

Thaai Casting

14 August 2026

Operator: Good afternoon, everyone.

Jagbandhu – Company Secretary: Good afternoon, ma'am.

Operator: Sir, we will start now.

Jagbandhu – Company Secretary: A very good afternoon. Welcome to the investor meeting. I am Jagbandhu, the company secretary of the company. Our MD is also here and will be joining me. I request that we proceed directly to the question-and-answer round. Due to a medical emergency, our head of finance is not present. If you have any finance-related queries, please send them to {? email ?}; we will try to respond to the queries at the earliest. I now request the investors to begin their questions. Vaishnavi ma'am, you can take the questions directly.

Operator: Yes, if anybody has a question, please raise your hand and ask. Yes, Shrikant sir, you can go ahead.

Shrikant: Am I audible?

Operator: Yes, yes.

Shrikant: I have a few questions. Shall I proceed?

Jagbandhu – Company Secretary: Yes, sir.

Operator: Yes, sir, please go ahead.

Shrikant: In the gas nitriding facility, we are undertaking capex for 3 additional furnaces, which will take the total to 6 furnaces. After this capex, is there any land available at that location?

Management: Yes, land is available, sir. Construction is going on.

Shrikant: How much balance space will be available for further capex at that location after these 6 furnaces are successfully completed?

Management: That is all, sir. Further expansion will be very difficult. However, we are now creating an additional facility for 5 furnaces instead of 3, because it may not be possible to do it later. We are creating the facility for 5 furnaces now itself. When required, we will only have to add the furnaces and will not need to disturb the construction.

Shrikant: That means the current 3 furnaces are commercial, while the 5 furnaces are in the construction phase, correct?

Management: Correct, correct.

Shrikant: Do we have long-term agreements with the end customer for all 5 furnaces?

Management: Only 3, sir. We have long-term agreements for only 3 additional furnaces. Since this is a pit furnace, creating the facility will be very difficult and may not even be possible later. Therefore, we are creating the facility for 2 additional furnaces and keeping it ready. If we get an

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opportunity, we will only need to add the furnaces.

Shrikant: Can you give us an update on the defense and aerospace segments, since we are pursuing certification in aerospace for both segments?

Management: No, sir, we have not yet started. I have already explained that we need to obtain AS 9100 certification. We are going to obtain that certification at the new plant. If we use the existing plant, it does not have the facilities required to cater to the aerospace sector. The new plant is nearing completion, and the ISO process is currently underway. After that, we will start the AS certification process.

Shrikant: A similar update for defense, sir? We have some prototype components. Is there any—

Management: Yes, sir. We supplied the prototypes and the initial samples as well. They have not visited us because they were busy after the war. Maybe after the plant inauguration, we would like to invite them. We are also calling them now and putting pressure on them. Once they see the entire facility, we will get more opportunities.

Shrikant: Does that mean there may be a visit for the defense business after October 2026?

Management: No, sir. We are trying to do it at the opening in October, before the end of October. By that time, we will invite them as well.

Shrikant: The new facility is on 3 acres, of which we are currently using 40% of the land. What is the strategy for using the remaining 60% of the land going forward?

Management: The land at the new facility?

Shrikant: Yes.

Management: We are planning a similar expansion, sir. Once this establishment is completed and production is operating on a full-fledged basis, we will further expand into similar businesses.

Shrikant: Does that mean the current new facility on 3 acres is being used for the wind segment, and the remaining 60% will also be used for wind customers going forward?

Management: We do not refer to it only in that way; we call it a heavy-industry facility. At present, we have entered the wind segment, but we are planning to cater to all related heavy industries, including oil and gas, aerospace, and defense, as I mentioned earlier.

Shrikant: So we can use the new facility for any industry where there is a long-term agreement, correct?

Management: Yes. These are common-purpose, general-purpose machines, sir. Nothing is a special-purpose machine. All these machines can perform all types of jobs. However, since we have received business from the wind segment, we refer to it as the wind business. The machines are capable of performing any type of job.

Shrikant: Are we generally undertaking any bill discounting in our business?

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Management: Bill discounting, sir? With the customer?

Shrikant: Yes, correct.

Management: No, sir.

Shrikant: Is there any plan to undertake bill discounting in the future to reduce debtor days?

Management: At present, no, sir. I will discuss it with the CFO as well. Only after completing this expansion will we understand our exact cash flow situation and decide what should and should not be done.

Shrikant: Because debtor days are increasing, I believe there may be a reduction in debtor days going forward.

Management: We have a plan based on the EMI schedules. Using those schedules, we intend to reduce the debtors. From the end of 2020 onward, many of the debtors are being closed. At present, we are planning to proceed only with the debtors, with a maximum focus on all term-loan debtors. The CC facility will continue as it is, sir.

Shrikant: One more question. Among our customers, there is one company that caters to industrial robotics. Is there any future growth related to that segment?

Management: Is our customer in industrial robotics?

Shrikant: Yes, I think it is Bonfiglioli. It is an Italy-based company.

Management: Yes, we are already supplying many parts to Bonfiglioli. Recently, we added some more parts as well. They plan to export our parts to Italy. Most probably, I may also visit their Italy plant in November.

Shrikant: Which components are we targeting, if that can be disclosed?

Management: Their main products are industrial gearboxes for the wind and mobile segments. The mobile segment means heavy earthmoving vehicles.

Shrikant: I think they also have a robotics segment, correct, for the same company?

Management: I do not think they have a robotics facility at their Chennai plant. They may cater to the wind segment. They are in the gearbox business, sir. If any gearbox is required for robotics, they may be supplying it.

Shrikant: Are we catering to their gearbox segment, or which components are we supplying?

Management: Gearbox components only. We support all the housings, and we also manufacture many of the critical housings. We also undertake induction hardening for those parts.

Shrikant: What will be the EBITDA margin range from the new capex for this 3-acre facility?

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Management: We calculate EBITDA on an overall basis, sir. It will be around 22–25%, plus or minus, across aerospace, automobile, and other components.

Shrikant: Thank you, sir.

Operator: Thank you, Shrikant sir. Mr. Vishal sir, please go ahead.

Vishal: Thank you. Based on what we have said in previous conference calls, I have a few questions, and your answers will help us. First, what is the total capex incurred for the gear-shaping business, and what revenue and margin do we expect at full capacity?

Management: So far, nearly 100 crores has been invested in the gear-shaping project alone. We operate only in the service industry, sir; we do not purchase any raw materials. We provide only services. We expect around 40 crores of revenue from labor charges alone. EBITDA margins are around—

Vishal: Yes, please go ahead, sir.

Management: EBITDA will be around 25–30% for that specific business.

Vishal: You said this in the previous call, and that is what is confusing me. If 100 crores of capex can generate 40–45 crores of revenue based on services, with a margin of 25%, then revenue of 40 crores at a 25% margin would generate EBITDA of 10 crores. After depreciation and finance costs, PBT would ultimately be 3–4 crores on an investment of 100 crores. Does this look right to you?

Management: Pardon?

Vishal: I will repeat it. The capex is 100 crores, and for a company like ours that is making niche parts for {? [unclear] ?}, I assume you are probably targeting a 20% return on invested capital. You are saying that we will generate 40 crores of revenue at a 25% margin. That would be 10—

Management: The 25% is very conservative, sir. That is what I am saying. This is the cumulative figure for the existing plant, the new plant, and everything together. The dedicated project is totally different, sir. From the very beginning, I stated that my return on investment would be 4.5 years.

Management: 4.5 years, 4.5 years is what I declared.

Vishal: Where will you generate the profit? I am failing to understand. If you are generating only 10 crores of EBITDA from it—

Management: No, sir. The EBITDA from that project alone is different.

Vishal: I think the EBITDA would probably be 60–70%, correct? Unless we generate EBITDA of 60%, there is no point in undertaking this business.

Management: Sir, we will definitely achieve that. It is only a service industry. I am saying this because in the existing business I undertake everything with material, whereas this revenue will be a very small portion of the overall business. That is how the EBITDA converts to approximately 25% when calculated on a cumulative basis.

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Vishal: I understand. So you are probably not able to provide the EBITDA for the gear business separately. We can have a separate discussion about it. I will move to the next question. You have mentioned induction hardening. What are the areas in which we are undertaking induction hardening? What does induction hardening actually do, and where is it used?

Management: Induction hardening is a case-hardening process, sir. It is a specialized case-hardening process, and very few people have this capability. We also have high-kilowatt machines, for which very limited facilities are available. We have the largest capacity in the South.

At present, Bonfiglioli is our only customer for induction hardening. We undertake induction hardening for their entire housings, other ring gears, and other components. Recently, we also added our wind customer. We have now added several customers, which should provide very good growth in the future, perhaps after a year.

We are shifting our induction-hardening unit from the existing facility to the new facility that we are constructing, the {? GHPL ?}, sorry, gas-nitriding facility. At the new facility, we will be able to undertake many new products. Development work is already underway for various customers. Earlier, there were only 2 customers; now we are going to add 4 additional customers.

Vishal: Is there any technology transfer from our wind customer?

Management: We only visited them, sir. They have not transferred any technology to us. In the case of gas nitriding, their German team came here and brought the complete data from their existing German facility. With that data, we were able to achieve the initial nitriding trials at a very early stage.

For the new gear-shaping project, the customer provided all the technical inputs from day one. We also visited and worked in several countries, and the customer provided its full support to prove the part. The approval process is ongoing, and they are still working with us.

Vishal: You mentioned in one of the calls that we have a 5-year lock-in with the wind customer and that they have booked the full capacity. If they do not use it, they will pay for it. What happens after 5 years? Would we be allowed to—

Management: We are working on that. That is why we worked on achieving a return on investment within 4.5 years. As I said, this is not restricted only to the wind project. It is a general-purpose machine that can do anything.

Regarding the wind segment, I request that any other investor who visits us in person meet with me, because I can explain it much better. We are working on various technical aspects.

Vishal: My concern was that you are in Tamil Nadu, where there is a history of wind turbines being installed and then the market declining, with many issues arising. If the wind-turbine market declines, will we still be able to use this facility for other gears?

Management: Correct, correct. This is not a special-purpose machine at all. It is a general-purpose machine for various heavy industries.

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Vishal: Does our wind customer have a facility in Chennai?

Management: One advantage for us is that our agreement was made with one of our wind customers. However, the machine can do anything.

Vishal: Are these companies only in wind turbines, or do they have other applications where the gears can be used?

Management: Our existing customer, which gave us this business, is only in wind turbines. They have more than 30% of the global wind-gearbox market.

Vishal: Will they export these gears to Italy, Europe, and other locations, or will everything be used in India?

Management: No, sir. I think most of the gearboxes are sent to Germany and other countries. The company with which we have signed the agreement is a German company.

Vishal: So they are probably not going to use them in India?

Management: Yes, sir.

Vishal: I think I will come to my last question.

Management: Go ahead. They have also added Adani as a customer. I do not know what percentage they supply.

Vishal: I was reading that Indian manufacturers may face challenges because 3 years ago only 10% of wind turbines came from China, whereas now 45% are coming from China. I was wondering whether we will face any issues. If you are saying that they will export the gears to Europe, then—

Management: China has opened a company near Chennai, NEC. They are a major global competitor. Our customer is a major player, as I said, with more than 30% of the market. Another competitor is Winergy, and another is the Chinese company NEC. NEC faces many restrictions in manufacturing here and can only export. There are many restrictions. This company has significant potential in the Indian market.

Vishal: One final question. We are currently at 150 crores of revenue. In 3 years, can we achieve 300 crores and double our revenue?

Management: With the present investment, we can reach nearly 270–280 crores in 3 years, sir. Once we start operations, we also plan to manufacture our own material for the wind segment. That will create an additional 100–150 crores of revenue at a minimum. We are working on this.

We are not interested only in revenue; we are also focused on whether increasing revenue will generate additional profit. At present, the raw material is mostly imported. They are now also localizing it. Once the customer has localized the material, we will work with them, purchase the material, and supply it to them. That revenue will be higher, sir.

Vishal: What kind of capex are we planning after completing this 100-crore capex?

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Management: I want to expand in a similar segment, sir. We want to establish another facility with a similar investment of 100 crores. The common facility we have created can also be used for the additional facility, which will provide us with a greater advantage. We invested significantly in inspection-lab equipment, and that can be utilized for further expansion.

Vishal: If I have to meet you, whom should I contact?

Management: You can contact my company secretary, sir. You can also contact me; it is not an issue. Since I am a core technical person, if anyone wants more details, they can visit us. We will have a better understanding of what we are going to do.

Vishal: Sure, sir. Thank you so much.

Management: Thank you.

Operator: Thank you, Vishal. Mr. Shiva sir, please go ahead.

Shiva: Hi, sir. Am I audible?

Management: Yes, sir.

Shiva: Firstly, with our gear shaping, will we be making only planetary gears for Flender, or are we planning to make something else as well?

Management: Hollow shafts as well.

Shiva: Planetary gears and hollow shafts.

Management: Yes.

Shiva: Have we already started supplying to Flender this year?

Management: No, sir. We are in the sampling process. The planetary machines have not yet been installed; installation is not complete. That should be completed by the end of September or the beginning of October. The machine assembly is complete.

Shiva: September or October.

Management: This is the first such machine in India, sir. We received a large machine. All the activities have been carried out by the German team.

Shiva: By Q4, we can start seeing revenue from Flender, correct?

Management: Correct. However, the hollow-shaft business will start before that. The planetary carrier will start in Q4, as you said.

Shiva: What is Flender's current capacity for gearboxes?

Management: We do not calculate Flender's gearbox capacity and other details. Flender is reaching approximately 200 gearboxes per month now, sir, and they are also increasing capacity. They have

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undertaken expansion and purchased another German company near Chennai. I cannot comment on Flender's operations, but I am telling you whatever I know.

Shiva: Is this 200 in terms of megawatts?

Management: No, sir. I am referring to individual gearboxes. In terms of megawatts, they have reached a significant level. They have the largest test-bench capacity available in India. Flender has the largest one, at 13.6 megawatts, I think. I am referring to the number of gearboxes.

Shiva: So they can produce 200 gearboxes per month?

Management: They have already expanded.

Shiva: How much would our planetary gears and hollow-shaft gears that we supply contribute to each gearbox in terms of value?

Management: We have not started the planetary business; we are yet to start. They have given us a quantity. With the present facility, we can produce a maximum of 70-80 planetary carriers.

Shiva: I am trying to understand our wallet share with Flender. Are they outsourcing these 2 materials to us?

Management: Everything is currently imported. Whatever facility we are able to create, they will buy from us, sir.

Shiva: What is the maximum sales level that we could achieve with them?

Management: Based on the available facility we have created, we can target and achieve approximately 60-70, sir. We are also working to increase that by adding some Indian or Asian machines to the existing facility. That process is also underway.

Shiva: Is the 25% EBITDA margin you mentioned applicable to the business including materials, or is it only for the service business?

Management: The 25% is for everything together, sir. It includes automobiles, gear shaping, and everything else. This is a mix. We undertake most of the automotive business with material. Only this new project is a service-only business.

Shiva: So it is a 25% consolidated business margin.

Management: Yes, consolidated.

Shiva: To confirm again, are we undertaking gas nitriding for the gears we are making for Flender through the gear-shaping business?

Management: At present, we are doing it only for Flender.

Shiva: How many gas-nitriding furnaces are currently operating?

Management: All 3 are operating.

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Shiva: Finally, regarding our debt, we currently have 120 crores of debt, of which 66 crores is long-term. How are we planning to repay this, and by when?

Management: Our CFO is unwell today and has gone home. You can write an email, and I will ask him to respond to you.

Shiva: Sure, that works. I will get back to the company. Thank you.

Management: Thank you.

Operator: Thank you, Mr. Shiva. Harshil sir, please unmute yourself and ask your question. Harshil sir is not audible. Mr. Harshil Chheda is saying that EPL {? [unclear] ?} VPL [inaudible]. There are some questions in the chat box from Mr. Harshil. What is the HPDC installed capacity? Is it 2,500 MTPA or 4,500 MTPA? What is the current capacity-utilization rate?

Management: The installed capacity is nearly 4,500 metric tonnes per annum. Regarding the current capacity-utilization rate, we are currently utilizing around 85%, sir.

Management: The plant-related certification required to cater to the aerospace and defense sectors is AS 9100. Regarding NADCAP, we have not decided so far. Definitely, after AS 9100, we will work toward obtaining it.

The third question is regarding aero-engine sub-assemblies. At present, we are not considering them. Once we start the aerospace business, we may understand the opportunity, and if an opportunity arises, we can certainly pursue it.

Operator: Vaishnavi ma'am, can you please read the fourth question?

Operator: In what tenure will the investment in wind energy take place?

Management: In what?

Operator: In what tenure will the investment in wind energy take place?

Management: Within 6 to 12 months, yes. Regarding expected revenue from wind, we have said that it will be around 40 crores.

Operator: What is the expected revenue and—

Management: 40 crores, ma'am.

Operator: —the profit margin from the wind sector?

Management: We cannot state the wind-sector margin alone. We have said that the consolidated margin will be around 25%.

We started Thai Induction as a subsidiary only to create a separate vertical because our company name is Thaai Casting Ltd. We wanted to establish our heat-treatment facility separately to understand the customer requirements. Therefore, we created a 100% subsidiary.

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Simtech was formed because it represents backward integration. We primarily required tool-room support, and that was the reason Simtech was formed. It will provide an additional advantage to Thaai Casting Ltd. The authorized capital was raised to {? 45 crores ?} for the {? [unclear] ?}.

The seventh question was regarding the new gearbox project.

Operator: Mr. Rajesh Shah is asking when the wind-casting plant will start.

Management: We will partially start invoicing from September onward. We will operate fully by the end of November. Therefore, production will not be possible in the first half of this quarter or this half-year.

No, sir. One machine is coming from Germany, and as I said, this is the first such machine to come to India. The supplier was supposed to hand it over last month itself, but they are now asking for time until the middle of November. The German team has to come for each and every activity. Their schedule has been very tight. We keep sending emails and requesting them to complete it at the earliest.

Operator: How much capacity will be utilized at full capacity?

Management: We have booked the full capacity with that customer.

Operator: When will the company achieve full capacity? Will it achieve full capacity in November or December?

Management: Operations will start, but achieving full capacity within 2 months is not possible. Operations will begin in phases. Within 3 months, we will reach full capacity, sir. This is because they have to stop importing, as the parts are currently being imported. They have to stop importing, and all these activities will take place. It will take 3-4 months. They will achieve it in January, {? January 26 ?}.

Operator: How much revenue is expected from this new product?

Management: The new product alone will generate around 40 crores, sir.

Operator: Per month?

Management: No, sir, annually.

Operator: The next question is from Mr. Sahil. When do we finally expect to obtain AS 9100 and enter commercial operations?

Management: As I said, commercial operations will begin partially from the end of September onward. Full-scale operations will start from the end of November or the beginning of December.

Regarding aerospace, we have not yet started the AS 9100 activities. We will start only after the plant is completed. The ISO certification process is currently underway, and it will take another 2 months to complete. After that, we will start the AS 9100 process. AS 9100 will take another 6 months to complete.

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Operator: The next question is from Mr. Sumanta Das. Could you please share the current size and execution timeline of your order book, and what portion of it is locked in under long-term contracts versus short-term orders?

Management: All the orders we have presented are long-term orders. They are for approximately 60 months from the date production starts.

Operator: Mr. Varun sir is asking: Our plan was to start this plant in June 2025. Why has there been such a delay, and how confident are we going forward regarding expansion and further capex, if any?

Management: Last September, we had targeted invoicing for one hollow shaft alone. However, dispatch of the machinery from Austria was delayed. After that, installation and everything else were also delayed. Then Christmas came, and we could not contact anyone. The dispatch of the last machine took place only in April, although it was supposed to be delivered in November. We had planned everything based exactly on the commitments given by the German suppliers.

Now all the machines have arrived, and installation is underway. There will not be any further delay. The assembly teams have completed their work, and the installation teams are currently in progress. The expected delivery time for all these special machines was a minimum of 14-15 months. We had expected the same timeline, but delivery was delayed. These are all special machines, sir.

Operator: How are you managing raw-material price volatility?

Management: We struggled significantly because of the war situation. However, we were able to manage it and obtain the required prices from the customer.

Operator: The next question is from Sahil. What could be the approximate revenue contribution from the Aero and Defense vertical in FY27?

Management: Aero alone is expected to contribute 40 crores. We will work further on this and provide an update, sir. We are expecting nearly 80-85 crores, sir.

Operator: Mr. Harshit, you can unmute yourself and ask your question.

Operator: Mr. Shiva, you can go ahead and ask your question.

Shiva: Thank you for the follow-up. What is our current order book? Last time, I believe it was around 800 crores. What is it now?

Management: It has not yet been published, sir, because we are waiting for confirmation. The order confirmation has been received, but we are waiting for the purchase order. Once the purchase order is received, we will hand it over to the company secretary, and he will provide the update.

Shiva: How is the outlook for our base business? Do we expect margins to remain stable this year, or could there be a decline?

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Management: There will be a slight difference, sir, because of significant depreciation and the delay in the start-up of production from the new capex. It will not be significant, but we will capture it subsequently.

Shiva: How much revenue can we expect from the base business, specifically from die casting and aluminum die casting?

Management: We are targeting 160–170 crores from die casting alone. We are targeting 170 crores, sir.

Shiva: Flender's contribution will be very minimal because we will start only in December, correct?

Management: Yes, sir, it will be very minimal.

Shiva: That is all, sir. Thank you.

Operator: Vishal sir, please unmute yourself and ask your question.

Vishal: Thank you. This order book of approximately 700–800 crores needs to be executed over how many years?

Management: 60 months, sir.

Vishal: 5 years. Is it front-loaded or back-loaded?

Management: What does that mean?

Vishal: Will more revenue come in the next 1–2 years, or will it come later?

Management: Most of the business has already started, sir. Approximately 85–90% of the business has started. You can say that we are in the middle, because the ramp-up will begin. Some of these projects are for export models.

Vishal: Who are our customers for aluminum die casting? To whom do we supply, or which sectors do we supply?

Management: Our major end customers at present are Hyundai, Kia, Maruti, and Mahindra, sir. Our direct customers include JTEKT, Mando, Rane, TRW R&D, {? PHI PMP India ?}, Motherson Group, and SLM. They are the major customers.

Vishal: Are we primarily in passenger vehicles and not commercial vehicles?

Management: Please repeat. Passenger vehicles?

Vishal: Are we primarily in passenger vehicles rather than commercial vehicles?

Management: We have just started in the pickup and medium-segment commercial vehicles, sir. We have recently received awarded business for Mahindra pickup vehicles, Tata Ace, and similar pickup vehicles.

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Vishal: We keep hearing that a significant amount of lightweighting is taking place in both commercial and passenger vehicles. Since you are discussing this with your customers, do you think there will be significant opportunities in aluminum die casting over the next 3–4 years?

Management: Exactly, sir. We can see that many cast-iron components have already started being converted to aluminum. We have also received some orders for this.

Vishal: One final question. We are a very small company but have very strong margins. I was trying to understand what we bring to the table that gives us such high margins in the aluminum die-casting business. If I look at Sundaram-Clayton, which is a TVS Group company, and consider only its India business, it is primarily engaged in aluminum die casting for commercial vehicles and struggles to achieve more than 16%.

Management: They only undertake casting, sir. My consolidated business is not limited to casting. Most die casters do not undertake heat treatment. I undertake heat treatment, including specialized heat treatment, induction hardening, and nitriding. Even dedicated heat-treatment companies do not have this facility.

As you said, we cannot generate good margins from casting alone. Large companies such as Sundaram-Clayton, which I do not want to name, do not undertake the entire end-to-end process. I do not know how they operate. We undertake the entire process end to end. We handle designing, mold making, casting, and machining.

Vishal: In gears, my understanding is that machining is the most important and niche part. We would be undertaking machining for gears, correct?

Management: Yes. We are interested in undertaking the maximum possible portion of the work, and we show interest to our customers in supplying machined parts.

Vishal: Regarding aerospace and defense, I will set defense aside and focus only on aerospace.

Vishal: Are we looking at defense-related aerospace, or are we looking at Boeing- and Airbus-type business?

Management: Boeing and Airbus.

Vishal: I have studied this sector for a long time and invested in some companies, and it is very difficult to enter. Even if you are in touch with someone, it takes many years to make progress. Have we spoken to someone who is ready to give us business, or what is the situation?

Management: As you rightly said, obtaining business is very difficult. Our only advantage is the new facility we are creating. Very few people have this facility; we can even say it is not otherwise available, although the machines are commercially available. That is one of our biggest advantages.

I am already discussing this with them and telling them that these machines are coming. They were surprised that we were purchasing these machines. This machine will help us obtain this business at the earliest.

Vishal: By machines, do you mean the machines that are coming for gears, or something else?

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Management: Yes, correct. It is a general-purpose machine, as I explained.

Vishal: But that facility is booked 100% by Flender, correct?

Management: That is what I am repeatedly saying. I can explain it, but I cannot explain the details in the—

Vishal: That is okay.

Management: We are creating that capacity for this purpose. This is our very premium part, sir.

Vishal: We still have significant space available for additional machines there, correct?

Management: Yes, correct. We can create at least 3 additional setups like this.

Vishal: When you say these machines are not available, do you mean that even if I have the money and want to buy one, the seller will not sell it to me?

Management: The seller will sell it. It is like asking with your eyes closed, but they will think about it, sir. Definitely, they will think about it. One of my other competitors, not {? Thaai Casting Ltd. ?}, asked an Australian supplier, "How do you supply these machines to Thaai Casting Ltd.?" The supplier was surprised that they were asking this.

Vishal: Did we obtain these machines because of Flender, or did we have another relationship?

Management: Only because of Flender, sir. We initially had several discussions with the supplier regarding pricing, technical aspects, and which machine was required. The machine that has arrived is the first such machine in India with all these capabilities.

Vishal: It is confusing because you are doing very good work. How did we get into Flender? On what basis was this relationship built?

Management: I had no prior connection with Flender, sir. I am purely an automobile die-casting industry professional. I had an induction-hardening and heat-treatment facility. I created this facility specifically for the Italian company Bonfiglioli. Nobody else had this machine in the South.

Flender required this heat-treatment facility for its sub-vendor, so it approached us only for heat treatment. At that time, Flender came for an approval process, and there were many quality issues. They were confused about whether Thaai Casting Ltd. or the other supplier was responsible for creating the quality issue.

I then entered the business and offered to provide a complete solution. I told them, "Give me the entire part. I will undertake the machining, heat treatment, and grinding." I provided a complete solution, and the business came to me.

That was the initial stage. They considered the opportunity several times, and later they proceeded because I did not have much experience in steel machining. After I proved our capabilities, the German team contacted me directly and asked why I could not support them with nitriding heat treatment. I said that I could do it.

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Thaai Casting

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The machines again had to be imported from European countries. We implemented the process in India, and they also provided significant support. That is how the 3 furnaces are now operating.

Because of the continuity of the relationship and our commitment to delivering for the customer on time, they gave us the major opportunity in the gear-shaping business. The German team came to our company, sat here, and told us that they wanted to give us first priority to establish this facility.

We accepted the challenge. It was a significant investment, but with the support of customers like you, we took this opportunity.

Vishal: It was very insightful, sir. Thank you so much.

Operator: Thank you, Vishal sir. I think we have covered the majority of the questions. Thank you all for your time. If you have any further queries, please write to us at {? info@atmeladvisors.com ?}. Thank you, Anandan sir. Thank you, Jagbandhu sir.

Management: Thank you, madam.

Management: Thank you, ma'am. Thank you, everyone.

Operator: Have a good day, everyone.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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