Automobile Corporation of Goa Limited

46th Annual General Meeting
Held on Wednesday, July 22, 2026 at 3:00 pm (IST)

Proceedings of the Annual General Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

Company Secretary: Good afternoon, dear shareholders. I am Santhosh Shadadal, the Company Secretary and Compliance Officer of your company. I welcome you all to the 46th Annual General Meeting of your company. We are conducting this AGM today as per the circulars issued by the Ministry of Corporate Affairs and SEBI. Facility for joining this meeting through video conference is made available for the members on a first-come, first-served basis. The company has also provided webcast facility to view the live proceedings of this AGM.

The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements have been made available electronically for inspection of the members during the AGM on request. All the relevant documents mentioned in the notice of the AGM are available electronically for inspection on request.

Members attending this meeting will be on mute mode by the host to avoid disturbance and to ensure smooth conduct of the meeting. As the AGM is being held through video conference, the facility for appointing proxies by the members is not applicable and hence the proxy register is not available for inspection.

The company had provided the facility for remote e-voting. The remote e-voting facility was open from Sunday, July 19th, 9:00 am to Tuesday, July 21st up to 5:00 pm. The process for login and for participating in the meeting was intimated in the notice conveying the meeting along with the process for e-voting. We have provided the facility for e-voting during the meeting to those shareholders who are attending this meeting but have not done the remote e-voting prior to the AGM but are otherwise eligible to vote.

After the conclusion of Chairman's briefing to the shareholders and question and answer sessions, the shareholders may proceed to vote on the proposed resolutions. The voting window will be available up to 15 minutes after the conclusion of the meeting. We have also provided the facility for the shareholders to speak during the meeting. The shareholders who had registered by email as speaker shareholders during the period from July 5th to July 7th will be allowed to speak. The names of the speaker shareholders will be announced one by one. The moderator will give appropriate access to the concerned shareholder to speak once the Chairman opens the floor for question and answer session.

Participation of members through video conference is being reckoned for the purpose of quorum as per the circulars issued by the Ministry of Corporate Affairs and Section 103 of the Companies Act 2013.

I confirm that requisite quorum is present through video conference and I request Mr. Yatin Kakodkar, the Chairman of the company, to take the chair and start the proceedings of the meeting.

Chairman: Thank you, Santhosh, and good afternoon dear shareholders and a very warm welcome to all of you to the 46th Annual General Meeting of your company. Just to introduce myself, I'm Yatin Kakodkar, Independent Director and Chairman of the board and also the Chairman of the Stakeholders Relationship Committee. As the requisite quorum is present, I call the meeting to order.

The Notice convening this Annual General Meeting and the Annual Report of the company for the financial year ended 31st March 2026 have already been circulated electronically to all the members of the company. The Statutory Auditors' Report and the Secretarial Auditors' Report for the financial year ended 31st March 2026 have also been circulated along with the Annual Report.

With the permission of the members, I take the notice, the Statutory Auditors' Report and the Secretarial Auditors' Report as read.

Also attending this Annual General Meeting with me at this venue are Dr. Renu Sharma.

Renu Sharma: Namaskar, I'm Dr. Renu Sharma, Independent Director of the company and Chairperson of the Nomination and Remuneration Committee. I'm attending the meeting from Fortune Hotel, Goa.

Chairman: Mr. Pranab Ghosh.

Pranab Ghosh: Good afternoon everyone. I'm Pranab Ghosh, CEO and Executive Director of ACGL. I'm attending this meeting from Fortune Miramar, Goa. I'm a member of the CSR Committee, the Capital Investment Committee, and the Stakeholders Relationship Committee. Thank you, Chairman.

Chairman: Mr. Raghwendra Singh Butola, Chief Financial Officer.

Raghwendra Singh Butola: Namaskar, my name is Raghwendra Singh Butola. I'm the Chief Financial Officer of your company, attending this meeting from Fortune Hotel, Miramar, Panjim, Goa.

Chairman: Mr. Santhosh Shadadal who is Company Secretary and Compliance Officer. Before I start the proceedings, I request the board members who have joined this meeting virtually to introduce themselves. I will name each one of them individually. First in the sequence is Mr. Girish Wagh.

Girish Wagh: Good afternoon shareholders. My name is Girish Wagh. I am the Non-Executive Director on the board of Automobile Corporation of Goa Limited. I am also a member of the Nomination and Remuneration Committee. I am attending this AGM of ACGL from my office at Bombay House in Mumbai.

Chairman: Mrs. Rekha Bagry.

Rekha Bagry: Hello shareholders. I am Rekha Bagry, Independent Director of the company and Chairperson of the Audit Committee. I'm also a member of the Capital Investment Committee. I'm attending this AGM from Mumbai.

Chairman: Mrs. Sandhya Kudtarkar.

Sandhya Kudtarkar: Hello everybody. I'm Sandhya Kudtarkar, Independent Director of the company. I'm Chairperson of the Corporate Social Responsibility Committee. I'm also a member of the Audit Committee and Risk Management Committee. I'm attending this meeting from Australia. Thank you.

Chairman: Mr. Vishal Badshah.

Vishal Badshah: Yes, good afternoon. Hello, I am Vishal Badshah, Non-Executive Director of the company. I'm also the Chairman of the Capital Investment Committee and a member of the Corporate Social Responsibility Committee and the Risk Management Committee. I'm attending this AGM from my office at Tata Motors, Pune.

Chairman: Mr. Anand S.

Anand Srinivasagopalan: Good afternoon. My name is Anand Srinivasagopalan. I'm a Non-Executive Director of this company. I am the Chairman of the Risk Management Committee and member of Stakeholders Relationship Committee and the Capital Investment Committee. I'm attending this meeting from Delhi.

Chairman: I would also like to inform the representatives of the statutory auditors, M/s BSR and Company LLP and the Secretarial Auditor Mr. Shivaram Bhat, Practicing Company Secretary and Scrutinizer for this meeting are present at this Annual General Meeting.

With your permission, I would now like to share a few thoughts.

It is a pleasure to address you and share with you the progress your company has made during the financial year 25-26. The past year has been one of remarkable achievements for ACGL. Despite a challenging global business environment, the Indian commercial vehicles industry continued to witness healthy demand, driven by sustained infrastructure development, growing investments in public transportation and a positive economic outlook. Against this backdrop, your company delivered another year of strong growth by remaining focused on operational excellence, customer satisfaction and long-term value creation.

I am pleased to inform you that during fiscal year 2025-26, your company recorded revenue from operations of Rs. 933.65 crores while profit after tax increased to Rs. 70.07 crores. These results reflect the dedication of our employees, the confidence of our customers and the disciplined execution of our business strategy.

The year also marked an important milestone in ACGL's growth strategy. During fiscal year 25-26, your company recorded sales of 9,328 buses, reflecting the

success of our capacity enhancement initiatives, competitive product portfolio and the continued confidence of our customers across domestic and international markets. We also celebrated the rollout of our 100,000th bus, a landmark achievement that underscores over four decades of manufacturing excellence, innovation and the unwavering commitment of our employees, business partners and customers. This milestone reinforces ACGL's strong legacy in the commercial vehicle industry and motivates us to continue raising the bar in the years ahead.
Building on this strong performance, we continued to strengthen our manufacturing capabilities during the year. We successfully enhanced our production capacity to 1,200 buses per month, commissioned three independent body manufacturing lines to improve operational flexibility and efficiency, and inaugurated our new paint shop in June 2026. These investments reinforce our commitment to operational excellence, product quality and our ability to meet the growing needs of our customers.

In keeping with our commitment to delivering sustainable value to our shareholders, I am pleased to inform you that your board has recommended a final dividend of Rs.22.50 per equity share for the financial year 2025- 26, subject to your approval at today's meeting. The recommendation reflects the company's strong financial performance while maintaining a prudent approach towards future growth.

During the year, there were changes in the composition of our board. Mr. Srinivas Dempo and Mr. Nagesh Pinge completed their tenure as Directors of the company. On behalf of the board, I extend our sincere appreciation for their guidance, wisdom and valuable contributions to ACGL over the years. We are also delighted to welcome Dr. Renu Sharma and Mrs. Rekha Bagry to the Board. Their extensive experience and fresh perspectives will further strengthen our governance and strategic direction.

Technology and digital transformation continued to be the key focus areas for the company during the year. We made significant progress in the implementation of SAP S/4HANA and introduced several digital initiatives, including the PTC Creo for product design and engineering, product lifecycle management to strengthen collaboration across the product development lifecycle, the human resource management system to enhance employee experience and ProCol to streamline procurement and vendor management. These initiatives are helping us improve efficiency, strengthen collaboration across functions and build a more agile organization, positioning the company for sustainable long-term growth.

As we continue to build a future-ready organization, sustainability remains central to the way we conduct our business. During the year, we commissioned a 500 kWp rooftop solar plant at our Goa facility and operationalized an 805 kWp rooftop solar installation at Jejuri. Together with various energy efficiency initiatives, these projects have reduced our carbon footprint by over 600 tons during the year. We also made encouraging progress in responsible waste management, water conservation and resource optimization, including the development of Tata Lake, an artificial water body with a storage capacity of 85 lakh liters, which will support groundwater recharge and our long-term zero liquid discharge objectives. These initiatives reflect our commitment to responsible manufacturing and our vision of creating a more sustainable future.

Corporate social responsibility continues to remain an integral part of ACGL's commitment to inclusive and sustainable growth. During fiscal year 2025-26, the company incurred a CSR expenditure of Rs. 94.57 lakhs, supporting initiatives across healthcare, education, skill development, community development and environmental sustainability, thereby creating a positive and lasting impact in the community that we operate.

As we reflect on the year gone by, our achievements have been made possible by the dedication of our employees, the trust of our customers and business partners, the guidance of our Board and the unwavering support of our shareholders. I extend my heart gratitude to each one of you for your continued confidence in the company.

Looking ahead, we remain optimistic about the opportunities before us. With a strong foundation, enhanced capabilities and an unwavering commitment to innovation, sustainability and operational excellence, I am confident that ACGL will continue to build on its achievements, seize new opportunities and create sustainable value for all its stakeholders. Thank you.

I would now like to request Mr. Raghwendra Singh Butola, the Chief Financial Officer of your company, to present the financial performance of the year gone by.

Raghwendra Singh Butola: Thank you, sir. Good afternoon respected Chairman, Board of Directors, shareholders and colleagues. It is my privilege to present a brief overview of the financial performance of your company for FY 2025-26. The 2025-26 has been a landmark year for ACGL.

We have achieved our highest ever annual bus sale, that is 9,328 units, compared to 7,265 units in the previous financial year and proudly crossed the significant milestone of rolling out 100,000 plus buses since inception.

Revenue from operations grew by 41% to Rs. 933 crores compared to Rs. 660 crores in the previous year, while profit after tax increased by 49% to Rs.70 crores. This strong performance was driven by higher volumes, a favorable product mix with high tonnage buses, enhanced operational efficiencies, capacity expansion and disciplined cost management.

We have also remained committed to sharing the benefits of this improved performance. The Board has recommended a final dividend of Rs. 22.50 per share, taking the total dividend for FY 2025-26 including the interim dividend to Rs. 27.50 per share.

During the year, we continued to invest in capacity and capabilities to support future growth. Our annual manufacturing capacity has increased to 1,200 buses per month while we are also strengthening our capabilities for higher tonnage buses and emerging mobility applications.

Looking ahead, our priorities remain profitable growth, operation excellence, prudent capital deployment, digital transformation and sustainability. On behalf of the management, I sincerely thank our shareholders for their continued trust and confidence, our Board members for their valuable guidance and support, and our employees, customers, suppliers and business partners for their continued contribution to ACGL. Thank you, and I wish you all a very good day.

Chairman: Thank you, Mr. Raghwendra Singh Butola. I now would like to request Mr. Pranab Ghosh, the CEO and Executive Director to address the shareholders.

Pranab Ghosh: Respected Mr. Chairman, members of the Board, esteemed shareholders, ladies and gentlemen, good afternoon. It is a pleasure to address you once again at the 46th Annual General Meeting of Automobile Corporation of Goa Limited.

FY 2025-26 has been an exceptional year for ACGL. We recorded our highest ever bus sales of 9,328 units compared to 7,265 in the previous year and revenue from operations increased significantly from Rs.660 crores to Rs.933 crores.

These achievements reflect our ability to respond effectively to growing market demand through improved operational efficiency, enhanced production capabilities and the continued confidence of our customers.

And not to forget that our employees have been exemplary once again towards delivery commitments.

One of the defining moments of the year was the rollout of our 100,000th bus. This milestone reflects the scale of our manufacturing capabilities and the consistency with which ACGL has delivered quality products over the years. It also reinforces our readiness to support the growing requirements of our customers in the years ahead.

Behind these achievements was a continued focus on operational excellence. Throughout the year, we worked relentlessly to improve manufacturing efficiency, strengthen quality systems, optimize costs and enhance productivity across our operations. These efforts enabled us to meet customer demand, maintaining the high standards of quality, safety and delivery.

Digital technology continues to play a key role in our growth journey. During the year, we expanded the implementation of product lifecycle management systems and accelerated the digitization of key business processes as the Chairman just alluded to. These initiatives have improved collaboration across functions, strengthened product development capabilities and enhanced overall operational efficiency, helping us build a more agile and future-ready organization.

As a responsible organization, sustainability continues to remain an integral part of our business. During the year, we expanded our renewable energy initiatives, strengthened waste management and recycling practices, and advanced several water conservation measures across our facilities which our chairman just read out from his briefing. These efforts reflect our commitment to responsible manufacturing and support our long-term sustainability objectives aligned to the Tata Group led initiative named “Tata ALINGANA”.

Going forward our focus will remain on strengthening our manufacturing capabilities, enhancing operational efficiency, adopting new technologies and delivering greater value to our customers. These efforts will help us respond effectively to evolving market requirements and continue creating sustainable value for our stakeholders.

Before I conclude, I would like to thank every member of the ACGL team for their dedication and commitment. I also express my sincere appreciation to our customers, supplier partners, business associates, the Government of Goa, EDC Limited and our Board of Directors for their continued support and guidance. Above all, I thank our shareholders for the confidence they continue to place in ACGL. Your support motivates us to continue striving for excellence.

I look forward to your continued association as we work together towards an even stronger future for ACGL.

Thank you, I wish you all good health, happiness and success. Over to you, Chairman.

Chairman: Thank you, Mr. Ghosh. I now request the shareholders who have registered themselves as speaker shareholders to come forward and speak. I request the speaker shareholders to kindly limit their speech to 3 minutes so that everyone gets an equal opportunity to be heard. In order to save time, all the questions will be bunched and we will endeavor to answer them at the end.

I now call upon speaker shareholder, Mr. Priyank Kothari, to say a few words.

Priyank Kothari: Yes. Very good afternoon to the board of members, the chair and to all the fellow shareholders. So first of all, I would like to say it's fantastic to see the numbers. Sir, the kind of achievement that our company has now reached, 1 lakh buses that we've delivered in four decades, it's a commendable accomplishment.

I would like just to congratulate the entire team of ACGL. So, I've been a shareholder for the last 15 years and I'm observing this company from 1,000 buses to today we have reached 9,000 buses and it's a fantastic journey. Sir, I had sent my questions across, but I would just read them fast so that it would help the other shareholders as well as the other board of directors to know about the questions.

Sir, we have mentioned that we have reached 1,200 buses per month, that is close to 14,000 buses per year and we have a now higher MCV mix. Does it mean that this would reflect in higher revenue and higher margin going forward because the kind of buses that we are now going to make?

Sir, we have also changed our product where sir I want to understand what and how much is the additional difference from our current buses to the new 13.5-meter EV sleeper bus that we are now going to make. Sir, you have developed the

ABS equipped buses for Middle East. Have we started supplying them and what is the additional content in this bus and maybe even the margins in this kind of buses?

Sir, I read that Tata Motors had missed the recent PM e-Bus Sewa 10,900 buses tender which was there. Do we see the pipeline going forward, are we seeing expecting any orders coming from that side going forward, sir? Sir, at present, can you give us an idea how much is the EV and the MCV capacity out of the total 14,000 buses that we have in our bouquet?

Sir, and how fast can we convert the current ICE bus capacity into an EV and MCV bus if the demand for EV increases going forward? Sir, our balance sheet shows that there is Rs.25 crores still capital work in progress. Is there still additional capacity which is coming up once this gets over if you can just throw some light over there?

Sir, we have really improved our balance sheet a lot sir, cash and cash equivalents are very beautiful now. Sir, these are also dragging our ROCE going forward if you know. So, do we plan to have any dividend payout policy going forward or do we plan to use this cash in some other?

Can just throw some light on that front. Sir, we seem to be excited on the STU, that is State Transport Unit buses orders. Sir, can you just give us an idea what is our five-year vision in this PM e-Bus Sewa, what kind of opportunity are we trying to target in this front? Sir, we also saw -- sir significant jump in our processing scrap segment that is nearly 100%. why is the scrap processing revenue so high and explain it from a process point of view that why is it so high this year?

And I also observed that our raw material inventory has jumped up 38% in the end. Can you explain why is there a figure around Rs. 59 crores? If you can explain why is the inventory jump this time. And also, the labour and processing charges was up by 79%, from Rs. 36 crores to Rs. 65 crores. If you can give an idea on all these three fronts that why are these the increment over here?

Sir, just another last question is on the, we have achieved a fantastic ROCE this year. But do you think that this kind of margins and ROCE would be sustainable going forward when we see the buses at least remaining around 9,000 buses a year if that's the kind of number? Do we see this kind of ROCE to sustain going forward also? So that's it from my side. I think I've already sent the questions also via email. I would be really happy to get all the answers. Thanks a lot. Looking forward and wishing you all the best.

Chairman: Thank you, Mr. Priyank Kothari. I now invite our second speaker shareholder, Mr. Himanshu Anilbhai Trivedi, to say a few words.

Himanshu Trivedi: Yes, thank you, sir. Good afternoon all of you, respected chairman Yatin sir, other board of directors, sitting of dais, myself Himanshu Trivedi from Gujarat Vadodara. First of all, thanks to our company secretary, Santhosh sir, who has been sending the hard copy of the AGM notice well in advance, which is full of information, facts in place, which is easily understandable and follow, easy to understand.

So, I'm thankful to you and your entire secretarial team. Report is nicely prepared. All components, governance and parameters are covered in the AGM notice. So, I don't have much question because I have full faith on board and their working. I have already sent my questions and queries in the email well in advance within the stipulated time of AGM and give the opportunity to speak to my rest speaker shareholders.

Sir as a speaker, still I have few questions. What is the market share we have in domestic as well as in international market? My second query, what would be the profit sharing ratio coming financial year? And now as on date, how much order booking in government army buses and other, how much rupees, order are pending till as on date, sir? I wish good luck and bright future for coming financial year, coming festival. Thank you to allow to speak. Thank you, sir.

Chairman: Thank you, Mr. Trivedi. I now invite our third speaker shareholder, Mr. Santosh Chopra, to say a few words.

Santosh Chopra: Yes, many thanks for the opportunity, sir, and I thank the secretarial team to arrange the direct link. Sir, first of all, I must congratulate the operations team and the board of directors for the good profit growth in the last five years of over 50% CAGR.

And most of my questions has been asked by the speaker number one, but there are two-three specific points. So, what is the growth rate in the electric bus segment what we are predicting in India and in the export market, if we can throw some light on that. If we can put the recording of this particular AGM because there was some problem in the login on your website or if the company secretary can send us the link.

And sir our operating profit margins are close to 9% and because of that our stock P/E is much below the industry average. So, any particular investor relation activities, or because you give only this opportunity, so why don't you proactively do the investor relation activities with international investors and others, even if you don't need a fundraising just for the clarity purpose?

And is there is any plan for the stock split in the coming time because the stock price has gone up substantially now, so if the board of directors can throw some light on that? And what is the trend in the raw material price, sir, because of the Middle East problems, a lot of rubber, lot of steel and other components have gone up. So, whether you are able to pass on the cost to your buyers, if you can throw some light on that. That would be really great.

And most importantly, what are the new products in the pipeline for next two-three years, if you can tell us. And many thanks for the opportunity once again and best of luck. And put the recording of this thing on your website please. That would be great. And if the company secretary can send us the KMP notice, key managerial person notice, and the shareholding patterns of Top 200 we have already requested. That would be great, sir. Thank you. Thank you for the opportunity.

Chairman: Thank you, Mr. Chopra. I now invite our fourth speaker shareholder, Mr. Reddappa Gunduru, to say a few words.

Reddappa Gunduru: Respected Chairman Mr. Yatin Kakodkar ji, and CEO and Executive Director Mr. Pranab Ghosh ji, CFO Mr. Raghwendra Singh ji, Company Secretary Mr. Santhosh, all other non-executive directors and my fellow shareholders, good afternoon, namaste.

Myself Reddappa Gunduru from Hyderabad, I'm a very proud shareholder of Automobile Corporation of Goa Limited. First of all, I sincerely thank the company Secretary, Mr. Santhosh for sending me the ACGL annual report as requested.

I truly appreciate the excellence coordination with the shareholder. The cover page theme "Enhancing Capacity and Capability, Sustainably" perfectly reflects the company's vision and also the annual report of excellent quality and web design to fill the legislative content, beautiful photographs or pictures, themselves are the testament of our company's growth journey. Wonderful annual report.

Chairman sir, under your leadership my company continues to uphold the highest standards of corporate governance, transparency, accountability, the business practices, the clean corporate governance, I repeat, clean corporate governance under your leadership Mr. Yatin. So, there is no violations. And also, my special appreciation goes to board, all the board committees, the CFO team, the company secretary and his team presenting such a comprehensive and informative annual report.

I would also like to express my heartful gratitude to outgoing Chairman, Shri Srinivas ji for his valuable leadership and contribution to the company. At the same time, I warmly welcome new Chairman and also, I'm welcoming our company secretary Mr. Santhosh, I wish him success journey with our company ACGL.

I am very proud of the diverse high-quality production portfolio including ACGL school bus, military bus, luxury bus, Bus Nova, police bus, STU bus, G3 Ultra staff bus, and NEO AC staff bus which demonstrates our strong manufacturing capability, sir. And also, I was particularly inspired by the quotation of Shri Respected Honorable Ratan Tata ji on the opening page of the very first page annual report is "The business needs to go beyond the interest of the shareholders to interest of the society." Wonderful, wonderfully quoted. Thank you for CS team for annual report.

The powerful message reflects the values of the Tata Group of our company. Chairman sir, your speech is highly informative, gave shareholders confidence about the company’s future. Congratulations on excellent financial performance. Thank you for rewarding the shareholders with dividend.

Chairman sir, MD sir, I am especially impressed about the company's CSR initiatives, free health checkups, local communities, upgradation to healthcare facility of CHC Valpoi, collaboration with the government, ITI Honda and Sattari Goa, support to the visually impaired children. I salute you sir, you are supporting the visually impaired children and upgradation of the science laboratory in the government high school in Bhuimpal, distribution of laptops to the students, distribution of school uniforms to the poor people and shoes also distributed, renovation of the infrastructure of the improvement to the government and primary school of the Honda Sattari.

CSR photographs, I really seen in the morning, colorful, meaningful, truly reflect and also heart touching of the ACGL commitment towards the society. I would last to congratulate the entire board about the historic achievement on manufacturing 1 lakh buses. The photographs on the page number 28, 29 beautifully captured in the remarkable milestone, sir. Congratulations once again to the entire team.

Chairman sir, I am very much happy interested to visit the manufacturing plants anyway in Dharwad and Goa. Please whenever shareholders are permitted, it would be very privileged to witness our manufacturing excellence the first hand, sir. I have already cast my e-voting in favor of all the resolutions. We have complete faith on the board, trust on the management, please continue taking to the right decision of the long-term growth of my company.

I pray almighty to give all the health, wisdom, entire board of directors, CEO and the company secretary with the wisdom. I have questions, sir, finally. What is the outlook for the bus demand from the state transport undertaking, the schools, defense and private operation during this year? Second question, what capacity expansion, moderation initiatives are planned under the theme of under the "enhancing capacity and capability sustainably"?

Third question, how is the company preparing the transition towards the electric buses and other green mobility solutions, I would like to know, sir. Fourth question, after achieving of the milestone of manufacturing 1 lakhs buses, right, congratulations. What is the next major milestone target or vision or your aim to achieve for those period of the years I would like to know, sir.

Sir, fifth question, what is the export strategy and which international markets offer the highest growth opportunities, sir, I would like to know.

Sixth question, sir, can you please, shareholders expect a stable growing dividend policy in the coming years subject to profitability?

Final question, sir, is there any company planning to shareholders plant visit in Goa in future? I would like to know.

With this, I support all the resolution, company secretary and hie team. So, the lady executive called me. Thankful to all the company secretary team for sending me annual report, reminding me and also smooth and also respectably friendly approach to the shareholders. God bless you, sir.

Chairman: Thank you, Mr. Gunduru, for your words. I now invite the fifth speaker shareholder, Mr. Rohit Vinodkumar Ori, to say a few words.

Rohit Ori: Okay, sir. So, there are set of questions which I've already sent, which are divided into three buckets, which is for the industry company, then there are lot of questions that are related to Tata Motors, which I think Girish ji can take those questions, and then there are some on the financials. Please make sure that these are there with you handy and Santhosh if your team is having that then I might not repeat that. Okay?

So, one very stark observation which was there. What is the rationale behind changing the logo and the tagline also? Because what is the significance with this C and G, which also looks like an infinity sign? And please elaborate that what is this corporate structural change, or maybe the image that you're changing because we also see that similar kind of logo is also there in TCS. So, the C from the TCS falls onto the S.

So just that what exactly is that theme and what are the other changes that are happening at ACGL? Just if we can spend some time on this question, that would be grateful. And the other questions which are there, I think the buckets are there with you, so you can divide that according to that in your team. Thanks, thanks a lot. Thanks for attention. Thanks.

Chairman: Thank you, Mr. Ohri, for your question. I now invite the sixth speaker shareholder, Mr. Aditya Nahar, to say a few words.

Aditya Nahar: Hi sir, thank you, thank you for the opportunity. I've already sent my list of questions in advance, I won't repeat them. What I'll just focus on is four broad points. If you could just sort of clearly state the bill discounting rate plus the rate of the inter-corporate deposits with our parent, that would be useful. The government definitely plans on electrifying the STU fleet, AC plus non-AC. If you could sort of spend some time, or Pranab sir could spend some time, or Mr. Wagh could spend some time in detail about this. My suggestion and a plea would be to consider a buyback instead of parking cash where it earns possibly... possibly not ideal returns for us with the parent. And lastly, sir, congratulations on becoming chairman. Wish you all the very best. Thank you so much.

Chairman: Now the questions raised by the speaker shareholders, as well as the ones which were shared through mail to the company have been consolidated and will be answered now. I now request Mr. Pranab Ghosh, CEO and Executive Director, to read out the questions and responses as well as invite the respective management team members to respond to relevant questions.

Pranab Ghosh: Thank you, Chairman Sir, and good afternoon shareholders once again. Just to set the context, our annual report has 136 pages in all, cover to cover. And the questions from very limited shareholders, the number of questions which we have got are 74. So, I do appreciate and really recognize the effort which each and every one of you has spent in not only reading the annual report but also capturing what is happening in the market as far as ACGL is concerned.

So, I acknowledge your effort and thank you so much. So, what I've done is these 74 questions spread across the different shareholders have, we in fact collectively, we along with the team have grouped them into 38 questions. So, my endeavour and our endeavour is that probably we would have covered all the questions, all 74 plus the ones which have been asked just now. Should there be one or two questions or should there be a case where it is not answered in this forum, or I sort of not having been captured this, I would urge you and request you very sincerely to write to our company secretary and we'll ensure that they are answered and written back to you.

Okay, now having said that, the first question is, what initiatives has ACGL undertaken to strengthen engineering and manufacturing capabilities for EVs, hydrogen, software-defined vehicles and other future mobility technologies? Please elaborate and share some volume order book value anticipated here. So, in response to that, what I would say what ACGL team would say that we have strengthened our engineering, manufacturing and digital capabilities as we have already spoken in our addresses and communication to you a while ago. These are all to support evolving mobility technologies including, but not limited to, electric bus segment. The focus has also been on improving operational effectiveness.

Now for the technology part, we have introduced product lifecycle management which will enhance quality and speed of product design to enhance accuracy and reliability for the bill of material generation. The third part of the question was the manufacturing capacity, so it has been enhanced to 1,200 buses a month which translates to 14,400 buses per annum. The hydrogen-powered buses and software-defined vehicles represent important long-term opportunities for the commercial vehicle industry.

However, development of vehicle architecture, software platforms and commercialization is primarily driven by our OEM, which all of us know is Tata Motors and technology partners. We at ACGL will focus on body engineering, structural design, manufacturing engineering, electrical integration validation and vehicle assembly. So as a company, we continue to strengthen our capability to support future mobility programs and support Tata Motors in various vehicle programs.

The last part of the question as far as the volumes and this thing is concerned, we are currently not in a position to disclose the anticipated order values or production volumes for specific future programs, as these are contingent upon government policies, tender outcomes and the commercial viability.

The second question, which will be answered by Mr. Anand, is, why does ACGL not participate in all new Tata Motors programs including buses, trucks, EVs and Euro 6 models? Does Tata Motors source these from other vendors? Anand, if you can answer those and next three-four questions please in one go maybe.

Anand Srinivasagopalan: Thank you. Thank you for this question. ACGL participates in programs where its manufacturing capability, technology, commercial competitiveness aligns with Tata Motors. At the same time, product allocation is based on their capacity, capability, location of the manufacturing, logistics and supply chain optimization.

Having said that, the company's focus is on securing higher value-added programs that will continue to generate sustainable returns rather than a one-time return. Thank you.

Pranab Ghosh: The next question is also for you Anand. Will increasing competition from new EV bus players impact Tata Motors and ACGL's future EV business opportunities?

Anand Srinivasagopalan: See, we remain very optimistic for a long-term opportunity as far as electrification and e-buses are concerned, because this is what is being focused upon by the government through various schemes. With new players coming in, of course, competition will intensify. However, our strategy will remain very steadfast on taking orders that are profitable and growth which can be sustainable rather than just take volume at any cost. In this direction, we have formed a rather we have framed an approach of consortium-led model and an asset-light approach. And we are selecting those tenders to participate which will give us a better returns, where there is a robust payment security mechanism and there is a sustainable economics in the whole execution of tender.

Remember this is not just tender of manufacturing and selling, it is about running the operations for 12 years also. And therefore, it is a question of sustaining it for 12 years and while competition may increase, we have enough strength that will ensure that we don't lose out on the opportunity that is available in front of us.
Along with the ACGL, we are working on developing products, especially in the EV bus segment and there are some prototypes that are in advanced stage of development. So, we are optimistic of the growth and as well as the EV business and the products from ACGL in that front. To end my narrative, our focus will remain on a sustainable business with a profitable model. Thank you.

Pranab Ghosh: I come to question number four, where I think a lot of shareholders just now addressed as well as many of you have written to us as well on the PM E-drive. So, the question reads as follows: Competitive landscape and order win by TML or in pipeline, which can include ACGL order pipeline?

Anand Srinivasagopalan: We remain positive on the long term, as I said. While new players are participating in the tenders, our strategy as I explained, remains to focus on the profitable and sustainable growth rather than volume at any cost. Tata Motors has secured an order for 200 e-buses under PM e-Bus Sewa scheme.

In addition to it, approximately 600 buses from various state and regional transport undertakings. Further, there is an upcoming tender of about 3,600 e-buses, which we intend to participate through a consortium-based asset-light model while remaining focused on sustainable business economics and robust payment security mechanism. In parallel, ACGL has been working on developing the design and manufacturing capabilities required for the EV buses and some prototypes are currently under development. Thanks.

Pranab Ghosh: I think this was the question which was also asked by many shareholders in terms of whether ACGL is building capability for EV buses. Coming to question five, I think this is quite a reality which is emerging out of the situations and the circumstances and the events which we have all read and witnessed very recently in terms of the sleeper coaches.

How will stricter bus registration norms and accreditation requirements impact ACGL's growth opportunities including sleeper and EV buses? This obviously has references to the various incidents on safety and all which we all have recently witnessed. So over to you Anand.

Anand Srinivasagopalan: The proposed tightening of bus registration norms and the requirement of accredited bus body builders are all expected to enhance safety standards and support organized manufacturers. ACGL being an accredited bodybuilder with established manufacturing systems and engineering capabilities.

It is well-positioned to get the benefit out of all these regulatory changes. The company is developing a 13.5-meter intercity EV bus prototype and continues to develop future sleeper bus platforms including EV variants in line with the customer requirement and market opportunities.

Pranab Ghosh: Now I come to question number six, which has been I would say a very, very significant topic which came up during the discussion today as well as put forward by many shareholders in terms of STU business. So, the question here says what has been ACGL's performance in the State Transport Undertaking segment and what is the future outlook? Obviously, this is in reality or is reflecting the position of the various governments who are on the replacement of the fleet model and hence this question, so maybe you could please take up that Anand?

Anand Srinivasagopalan: The state transport undertaking STUs segment. This is a segment that is continuing to witness robust growth in FY 2025-26, driven by the fleet replacement programs and increasing investment in the public transportation. ACGL supplied approximately 797 buses to various STUs during this financial year and the visibility is very healthy for coming year. The company remains optimistic regarding medium-term demand and believes that it's well-positioned to benefit from the continued investment in the public mobility.

Pranab Ghosh: Thanks Anand. Now I come to question 7. So, I think some of these questions did appear in the annual report as well as the ones, given to us by the shareholders, so I'd like to address them. So, the question is: What is the future strategy of the pressing division and the investment outlook?

The pressing business as all is a very capital intensive and operates in a competitive environment with relatively low industry margin. So, considering existing industry capacity and capital requirements and expected returns, we continue to adopt a very cautious approach towards major investment.

However, having said that, we will continue evaluating opportunities that generate sustainable returns and improving operational efficiency. Specific to the Jejuri facility, investment will be undertaken after careful evaluation of the market demand and long-term business viability.

Question eight, are there any plans to merge with Tata Marcopolo or is there any streamlining of product mix impact? This question came last year also and maybe some of the previous year also as well as well. Maybe Anand, if you could clarify on that question, please?

Anand Srinivasagopalan: There are no such plans under consideration at present. Business allocation between the two companies is based on available capacity, product portfolio, customer requirements and commercial considerations aligned to overall business strategy.

Pranab Ghosh: Question nine, I think not only were there many questions which did in fact out of the 74 questions, several questions did want clarification on the new logo of ACGL and we heard some of the shareholders also talking about it now. So, what is the significance of ACGL new logo and corporate identity?

In fact, to clarify or to elaborate on our theme of ACGL as well as connecting the world, this corporate identity reflects the transformation of ACGL from a traditional bus body manufacturer because we as you in the past known for the school bus manufacturer or maybe very localized, remaining localized and focused in the local market in the specific segment.

So, apart from our business strategy, operational efficiency, digitization and all, we thought to top it all, we must also look at a review of our logo and this refreshed identity reflects our manufacturing company's commitment to supporting long-term mobility solutions in a sustained manner.

Now, the specific questions of the C overriding over G or the connecting the two things. This represents the company's heritage while the continuous flowing design symbolizes continuous improvement, innovation, sustainable growth, customer partnership and infinite possibilities for future mobility.

That's what one of the shareholders did refer that it looks like an infinity sign. You are absolutely right in terms of interpreting the logo because we intend to convert or we intend to convey that there are infinite possibilities for future mobility as we support Tata Motors in its growth aspirations.

The new tagline connecting the world reflects the company's strategic direction of expanding manufacturing scale while building capabilities to deliver the latest and the best.

Chairman sir, the next 10th question, one of the shareholders has asked: Why has dividend payout moderated despite record profitability? What is the company's capital allocation philosophy?

Chairman: The board remains committed to maintaining a prudent balance between rewarding shareholders and funding future growth opportunities. During fiscal year 2025-26, the company declared a dividend of 275%, while simultaneously investing approximately Rs.63 crores in Strategic capacity expansion and capability enhancement.

Considering the significant transformation currently underway in the bus industry, the Board believes it is appropriate to preserve financial flexibility to support future investments that are expected to generate superior long-term shareholder value. Dividend recommendations continue to consider profitability, capital expenditure requirements, investment opportunities and overall financial position. Thank you, sir.

Pranab Ghosh: Question 11. While I'm reading this question and when I went through this question with the team, my sincere appreciation in fact for all the shareholders. This shows the attachment they have with the company because they have gone into the depth of finding out the talent development and what is our succession plan.

So that shows and I really sincerely thank you for being so incisive in your questions and, you know, going delving deeper not only into the annual report, but beyond that. So, having said that, the question reads: What initiatives are being undertaken for employee development, talent retention and development of internal resource for top leadership role in future instead of sourcing it from outside?

Excellent question and I must tell you that this is reality which is in front of us not only for ACGL but several other companies as well. But coming back to ACGL, we are strengthening the leadership development, succession planning, technical capability enhancement and career progression to build strong internal talent pipeline for future leadership positions.

I must reiterate at this point in time, in fact, the management team and we have been, and we are being guided very well by the Board of Directors in framing, evaluating and identifying potential successor in a very structured manner. And we are going to be presenting to the Board and I'm quite conscious that this needs serious attention and we are working on that as far as talent development is concerned.

Next question is, please provide an update on EV product development including the 13.5-meter EV sleeper bus, EV manufacturing capability and future readiness. I think EV and STU has taken a big center stage today in the shareholders question, I'm thankful for that.

So, to answer that question specifically, we have Anand who was also alluding to in his previous answer to the question, we have successfully developed and almost in the final stages of an intercity prototype EV bus 13.5-meter on a sleeper platform which is a long distance EV segment. So, our aspiration and the Tata Motors aspiration is to be present in a long-distance long-range EV segment.

The commercial deployment of individual models will depend upon customer demand, homologation and customer's product rollout strategy. The company's manufacturing facilities have been designed with flexibility to support both ICE and EV buses with incremental investment. Of course, the incremental investment in future will depend on the future production volumes and the split between ICE and EV volumes, which we will see as we progress in the due course of time.

Question number 13. Long-term industry opportunity and ACGL's growth strategy. How does ACGL position itself over the next 5 to 10 years with respect to EVs, MCVs, exports, specialized buses and market share? Which was once again repeated today in the shareholder's address and very valid question.

So, to tell you very briefly, the Indian bus industry is estimated to be approximately 70,000 to 80,000 buses annually and offers very favorable long-term growth opportunities driven by public transportation, fleet replacement demand and infrastructure development and electrification.

So, our strategy is centred on expanding our presence in higher work content buses meaning MCVs and the longer wheel base on a longer chassis and higher seat content buses, institutional transportation and exports. We also are conscious and we are also present in electric mobility and defense applications and specialized mobility solutions.

We enjoy a share of around 7% in the domestic market which is estimated. To reduce dependence on price-sensitive school bus business, we continue to diversify into portfolio towards higher tonnage buses which is MCVs and all which is the question, and export buses has been our contribution margins and other things and our focus on export buses is quite high. Intercity coaches, staff buses and obviously going forward we'll be focusing on an EV platform.

Question 14 reads, please provide details regarding profit as on date, manufacturing facilities, dealers, key competitors, employee strength, competitors and future plans. As far as the financials are concerned, as we are all aware, our company's financial results constitute unpublished price sensitive information. So, till it gets officially published and link they cannot be disclosed prior to informing SEBI and going through the proper procedure compliances.

Regarding the other parts of the question, we have currently four manufacturing facilities, two bus manufacturing at Honda. I mean two manufacturing plants at Honda and Bhuimpal, one cowl assembly plant in Dharwad which is in Karnataka and one at Jejuri Maharashtra. We do not have any dealer network as we primarily supply products directly to OEM customers which is Tata Motors.

We employ 423 permanent employees on our roll and we have approximately 800 plus contractual manpower when we closed year FY 2025-26. Our key competitors include obviously other bus body manufacturers catering to their respective OEMs and integrated OEM manufacturing operations which I would refrain from naming them. Bus manufacturing remains ACGL's core business and contributes the largest share of revenue of more than 90%.

The last part of the question about future investment. The future investments will primarily focus on manufacturing capability and capacity enhancement based on customer demand and long-term business viability.

Question 15, what was the volume mix large army export school bus and what is the growth expected in FY 27? So to just to give you statistics and figures, out of a total 9,328 units which were built last year, the sales mix comprised of 5,149 MPS units which were primarily small buses, school buses and LCV, which is 55%; 3,382 export units which is 36% which are mostly on the medium commercial vehicles and higher tonnage platform; and 797 as Anand was just referring to, we supplied to the state transport undertakings which is 9%. The growth in the volumes is expected as per industry growth of around 6% to 7%.

I come to question 16, which says this primarily, you know, it's focused on defence, police, CNG and specialized mobility solutions. What progress has ACGL made in specialized buses including defense, police and CNG buses? ACGL has successfully demonstrated its capability in specialized mobility platform solutions.

During 25-26, we supplied approximately 297 buses for defense and police transportation which has gone to various, you know, CISF, CRPF, police applications, defense applications, army across the country. We will continue to evaluate opportunities in defense, institutional transportation and specialized mobility based on customer requirements and all of us know that Tata Motors is in very, very close cooperation discussion and active consideration by the various institutional buyers and hence our strategy is linked to their business strategy and growth.

This is related to the exports and international business outlook. What is the export outlook and the impact of geopolitical developments, and what is the sale mix? So, export business continues to remain an important contributor to ACGL business as I was referring to in the previous questions as well. In 25-26 our export accounted for 36% of total bus production. And I told you these exports are mostly on the MCV platform and they involve higher work content and hence more material content, more work content, more labour content.

As far as the geopolitical situations are concerned, the company expects to achieve volume broadly in line with the previous year's level. However, we, like all of you, we have to still wait and watch as to what happens to the shipping lines and the other things going to the Middle East and North Africa and other countries geographies.

But we are quite optimistic that we should be able to hit the previous year's volumes. Although geopolitical developments created some impact, however company does not foresee any significant impact on its long-term business volumes.

Question 18: Future manufacturing expansion and greenfield strategy. Can ACGL further expand existing facilities? Is a new manufacturing location being considered? What would be the investment and implementation timelines? Well, the investment and the implementation timeline depends where, how and when and to what volume we take a decision. So, obviously that question does not have a very definitive answer as I speak to you now.

But however, the recent enhancement has substantially strengthened our capability as you know now, we can make 1,200 buses a month which translates to 14,400 buses an annum. Another capability which we have developed is that, these 1,200 buses we can easily have a product mix of 50% of the low-work content buses which are LCVs, school buses and small buses on the small chassis, whereas 50% of them we can make for medium commercial vehicle and international business which involves higher work content.

The typical investment as I told you, I only repeat that, the amount of investment, the location and all those things will depend on where, how and to what extent we decide to expand in future.

Question 19 talks about digital transformation and supplier capability development. What benefits have digitization initiatives delivered, how are suppliers being prepared for future growth? The company's digital transformation program has primarily focused on improving governance, operational effectiveness and process transparency, rather than generating immediate tangible benefits.

As I told you we have worked in the area of product design by implementation of product lifecycle management. We have worked in the area of operations by implementing human resource management system. We have worked in the area of purchase and supply chain by introducing a software-based procurement system from getting an RFQ up to purchase order release. We are working on various other areas also in terms of digitizing the remaining processes.

Employee productivity, labour and costs processing and labour costs have increased primarily due to significantly higher production volumes and increased manufacturing work content. Having said that, we continue to improve our labour productivity through process improvements and digitization.

Question 21: Capacity expansion utilization and operating leverage. We have already told that we achieved a capacity utilization of almost close to 78% during the year and the utilization exceeding 90% during peak production months. So, this higher level of capacity utilization resulted in improved operating leverage and contributing to enhanced profitability and performance.

As far as governance is concerned, updates regarding Hinjawadi matter, the Hinjawadi matter is still sub-judice, the court has admitted our application for condonation of delay and legal procedure proceedings are continuing. We will keep you updated as and when we progress on this case.

Long-term growth outlook and shareholder value creation: What is ACGL's long-term strategy for sustainable profitable growth and enhancing shareholder value, going forward, we are committed to disciplined capital allocation, prudent financial management and sustainable profitability while maintaining a strong balance sheet. We believe that these strategic initiatives will position ACGL to create enduring value for all our stakeholders and maintaining high standards of governance and customer satisfaction.

Question 24 is again on EV manufacturing economics and value addition. How does EV manufacturing compare with ICE buses? As we told you at optimal utilization the existing manufacturing infrastructure has the potential to support substantial amount of annual revenue from ICE bus production, assuming a proper product mix.

EV buses generally involve higher engineering complexity and assembly work as I told you in the past because it is mostly akin to an MCV platform. The existing manufacturing facilities can be adopted for EV production with incremental volume. However, we are committed to expanding the capacity and investing as and when our principal Tata Motors mandates in terms of delivering the volumes what are required by the market.

I come to question 25 which talks about engineering capability, product development and future R&D strategy. We have developed a strong engineering capability and we are supported adequately and at every time whenever we need because our engineering team works in close collaboration with Tata Motors.

We have, rather than establishing our own independent vehicle development organization, we have invested significantly in engineering systems and digital as I alluded to you in the past. While we undertake body engineering, structural optimization, manufacturing engineering, prototype development, complete platform design remains part of Tata Motors integrated product and development strategy.

Question 26: Operational scalability and execution risks. This is an important question which I would like to answer in detail. We have principal execution risks include, at this point in time if we were to exceed our current capacity of 1,200 and all, our risks include supplier readiness, skilled manpower availability, commodity price volatility, logistics efficiency and geopolitical developments affecting exports.

These questions did appear in the past and in the previous questions and we have answered them. But having said that, we proactively strengthen supplier capability through infrastructure development and automation. Our manufacturing operations have also become significantly more flexible and through our disciplined approach to cost management and operational excellence, we are confident to scale our manufacturing capability and meet the delivery requirements and performance.

Question 27: When can we expect company to evolve and design its own buses? The company closely collaborates with Tata Motors in the design and development of bus platforms. Given the strong order pipeline from our key customer, there is currently no plan to independently develop proprietary bus designs.

The last part of the total order book can you please bifurcate between domestic, export mix, school and STU orders, what component is secured towards the EV buses in terms of production volumes and order book, as we scale up what peak volume potential can be expected by FY 30-FY 31, can we achieve a top line of Rs. 1,500 crores by then?
I am inclined to say yes to all these questions, but then I must substantiate and elaborate them. But to very specifically answer these questions, as company's

financial results for the quarter ended are currently under publication, so UPSI, the company is not in a position to disclose the current order book or any other related operational performance at this stage. Capacity execution risks, I think we've, this was very similar to question number 26, so given the paucity of time I will skip that.

Question 30 is: What benefits is the company deriving from its renewable energy initiatives? In fact, this was referred in the address by our chairman also. But to very summarily answer this question, the projects of 500 kWp and 850 kWp solar power plant is giving us a reduction of power cost by approximately Rs.3 per unit at Goa and Rs.6 per unit at Jejuri.

Higher work content buses, product mix and profitability: we have talked about it. But the question is: How has the increasing share of MCV buses benefitted the company? So, one of the key drivers of ACGL's improved financial performance in the going year has been favourable shift in the product mix towards higher work content MCV buses.

So, the share of MCV buses increased to approximately 44% of total production compared with that of 27% in the previous year and that explains why our financials are better as compared to the previous years.

Question 32: Product margins, are EV margins higher than ICE? I would rather not answer it in a very precise and objective manner for very obvious and clear reasons. But while EV buses command higher selling prices, the value addition for a bus body manufacturer like ACGL depends primarily on the scope of work and customer specifications rather than vehicle price per se. So, it all depends on which market, which bus, which tender and all those things, so there's no specific answer to this question.

Question 33: One of the esteemed shareholders did ask this question of capital work in progress and paint shop investments. What constitute the capital work in progress? Capital work in progress I think Mr. Raghwendra Butola can answer that, but since I have started here, I can complete that. Capital work in progress primarily comprised the new paint shop commissioned during 25-26 supporting infrastructure for enhanced production capacity, STP, ETP facilities. Approximately Rs.29 crores of additional capital expenditure is planned during FY27 to strengthen engineering capability, upgrade supporting infrastructure and streamline production.

Question 34, I think it is to you Mr. Raghwendra once again, two-three questions I did answer on your behalf, but you can take now: How does ACGL mitigate supply chain disruptions and commodity price volatility?

Raghwendra Singh Butola: Thank you, sir. During FY 25-26 geopolitical developments caused temporary disruption to exports and commodity prices. However, the company did not face any major long-term impact on the operation. ACGL manages these risks through diversified sourcing, supplier development, value engineering, inventory management and regular engagement with suppliers with respective cost management.

Next question is related to the financial performance, margins and long-term profitability. So, there are certain factors which are already mentioned by Mr. Pranab. FY 25-26 was the landmark financial year mainly driven by the growth of production, then increased capacity utilization due to higher tonnage buses, a higher share of MCV buses which has basically contributed higher revenue and value addition, and a strong cost management.

The share of MCV buses has increased to 44% in FY 26 which was around 27% in FY 25. Sustenance of margin, like I am talking about the current situation which is caused by the geopolitical situation, maybe in the short term, profitability may be affected by the volatility in the commodity prices and export order due to geopolitical developments. However, the company remains focused on maintaining healthy.

So, I will record the last part of FY 26 question. It was basically about the processing and high labour cost. So, there are two factors to it in FY 26. We produced higher number of volumes and then there were higher content buses, like higher tonnage buses. So, our labour composition is around like 70% of labour is on a flexible basis, who are working on job work or piecework.

So, in proportion to basically work content and volumes, this labour and processing cost has increased in last year. Then factor contributing to the operating cash flow is the operating performance only because of high operating leverage.

Now there was question about the reduction in trade borrowings in the year end. So that movement is related to the short-term borrowing of the company which is attributed to the bill discounting arrangement with Tata Motors. As the arrangement here is with recourse, the discounted receivable and corresponding borrowing continue to be recognized as per applicable accounting standard in ACGL books.

The year-end movement reflect settlement of the borrowing by the customer Tata Motors. The discounting arrangement has not been discontinued, it is continuing. And about the deployment of the surplus fund with Tata Motors as on date we have parked around 19% of surplus cash as ICD and this is basically linked to the short-term market linked interest rates with the flexibility to withdraw at short notice.

Then future deployment of surplus fund, the company's long-term objective is to deploy surplus fund towards strategic growth that generate better long-term returns for the shareholders. Then there was one question related to the related party transaction. So related party transactions are priced through arms-length commercial negotiation based on the established costing norms.

All such transactions are reviewed by the audit committee and independent benchmark on a quarterly basis by the Ernst and Young to ensure compliance and protect the interest of minority shareholders.

Then last question is about the exceptional item of Rs.3.29 crores in FY 25-26, this was the one time increase in the employment, employees' retirement benefits due to the implementation of labour code.

Thank you, that's all.

Chairman: So, this brings us to the end of the Q&A. I would request if there are any unanswered questions to please be in touch with the secretarial department. We will definitely try and address the queries and the questions that you may have. This now brings us to the end of the meeting.

As I conclude on behalf of the board of directors and the management team, I had like to express my sincere gratitude for your active participation, particularly to the shareholders and also for everyone's presence in the 46th AGM.

I would also like to thank and acknowledge the invaluable contribution of my colleagues on the board who have provided at all times guidance, oversight and diverse perspectives to ensure sound governance practices.

As has been said earlier, e-voting shall remain open for 15 minutes after the meeting is concluded.

The voting results will be announced within 48 hours of the conclusion of the meeting and the same will be intimated to the stock exchange and uploaded on the website of the company and NSDL. I request all shareholders to stay safe and stay healthy. With this, I declare that the meeting has concluded.

Thank you very much.