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August 28, 2026

To
The Secretary
BSE Limited
Corporate Relationship Dept.
PJ towers, Dalal Street, Mumbai -400 001

BSE Symbol: 505978

Dear Sirs,

Sub: Transcript of Investors Meet held on August 21, 2026

This has reference to our intimation dated August 21, 2026 regarding the outcome of the Investor Call held on August 21, 2026 through virtual mode with investors.

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the transcript of the aforesaid Investor Call.

The transcript is also available on the website of the Company at www.tritonvalves.com.

This is for your information and records.

Thanking You

Yours truly
For **Triton Valves Limited**
BIBHUTI MISHRA
Digitally signed by BIBHUTI MISHRA
Date: 2026.08.28 16:47:45 +05'30'
Bibhuti Bhusan Mishra
Company Secretary & Compliance Officer

Encl: As above

Investor Meet- Q1 & FY27 Post Earnings Conference Call

Triton Valves Limited

CIN: L25119KA1975PLC002867

Date: 21.08.2026

Meeting Time: 04.00 PM

Speakers:

Mr. Aditya Maruti Gokarn

Chairman & Managing Director

Mr. Naresh Varadarajan

Chief Financial Officer

Moderator:

Mr. Bibhuti Bhusan Mishra

Company Secretary and Compliance Officer

Bibhuti Bhusan Mishra: Good afternoon, everyone.

On behalf of Triton Valves Limited, it is my pleasure to welcome you to today's investor meeting being held through video conference. We sincerely appreciate your time and participation, and we are grateful for the interest and confidence you have shown in our Company.

Today on the call from the management team we have with us

Mr. Aditya Gokarn, Chairman and Managing Director

Mr. Naresh Varadarajan, Group CFO.

Mr. Appaiah K.B. Whole-time Director

and my self Bibhuti Bhusan Mishra, Company Secretary of Triton Valves Limited.

As a disclaimer, please note that the meeting is going to be recorded for compliance reasons and will be published in the Company website. The discussion may include certain statement, that may be construed as forward looking statement, this statement is made based on the company management current strategic plan and assumptions. We can't guarantee that the forward looking statement will be realized, although we believe that the assumptions underlying these statements are reasonable and prudent, actual results may differ. we undertake no obligations to publicly update any forwarding looking statement whether as result of new information or future event or otherwise.

With this note I handover the session to the Managing Director to brief us business and performance highlights for the period ended 30 June 2026 and take this meeting forward, post which we will open the session for Q & A. Over to you Sir.

Aditya Maruti Gokarn:

Thank You Bibhuti. Good evening to everybody and thank you all for joining us this evening. Yeah, so as usual, we put together a little slide deck to kind of walking you through the performance for Q1 FY 27. So without further do, I'll start off. Yeah, so just a quick safe Harbor declaration. This presentation and the discussion may contain certain words or phrases that are forward looking, which are tentative and based on current expectations of the management of the company and any of its subsidiaries and this presentation has been prepared only for information purposes. This is not a offer or invitation or recommendation to buy or sell securities of the company and no part of the presentation shall form the basis of or be relied on in connection with any contract or investment decision in relation to securities of the company. So the rest of course is on the screen, so I'll just move on to the next slide.

Aditya Maruti Gokarn:

So today what we've put together for all of you is a little bit about the group entities and what's the, what are the key drivers for growth. Some further let's say deep dive into the financial highlights and the segment wise results and of course kind of a cap off of the Q1 financial results. So many of you are familiar with the company for those of you who whom you those of whom are not familiar with the company, we basically have now, three entities. Triton Valves limited, this is the holding company. Triton Valves has two segments now, post-merger, the automotive segment and the climate control segment. The automotive segment of course makes the valves and components for the automotive industry, the climate control segment basically makes valves and components for the air conditioning industry, right. Second entity Tritonvalves Future Tech, this is a wholly owned subsidiary of the hold Co. This is a metals business. It's basically a brass mill and we produce brass roads, coils, hollows, and so on. We also have a Hong Kong entity, right, which is now slowly kind of being warmed down, but this entity is also part of the group console numbers that you'll see.

Aditya Maruti Gokarn:

Just a few quick highlights, this is more to do with the quarter gone by Q1, right. So there's some sales led, let's say drivers and there's some production led drivers, so maybe we'll just walk you through very quickly. If you look at the new products, there's a lot of EV components that we're working on and the sales in these in this segment has also been fairly good for us in the quarter. There's some global projects that the company is working on. You would have seen some disclosures, right, with that we made. We've received some LOIs from AUMOVIO and SENSATA these are two large global players in the TPMS census base and BOSCH, of course, is our existing customer also scaling up right now. We also had I would say a favorable product mix between two less TPMS, all the different product verticals in the quarter gone by. In terms of metals also, we are trying to move up the value chain as we've talked about in the past as well with the special alloys coming in and playing a bigger role in our performance. There's some risk mitigation as well that is in the pipeline. We are now developing some exports in western Europe, higher quality standards, possibly higher margins as well for us. The climate control segment, I would say with improving our engagement with the industry both domestic international. I'll also have to say that we are deepening our engagement with government of India as well to kind of level the playing field between us and, you know, some of the large Chinese players are dumping goods right now into our country and of course we are not making any compromises in achieving our gross margins, right. So we are not falling prey to the temptation to just, you know, enter the market just at a very low price and by sacrificing margins, we are right now not doing that. We are staying away from, you know, margin compromises. In terms of the production led drivers, I would say on the automotive side, there's been further cost output optimization, OE efficiency improvements. There's also an increase in the, I would say intercompany purchasing of brass, right, between the subsidiary Tritonvalves Future Tech Private Limited and the hold co. Triton valves Limited. We're also right sizing the inventory holding, you know, to kind of keep in step with the changing market conditions in terms of the product profile as well as the raw material scenario with you know the LME copper prices going higher and higher every quarter. On the metal side also we're increasing output and efficiency, widening the supplier customer base and you know, we are kind of deep de-risking the model right now. This is in light of obviously the Iran crisis through the Q1. On the climate control side, we are, we are still, I would say automating some processes, trying to lower our cost of production and kind of leveraging, you know, on whatever we can from the automotive business post-merger as well. So that's something that's also driving some growth for us.

Aditya Maruti Gokarn:

A quick summary of the performance, couple of I would say important highlights, of course the Bonus issue what completed in the 1st week of April, so that's the 3:1 bonus that we offered to all the shareholders. We've completed the merger of Tritonvalves Climatech Private Limited with the Triton Valves Limited, the hold co, so some amalgamation has been approved by the NCLT and finally we received the final orders from the NCLT. So that's a good development for us that enabled us to bring the tax shield into play during this quarter. We also implemented net reporting of brass scrap sales from Q1 FY 27. This is something that we've been talking about on, on some of these calls also in the past that, we were reporting scrap sales, right, Which are kind of invoiced from the hold co. to the subsidiary and then you know the brass crap gets converted back into brass bars coils and comes back to the hold co.. So we were invoicing the scrap out because the nature of the transaction, you know, in terms of the form in which it was taken was being done was a sale and buyback, but in substance, this is a kind of a job work, right. So in accordance with the Indian accounting standards IndAS, we have now started netting this off, which means that since the brass crap goes out as a sale and comes back in the form of brass bars in terms of raw material, we are netting off these transactions. So effectively what does that mean. It means that the top line on the standalone financial, optically looks smaller, right, but when you look at the ratios of, let's say material cost, ROCE, EBITDA, all of that, the top line optically shrinks down, but the bottom line EBITDA all of that remains the same. So in ratio terms, right, we will be seeing a lot of improvement in the way that the ratios get reported out on standalone. Of course, on group consolidation basis, this accounting methodology change makes no difference whatsoever on the console numbers, right, whether it's top line bottom line ratios, everything remains the same on the console reporting. So, there's also increase intercompany, let's say purchases for win-win at the at the group level console level and also, you know, there's been a lot of fund allocation that we've had to do during the quarter for the metal segment in particular because the copper prices have been at historic highs and they continue to be at historic highs. So the working capital cycle has increased, it's expanded. So, you know, we were luckily able to raise and allocate sufficient funds for the business to continue smoothly and to keep growing.

Aditya Maruti Gokarn:

Just moving on, just a quick picture of the YOY and the QOQ comparison. So if you look at sequentially, sequential quarter, our top line is growing at about 17 % and YOY, we are up about 38.5 %. So I would say fairly decent growth there both you know on sequential basis and year on year

basis. Of course EBITDA also has, performed fairly well. I would say that we're up from about 11.3 crores to about 12.4 crores sequentially and up from 8.8 crores to about 12.4 crores YOY. I think there's a small typo there. What is shown as YOY is actually QOQ in the FY Q1 EBITDA of 12.41 crores. Of course we also got a benefit of the merger, right, in Q1. So, there is a tax credit that we received of about 4.75 crores. So, if you look at it, the reported PAT has moved up to about 9.75, right, whereas without the merger benefit, our part would have been somewhere at about 5.25 crores. Just a kind of a segment wise breakup of how the quarter has gone for us overall. So metals contributed about 52 crores, the automotive segment about 78 crores and climate control, about 4.5 crores. So at the group level, last year we were at about a 134 crores. So compared to that, if I look at the current quarter, right, FY 27, the automotive vertical has moved up from about 78 crores to 103 crores. Metals has gone up from 50 to about 79 crores. Climate control is actually degrown a little bit they are about 3.89 crores, very small. So that's how, you know, the group console sales have moved up from a 34.73 crores to about a 186.5 crores during the Q1 FY 27. So this time we've kind of just tried to show the breakup a little more clearly for everybody to see. So automotive contributes about 55 %, metals about 42 % and climate control is still very small at 2 %, right. So, and if you look at the sequential growth also you can see the numbers in the in the table below, right, where automotive has moved up from 86 sequentially to hundred and three. Metals from 68 to about 79 sequentially and climate control also degrowth on sequential basis. So sequentially we moved up from 159 group consult sales to about 18 6. So that's that growth of about 17 and a half percent.

Aditya Maruti Gokarn:

Let's moving on, this is of course the standalone financials, just showing you all some numbers in terms of, you know, what's the growth percentages on standalone BASIS QOQ and YOY. So I'd say

overall fairly healthy, I would say development healthy growth. If you look at operating profit, right, I would say we are on a fairly good wicket right now. So we've moved up quite well both on QOQ and YOY terms. EBITDA margins, if you look at EBITDA margins and percentage terms, right, also I think we are, we are doing fairly ok compared to the previous year. We're seeing some growth and of course the tax benefit of about 4.5 crores coming in as obviously pushed up our PAT. So the tax credit has actually been taken in the merged entity which is Triton Valves limited. So therefore it comes in the standalone numbers. So the reported PAT standalone would be at about 7.5 crores for Q1.

Aditya Maruti Gokarn:

moving on oh yeah ok yeah so and this is of course the group console number. So again, looking at some comparisons in terms of the, you know, sequential quarter and the year on year. So on the margin side, that's the only area where you can see a few minuses are there. So sequentially, if you look at the gross contributions come down a little bit, I would say quarterly basis or let's say sequential basis, 145 bps, year on year basis down about 181 bps. I'd kind of say to the shareholder community, don't get too worried about this. I think this is not really margin erosion, right. What is basically happening is that, you know, this is the impact of the commodity pricing going up, right. So typically what happens is that when commodities move up. Or down for that matter. We are just pricing with our automotive customers both ways up and down. It's a pass through, right. So typically when that pass through happens, our margins in absolute terms remain relatively stable. Right. Therefore, in percentage terms, the margin appears to be getting eroded because, you know, the selling price increases, the selling price per valve, e.g., increases but the margin in absolute term remains the same. Selling price is higher, therefore denominator goes up, numerator remains the same, and therefore, you know, it appears as though there is margin erosion. It's not really erosion in margin, right. This is just the impact of commodities. If in a quarter, somewhere in the future, the commodity pricing were to go in the on the minus side, you'll suddenly see that this percentage margin on a, you know, with us will start going up, right. So just a function of how the commodity. Situation is evolving and just to put this in context, we are not talking about small changes unfortunately, right. Over the last one year, I would say, copper prices, brass prices have almost doubled, right, in just twelve months. So these are not changed small changes of 5/10 percent going here there. these are major changes, you know, some quarters we are seeing 10 % 20 % 30 % increase in the prices of, you know, commodities. So this is where, you know, the margin percentage appears to be going down. But if you look at it in absolute terms, you can see we are still growing, right. In absolute terms operating profit. On a let's say year on year basis is up from eight and a half cores to almost twelve and a half course, and even on a sequential basis, we are still up, right. So that shows that hopefully we are, moving on the on the right path. Of course commodities are playing a role, I think the war is also so, the war impact is also there in this quarter. So I'd say that if commodities had been relatively stable, if, you know, the war impact was not there, possibly these numbers would have been even better, right. These numbers would have been actually far better. But fair enough I think it was a, it was a tough quarter for everybody so. Also no complaints as such I think companies like us need to factor in these kind of eventualities, these kind of scenarios into our business plan and obviously you know there's nothing we can do about, you know macro changes and events like war and so on, but it's how, how robust are our systems internally to be able to cope up with those changes and ensure that we keep a stable bottom line through all these, you know, changes that are going on. So I would say in that context, I would say we've done fairly ok and of course with the tax shield, you know, the group consult PAT moves to about close to 10 crores-9.8 crores. So I'd say fair performance all factors considered during the quarter.

Aditya Maruti Gokarn:

just we don't normally publish the balance sheet. It's not mandatory for us to publish the balance. Sheet on a, on a quarterly basis, but we thought we could just show everybody today what the balance sheet looks like. So, again, I would say, you know, nothing really of concern here. There's some capex that we are, you know, progressing well with throughout this year, there will be a lot of capex investment coming in to cater to the growth that's in the pipeline. Inventory increase is also in line with the business requirement so other receivables, right. Payables are of course a little bit lower due to the market requirement and upfront RM payments. So the short term loan increase are in line with the drawing power, inventory and so on. So nothing really of concern. Luckily I think we are moving again in the right direction. Obviously because the PAT has been healthy, network also has moved up from a hundred and twenty-eight crores to about hundred and thity-eight crores in a single quarter, so I think that's a good thing for all for the company. Cash flow side, of course, this is what it is, this is still the Q1, so you know there is a lot of, you know, money that we need to put into CapEx 4.2 crores already gone in there. The operating cash profit was fairly healthy for the Q1, I'd say about 12-12 and a half crores, but of course, working capital has also gone up. We got a tax credit, and of course there's some other advances and things like that. So I'd say cash flow obviously will evolve over the next two, three quarters, and we should see some better numbers coming through as we progress through the year.

Aditya Maruti Gokarn:

A quick ratio analysis, I think some of these ratios, a lot of the investor communities tracking. So if you look at our ROCE on annualized basis, I think we're ok. We're growing in in one quarter, we've already moved up from March quarter of eleven to about twelve and a half percent. Fairly good. DSCR is also improved current ratio, liquidity, all that looks obviously a little bit better. Debt to EBITDA, we are just kind of hovering around the three mark. We are trying our best to bring that under three maybe somewhere between two and a half to three by the end of the year. We're lucky we'll be able to bring it down even more, but fair enough I would say given the size of the business is also increasing, I'd say this is not a bad performance overall. Ccash conversion also moving in the right direction, inventory also we have tightened up a little bit. There's more to be done of course but there's also certain amount of inventory that we need to keep considering the, you know, LME trend right now. It's better for us to hold a little bit of inventory given that the outlook is that materials are going to get more expensive for the next two or three months, so I think inventory is nothing to be too worried about here and this is there's all fast moving inventory, there's nothing really of concern there. Yeah, I think last slide so perhaps we'll move on to Q and A. So, anybody wishing to ask any questions, feel free to feel free to shoot. Yeah, I think your question from Dolly Choudhary, yeah please go ahead with your question.

Dolly Choudhary;

Hi, so thank you for the opportunity and congratulations on such a great set of numbers and also on a detailed explanation. So my 1st question was if it will be possible for us to bifurcate our growth for this quarter into how much was the realization growth and how much was the volume growth.

Aditya Maruti Gokarn:

Yeah, I'd say broadly, at the group console level, if you look at the growth, YOY is about 38 %. So I'd say about 20 % is volume growth and the rest is, I would say value growth.

Dolly Choudhary:

And so majorly directionally if you can guide where from where did the volume growth in majorly from the future tech division?

Aditya Maruti Gokarn:

So if you, yeah, maybe I'll just come to that slide, see to be frank with you, the numbers are clearly showing that we've grown almost in all the segments except climate control, right. So, yeah, so if you look at if you look at automotive and metals, right, both, both have grown fairly well. So I'll have to say that it's about now a little bit of calibration for us. How much, you know, how much fund are we going to allocate to which line of business. How much capital are we going to allocate, and how are we going to maximize the return on that capital allocation. So broadly I would say strong demand continues even now in Q2 with both automotive and metals, right. So metals, the only thing I would say is that we had a relatively slow start to the quarter because of the war impact, you know, we had a lot of trouble initially with some of the raw materials, some of our customers were you know connected to the Middle east, you know, all shipments stopped all in, you know, materials, you know, we had already some contracts for raw materials coming in from the Middle East. We didn't receive a lot of that material. So, so we had actually a pretty tough quarter, I would say especially for the metals segment, but in spite of that, because the demand dynamics are quite strong, I think they were eventually able to make up by, I would say middle of May we had brought things I would say back, back on track and by June we were able to really see some really, really good growth. So I'd say growth wise, they're all growing. I would say metals, even though we basically grew from let us say 50-52 in the previous year to 78, right. That's the growth, that's a growth of 42 %, right, somewhere in that range, right, yeah. So, so yeah, so I would say

even though we managed to. Go at that level, we could have done better. We could have done better had April been a better month for us perhaps metals could have done even better.

Naresh Varadarajan:

Yeah, so when you're saying that the metals grew from 52 to 78, so that takes into account even the growth of Tritonvalves automotive. So if you need true foot of metal business more, I'm saying if you look at just external sales, or say 26 crores of automotive and 26 crores of metals, similarly when you look at Q4 to Q1 quarter to quarter, 17.5 crores of automotive and 10 crores of metal. So major portion of metal sale would have been to fuel the growth of automotive, so that's how I will look at it. if it's to be looked at as the unison because we can't cut all external sales. So let's say if, if we had also we have un-delivered because the Hormuz situation, sale of 10 crores not delivered on time even though we dispatch. It didn't reach, so it's a sad tale but generally keeps happening going to western side you will have this. Otherwise we would have seen the growth of additional ten crores of future tech at the group level not export sales and undelivered.

Dolly Choudhary:

Okay, got it sir. And secondly like you mentioned about the like we are doing also capex this year, so if you can throw some light on exactly which segments are we doing capex, what exact segments are we getting demand from? You can highlight that.

Aditya Maruti Gokarn:

Yeah, so I'd say CapEx wise at the group level, we want to invest about 15 cores this year. I would say about about 10 crores would go into the automotive segment, about five cores would go into Future tech which is the metal segment. Automotive segment, we are seeing growth in tubeless, we are seeing growth in TPMS, we are seeing growth in our EV components product line. So these investments will be distributed into primarily these segments to bolster our capacities. You might have seen some news articles, you know, the EV two wheeler segment to which we have a strong connection in our in terms of our EV products. They are strongly connected to the two wheeler segment actually. You know, I think the market has been caught a little bit off guard, right, because the demand is actually outstripping supply. If you look at Bajaj, you look at TVS motors, you look at Ather in the relatively smaller players now Ola, River mobility. They're all, you know, struggling to meet demand. There's now almost I think there's a waiting period for for vehicles, right. So, everybody's, I would say a little bit caught off guard by the surgeon demand so we need to invest to kind of, you know, build up our capacities, we are ok for now, but the way things are going, if you don't invest, we'll run out of capacity by year. So that's gonna come in. On the future tech metal side, we're basically doing some I would say investments towards developing the ability to do more value added products, ok. So when I say value added products, you can think of it in equivalence of steel, let us say there are a lot of companies doing mild steel, plain carbon steel. Then they move up the value chain, they start doing stainless steel, they start doing alloy steels and so on. So it's very similar to that in the brass industry as well. At the moment, a vast majority of our sales are off the relatively low margin variety, right, but in our jargon we would call as, you know, 60-40 alloys of copper and zink and we are now moving towards you know special alloys where there are some special alloying elements or the copper percentage is going up right, where margins are better, but these require some investments to be made, right. There's some different kind of equipment that we need in our foundry, in our extrusion line, in our drawing line to be able to mass produce some of these special alloys, so that five core is going to go into developing capacity and adding some equipment that enables us to make those special alloys and make that climb into those special alloys high margin products. Does that answer your question?

Dolly Choudhary:

Yes yes so if I'm just getting it right, so in automotive segment if I just say particularly, are we operating at the highest utilization like for this this like week this quarter we did like hundred and three crores and so this is like the max utilization levels for us as of now.

Aditya Maruti Gokarn:

Yeah, you can say that by and large yes, we have reached a fairly high capacity utilization almost in all segments. The automotive business, I'll divide it into maybe broadly four segments. There's the traditional tube valve segment, there's tubeless valves, there is TPMS, and there is EV components, right. These are the four broad segments that you can look at. In the tube valve segment, we have still not maxed out fully. There's, there's still more, I would say capacity available, but when it comes to tubeless, TPMS and even maybe the EV segment, we are kind of, you know, running at capacity utilization levels in excess of 85-90 %, right. So we quickly need to, you know, build up capacities here because see in volume terms since you asked, right, the growth is like it's high double digits we are looking at 18-20 in some segments we've grown 25 %. There's some relatively smaller segments, but some of those segments the growth is like 80 % and hundred percent why right. So while we were expecting growth and we knew that there's some growth going to come down the corner, we knew it in Q4 last year itself we didn't expect that growth to come so strong, right? And through all this, I would say more impacted quarter, we actually. We thought that a lot of stuff might actually go down a little bit, but I think we were lucky. I think the market has been kind to us, customers have been kind to us. So I think the numbers are shooting up. So yeah, I think we need to, we need to continue investing to make sure we don't lose any opportunities.

Dolly Choudhary:

Right, so so like I'm like trying if I try to understand these four segments that you just mentioned about, so like in TPMS I understand that we have on boarded new global customers also so that is really going well for us and in EV as a sector is doing pretty well and we have on boarded the Major customers there but like if I talk about tubeless specifically like already have a major market share. So how come are we seeing double digit growth there?

Aditya Maruti Gokarn:

See, basically, if you look at the two way industry and the passenger car industry where most of our tubeless products go in, both those segments are actually moving at the same rate, right. So if you look at car sales or, you know, motorcycles scooter sales. There is a high double digits during Q1 because ok let me not say sales perhaps I should say production, right. So I'll just maybe break it down like this. If you see the passenger car segment, there's Maruti Suzuki, there's Hyundai KIA, there's TATA Motors, Mahindra, all of these companies have actually been producing record levels of vehicles through Q1, right. And if I look at the two wheeler segment, there's a Hero MotoCorp, there's Honda Motorcycle & scooter India. There is TVS, there's Bajaj, and there's Yamaha all these guys are their vehicle production during Q1, YOY grew like 12-13-14-15 %, right. So, we are seeing growth there, coming, you know, it's just organic market growth, I would say.

Dolly Choudhary:

So so to summarize we can say that it is led by industry only, there's NO, we can say like market share gaining is not the perspective here, the industry is going pretty well.

Aditya Maruti Gokarn:

No, there is an element, there is an element of market share, you know, capture as well from our side because ok there are some smaller accounts where, you know, there are some local players or there's some imports coming in. We've managed to little bit you know capture those segments as well because see after the war started I think. Even shipping became expensive, imports started becoming more expensive, the dollars started moving up. So that has resulted in us capturing some market share as well, but it's broadly organic growth. It's broadly organic growth. So if you have to ask me, just a thumb rule, I'd say 80 % of that growth is driven by actual, you know, vehicle production going up maybe 20 % of that growth would be you know us capturing share, you know, additional share. So, so both have played a role, but very, very broadly speaking, it's it's the real organic growth of the industry.

Dolly Choudhary:

Got it, got it. So for EV valves, I have one question so like we have a product there and we are supplying to major customers there. So two parts to that question. So 1st of all if I'm right if I'm not wrong, we don't have Ola as a client in that segment, EV components. So I wanted to understand they also have a very big market share, are we planning to onboard them or are they have a different supplier or different battery structure or they do it in house?.

Aditya Maruti Gokarn:

Yeah, see normally I don't like to comment on specific, you know, customer relationships because, you know, this is obviously company confidential information as to you know whom we are engaging with and how we are going about it. But broadly speaking I'll put it like this. Any customer who is not yet or let's say any potential customer who's not yet buying from us, we are deeply engaged with the industry, with all the players in the market. I think we have a very good product. I think our, you know, our product has performed extremely well on all platforms of Ather on lot of, on all platforms of TVS also there's River, there's you know, I think our product has performed really well right in the market. So those customers or those potential customers I should say who are not yet buying from us, we are, they are engaged with them. We are talking to them, we are, you know, showing them our data. Yeah, you know, our technical teams are in touch. So I would not rule out the possibility of us, you know, breaking through with those maybe two or three large clients, potential clients who are not yet buying in big numbers from us, right? So, so that's what I'll say because you know I don't want to comment on any particular company it won't be right on my part to make any comments on.

Dolly Choudhary:

Yeah. Okay sir and just a second part to that question only so in EV segment we are specifically supplying the valve portion. So we see if I'm not wrong I guess it's a small proportion as of now for our whole entity and the whole industry is doing pretty good though as of now, but are we also planning to increase the number of offerings in the EV segment? What other working on and when can we expect it to get commercialized?

Aditya Maruti Gokarn:

Yes, so as I've said in the past also, it's not that we're only making components for batteries. We are looking at components related to the charging infrastructure, right? This is the, I would say the charger cable, right. It has certain very special high precision components. We have already prototyped tested. We've supplied samples to a lot of the people in the market. There are, there are some other components that are motor control centers, there are battery terminals there are, there are a lot of components that you know we are we are studying we are looking at and I'm quite optimistic that over a period of time, right, we will be able to widen this portfolio of offerings to the EV segment. See primarily the confidence that I have stems from the fact that we are vertically integrated, right, because a lot of these components, the technology is relatively new, right. So some of these components require new alloys to be developed, then you know the you need to start the development literally at the raw material stage, right. Somebody comes to us and says, I need this level of electrical conductivity along with, ok, this level of let's say environment resistance, whatever, you know, wear and tear their resistance. So we literally start the development at the material stage. How do we develop the right raw material to be used, and then of course we use our precision machining, precision you know manufacturing capabilities to then, you know, develop the complete solution. So some of these components are going to take some time. I would say typically six to twelve months, right. Sometimes even more. The goalposts also keep changing. There have been customer, where we developed a part, prototyped it almost gone into production, then they changed the spec. So then there's again a cycle of, you know, redesign retesting, revalidation. So, so it's an evolving, it's an evolving space, but I would say that to really see some, you know, flow through in terms of financial numbers, we'll have to wait at least six to twelve months for, you know, some of these new developments to come into the market.

Dolly Choudhary:

So, like, so if I generally see, see a pattern in specifically our automotive segments so we try to you know maybe replace a imported product or we generally have a higher market set, so if it will be right on my part to assume that the product that we are working on for future will have these kind of features like maybe import substitution or we are, we will be the only supplier of this in India.

Aditya Maruti Gokarn:

Yes. Very broadly speaking, we are importing a lot of substitutes, I mean, substituting a lot of imports, we're substituting imports and we are we are looking at, you know, adding value to our customers with localized production because look, every, like I said, right, every. Now and then supply chain disruption is going to happen going forward, you know, even if the let's say Middle East crisis settles down, some new crisis will emerge, right. I think every car maker, every vehicle manufacturer in the world today knows that the next five to ten years, the biggest challenge is going to be Supply chain, there's going to be disruption, there's more in the pipeline, right. There's going to be trade wars, there's going to be all kinds of, you know, there's going to be countries kind of, you know, weaponizing whatever they have as a bargaining chip in the geopolitical game. Somebody has rare earth, they're going to arm twist the rest of the world if they have a dominant, let's say presence in that. If somebody has a dominant presence in any material, it could be aluminum, it could be copper. Countries are going to use these materials to play the geopolitical game to their advantage and this is going to be a nightmare for automotive supply chains, right? It's it's going to be a difficult time over the next 05-10 years. So what we can actually offer to the industry is that we are vertically integrated we are largely de risked when it comes to copper alloys. We can produce the material ourselves in house, we can do the machining, we can do the precision engineering, and we can give them an end to end solution right. So which basically means import substitution, right, import substitution combined with, I would say some innovation, some technology improvements, something like that. So I think we have a very attractive proposition for all our customers going forward. Got it. I think we should I think we should move on dolly.

Dolly Choudhary:

Yes, I'll join back in there. Yeah yes yes, sure, sure. Thank you so much. Thank you.

Bibhuti Bhusan Mishra:

Yeah, Mr. Sudhir you can ask your question.

Sudhir

Hello, Am I audible? Yes, sir yes. So 1st of all Congratulations Aditya Ji and your team for posting a outstanding number in the current circumstances where metal prices are going volatile and other geopolitical situations, so congratulations on the entire to the entire team. Sir my question, I was just listening, so I wonder from where the growth, high growth will come in, say later part of the year as you are running out of the capacity and for 27-28 also I just want to want to ask you ok from which segment and from where the growth will come.

Aditya Maruti Gokarn:

Maybe you could be asking for where growth will not come. So I don't see frankly, I don't see any problem for us to continue this kind of and sustain this kind of growth through the rest of the year. While, yeah, capacities are getting maxed out. See it's not like in Q2 or Q3, we are suddenly going to start growing in volume terms and 40 % by YOY, right. Like I said in automotive, it's mainly organic growth. All the vehicle manufacturers are producing more vehicles right now. That percentage growth, e.g., if in Q1, the vehicle production has gone up by let's say 15 % or 18 % over last year. It's not going to go to 40 % in Q3 Q4, right. It's going to remain at this level. It may actually taper down somewhere because, you know, somewhere I really wonder sometimes whether, you know, the market can absorb this growth because our GDP is growing at a much lower rate than that right, so I would actually say that the organic growth will somewhere kind of moderate down, right. At some point of time and capacities are also getting built up. So I'll put it like this. The way I'm seeing, let's say I'll go vertical wise, if I look at automotive vertical what I, what I will say is that moving into Q3 Q4, our growth will be fueled by newer and newer programs, right. There's the organic growth of the existing programs, existing

customers that we already have. If that growth tapers and that's I think we should all be mentally prepared that at some point of time, I think we should all realize that passenger vehicle sales cannot continue growing at 18 %-20 %, right? Somewhere it has to average down, right. When that averaging down happens, we will be launching some new programs, right. We have programs with your AUMOVIO lined up, we have programs with SENSATA lined up. We have programs with some of our automotive air conditioning customers lined up. We are lining up some, you know, further growth in the after-market segment. EV two wheeler growth I think will continue, right and there we are adding capacity, we will be able to add capacity quickly enough so that we don't lose any opportunities, right. So in the automotive, that's how I see growth. So, to put in a summarized form, I don't see any challenges for us to sustain this growth momentum through the rest of this year in automotive.

Sudhir:

So you are sure that even your capacity, what is right now and what you are going to build for next maybe six months to twelve months, you will be easily catered to the growing demand. Right,

Aditya Maruti Gokarn:

I believe so yes, I believe so.

Sudhir:

My Second question is the two parts. One is overall kind of margin when we will see a double digit margin coming in and another question just if you can throw some light on climatech AC valves how the market demand is and how we are positioning ourselves, what kind of growth we are looking for next year. So these are the two questions.

Aditya Maruti Gokarn:

Okay, so very quickly to just finish off what I was saying, your 1st question is where is growth

going to come from, right. So automotive growth, whatever we are seeing I dare say we will try our best to sustain it either with the sustained organic growth of the industry or with the combination of organic growth plus I would say new programs coming into the picture going into Q3 and Q4. In the metals vertical I'm actually seeing even more potential for growth right. Because there our capacity utilization is still at, I would say somewhere in the range of 65-70 %. This is post capacity expansion, right. So I think there's still, 30 % headroom. In volume terms for us to grow. There is also potential for us to get into new, like I said, value added alloys and stuff like that. So both crop line bottom line growth I think will continue in metals also getting into Q2-Q3-Q4. Climate control, I would say I'm a little bit circumspect right now. If you look at the last quarter, last couple of quarters, you look at all the frontline stocks in this industry. You look at LG electronics, look at voltas, look at Blue Star, look at maybe some of the big suppliers to these guys, it could be Amber enterprise, it could be Epack durables, PG electroplast. If you look at the industry, the industry hasn't actually done that well, right. There's a few exceptions here and there, people with a more diversified portfolio, people with exposure to products other than air conditioners. There are people who have exposure to washing machine, television, refrigerator, they've kind of maybe done slightly better. But people who are pure play, let's say air conditioning companies, they haven't done that well. I think the season the market hasn't been that favorable, right. That's possibly because of two, three reasons. One, I think copper price is going up very high. This is eaten into everybody's margins. I think the market also the season last couple of seasons hasn't been that good. The summers haven't really been as expected perhaps by the industry. So climate tech also like I said, there's a lot of Chinese dumping happening. We've been lobbying very strongly with the government of India ministry of commerce, asking them to level the

playing field, right. They need to bring in some remediation methods. The QCO was in the pipeline, so I think that will definitely be favorable to us once that actually comes into play, comes into the picture. We're also lobbying the government to bring in what is called as a minimum import price for our product. I think the government. That has given us a fair hearing, you know, on, on two occasions we've lobbied very strongly. I personally gone and met some of the senior officials involved in this to explain to them what is the situation I've shown them the numbers. You know, we've had some very deep conversations with them. So I'm optimistic that at some point of time right and MIP also will appear on the scene. And when that happens, right. I think the climate control segment will really see, it can you know it will reach its potential. It'll, you know, you'll see you will see the real value of that vertical. Once that playing field gets leveled a little bit. So till such time, I'll say I'm a bit circumspect, I don't want to, you know, I don't want to promise everybody that you know this vertical is going to do very great in the next couple of quarters. Usually Q2 is a quiet quarter for the climate control business because AC production kind of goes down during in this rainy season, it picks up again, production picks up from October, November onwards. So till such time, I would say in Q2 don't expect any, you know, big, you know, growth in the climate control segment. But after that, yeah, for sure. Once the season comes back, little bit of government support comes in terms of locking imports, we will see a lot happening building on the climate control vertical as well.

Sudhir:

And so one of the question was like on the margin front, see I was like with the volume growth coming in, I thought that the margin will be even better for Q1 but that has not largely happened, so how do you see that the margin will pan out in Q2 and Q3 as well?

Aditya Gokarn

Yeah, so if you look at, yeah, I tend to agree that, in terms of you can you can see here right on the screen right now, what's the operating profit. So, one thing I'll have to say that in absolute terms, I think we are ok right, I don't see a serious challenge for us to sustain and grow, you know, operating margin PBT in absolute terms, right. If you look at year on year, so I'd say that in in periods of time when commodity prices are shooting up very, very abnormally, like it's happening now. I would say don't pay too much attention to the percentage, right. What is the actual operating margin percentage terms. There will always be a catch up, right because with our automotive customers, even with our climate control customers, we change prices every three months. So, you know, if there's a one-way trend where, you know, commodities are just moving in one direction and only one direction there will be an optical erosion in the margin in percentage terms. But I would strongly encourage you to also look at the absolute EBIT, right. Let's look at it like this. Last year, I think group console bases are EBITDA was 40 crores the previous year it was 30 crores, right. So we are in absolute terms jumped 33 %, we went up ten groups. This year, you, you just look at the numbers, right. If I look at the group console, I think our beta is at about 12.4 crores Right? Even if I were to annualize the Q1 number, obviously our ambition is to do much more than that. But even if I just take the Q1 number and annualize it, you'll realize we are somewhere close to the 50 core mark, right up from 40 cores in the previous year. So in spite of all the challenges, in spite of, you know, commodity prices going up, volatility, you know, in the market because of supply chain disruption, all this baked in and with the climate control vertical actually dragging us down with all that built in, all that baked in, we are currently at a run rate of 50 crores EBITDA. Right. So you have to see it a little bit in that

perspective, right. In percentage terms, if you say, ok, when are we going to reach double digits. Possibly that will only happen when commodity price is little bit stabilized, right. Once, you know, once you start looking at everything at constant price, then you will start seeing that percentage number creeping up. So in the long run, I'll assure you that the company will make every effort to get into the double digits, right. Possibly into the, into the teenage numbers into the teens, right. That is surely, you know, what we are all aiming to do, but it is going to be a, it's going to be a, a long game, right. Because the way commodities are going right now, I don't see that happening in one quarter, two quarters, three quarters. Perhaps a year ago I would have said, yeah, this is possible, but of course after that commodities kept shooting up, dollar kept shooting up, everything went, you know, up. So in, in that environment, I'd say it's hard to hard to really catch up. But yeah, moment stabilization comes in, you will see suddenly, you know, those numbers looking better.

Sudhir:

Great, good. Something which is rear to a music to investors here. So thank you very much for allowing me to ask the question and all the best.

Aditya Maruti Gokarn:

Thank you. Thank you so much, thank you Sudhir ji.

Bibhuti Bhusan Mishra:

Yeah Mr. Rohit, you may ask your question.

So I see this change in the logo, which is there in the back door behind you and the one which is in the PPT I think there's a little bit of a change in the corporate visual identity. I like that because this is a colorful change that is happening. So I have a couple of questions. I'll very quickly go through them, quite a lot of them in terms of.

The changes in the revenue mix. I know you spoke a little bit about the metals, but what sort of revenue mix do you anticipate in the next two or three years?

Aditya Maruti Gokarn:

Yeah, I would say broadly speaking, we would we would expect, I would say a healthy distribution between all the three verticals, automotive climate control and metals. But having said that, looking at the commodity, kind of, you know, pricing and the commodity cost. That's shooting up copper. I think just because of commodity alone, metals will become more and more significant because, you know, just think of it like this last year when we were selling brass in the market last maybe July August, we were selling brass at maybe 500-550 of kilo. Today I think our Brass mill is offering brass to external customers well above thousand rupees of kilo. Right. So even if I were to do the same tonnage, right, my top line goes up almost, you know, double, right. So, so whether we like it or not, I think metals, the way I look at over two, three years, how it will evolve, assuming that the current trend continues will be that metals will be probably 60 % plus of the group revenue and the other two will constitute the remaining 40-45 %.

Rohit Ohri:

On this metal division, are we exploring any opportunity which is related to maybe special marine grades maybe for the navy or something.

Aditya Maruti Gokarn:

Absolutely. Absolutely. We're working, yeah, there is a there is a grade yeah there is an alloy that we already make. It's called naval brand.This is for Marin application. Yeah, we are getting a lot of there's a lot of shippyards that are in touch with us for you know buying this alloy and I dare say in India we are still importing a lot of special alloys into the country from China and I think it's not a, it's not a healthy thing, I think you know the government is also looking at it from the security angle. So yeah,I think there's a lot of scope for us to develop special alloys to really, you know, move up the value chain and at the same time, you know, deliver a import substitution, deliver a de risking to our customers. So, there's a very good value proposition that we have.

Rohit Ohri:

Sure, you see the EBITDA per tomme for this metal division going up from the current scenario?

Aditya Maruti Gokarn:

Yeah, look, again, if, you look at in percentage terms right. It is going to be always, we are going to be at a disadvantage, we're always, you know, playing catch up because you know see I'll request you to look at it from a customer's point of view, customers are already upset that, you know, copper price keeps going up and you know, every year, every month or every order that they place is going at a higher and higher price. So obviously they will try to lock the supplier into a situation where the supplier is not making a higher margin on their fabrication process costs, all of that, right? Because already the metal commodity increase is hurting the customer, right. So you will see again slightly contracting margins in percentage terms, right. When you look at the metals business as well. But having said that in absolute terms, I think you will start seeing better and better numbers.

Rohit Ohri:

Because you also mentioned about this growth capital which is deployed. What sort of ROIC anticipating next two or three years?

Aditya Maruti Gokarn:

See the metals business, I would say we are currently operating at an ROCE of upwards of 16 %

already, right? So once we get our act together in terms of developings more more specialized alloys, moving up the value chain. I dare say that, you know, we will cross 20 % plus on ROCE on the metals business metals standalone 20 % I think is well within our sites. If you're lucky, if you're lucky in terms of, you know, getting our act together and the market continues supporting us, 25 % is also doable.

Rohit Ohri:

Nice encouraging. So the next question is on related to TVFT. If you can just elaborate a bit on the operations, the working capital, maybe the capacity that is there or who will be the owner of the inventory which is there, what sort of utilizations are there and finally the ROCE of that particular division.

Aditya Maruti Gokarn:

No, I just said NO the ROCE is already upwards of 16 %. That's TVFT only. Okay.

Rohit Ohri:

And, and, and post this event of the mergers, what sort of inventory ownership, who will be the owner of the inventory then will it be the parent?

Aditya Maruti Gokarn:

The merger will have NO impact whatsoever on the ownership of inventory right and neither will the let's say accounting change of accounting net sales instead of gross sales in terms of the scrap element of our sales, none of that will affect you know the ownership, inventory. It's, these are small accounting adjustments, I put it that way, right. Because like I told you on group console, literally nothing changes.Okay ultimately both climatech of course now it's merged into the hold co. If you look at right now's Triton Valves Hong Kong limited, it's a wholly owned subsidiary, Tritonvalves Future Tech private limited wholly owned subsidiary. So since it's hundred percent ownership is by the holding company, there's literally no, you know, there's no complication with regard to how this inventory is accounted, who owns it, there's no you know there's NO accounting complication, right? It's, it's very, very straightforward accounting.

Rohit Ohri:

My last question or two parts to that which is related to TVCT. How much of more accumulated tax losses are available with us and how much can we actually utilized by us and what, what sort of annual tax saving on that we anticipate going forward?

Aditya Maruti Gokarn:

Yeah, good question. So maybe I'll kind of rephrase your question in a little different way. Rather than calling it tax losses, I'll call it tax credits, right, okay. So yeah, so we've already availed of some let's say four and a half of tax credits. I do believe that there is some, you know, income tax refund that is still due to us and you know the depreciation and some other calculations that we've run show that, you know, there's some further maybe 30-40 Lakhs of tax credits that we're still eligible for. This of course is subject to, you know, tax assessments. I might say that, you know, income tax was me 40 Lakhs. Income tax might not agree with that, right. So I. Definitely you know this is subject to assessments, but yeah, we do believe that there's some further tax rates in the pipeline. We are kind of putting those numbers together so don't, don't hold me to this number of let's say 40 Lakhs or whatever. It's going to be in that range plus there is some refund as well, right. So, I I'll say on the tax front we're on a good wicket we are a good wicket, but obviously we need to prove our claims to the income tax authorities and then obviously get our, You know, tax shield put through in the numbers, but it's subject to assessment let me understand clarify that.

Naresh Varadarajan:

Yeah, 15 to 15 months there will be no tax outflow what we are referring to, because the tax rate coming in because of merger the entity will not be paying any advanced tax now for the next 14 15 months. So if we are growing may be 15 months, if slight short term, them 18 months, so typically cash is saved at in the form of reduced cash workflow. Okay.

Aditya Maruti Gokarn: And and as you know, right, this is saying in English, right, Man proposes income tax disposes.

Rohit Ohri:

That's a nice thought that's a nice on but but. Hope they listen to us but that in terms of this climate control, you know, but when do you think that it will meaningfully turn around the entire economics over here?

Aditya Maruti Gokarn:

I think we'll have to wait, we'll have to wait for a few quarters, at least two, three quarters down the line.

Rohit Ohri:

Okay, ok, thanks for answering my question aditya. Thanks a lot. Thanks.

Bibhuti Bhusan Mishra:

Mr. Manish, if you have any question you may ask.

Manish kela:

Yeah, thank you for taking up my question. So sir, I had a question on the two wheeler EV space. Now, the two wheeler EV space is crowded with too many players, so you see many small and regional players also right available in that segment. So if you leave out the bigger players like Bajaj, TVS Ather. Are we seeing any demand coming from these smaller players for our TPMS and tubeless walls? Asking this because I guess something like your TPMS is an optionality and is only considered by larger and efficient players. Please correct my understanding if otherwise.

Aditya Maruti Gokarn:

No, NO, I think you're, you're broadly on the right track. By the way, I'm hoping that, you know, you're actually Manu kala pretending to be manish kela. But you know, yeah, I I would say the answer to all your questions are basically we are seeing, we are seeing growth traction in the two way segment, even the smaller players are growing. EV segment is also a. I think made up of many many small guys, they're all growing. I I can say with a fair degree of confidence. It's not just the frontline guys. We are seeing growth with simple energy, this we are engaged with the ecosystem quite deeply. Perhaps we are also a little bit lucky. Because we are sitting right here in bangalore, which happens to be kind of the startup capital for, you know, all these EV companies. So yeah, we are deeply engaged with the ecosystem and we we will see, we will see very good growth. I think there was article in the news recently saying that in the month of July, 10 % of the EV, EV sold in India were electric, right. So electrification has now crossed 10 %. It's a very important milestone, I would say and the way we look at things is that, the kind of projections we have received from a lot of our customers. I can't name anybody specifically but tends to indicate that this 10 % is very quickly going to go to about 20-25 %, right. It's possibly going to happen over just maybe one, one and a half years, right. So, I think the potential for us is large. The EV vertical is going to become bigger and bigger. It may, it may actually maybe a dark horse, it may, it may start overtaking it's already bigger than the climate control vertical, but it may, it may grow at such a rate that it will stay well ahead of climate control for a while, you know, so till the climate thing really picks up and you know, yeah. So I don't know, have I answered your question.

Manish kela:

Yeah, thanks, thanks for clarifying and I'm indeed Manish Kela.

Aditya Maruti Gokarn:

Sorry I couldn't I couldn't resist taking a port short I'm sorry if I offended you, but yeah. No NO NO.

Manish kela:

Not an issue. Thank you and thank you so much.

Bibhuti Bhusan Mishra:

Yeah, Mr. Hemant, you may ask your question.

Hemant Ashar:

Yeah congratulations on the good set of numbers. Bye.

Aditya Maruti Gokarn:

Thank you.

Hemant Ashar:

Is it Possible, can you elaborate on the value addition trends division wise, like automotive or metals? Like in June 25, the percentage of value addition was say 10 %, maybe 26 March it was 15 and maybe June it was what? And then future going forward by or maybe financial year 27, what can be the value addition overall, maybe segment wise? broad numbers.

Aditya Maruti Gokarn:

Not the when you say value addition, can you clarify?

Hemant Ashar:

Like we have introduced product new products like EVE in automotive EV and in TPMS false, which may not be there in June 25, correct? So now this is addition of new products in.

Hemant Ashar:

1st, yeah, new business quarters there is because these are all value added products, correct? So what has been the trend? Maybe broadly if you can just give some indication.

Aditya Maruti Gokarn:

I really don't have those numbers ready with me right now to kind of tell you a number, but see I'll put it like this. At the moment, most of our EV programs, right, are, are new. We are working as we all know, all the EV players are launching new models, new platforms. So, whatever growth we are seeing is broadly from the newer platforms, right? So, I would just encourage you to look at, you know the, the kind of model launches that are happening with let us say TVS, Ather, Simple and River, all these, all these companies everybody's, you know, launching new models, new platforms, they're updating the. Vehicle, you know, dynamics, they're updating the batteries, they're updating. So, you know, of course, some of our products carry forward from one model to another. In some cases, we have developed a new product for the new platform because the new platform has some different requirements. So it's very hard for me to kind of say, ok, this is existing product business, this is new product business. But broadly speaking I'll say that the new stuff that is happening is primarily let's say new product or let's say, higher margin products are by and large coming out of TPMS coming out of let's say the EV, but the new products, yeah, to some extent EV and also, you know our exports are also that's something I've not spoken about so that now that you asked, our experts are also moving in the direction of new products. E.g., last year we worked on a new program with a climate control customer in the US, right. Now, between Q1 and Q2 will be doing almost, this is a US customer. We'll be doing in spite of the tariffs, disruption, shipping problems, all of that. I think we'll be doing like one and a half, two cores of sales just to one customer, a new climate control customer that we added in the US, right. That's completely new programs. That's I think we developed 14 components in a span of, I don't know, three, four months, 14 components we developed. It's one and a half, two crores of sales in just one quarter, maybe two quarters spread a little bit into Q2. If, if that program really scales up, we don't know right now how that is going to scale up, but if that scales up, that one program could turn into you know easily I would say 10-15 crores of export just in that climate control segment, right. So, so there is a lot of this in the pipeline. So for me to put a number a little bit hard to excuse me, but I can tell you that there is a lot of that in the pipeline, right. That is still not, you still can't see it in the numbers, but it will start coming in.

Hemant Ashar:

Yeah, because both are, we have the patent holders for the EV products as well as.

Aditya Maruti Gokarn:

Yeah. Yeah. So yeah yeah we will we will we will start seeing, we will start seeing more and more traction as we go along. At the moment I would say I'm reasonably confident about our Q2 position as well given that you know Q1 we had some challenges around this Iran crisis and all of that. I think maybe once we have our Q2 call I'll be able to answer that perhaps in in a little more detail. So we'll make a note of your question. Perhaps on the next call, we'll try and give you some.

Hemant Ashar:

That can give an indication of the value addition percent second question is maybe segment wise growth, like in the case of new products EV

standalone EV, what has been the growth because it will naturally like the tire and all will be 5 % 10 %. But EV year on year, I'm talking about year on year. The EV was hardly anything last year, but this time the growth has been almost 50 % or maybe then going forward, like TPMS is a new product, so the growth rate within the segment.

Aditya Maruti Gokarn:

TV components, if I put all the components together, I think we are growing year on year at about a hundred and three %. Yeah, this volume. It's about a hundred and three %, tubeless valves volume growth is about 25 % YOY. Tube valves except for one segment where we have kind of decided to scale down. There is a very low value added segment which is the motorcycle tube type segment where we've not taken much exposure. If I take that segment out, the rest of the, I would say tube valve businesses going at 20 %, close to 20 % YOY, right. So yeah TPMS possibly 75-80 % YOY.

Hemant Ashar:

So we hope to sustain this growth rate foreseeable future with the kind of contracts which we are signing for almost five years with all the global players. Yeah.

Aditya Maruti Gokarn:

Yeah, for sure. I mean, look, in terms of let's say tubeless, as far as projecting into the future goes hard for me to really say what's gonna happen like say one year down the line, but I'm seeing a lot of this sustaining through Q2 for sure. Right. Q2I don't have any, let's say concerns in terms of sustaining that growth rate. Q3 onwards once the festival season gets over, we should expect a seasonal dip, right. So we should be prepared for that. I don't want to kind of you know work, you know, emphasize that we are going to grow and all that. Q3, there will be a seasonal dip, but during that time climate control vertical should show some traction and also metals will show traction

normally in Q3 October to December we normally see traction in these two verticals. So maybe that brings me to maybe I can answer this question a little different way. I think now we have got at least three or four rock solid engines for, for growth. So the good part is that I think our risk is getting diversified with each passing quarter, right. We are diversifying the risk. You can see very clearly, right, in spite of very, you know, significant underperform. Comments of climate control. The numbers that you saw in Q1, that's the numbers that I think many people are saying that the numbers are good. Frankly, internally, we are not very happy with those numbers. But yeah, it was a tough quarter for us. Climate control literally didn't perform, we had war impact, we had, you know, commodity shooting up. In spite of that, we've put up this performance, right. So you can perhaps mentally calculate like this. Should we get a quarter where commodities are reasonably stable. There are no, you know, exceptional things like war and all that playing. and climate control does reasonably well and metals also, you know, has, has more potential. You'll probably see even better significantly better now.

Hemant Ashar:

Great, so congratulations again and all the best for the journey.

Aditya Maruti Gokarn:

Thank you very much. Thank you. Yeah, check the message box, look at the message box, ok. Yeah read out the message if you can see it yeah something

Bibhuti(Digant's Questions):

Yeah, 1st question is asked about how was the performance thing in July and August? And second question is how do you see in this quarter? Yeah,

Aditya Maruti Gokarn:

so I think so far from whatever we see of course we are still halfway through the Q2.But if 2nd half, you know, holds up as the 1st half is done, then I'd say you can expect a reasonably good quarter from us in Q2 as well.

Bibhuti(Digant's Questions:)

So the 3rd question he asked, can we see the similar or higher revenue quarters ahead assuming the commodity prices remains in the same range.

Aditya Maruti Gokarn:

Yeah, so I for sure I think if you were to annualize all the numbers of Q1, whether it's revenue, EBITDA, PBT, PAT probably you should not annualized, because there's a one off you know tax shield coming in. But except for Pat, if you look at PBT, beta, and revenue, I think we will do slightly better than the annualized number. So e.g., you take one 86 crores as the top line growth group console multiply by four will be somewhere higher than that and the same goes for EBITDA and PBT. So, yeah, I think so far we are confident that this year will be a much better year for us in the previous.

Bibhuti(Digant's Questions):

and the last question he asked for what's the revenue target have you get for FY 27 and Fy 28?

Aditya Maruti Gokarn:

Yeah, so our FY 27 revenue target is that we want to be higher than the previous year, right and yeah, so jokes apart I you know, we have a lot of internal projections, but just in the interest of, you know, this is obviously completely confidential, I don't want to comment about it. I think let's take one quarter at a time. There's a lot of unknowns. The market is very, very, you know, fragile, right, right now suddenly one quarter everything grows. We don't know. I'm

hoping that there's NO, you know, black swan event awaiting us in Q3 or Q4. So I don't want to like forecast too far into the future. I can only say that we have de risk the business model to a large extent. We have, I think set ourselves on a kind of a we've structured ourselves in a certain manner where we are much more immune and resistant to shocks than we were just one or two years ago, right. So that's only because we've diversified the risk profile, we've moved into two, three different things. Luckily for us, all the bets that we took on EV, on TPMS, on all of these things so far are working well for us. Obviously we want that to continue, but market is also volatile, there could be, you know, some further trade disruptions supply chain disruptions that we are not aware of today, right, and this not only at our level, like tomorrow, let's say the auto industry runs out of, I don't know, some battery ingredient. We might all have to suffer, right, Or tomorrow, I don't know, something affects the passenger car industry that didn't expect maybe shortage of chips. We are already seeing that, you know, the mobile phone industry chip prices have gone up because, you know, the AI big giants are kind of, you know, capturing all the manufacturing capacities of chips, semiconductors, and you know trying to monopolize that supply chain. I don't know, so you know, this is the reason why I don't want to like forecast too far into the future, but I can only say that we have tried to de risk our business model so that you know we don't become all dependent on one segment and then come to grief later on. We have tried to kind of spread ourselves out without diluting our focus, without diluting our, you know, intent of building up our margins, building up the business with a good growth rate. We've tried to do that. So let's see how it pans out. Q2 so far is looking ok. That's all I'd say.

Bibhuti(Digant's Chat box):

Congratulated to the team on this quarter performance and whatever was talked about in the last call has been done as promised thank you.

Aditya Maruti Gokarn: Thank you Digant ji and appreciate your words.Anybody else, yeah, any other questions before we close. Okay, I think Miss Dolly is back. She has more questions. Yeah, go ahead.

Dolly Choudhary:

Thank you sir, for the follow up. I'll just take few questions now, you mentioned about the CAPEX right so I was just wanted to know when can we expect it to commercialize in financial year 27?

Aditya Maruti Gokarn:

Yeah, so I would say that, if I look at let's say 15 crowds going in, about 50 to 60 % of that will try will get commercialized in the current year itself. The rest will go into FY 28.

Dolly Choudhary:

Okay, got it. And, so just just as an internal target for the company also so the if I see the blended profile of the company, the previous segments have generally low profile, so I just want to know as a target for the company, the new segments that we are entering, what is the target for the future products that we are entering into?

Aditya Maruti Gokarn:

See, we want to build up the EV component vertical to about hundred crores over the next few quarters. Maybe by next year we are we are trying to see whether we can grow that to about hundred crores. Climate control, like I said, if the trade remediation happens, Government steps in and stops this indiscriminate dumping which is, you know, it's absurd the way you know it's happening today, then we should see climate control vertical also growing to about a hundred crores very quickly because we have capacity, right, we have capacities. We just need orders to come in and then, you know, and like I've shown in my presentation, we are not compromising on gross margins because, you know, there is a lot of pressure on us sometimes saying that, ok, just, you know, to enter the market, just, you know, give a discount and just enter. So we are resisting that kind of, thinking process because we believe that whatever we're asking is fair. We have engineered it well. There are costs involved, you know, we can't compare ourselves with, you know, somebody in China. So anyway, so the climate control vertical also should scale up to about a hundred crores. In terms of let's say automotive vertical, I think growth for now will continue at least for another quarter or so. After that, it may moderate down, but it will still grow. We may we may not grow at 20-25 % every quarter but there will be, there will be a decent level of growth I would say. So, so yeah, that's how we see the scenario evolving.

Dolly Choudhary:

So click majorly I wanted to know the ROC profile, the ROC profile that we are targeting as a company for the newer segments that we are entering into.

Aditya Maruti Gokarn:

See, I don't want to comment on ROCE segment wise, right? Obviously every segment has its own dynamic, but I'll put it like this. See ultimately, you would be more interested in knowing finally what would our, you know, console numbers look like. What would the ROC finally all things put together, everything blended together, what would be the ROC? You can see right we've already moved up to about twelve and a half percent in Q. One. We are able to continue the momentum going into Q2-Q3-Q4, I think we should see twelve and a half going to maybe 13-14 % this year itself, right? And then if you're lucky, right? Like I said, there is a element of the unknown right now because, you know, world has become more and more fragile, anything can happen anytime. But if bad things don't happen I think 15 % by next year, middle of next year, maybe a year from now, I think absolutely doable. oh on the new investment, oh yeah, ok. Okay, understood. Okay yeah obviously yeah any new investment going in ROCE are internal number, it should, it should be in the range of 20-25 %. Otherwise we we won't even put in that investment.

Dolly Choudhary:

Got it, so that's really great. I'll just I'll just ask the last question and maybe if it's possible I have more questions we can take it offline if it's possible for you. So I've just gone through our previous calls and you have mentioned about a target of thousand crores revenue closed revenue by maybe FY 30 so I. That but if if let's say the climatech division for us, because it's an external it's an optionality, right? It's not in our hands that the minimums like MSP gets implemented or not. So if I just exclude that maybe climatech may come may not come still here still we are like on that guideline, like the thousand crores possible.

Aditya Maruti Gokarn:

Yeah, see even if the yeah absolutely, absolutely you see because we are aware for the last several quarters, right? That our climatech vertical is not performing the way we want it. So. Do we have a plan B, do we have a plan C. Of course we have. Of course we have a plan B and a plan C So I'll put it this way in terms of hitting thousand crores, we have a plan for hitting thousand crores whether climatech picks up or not.

Dolly Choudhary:

Got it, got it so ok so ok I'll have more questions but we can take it off and thank you for answering and all the way.

Aditya Maruti Gokarn:

Thank you, thank you Ms. Dolly. Thank you.

Is that ok good ok so I think we can close here. It's been a long call, so thank you thank you.

Bibhuti Bhusan Mishra:

Thank you all for today's participating this call and if you have any further questions, suggestions or feedback you may write at investors@tritonvalves.com. See you in the next quarter. Thank you. Thank you. Thank you, everybody.