BELRISE INDUSTRIES

Dated: August 21, 2026

The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 544405
ISIN: INE894V01022

The Secretary, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G, Bandra Kurla
Complex, Bandra Kurla (E), Mumbai – 400 051

Symbol: BELRISE
ISIN: INE894V01022

Sub: Transcript of Earnings Call pertaining to the Unaudited Financial Results of the Company for the quarter ended June 30, 2026.

Ref: Regulation 30 & 46 read with Clause 15 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

This is continuation to our intimation dated August 12, 2026 and August 17, 2026 regarding audio recording of earnings call to discuss the unaudited financial results of the Company for the quarter ended on June 30,2026 and pursuant to the abovementioned regulation, please find enclosed herewith the transcript of the said earnings call.

The said transcript is also available on the Company's website under the tab 'Investor Relations' at https://belriseindustries.com.

You are requested to take the above on record.

Thanking you,

Yours faithfully,
For Belrise Industries Limited

SIDDHESH SUDHIR MANDKE
Digitally signed by SIDDHESH SUDHIR MANDKE
Date: 2026.08.21 18:14:08 +05'30'

BELRISE INDUSTRIES LIMITED

Siddhesh Mandke
Company Secretary and Compliance Officer
Membership No. A20101

Encl: As above

"Belrise Industries Limited

Q1 FY27 Earnings Conference Call"

August 17, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 17th August 2026 will prevail

MANAGEMENT:

- Mr. Shrikant Badve – Managing Director – Belrise Industries Limited
- Mr. Swastid Badve – General Manager – Belrise Industries Limited
- Mr. Sumedh Badve – President (Strategy) – Belrise Industries Limited
- Mr. Rahul Ganu – Chief Financial Officer – Belrise Industries Limited
- Mr. Sunil Kulkarni – Chief Marketing Officer – Belrise Industries Limited

Moderator: Ladies and gentlemen, good day and welcome to Q1 FY27 earning conference call of Belrise Industries Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch tone phone.

Before we begin, a brief disclaimer. This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions, and expectation of the company as on date of this call. These statements are not the guarantee of future performance and involve risk and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Shrikant Badve, Managing Director of Belrise Industries Limited. Thank you and over to you, sir.

Shrikant Badve: Good morning, everyone and thank you for joining us today to discuss Belrise Industries financial results for the first quarter of FY2027. On the call today, I have with my sons, Sumedh and Swastid, along with our CFO, Mr. Rahul Ganu, our CMO, Mr. Sunil Kulkarni, and SGA, our investor relations advisors.

We entered FY27 carrying forward the momentum we built through last year and I am pleased to say Q1 has been an eventful quarter for us. We strengthened our balance sheet through a capital raise, added a high-quality business to our commercial vehicle portfolio, made further progress on our energy and aerospace and defense platform, and continued to win marquee new business across our core segments.

On the demand side, our two and three-wheeler business, which remains the largest contributor to revenue, continued to benefit from the industry-wide volume recovery and from new platform launches at our marquee customers. Our growing engagement with two marquee OEMs where we previously had limited presence continues to build a robust order book for us.

The four-wheeler and commercial vehicle business were the fastest growing segments of our portfolio in FY26 and this momentum has continued into Q1 FY27, with revenues growing 18% year-on-year driven by new business wins across an expanding customer base.

Coming to the results, against the backdrop of continued geopolitical uncertainty, we delivered a resilient quarter with PAT reaching INR1,217 million. Total revenue from operations for Q1 FY27 stood at INR25,465 million, up 13% year-on-year, including manufacturing revenue of INR21,979 million, which grew 20% year-on-year. Our EBITDA stood at INR2,933 million with margins at 11.5%.

Let me also touch briefly on the cost environment we are operating in. Input costs, particularly steel and polymer, remained elevated through Q1 FY27. As we have shared before, our back-to-back pricing model means these fluctuations are largely passed to our customers with a slight lag, and we do not expect this to have a material impact on our margin profile in this fiscal year. I can say with a great amount of confidence that the worst is behind us in terms of cost pressures.

Coming to our growing footprint in the aerospace and defense segment, this is a strategic pillar for us and we have made significant progress in building our capabilities there. Last year, we acquired SDM and Chester Hall, further deepening our capabilities in this domain. Together with these acquisitions, we have significantly strengthened our capabilities in aerospace manufacturing. We are also in advanced discussion to localize a portion of the high-volume aero engine component manufacturing in India and expect to share further details on the initiative in the coming times.

With this, I hand over the call to Swastid to discuss the key order wins across key customers during this quarter. Thank you everyone.

Swastid Badve: Thank you. This was a strong quarter for new businesses, with wins spanning our core two-wheeler and three-wheeler portfolio, our proprietary product portfolio, as well as new adjacencies such as renewable energy and aerospace and defense. What is particularly encouraging is the increasing breadth of these wins, both in terms of customers and the scope of orders we are being selected to provide.

So, coming to the order wins:

1. Number one, we secured an additional order from one of the fastest growing two and three-wheeler OEMs for the chassis system for one of their highest-selling models this quarter.

The program is expected to generate annual revenue in excess of INR650 million and will be added to our existing brownfield facility in Bangalore, with start of production expected in Q4 of this fiscal year.

This win is over and above the exhaust system and fuel tank order wins we had secured from this OEM last quarter. And we are pleased to see our engagement and wallet share with this customer continue to build momentum.

2. Secondly, we are also embarking on a manufacturing expansion focused on assemblies for the renewable energy sector. We are working with one of the largest solar tracker manufacturers in the United States for a new setup which will manufacture sheet metal assemblies which will approximately support two and a half gigawatts of annual supplies.

We expect production to commence in Quarter 4 of this fiscal year, with a gradual ramp-up thereafter. At peak volumes, the facility is expected to generate annual revenue in excess of INR1,500 million. We see this as an important step in diversifying Belrise beyond its core automotive segments and expanding our presence in the renewable energy sector.

3. Thirdly, this quarter we continue to build our momentum in our proprietary product portfolio by further expanding our customer base in the suspension segment. As discussed last quarter, we are currently supplying suspension systems to four marquee two-wheeler and three-wheeler OEMs. We have now secured an order from a fifth OEM, a leading Vietnamese two-wheeler manufacturer entering the Indian market.

For this customer, we'll manufacture both suspension and braking systems for its upcoming models. While the project timelines remain confidential, we are pleased to further expand our customer base and increase our content per vehicle across multiple OEMs.

4. Fourth, we have also won an order from a marquee legacy three-wheeler OEM for their complete brake assemblies, including wheel cylinders, tandem master cylinders, and backing plate assemblies. We expect supplies under this program to commence in the Quarter 4 of this fiscal year. While the initial order size is modest, this is a strategically important win for us as it gives us an entry into one of the fastest growing three-wheeler OEMs in the south of India and further expands our presence in the proprietary braking segment.

5. Fifth, we also secured a significant order from a leading Indian commercial four-wheeler OEM. We have been selected to manufacture 59 unique assemblies as part of their localization program for one of their highest-selling EV models. The localization program is progressing rapidly, and we expect to support this program through an expansion at our existing facilities in Maharashtra.

In addition to the underlying mass manufacturing order of these components, we have also secured an order to design and develop the tooling, fixtures, and automation required to manufacture these parts. This is similar to the work we have previously executed for a leading Japanese four-wheeler OEM. This capability is opening up a new revenue stream for us, where we can go beyond component manufacturing and provide bespoke end-to-end manufacturing solutions to OEMs.

This allows customers to work with a single partner across machinery, tooling, fixtures, and component manufacturing, rather than engaging with multiple vendors across the value chain.

6. Sixth, following our acquisition of H-One India in the last fiscal year, we have also now successfully concluded our technology collaboration with H-One Japan during this quarter, thus strengthening our capabilities for high tensile steel applications up to 1470 megapascal, which is approximately 3x the industry standard today in India.

   This capability will be a key differentiator as we expand our presence in the passenger vehicle and commercial vehicle segment.

7. And lastly, we have also won an order to commence supplies of a two-wheeler chassis for an existing model of one of the country's largest two-wheeler OEMs for its Sambhajinagar facility. Supplies are expected to ramp up from Quarter 4 of this fiscal year, with the program representing an annual revenue potential of approximately INR500 million.

During the quarter, we also navigated several operating headwinds, including disruptions to input availability and logistics from the global oil situation, elevated raw material and energy costs, and higher staff and labor costs following the minimum wage hike. Despite these challenges, our operations remain uninterrupted, and we continued to meet all customer delivery commitments. While some pressure persisted in this quarter, we don't expect any material impact on our margins in this fiscal year, given our cost structure, pricing arrangements, and operational efficiencies. We expect EBITDA margins to remain broadly stable as compared to FY26 levels.

And lastly, with respect to our fund raise of INR17,000 million, we intend to deploy a significant majority of these net proceeds within this fiscal year, primarily towards high-quality inorganic opportunities and also towards select organic growth initiatives.

Let me now hand over the call to Sumedh, who will take you through how we're thinking about our inorganic growth and he'll also talk about our HYVA India tipper business acquisition. Thank you.

Sumedh Badve: Thank you, Swastid. Coming to the QIP, as my father and my brother mentioned, we raised approximately INR17,000 million during the quarter to support our next phase of growth. A large part of these proceeds will be deployed towards inorganic growth, particularly in aerospace and on the four-wheeler and commercial vehicle segments, which are key strategic focus areas for us.

In aerospace, our focus is on acquiring well-run, high-capability businesses in India and globally that possess an inherent competitive moat and long-standing, often single-source relationships with leading global aerospace OEMs and Tier 1 suppliers.

Many of these capabilities have been developed over three to four decades, making them highly specialized, difficult to replicate, and deeply embedded within the customer supply chains, making them very sticky. Our objective is to build on these capabilities, expand their existing customer and program presence, and over time, leverage India as a complementary manufacturing base as a best cost manufacturing location.

We believe India offers the best cost manufacturing base for this strategy. Beyond its cost competitiveness, India has a strong, growing engineering talent pool, an increasingly sophisticated manufacturing ecosystem, and highly favorable geopolitical relationships with Western markets. This creates an opportunity to combine the technical capabilities and customer relationships of these businesses with India's best cost manufacturing advantage, while maintaining the quality and certification standards required by the aerospace industry, which are very stringent.

In the four-wheeler and commercial vehicle segments, our acquisition strategy will primarily be focused on India. While we already work with almost all major four-wheeler and commercial vehicle OEMs in the country, we are looking for businesses that bring differentiated capabilities, strong customer relationships, and product technologies that would otherwise take us considerable time to develop organically. Importantly, these acquisitions should enable us to add new product categories and meaningfully increase our content per vehicle.

Across both areas, we will remain disciplined in our approach to capital allocation. Any acquisition we pursue will need to meet our financial return thresholds, with a clear focus on transactions that are EPS and ROCE accretive from day one. One such example of a transaction we have recently completed is of Hyva. On 4th August 2026, we announced the acquisition of the tipper business of Hyva India, marking another important step in our strategy to expand our presence in the commercial vehicle segment and build capabilities in higher value heavier fabrication.

Hyva is a globally recognized leader in hydraulic and tipping solutions for the commercial vehicle industry and is part of JOST Werke, a global listed engineering systems company. The business we are acquiring has an established position in the Indian market, supplying tipper bodies to all five of the leading commercial vehicle OEMs in the country. There are several reasons why we find this acquisition particularly compelling.

1. Firstly, it significantly strengthens our commercial vehicle customer portfolio. The business supplies to a leading European commercial vehicle OEM with whom Belrise has not worked historically. This gives us an opportunity and an immediate entry point into this customer and importantly, an opportunity to leverage our broader product portfolio and progressively increase our wallet share with this OEM as well.

2. Second, this is a high-quality and high capital efficient business. Based on CY2025 financials, the business generated high ROCE, and we have agreed to acquire it at a very attractive valuation. The transaction is currently progressing through the closing process and we expect to complete it during Q3 of this financial year.

3. Third, the acquisition represents an important step in Belrise's transition from a Tier 1 component manufacturer to a Tier 0.5 systems supplier. Our recent entry into long members for heavy commercial vehicles established our heavy fabrication capabilities, and tipper bodies are a natural extension of this platform.

   By combining these capabilities, we're moving beyond individual components to delivering larger, integrated systems and assemblies, deepening our involvement in systems development and manufacturing while also increasing our content per vehicle.

   As part of the transaction, we will also acquire three established manufacturing facilities in Pune, in Jamshedpur, and in Bangalore, which gives us an immediate manufacturing footprint close to commercial vehicle customers and clusters without the gestation period associated with building greenfield capacity.

4. Finally, we believe the underlying market opportunity is very attractive. Continued investment in infrastructure, construction, and mining should support healthy demand for tippers in India over the medium to long term.

At the same time, we see an opportunity to leverage the acquired heavy fabrication capabilities beyond traditional commercial vehicle applications, particularly in defense and armored vehicles. Belrise already has a strategic partnership with Plasan Sasa, the Israeli company under which we intend to assemble armored vehicles for the Indian defense market.

We believe the heavy fabrication know-how, manufacturing processes, and capabilities that come with the Hyva business will be highly synergistic with this initiative and further strengthen our ability to address this massive opportunity.

With this, I hand over the call to our CFO, Mr. Rahul Ganu, who will take you through our financial performance for the quarter. Thank you so much.

Rahul Ganu: Thank you, Sumedh, and good morning, everyone.

Let me take you all through our financial highlights. Coming to the Quarter 1 FY27 consolidated financial highlights:

- The total revenues stood at INR25,465 million, up by 13% year-on-year from INR22,622 million.
- Manufacturing revenues stood at INR21,979 million, up 20% year-on-year from INR18,323 million.
- EBITDA stood at INR2,933 million, up by 5% year-on-year from INR2,805 million. EBITDA margin stood at 11.5%.
- Manufacturing EBITDA stood at INR2,793 million, up 10% year-on-year from INR2,536 million. Manufacturing EBITDA margin stood at 12.7%.
- PAT stood at INR1,217 million, up 9% year-on-year from INR1,117 million. PAT margin stood at 4.8%.
- Exports contributed 4.5% to our manufacturing revenue in Quarter 1 FY27.

Coming to the segmental performance on the manufacturing front, two-wheeler and three-wheeler contributed around 81.4%, passenger vehicle contributed 4.6%, commercial vehicle contributed 8.5%, and others would be around 5.5% in Quarter 1 FY27.

With this, we can open the floor for questions. Thank you.

Moderator: Thank you so much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. Our first question comes from the line of Vipul Agrawal with HSBC Securities. Please go ahead.

Vipul Agrawal: Hi. So actually I have a few questions. First some clarification on the commentary. First is like you talked about a chassis system for two-wheeler OEM with annual revenue of around INR650 million. Just wanted to understand, you had also announced two more chassis orders earlier from South India. Is this order on top of those earlier order wins or it's a new order win in two-wheeler segment?

Swastid Badve: Yes. So thank you for the question. This order win is over and above what we had announced in the last quarter. Last quarter we had announced a win in exhaust systems and fuel tanks. This is the chassis system win which is on top of that. So the growth with this fast-growing two-wheeler and three-wheeler OEM is going quite well. The OEM itself is continuing to gain momentum in the market and we expect this relationship to grow at an extremely fast pace for us going forward.

Vipul Agrawal: Okay. So, is that fair to understand the total order win in the last one year on two-wheeler is somewhere around INR1,100 million, INR1,200 million of annual run rate? Is that a fair understanding?

Swastid Badve: No, sir. I think last quarter we had announced, I don't have the exact number in front of me, but as per my understanding it was around INR900 million order win in last quarter, and there's INR650 million on top of that. So it's a INR1,550 million cumulative order book when I say annual revenue run rate, and this is only with one OEM in the two-wheeler and three-wheeler space.

Vipul Agrawal: Thank you, thanks for the clarification. My second question is on the renewable energy sector. So is it a recurring revenue of around INR1,500 million, and what's the timeline of revenue? Can you explain a bit on that?

Swastid Badve: Yes. I didn't get the first part of the question.

Vipul Agrawal: Sorry, on the renewable energy sector sheet metal assemblies, so is it a recurring revenue, it will be a one-time revenue for you over a certain timeline?

Swastid Badve: Yes. It's a recurring revenue. So this is the first order win that we have won from this North American solar tracker manufacturer, and we're expanding our current facility to enable manufacturing for this order. As I mentioned earlier, it will be recurring in nature, and we expect this to be a scalable order book.

We've started with two and a half gigawatts, which is, as per the OEM, an initial entry, and we can expect this order book to expand going forward, given that this particular OEM that we are working with is a market leader in the segment. And we'll be working with them both on export as well as domestic opportunities. As I mentioned earlier, this is starting in Q4 of this fiscal year, and then will progress naturally from there.

Moderator: Thank you. Our next question comes from the line of Nitij Mangal with Jefferies. Please go ahead.

Nitij Mangal: Hi, good morning, and thanks for taking my question. Firstly, can you talk a bit more about how do you see the margin trajectory from here? So let's say, full year, you'd still expect flattish margins, but can you talk about how much of the commodity cost pressures have already come through in, or have been passed on to customers? And there's a big jump in staff costs over the last couple of quarters, so how does that trend here? And is there still some of these cost pressures that are left to come into the next quarter?

Swastid Badve: Thank you, Nitij, for that question. So I think, based on my father's commentary and what we've all been mentioning, we believe that the worst is behind us in terms of cost pressures. We do believe that the commodity costs pressure that was there in quarter one, we will get the pass-through of that in the coming quarters, which means that the commodity cost cycle for us has largely played out.

Secondly, in terms of staff costs, there was of course an annual increment cycle that happened in this quarter, for the upcoming fiscal year. Apart from that, we've also been hiring a lot because as we speak, there's four new facilities coming up, including brownfield facilities for us.

So when we are ramping up these facilities, we have to hire in advance, so a lot of times these fixed costs show up on our P&L much before the revenues show up. So again, I think those have largely peaked out. And in terms of energy and transportation costs, again, there's been a sense of normalcy that's come in into those as well.

So across all three which is commodity, staff, and energy and transportation, we believe that we are largely through the cost pressure or cost pain that we felt in the first quarter, and we can expect our margins to go up in the coming quarters so that we are able to maintain our EBITDA margin as compared to FY26.

Nitij Mangal: Okay, thanks Swastid. And secondly, you have been ramping up with one of the two-wheeler players where you historically had a smaller presence. And you have gotten a couple of orders already. How do you see the potential to ramp up this business further and let's say versus the content that you supply to your top OEM, versus this faster growing two-wheeler company, what is the potential for ramp up in over what timeframe?

Swastid Badve: So in terms of this fast growing two-wheeler and three-wheeler OEM, I think what's most exciting for us when it comes to OEM is the fact that our content per vehicle with this OEM has risen up very fast. So we are doing fuel tanks for them, we are doing exhaust systems, we are doing chassis systems, we are doing suspension systems, as well as braking systems.

So in general, it's the basket of products that we have been able to penetrate with this particular OEM, which apart from say our largest OEM, we do not enjoy this type of content for vehicle across any other OEM. And this is especially exciting because this particular OEM is among the fastest growing OEMs today in the country. Sumedh, do you want to add something to that?

Sumedh Badve: Yes, if I can add something. Fundamentally, as you would be aware, gaining entry into an OEM for a new product is a difficult part. Once you are already in, secured the supplies for a product for any of the models, it's far easier to replicate horizontally and expand that portfolio across different models, because there is a certain commonization, a certain horizontalization that OEMs also follow.

So we believe this is a very exciting opportunity for us, where we have already gained an entry, and we can replicate this with other models. And that not only with the same level of content per vehicle across multiple models (26:40). So there is a, there's a significant opportunity for growth in that sense.

Swastid Badve: And just on the numbers bit, we have of course mentioned that we have already won around INR1,550 million of orders in the fuel tank, exhaust system, and chassis system. The suspensions and braking wins are over and above these wins. So one can say that we are already at a INR2,000 million or an INR2 billion run rate with this particular OEM, and there's further conversations ongoing, which will continue to build on top of this. So, we are quite excited with the growth and content per vehicle that we have as of now with them, and we continue, and we hope to continue building that on, as we go forward.

Moderator: Our next question comes from the line of Divyansh Jaju with Trinetra Asset Managers. Please go ahead.

Divyansh Jaju: Hello, sir. Thank you for giving me the opportunity. First question was around like, our new major new to expansion one is Bangalore brownfield, and Haridwar facility. So, can you give their current utilization and when the production will be ramped up? And how meaningful contribution will be there from the revenue?

Sumedh Badve: We are unable to comment on specific facilities. I think we have given our guidance on overall numbers and I think that's what we stick with.

Divyansh Jaju: Okay, sir. Next question was around, like after making the multiple acquisition in aerospace segment and we are doing more by using the QIP fund. So what is management looking at the business like in the aerospace segment, how much meaningful revenue contribution over next two years?

Swastid Badve: Sumedh, already mentioned in the last earnings call that we want aerospace and defense to get to 10% of our manufacturing revenue in a short to medium term. As we speak, and based on my brother's thoughts, we are looking at acquisitions across Europe, North America, as well as India. A lot of these acquisitions that we are looking at are high quality players, which means they have been around for four to five decades, have inherently higher ROCEs and EBITDA margins than our current business, and of course, have a moat in terms of the capability that we have built up.

So if I just take an example of what we got through Chester Hall, Chester Hall is a global leader in titanium machine components for engines. Now, as you would know, engine components are amongst the toughest to manufacture in the aviation market, with tolerances as low as one to two microns.

So acquiring that type of capability is very important for us, and the discussions that are currently ongoing with major aerospace OEMs is to move a part of these high volume aero engine components into India. You would ask why India? We feel India is the best cost manufacturing place, in terms of low arbitrage in terms of labor costs, in terms of a very well-settled engineering ecosystem, as well as very good geopolitical relationships with the West.

So, we see good progress over there, and you will hear more about these acquisitions as we go forward. Maybe Sumedh wants to add more to that.

Sumedh Badve: Yes. I think I will just take a step back. See, fundamentally, we are focused on the sector. There's a large opportunity here that exists. But if I were to take a step back and look at the overall industry, over the past many months, leading OEMs and Tier 1s, including engine makers, their leadership has spent time in India, not only meeting with our country's leadership, but also visiting various locations. And there are already manufacturing facilities that have started in the likes of Gujarat with an Indian partner as well.

What this signals fundamentally is they are looking at India very seriously in terms of their ecosystem, and there is obviously a, not a China plus one, I would say, actually a China replacement strategy, where there is far more trust in the India ecosystem with respect to IP, know-how, capability, governance, which doesn't exist in China from that standpoint. So they are looking at India very seriously, and we are looking to capitalize on that. And it's a trend that is panning out, which we believe will play a significant role in.

Divyansh Jaju: Okay. All right. Thank you.

Moderator: Thank you. Our next question comes from the line of Shubham with Investec. Please go ahead.

Shubham: Hey, hi. Thanks for the opportunity. I just wanted one clarification. So your revenues from two-wheeler and three-wheeler segment have grown by about 18-odd percent on a YoY basis. Now if I look at the industry production growth for two-wheelers and three-wheelers, it has been somewhere about upwards of about 20%, 25%. Given that we have been gaining market share and there would have been some benefit of RM pass-through as well, can you please help us understand the reason for slightly lower growth versus industry? Yes. Thank you.

Swastid Badve: So inherently, the reason for that is that, of course, a couple of OEMs who we do not work closely with right now have been gaining higher market share and have been growing faster as compared to a couple of OEMs that we work with today. So there is a bit of mix that potentially brought our growth rate down.

But the good thing is that the two OEMs who have been growing faster, we have now penetrated them in a very meaningful way, which means that not only will our existing OEM continue to grow, but these new OEMs will add numbers on top of this. You will see a lot of these figures coming to our profit and loss in the quarter 3 and quarter 4 of this fiscal year. So I would say at the moment, it is due to a lack of the right customer mix, but we have all the elements in place to make sure that going forward, we will have all of the OEMs in the fray to make sure that we continue growing faster than the industry.

Sumedh Badve: Fundamentally, it is a lag in terms of new order wins and then going into production (33:20). I mean, that is the result that you are perhaps seeing.

Shubham: Okay, and will it be possible for you to quantify the benefit that we got from RM pass through in our revenue portion?

Swastid Badve: We are unable to do that right now. We are happy to answer this question offline, but not at the moment.

Moderator: Thank you. Our next question comes from the line of Nitin Agarwal with JM Financial. Please go ahead.

Nitin Agarwal: Yes, thanks. Thanks for the opportunity and, congratulations on a good set of numbers in this, uh, macro challenging environment. First question relates to your trading business, so we have seen a 19% decline on a Y-o-Y basis this business. Could you please explain, help us understand what has happened out there? And secondly, on the margins, in Q1, would it be possible for you to quantify the raw material impact and the employee cost impact? And I am assuming lower contribution from trading business would also have helped our margins. So would it be possible for you to quantify these elements? Thank you.

Swastid Badve: So, thank you Nitin for the question. I think on the trading business, of course due to the ongoing crisis in the Middle East, there was a lot of pressure in terms of business scenario in the Middle East over this quarter. And since most of our trading business comes from outside India, and largely from the African, Asian and Middle Eastern regions, it was fairly muted due to everything that was ongoing in terms of logistics as well as demand over there from April to June.

We do not expect this to be a concern going forward and we expect this business to grow, albeit not as fast as the manufacturing business. Sorry, what was your second question?

Nitin Agarwal: It was related to the margin. So is it possible for you to quantify the impact of raw material, employee costs, and the partly offset impact that we would have gotten from the lower contribution from this trading business. Would it be possible?

Swastid Badve: We are happy to quantify this offline, Nitin. I think at the moment, all we can say is that the raw material pain that we have had in the first quarter is behind us. A lot of this heightened raw material cost will pass back to us in the next couple of quarters as different OEMs do the pass through exercise. So we don't expect there to be a material impact due to this.

Nitin Agarwal: Yes. Okay, all right. Thank you. That's it from my side.

Moderator: Thank you. Our next question comes from the line of Vipul Agrawal from HSBC. Please go ahead.

Vipul Agrawal: Yes hi, just hi. Thank you for taking my questions. Just a couple of follow-up questions. First is you talked about H-One as well, like its high tensile, like almost three times of others having in India. So what are parts benefit from this? And what is the TAM here? And how is it expanding, like we understand India is going for light-weighting, which should help a lot over there. So how is the TAM and if you can help understand what is the revenue trajectory you're looking at from this technology?

Swastid Badve: So I can just answer the first part of this question and then our CMO, Sunil Kulkarni can add on top of that.

Swastid Badve: So I think literally all of the sheet metal parts that we manufacture today in a four-wheeler can be manufactured with high tensile steel. So it's a concept of which parts the OEMs want to focus on to enable light weighting and better crash safety. In fact, the order win that we announced this quarter of around 59 assemblies that we'll be manufacturing for a large Indian EV OEM, all of these assemblies will be made within our H-One plant, or a large majority of these will be made within our H-One plant.

And the fact that we have a high tensile capability has also allowed for the localization of these components, which were initially being done outside India. So the capability and the guidance that we were able to give to the OEM in terms of localizing these parts was only possible due to what we got from H-One.

I think the second part of what we want from this OEM is also the tooling and the automation that we are designing for them end to end. Again, when it comes to high tensile steel, what is difficult is the component manufacturing, but what is more difficult is manufacturing the tools and automation required to enable the high tensile manufacturing.

So there is a concept called spring back that is extremely important in the high tensile technology. To reduce the spring back requires a very unique technology which H-One produces globally and we have now inherited this through our partnership with them. So I think this is something that we are seeing increased focus on from the EV makers as well as from the Japanese OEMs, and we expect this market to continue growing for us. Maybe Sunil sir wants to add more to this.

Sunil Kulkarni: Yes, so adding to what Swastid ji said, that during the process of the technical agreements that we were doing, so you know we have been engaging with our OEMs also to understand what their requirements are, and which specific parts that go into a passenger vehicle as far as safety norms are concerned would be considered.

So right now, it is under discussions. We are evaluating on both sides, but yes, the announcement of the technical agreement is a welcome scenario in the industry in India today. That much I can tell.

Vipul Agrawal: That was really helpful. Thank you so much. My second question is on the Plasan Sasa, you talked about that and with Hyva you can always work about on heavy fabrication capabilities. So can you quantify the potential revenue right there, like if you have any order book or something, or maybe any parts which you are already supplying to any OEM or directly to defense like Indian Army or any other entity? Can you just quantify a bit on that? It looked pretty interesting that obviously we are getting a lot of localization in India on the defense side of the business. So if you can give some idea around it.

Swastid Badve: So, well, we are already supplying parts to Plasan. We are exporting them to the Israel markets. Of course, Israel as a market has been undergoing multiple geopolitical challenges that are ongoing as we speak, so the progress over there is happening, but it's happening at a gradual pace.

I think the acquisition of Hyva is of course a welcome step and it is something that we intend to of course utilize further. I think the main thing would be a lot of these geopolitical situations to calm down globally, which will allow us to really work with them on a more strategic basis on these new technologies.

Sumedh Badve: Couple more points there. So fundamentally, Plasan Sasa is a global leader in anti-ballistic high-safety armor and production of that sort. With that, with obviously what is happening in the world from a defense perspective and self-armoring, there are a lot of orders that are being placed.

Given the scenario in the Middle East, production has seen, as they have identified, that there needs to be the right partner where despite these geopolitical challenges, you can continue to produce and manufacture and meet the supplies. So in that sense, actually, India benefits significantly, and that's what we are seeing. So we're seeing greater engagement from them. We are seeing an opportunity to localize further and support them on a longer-term basis. So that's an additional factor that we see panning out over time.

Vipul Agrawal: Just one last bookkeeping question, like how should we look at your other revenue? Because it also includes your defense and aerospace revenue. So it has been a bit volatile in terms of absolute numbers. How should we look at that number?

Swastid Badve: So given that it is a small base, Vipul, I think it will be the fastest growing segment across all of our two-wheeler, four-wheeler and other segments, it will be the fastest growing. I think we will gain a lot of benefit in the sector as we double down and move fast on the renewable opportunity, on the aerospace opportunity, and the defense opportunity.

All three segments or sub-segments have had meaningful traction over the past couple of quarters. You will see a lot of this revenue flowing through in these segments going forward as well, and we maintain our guidance of reaching at least 10% of our consolidated revenues being aerospace and defense in the medium term.

Vipul Agrawal: Thank you. Just one suggestion, if you can help us, if you can carve out defense and aerospace from this revenue, if possible, if it is material, it will be really helpful for us to understand the growth over there. That's all from my side. Thank you.

Swastid Badve: Yes, we can look at that. Thank you.

Moderator: Thank you. Our next question comes from the line of Ashwin Patil with LKP Securities. Please go ahead.

Ashwin Patil: Yes, hi. Thank you for taking my question. And congratulations on a good set of numbers. Just I wanted to understand you know the growth profile within the trading business, because that business has posted about 19% decline this quarter on a YoY basis, so going forward if you could share the outlook on that. And how you know this business is expected to grow in next couple of years. And my second question is you know just if you could share the numbers of H-One and Mag filters for this quarter. Thank you.

Swastid Badve: So on the trading business, I think the worst is behind us in terms of the Middle Eastern crisis that was ongoing. I think that has largely calmed down, which means that trading volumes globally have begun to get back to some sense of normalcy.

We are unable to give specific guidance for this business. What we are guiding for is the business as a whole, which is for Belrise as a whole, which is mid-teens revenue growth with stable EBITDA margins. And on H-One and Mag filters, H-One has been growing quite fast for us. While Mag filters also has been able to regain some of the market share from a large Japanese four-wheeler OEM. We're unable to comment on specific numbers for either of them because for us, it's one whole family. We continue to grow the complete business as a whole and not look at business segment wise.

Ashwin Patil: Okay, sir. Thank you so much.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for the closing remarks. Thank you and over to you team.

Sumedh Badve: Thank you all for taking out the time for this call today. We remain committed to creating sustainable long-term value for all our stakeholders through disciplined execution, prudent capital allocation, and continued investment in capabilities. Hope we have been able to answer most of your queries on this call. For any further queries, please reach out to us or to SGA, our investor relations advisors. Thank you so much for joining us today for this morning. Thank you so much.

Moderator: Thank you so much, sir. Ladies and gentlemen, on behalf of Belrise Industries Limited, that concludes today's conference. Thank you for joining us and you may now disconnect your lines.