able to get more contribution on the product whatever you are selling and that will be able to absorb the fixed costs.

Salil Desai: Understood. Okay. So it Is not that there is some startup cost that will reduce.

AN Meyyappan: No, no.

Salil Desai: And lastly, on the on the railway Rs.1000 Crores orders, if you can just clarify what this order is for and seven, seven year kind of seems like a long duration for typical train order. So, we should understand the nuances behind this.

Mukesh Ahuja: Like we said earlier, like you see railway is going through the privatization route, many train orders have got awarded to one private player and in turn may be that has been particularly boggie has been given to us. So it is starting Q4 of this financial year. It will continue to another six years is the time period given.

Salil Desai: Got it. Thank you.

Moderator: Thank you. Our next question is a follow-up from Rishabh Shah of RBSA Investments. Please go ahead. Yeah, thank you. Our next question is a follow up from Rushabh Shah from RBSA Investment Managers. Please go ahead.

Rushabh Shah: Just wanted to clarify when you mentioned the target of $1 billion revenue in EV segment. So does it include exports or it is only for the domestic market?

Jalaj Gupta: The entire size of the business, including exports.

Rushabh Shah: And I think we are supposed to review the feasibility of the cycle's business. So have you taken any call or I think you are targeting some export market there. What is the status on this division?

Mukesh Ahuja: Rushabh like we mentioned in the previous calls, we think cycle business is already into black. And this year, particularly our exports has gone up and we continue to focus on exports and the other categories of the cycle business which we feel it is going to grow in coming future.

Rushabh Shah: And just had a clarification on the consolidated P&L, I can see the total profit and loss is around Rs.158.19 Crores in Q4 and the breakup between the owners of the company and non-controlling interest the ratio has come to 30:70 from 70:30 last quarter. So is this due to CCPS only or what is the ratio that we can expect going forward?

AN Meyyappan: See this is predominantly because of the CCPS, Rs.136 Crores you have to add and that will be the impact. If you add that and then see it will be Rs.183 Cr for the total number for TI as against Rs.46 Cr.

Rushabh Shah: Okay understood and just lastly if you can share something on this CDMO piece what is the progress and what is two to three year roadmap on that.

Mukesh Ahuja: So like earlier mentioned, our construction for the plant has already started. And we expect that to be over by let us say, Q3 and Q4 maybe in the middle of that, the construction will be over and then we will be able to go to the mass production level in the CDMO business. And that lab, what we mentioned, the customer acquisition is continuing which is encouraging. And then maybe after this commercial production happening with the large scale, we will do ramp up even for the CDMO business starting next year.

Rushabh Shah: Thank you Sir. Wish you all the best.

Moderator: Thank you. The next question is from Vipulkumar Shah of Sumangal Investment. Please go ahead.

Vipulkumar Shah: Hi Sir thanks for the opportunity again. So my question is regarding TI Clean Mobility. We have cash of Rs.900 Crores.

So considering current losses, we will be forced to raise capital at TI Clean Mobility level in near future?

AN Meyyappan: This is Meyyappan here. We do not have any plans of raising any further investments,Since we are already fully covered.

Vipulkumar Shah: How we are going to fund the losses? We have only Rs.900 Crores left, you yourself have said. When volumes will increase initially losses will also amount.

Mukesh Ahuja: So Vipul, as of now, we see that maybe we are covered for more than one-and-a-half to two years cash available. Also, maybe like we earlier mentioned the calls, we are very prudent on our fixed expenses and all those things. We are very careful being a part of TI and Murugappa group. So we feel as of now we are covered up to one-and-a-half to two years time.

Vipulkumar Shah: And Sir, my second question relates to engineering division for your Nasik plant. So when it will become fully operational. In 2026-2027, what type of revenue contribution we can pencil in for the entire year?

Mukesh Ahuja: So we expect this plant to be fully operational by Q3 of this financial year itself rather than 2026-2027 because one thing is good working when the steel scenario because of the safeguard duty introduced we see there will be uptake and demand for the CRSS business and as earlier mentioned during the call this plant we have done a capacity of around 4,000 tonnes, which we feel should be get fully utilized by Q3 and Q4. And then based on the progress, we have a plan to further expand depending on how we are progressing.

Vipulkumar Shah: Once it reaches its optimum utilization, what type of annual revenue run rate we can expect from that plant Sir?

Mukesh Ahuja: So may be let us say rather than giving plant wise revenue targets to give a guidance on the engineering division overall, we expect double digit growth what we mentioned in the previous call to continue for the engineering business going forward.

Vipulkumar Shah: Okay Sir. Thank you.

Moderator: Our next question is a follow-up from Gnanasundaram Saminathan from Avendus Spark. Please go ahead.

Gnanasundaram: Thank you for the follow up. One question is that we have also given a board resolution saying about Rs.300 Crores fund raise. May I know what is the plan for this particular debt raise that we have called out for.

AN Meyyappan: This is Meyyappan here. This is a enabling resolution which we used to get every year. We always get it for this year and only in the need we will take but we do not have any plan to rise at this point in time.

Gnanasundaram: Right Sir perfect and with regards to incremental cash that is being generated this year how should we look at capital allocation as a policy?

Mukesh Ahuja: So like we mentioned as of now maybe five verticals are already there in the TI. TICMPL like we discussed they are fully covered for next two years' time and the capital outflow will be happening for particularly TI Medical, CDMO business and for the core business what we are going to do it and as we said earlier maybe we are also exploring newer opportunities so depending on the attractiveness of the opportunity, fund will get allocated to that opportunity also.

Gnanasundaram: Right Sir and one last one is that TI Medical had a loss this time. What is the reasoning and what is the turnaround period here?

Mukesh Ahuja : So let us say I earlier mentioned, we have invested a lot for the exports business which is going bit slow. We agree on that particular piece and starting maybe next one or two quarter itself we are expecting whatever there is a lag was there for one or two quarter should get carried away and then we see that it will be back to profits.

Gnanasundaram: And with the current set of investments that we have already done into TI Medical, what is the kind of potential upside that we are looking for? ROCE of 20%, 25%? What is the number?

I am just asking you that from the current investment that we have done for about Rs.260 odd Crores and the partner putting about another Rs.67-68 odd

Crores, Rs.350 Crores investment, up to what revenue levels can it take this company into and when will further investments be required on TI Medical?

Mukesh Ahuja: So we are already exploring. Maybe like you say that maybe if we do an acquisition let us say it is coming at a higher price point which is not as per our philosophy of TI but it is going to be a growth vertical for us and coming to answer your question of as overall TI we expect always ROCE more than 25% on whatever we invest after the business gets stabilized.

Gnanasundaram: Right Sir. Fair enough Sir. Thank you and all the best.

Moderator: Thank you. We take the next question from Mr. Anupam Gupta from IIFL Capital. Please go ahead.

Anupam Gupta: Yes Sir couple of questions. Firstly, in terms of capex can you please detail what are the planned capex and investments in FY2026 by businesses, if you can give that break up?

Mukesh Ajuja: For the core business we expect as of now we will be investing around Rs.300 Crores in our core business. And like I mentioned earlier, further investment will be going towards the TI Medical, CDMO, and any other opportunity comes in front of us that is how the capital will get allocated for the current year.

Anupam Gupta: So can you detail the quantum which you have planned for medical, CDMO, and if there is anything planned for EVs as well in this year?

Mukesh Ahuja: So Anupam, that depends on the size of the opportunity. It will be very difficult to mention what kind of a capex we will be putting it. Like we said, we are studying on the field of TI Medical either through organic or inorganic route whatever it comes that, that will depend on the size of the opportunity.

Anupam Gupta: Okay, okay, understand and one question for Mr. Jalaj. In your remarks you said we are looking at more battery options for three wheeler.

I understand your current pricing is a bit higher than what competition is offering and also because of the type of battery which you are offering. So can you talk a bit more about what changes we are looking at and what will it do to your pricing versus competition?

Jalaj Gupta: So Anupam, as of today, what we offer in the market is a higher capacity battery. In fact, we and one of the competition are the two ones which offer a higher capacity battery. Our battery capacity is 10.2 kilowatt hours. Recently, we have seen in the market introduction of products with lower battery capacity as well. So we will be offering them also as one of the variants, which will give us some advantage on the pricing that we can do. Not only that, when we introduced our product, there were certain very unique features which are the best in the class features in that category, which of course, another competition has caught up upon. So very soon, we would be launching a refreshed version of our three-wheeler passenger variant which we feel that will again give us the competitive edge as far as the product is concerned. One thing which remains unchanged in the market is the premium positioning that we have positioned our product which is something a customer also acknowledges and customer is therefore willing to pay a slight price premium also on our product vis-a-vis the competition.

Anupam Gupta: Okay, okay, understand and one question for you Mr. Jalaj. On the trucks obviously we were the only offering to a large extent in the last year and now we have seen that a larger incumbent has launched almost a similar product as what we have from IPL Tech. So have you seen any impact from there or how are you preparing for that sort of competition and possibly more launches in that segment?

Jalaj Gupta: So competition will come. I mean, we are all embracing towards competition, not only from one, we will see competition from many. There will be many more entrants into this particular field. However, what is important is how many trucks have been put on the road in terms of the actual usage. I gave the figure earlier that out of 206 trucks deployed in the country, 172 were deployed by us. And what is important in case of the big truck business is the successful establishment of the end use cases, which we have been able to do across six to seven segments.

So competition will come, but I guess we believe that we have a very good head start vis-a-vis the competition because anybody be it competition, be it us, it took us about a year or more than two years to establish the successful end use case so there will be a learning curve, the competition will also follow. Yes the learning curve may be slightly smaller but everybody will have to go through that learning curve.

Anupam Gupta: Sure and one last question on Moshine. So you have taken the right off given the sort of margins which you are seeing but let us say that business are you still open to take that electronics PLI which is there, can it be housed under Moshine or is that a very tough place to put incremental investments and given the sort of experience which you have had over the last year or so.

Mukesh Ahuja: So Anupam, like we said earlier, maybe electronics is a field we are not ours to but as of now whether we have decided anything to do in the electronics field, the answer is no. But we are open to this field because it is going to be a growing field coming in the time. Like you mentioned, even government is giving a PLI, but as of now, we have not taken any call.

Anupam Gupta: Okay fine that is all from my side. Moderator if you have any more questions from the participants, you can take that otherwise, we can I think close the call.

Moderator: I will check again Sir. Ladies and gentlemen if you wish to ask a question you may click on the raise hand icon. We have a follow-up question from Gnanasundaram Saminathan from Avendus Spark. Please go ahead.

Gnanasundaram: Thank you, so one last one. Can you just explain the utilization of the current engineering and metal formed division and what is the upside that we have got left there in terms of capacity?

Mukesh Ahuja: So in engineering division our capacity utilization is maybe let us say if I exclude the Nasik plant which is just started and there is another plant going to come in the Phaltan for the tube division. If I include this both put together our capacity utilization will be around 80% and in the MFPD business maybe because it is a varying business but overall number will remain again at around 85% capacity utilization in the MFPD also.

Gnanasundaram: So do we have incrementally capacity to take that particular railways order by that time we will be adding a new capacity the assumption to the Rs.300 Crores investing this year into the base business?

Mukesh Ahuja: Like I maybe let us say mentioned in the tubes and the cold rolled strips, we are covered for even at least next one to two years because both the capacity addition one is just started, another is going to start, another down the line one quarter or two quarters. So we are covered in the tubes. Let us say it is already in public domain. For the MFPD division, we are also investing in the same place along with the tube capacity, which will also be good to go for next two years time.

Gnanasundaram: Right Sir. Perfect Sir. Thank you. It was a great call. Thanks.

Moderator: Thank you. The next question is from Namit Arora of Indgrowth Capital. Please go ahead.

Namit Arora: Thank you very much for the opportunity. Sir my question was on the EV business. Clearly you are pioneers and there may have been some learning's since you started compared to the original business plan. So could you walk us through any of the key learning so far and any revisits to the business plan that you need to make with a three to five year view? I know it is a new market and you are pioneers, but it will be good to get some early colour of qualitatively how you are feeling about this and any tweaks or changes you need to make to your approach to this EV business. Thank you.

Jalaj Gupta: So Namit as I just said, I will just maybe reiterate those two, three points that our big milestone of reaching $1 billion that does not change so that in terms of business plan does not change that so the end destination remains the same that is number one. Number two that we are the pioneers so therefore we would want to be among the top three players in each of the segments that we play in so that also does not change. Yes, there have been few learning's. So one or two learning's that I can share with you is that for truck business for example, we have realized that the time from which we start pursuing opportunity or start engaging in a sales talk to the deployment of the truck. It is a long lead time item. It is not so much about selling a truck.

It is about a complete project getting institutionalized. So that is one learning that we have got because there are multiple stakeholders which are involved, including charging infrastructure, the logistic service provider, the end use case, the financiers, etc so that has been a learning. The second learning has been that in many of the EV businesses since inception, it is the end user or the end use case business viability that needs to be established, be it in case of tractors, be it in case of small commercial vehicle. The only exception is the three wheeler business where the business is primarily a B2C business and since the business has reached almost 26% of the electrification, so it could be a usual through the channel sale of the three wheeler business. But as far as all the three other businesses are concerned, it would remain primarily to start with a B2B kind of an end-use case establishment before the sale can be executed. These are some of the learning's and there are some more, but these are I think the top two, three learning's that we have picked up as we have moved in this journey.

Namit Arora: Thank you very much Sir for your very detailed and candid thoughts. This is most helpful. All the best to the entire team and many compliments to the entire group for phenomenal value creation across group companies over the past decade and more. Thank you very much Sir.

Moderator: Thank you. As there are no further questions, I now hand the conference back to Mr. Mukesh Ahuja for closing remarks. Over to you Sir.

Mukesh Ahuja: So we are thankful to all for a fantastic questions and this also helps us to have a learning opportunity. Thank you very much for your support.

Moderator: Thank you. Ladies and gentlemen on behalf of IIFL Capital Services Limited, that concludes today's conference. Thank you for joining us. You may click on the leave icon to exit the meeting. Thank you for your participation.