



PRITIKA AUTO INDUSTRIES LTD

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30th May, 2026

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Symbol: PRITKAUTO

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Subject: Transcript of Earnings Conference Call

In compliance with Regulation 30 and 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith transcript of the Earnings Conference Call held on 27th May, 2026. The same is available on the website of the Company at <https://www.pritikaautoindustries.com/transcripts-earning-call-27may2026.pdf>

Kindly take the above on record.

Thanking You,

Yours faithfully,
For Pritika Auto Industries Limited

C B Gupta
Company Secretary and Compliance Officer

Encl.: a/a





“Pritika Auto Industries Limited
Q4 & FY26 Earnings Conference Call”
May 27, 2026



**MANAGEMENT: MR. HARPREET SINGH NIBBER – MANAGING
DIRECTOR – PRITIKA AUTO INDUSTRIES LIMITED
MR. NARINDER KUMAR TYAGI – CHIEF FINANCIAL
OFFICER – PRITIKA AUTO INDUSTRIES LIMITED
ADFACTORS PR – INVESTOR RELATIONS TEAM –
PRITIKA AUTO INDUSTRIES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Pritika Auto Industries Limited Q4 and FY26 Earnings Conference Call. 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. Please note that this conference is being recorded.

I now hand the conference over to Mr. Harpreet Singh Nibber from Pritika Auto Industries Limited. Thank you and over to you, sir.

Harpreet Singh Nibber: Thank you, ma'am. A very good afternoon everyone and welcome to Pritika Auto Industries' earnings call for the fourth quarter and the full year ended March 31, 2026. I would like to begin by expressing my gratitude to you all for taking the time to join us today.

I have with me on call today Mr. Narinder Kumar Tyagi, Director, Finance and CFO, and Adfactors PR, our Investor Relations team. We have shared our results updated and uploaded the presentation and media release. I hope you all must have received it and gone through the same.

I would like to share a brief insight about the company's performance for the year and our strategic outlook going forward. At Pritika Auto Industries, we have established ourselves as a robust and reliable brand specializing in manufacturing of machined castings and automotive components.

With a history dating back to 1974, our journey has been guided by the visionary leadership of Mr. R.S. Nibber. Over the past five decades, we have grown into a prominent player in our market, supplying high-quality components to leading original equipment manufacturers, primarily catering to tractor and commercial vehicle segments.

Our manufacturing facilities at Dera Bassi, Hoshiarpur, Mohali, and Tahliwal continue to operate at healthy utilization levels with total consolidated installed capacity in excess of 72,000 metric tons per annum.

Production volumes for Q4 financial year '26 stood at 14,193 metric tons, taking the full year F '26 volume to 52,620 metric tons, the highest in any single financial year in the company's history, underscoring the consistent capacity ramp-up and operational throughput improvements we have delivered across the year.

Our focus on low-cost mechanization and targeted automation has allowed us to expand effective throughput by approximately 10% annually without disproportionate capital outlay, keeping us agile and cost-competitive.

The high-weight casting segment, known as large castings, like gearboxes, transmission cases, differential carriers, continue to be the primary driver of our product mix improvement. High-value products carry better realization and margin profiles, and we are directing incremental capacity additions in this direction.

Our core OEM relationships remain intact, with M&M Swaraj, TAFE, Escorts Kubota, Ashok Leyland, case New Holland, and Kion continuing to anchor our order book. The tractor segment, which is our largest served market, saw healthy retail demand through financial year 2026, supported by favorable monsoon, rural income stability, and GST rationalization by the government. Our ability to reliably service large repeat volume requirements for top-tier OEMs remains our most durable competitive advantage.

On railway diversification, which we have discussed in earlier calls, product development and qualification work continues. Revenue from this segment is not yet material, but we expect initial contributions to begin occurring in financial year 2027. This vertical remains an important medium and long-term growth lever and we will meaningfully diversify our customer base beyond the traditional automotive OEM universe.

I would like to update shareholders on a few corporate developments during the year. In April 2026, our subsidiary Pritika Engineering Components Limited completed the first tranche of an investment in Omnia Engineering Inc., a Delaware corporate entity, acquiring 100% stake for \$50,000. This represents the initial tranche of a Board-approved plan to invest up to \$100,000 in Omnia, which is a newly incorporated company yet to commence operations.

The strategic intent is to establish a foothold in the U.S. market and to explore engineering sector opportunities over time. This is an early-stage initiative, but it marks the company's first step towards dedicated international market participation.

As we enter financial year 2027, the medium-term revenue target of INR600 crores remains our reference point. We believe it is achievable through a combination of volume growth from existing OEM customers, scaling high-value products, and railways beginning to contribute meaningfully.

The company has outlined a strategic capex program for financial year 2027 focused on capacity expansion, product development, and efficiency improvements. Guidance on phasing and quantum will be provided as plans are firmed up. Our capital allocation philosophy remains unchanged; we will invest where returns justify deployment, and we will not pursue growth at the cost of balance sheet discipline.

The macro backdrop remains constructive. Tractor demand fundamentals are intact for financial year 2027, with monsoon outlook being a key variable to watch. Government infrastructure and capex spending continue to support CV demand.

On the EV front, our served segments, tractor and commercial vehicles, operate on a materially longer electrification horizon than passenger vehicles, and we do not see any near-term structural disruption to our core business.

With that, I would like to hand over the call to Mr. Narinder Kumar Tyagi, our CFO, to share with us the financials for the quarter and year ended. Thank you.

Narinder Kumar Tyagi: Thank you, CMD sir, and good afternoon to everyone. Now, coming to our financial performance for the period, for the quarter ended March 31st, 2026, the company reported

consolidated revenue from operations of INR138.46 crores, reflecting a year-on-year growth of 36.20%, driven by healthy demand from our key OEM customers and improved production volume. EBITDA for the quarter stood at INR16.64 crores with an EBITDA margin of 12.02%. Profit after tax came in at INR4.77 crores with basic EPS of INR0.26 for the quarter.

For the full year financial year 2026, consolidated revenue stood at INR482.95 crores against INR356.89 crores in FY25, a growth of 35.32% year-on-year, supported by volume growth and a better product mix. EBITDA was INR71.03 crores at a margin of 14.71%, and PAT for financial year 2026 was INR23.20 crores.

We are pleased to note that FY26 represents our strongest annual revenue performance since listing. Through the first nine months, the company had already demonstrated consistent delivery, nine months FY26 revenue was INR344.48 crores, up 34.97% year-on-year, with EBITDA of INR54.39 crores and PAT of INR18.43 crores. Q4 has built on this foundation, and we enter FY27 with a healthy order book and stable customer relationships.

That's all from our side. We can now open the floor for questions. Thank you.

Moderator: Thank you very much. We'll take our first question from the line of Udit Sehgal from Pinpointx Capital. Please go ahead.

Harpreet Singh Nibber: Maybe please repeat the name?

Moderator: It is Udit Sehgal.

Harpreet Singh Nibber: Udit Sehgal.

Moderator: Yes.

Udit Sehgal: Yes. Good afternoon, sir. Sir, what exactly is our installed capacity and what is the maximum utilization we can go up to? Also, our EBITDA margins have been falling, so I mean, what's the reason for that?

Harpreet Singh Nibber: Hi. Installed capacity is 72,000 metric tons annual, and at present we are doing roughly 73% -- maximum we can go up to 80% to 85%. We can go up to maximum 80% to 85% we can go in this.

Udit Sehgal: So, we are already doing around 56,000, so there's not much room to, you know, scale it up further?

Harpreet Singh Nibber: We are doing roughly 52,000. We are around 73%, 74%, and we can go up to 80%, 85%. And we are planning expansion this year. We plan to add around 7,800 tons this year.

Udit Sehgal: Okay. And do you expect this 80% to 85% utilization to come this year, sir?

Harpreet Singh Nibber: Yes, hopefully. Yes, if market remains good, whatever the indications are as on date, we should achieve 80% to 85% this year.

- Udit Sehgal:** Okay. And sir, regarding our EBITDA margins, they were in the 16% to 17% range, they've come down to 12% this quarter. What's the reason for that?
- Harpreet Singh Nibber:** This is because basically raw material prices have increased tremendously. And in the month of March, because of gas and other things issues, it just took off.
- Udit Sehgal:** So, are these not like a pass-through? I mean, when will we be able to recover?
- Harpreet Singh Nibber:** It is normally done in -- with a gap of one quarter.
- Udit Sehgal:** Okay. So, from this quarter onwards, should they revert back to the normal or it will take another quarter?
- Harpreet Singh Nibber:** It should revert back and we should rather improve on that because capacity utilization -- as the capacity utilization improves, the margins will also improve.
- Udit Sehgal:** And with respect to this U.S. entity that we acquired, sir, what is the thought process and how do we see that scaling up?
- Harpreet Singh Nibber:** See. The thought process in this is that what happens is now all the major OEs, they have their offices in India operations, they have Indian offices are there. So, I mean, when we contacted them, they said that if you want to deal with USA directly, then you need to have a USA entity.
- So for that reason, because the margins over there are much better than what the Indian offices are giving. So, to deal directly with U.S. customers -- potential U.S. customers, we are opening entity over there.
- Udit Sehgal:** So, we will be doing the manufacturing there or we will be doing the manufacturing here? I mean, what is the plan?
- Harpreet Singh Nibber:** First part would be manufacture here and take it over there, and then we might -- there is a thought process on that also -- we might start a -- acquire or start a manufacturing facility over there.
- Udit Sehgal:** Okay. Okay, sir. Thank you. That's it from my end.
- Moderator:** Thank you. Next question is from the line of Juzer Haveliwala, an Individual Investor. Please go ahead.
- Harpreet Singh Nibber:** Haveliwala?
- Moderator:** Yes.
- Juzer Haveliwala:** Yes, hi sir. Am I audible to you?
- Harpreet Singh Nibber:** Yes, you're audible.

- Jeser Haveliwala:** Yes, hi. So, first of all, thank you for the opportunity. And my first question is, sir, how is the demand shaping up from the key tractor OEMs such as M&M, TAFE, Escorts, and Swaraj for FY27? And how are you seeing any changes in ordering trends or customer outlook?
- Harpreet Singh Nibber:** See, as far as outlook is concerned, our customer is expecting a low single-digit growth around 6% to 8% for this year because H2 will have a very high base. So, -- but for ourselves, considering whatever new products, new projects we are having in hand, we expect to grow by around 15% this year.
- Juzer Haveliwala:** 15%.
- Harpreet Singh Nibber:** Yes.
- Juzer Haveliwala:** Okay. And my second question is like, what is our plan for the capex for upcoming years like FY27 and FY28? And how will this investment roadmap support the company's long-term target of achieving 1 lakh tons of capacity?
- Harpreet Singh Nibber:** See, this year we plan to add another approximately 7,800, which we will add in H1. That is what we are planning, 7,800 metric tons in foundry. And for that, we will need to add machining capacity also.
- So, after this -- I mean, so this will take our capacity to roughly 80,000. And then as you know that around two years back, we ventured into a new technology in casting like LFC. So, we have got a very positive results in that. And then maybe next year, financial year 2028, we will add another 20,000-24,000 tons in LFC technology so that our capacity, our overall, we will cross 1 lakh tons.
- Juzer Haveliwala:** Okay. And this is through LFC technology, right?
- Harpreet Singh Nibber:** Yes. So, this year it will be by Green Sand, 7,800. Next year we will add 2,400 in LFC.
- Juzer Haveliwala:** Okay. And are there any plans to increase the content per vehicle through more complex or precision-engineered components?
- Harpreet Singh Nibber:** Yes, yes. Because we it's around 30, 40 years back when we ventured into foundry business in 1997, 1998, we started with small castings. Then slowly we gradually moved into medium castings. Then now we have started moving largely into -- mainly into large castings where the competition is less and value addition is higher.
- Juzer Haveliwala:** Okay. And my last question is, what is our current mix between the machined casting and plain casting, and how do you see this evolving over the next few quarters?
- Harpreet Singh Nibber:** We do 100% machined castings. We don't give raw castings. We do 100% machined castings. We don't give raw castings. Yes.
- Juzer Haveliwala:** Okay. Okay, thank you, sir. That's all from my side and best of luck for the future.
- Harpreet Singh Nibber:** Thank you.

- Moderator:** Thank you. Next question is from the line of Manas, an Individual Investor. Please go ahead.
- Manas:** Hello sir. Good numbers -- good set of numbers. I think we delivered partly on the revenue side. And I think you said the margins is some kind of temporary pressure we went through. So, I just some question on the margin. So, next year onwards we go back average 15% to 16% PAT level margin 5% next year, is it a possibility?
- Harpreet Singh Nibber:** Yes, yes. We should go back if the war doesn't create much more disruption, then we should go back. We should go back.
- Manas:** And the first quarter itself we'll be able to see?
- Harpreet Singh Nibber:** Because of war what has happened, everything related to crude, all the chemicals, everything, gases, everything has become costly. So, if there is no further disruption, then I think we should revert back to that.
- Manas:** Because I think I felt we should have got some operating leverage. The last quarter sales growth was too good. So, it should have resulted in some operating leverage.
- Harpreet Singh Nibber:** Last quarter was -- it was our highest ever sale growth. Yes, yes.
- Manas:** So, it should -- I felt it should have resulted in some operating leverage, but somehow we got stuck up in--
- Harpreet Singh Nibber:** Because I mean, raw material increased by around 4% to 5%, 6%. Then other expenses, all the gases and manpower cost, everything, labor -- contractual labor cost, whatever we were doing, getting in outsource, everything increased in March. There was a huge impact on that.
- Manas:** So, in -- so the now the current run rate, where are we expecting? Similar run rate in line with the last quarter we had 138, we might the first quarter will also be in the similar run rate?
- Harpreet Singh Nibber:** Similar -- first quarter will be similar to that.
- Manas:** Similar to that. And margins 15% to 16%?
- Harpreet Singh Nibber:** Margins would improve, definitely improve.
- Manas:** From here. And one more thing I wanted to check out. We did around INR70 crores of INR67 crores, INR70 crores capex, whatever cash flow we generated, we had put some capex. So, where is this actually sitting? Is it for the 7,800 ton or is this separate?
- Harpreet Singh Nibber:** It is -- some is for 7,800 ton, some is -- yes, and machining, and some is for new product development and some for railways, whatever three, four products we have developed for railways.
- Manas:** So, this year what will be the capex requirement there?

- Harpreet Singh Nibber:** This year capex will be roughly around INR25 to INR30 crores -- INR25 crores roughly, not more than that. Because major capex--
- Manas:** So, for 7,800 ton we require how much? INR60 crores to INR70 crores in total?
- Harpreet Singh Nibber:** No, 7,800 tons, we require roughly INR35 crores.
- Manas:** INR35 crores. Okay. Okay, got it, got it. And one more thing I wanted to check out. For next year onwards where are we sitting? I think I heard somewhere INR600 crores and then 15%, so is that correct?
- Harpreet Singh Nibber:** Yes, we -- next two years we plan to grow at around 15%. So, I think so with 15% growth in next two years we should touch INR600 crores. Yes.
- Manas:** So, INR600 crores, next two years you're saying?
- Harpreet Singh Nibber:** Yes.
- Manas:** So okay. So, now this year onwards will be around 15% growth? With better margins?
- Harpreet Singh Nibber:** With better margins.
- Manas:** Okay, okay. Okay, congratulations for good set of numbers. Thank you.
- Harpreet Singh Nibber:** Thank you, Manas. Thank you.
- Manas:** Yes, thank you.
- Moderator:** Thank you. Next question is from the line of Chaitrika Deshpande, an Individual Investor. Please go ahead.
- Chaitrika Deshpande:** Hi sir, good afternoon.
- Harpreet Singh Nibber:** Good afternoon, ma'am.
- Chaitrika Deshpande:** Sir, could you please provide an update on the Hoshiarpur land acquisition matter and its current status? Also, does this development impact company's expansion plan or capital allocation strategy in any way?
- Harpreet Singh Nibber:** Pardon, pardon, I didn't get the second part of the question.
- Chaitrika Deshpande:** Does this development impact the company's expansion plan or capital allocation strategy in any way?
- Harpreet Singh Nibber:** No, the status for land was that we acquired the land under this from a ARC under in auction by Honorable High Court, but then we found there was a -- then there was some litigation on this. So, then we withdrew ourselves from the auction.

So, that -- you know how the auctions go, I mean, they take 10, 15, 20 -- how these litigations goes, 10, 15, 20 years, recent developments have been there. So, we thought it is better to withdraw ourselves from the auction. And this won't impact our immediate plans for next one or two years. Yes, beyond that we are -- we are looking for land and we might acquire a fresh land -- new land somewhere near in another two to three months.

Chaitrika Deshpande: All right. And sir, any refund initiation process?

Harpreet Singh Nibber: We have received the refund. Refund has been received.

Chaitrika Deshpande: Refund. Okay, okay. All right. Thank you so much, sir.

Harpreet Singh Nibber: Thank you.

Moderator: Thank you. Next question is from the line of Akash Sharma, an Individual Investor. Please go ahead.

Akash Sharma: Yes, hi sir. Thank you for the opportunity. I have few questions, sir. First one is that our EBITDA per ton stood at around INR13,500, while realizations per ton improved around INR92,000. So, just want to know that which segment or, you know, products are driving this improvement?

Harpreet Singh Nibber: Which -- which segment?

Akash Sharma: Which high-value product segments are driving this improvement?

Harpreet Singh Nibber: So, if you -- see, if you see, we are primarily -- general tractor industry has three category of castings. One is small castings, which weighs say 0.25 kgs to say 20 kgs. Then we get medium casting, which is say 20 to 80 kgs. Then above 80 kgs is considered large castings.

As we move in this segment from small to medium to large, the value addition and the profitability keeps on improving. So, because -- and we have been consistently moving from small to medium, now we have started moving from medium to large.

Large -- basically advantage with large is one more that number of players in India is very less for large castings. At least for giving to tractor industries, number of player is -- hardly eight or 10 players are there who produce large castings in India. So, we are -- so there it's a slightly niche market, difficult market, and competition is less. So, we are moving in that direction. So, that will improve our margins and everything.

Akash Sharma: Okay, sir. So -- should I -- and have we gained any market share with any major OEM?

Harpreet Singh Nibber: Yes, yes, yes. We have gained market share with almost all our customers. See, market has grown by 16%-17%. We have grown by 34%.

Akash Sharma: Okay. Okay, sir. And what is our, I mean, approximate revenue contribution from our top three customers?

Harpreet Singh Nibber: From top three customers?

- Akash Sharma:** Top three customers. Yes.
- Harpreet Singh Nibber:** Top three customers would be roughly 50%. 55% -- 50%-55%.
- Akash Sharma:** Okay, sir. And is this going to change post, you know, we are shifting from medium casting to large casting?
- Harpreet Singh Nibber:** No, this -- this will not change because they are the primary the same customer with which we are -- we are moving with ahead with same customers only, we -- and we are increasing our share of business with existing customers.
- Because you see our top three customers are M&M Swaraj, TAFE, Escorts, and these are our major customers and these are top three, four customers -- tractor manufacturers in India. So, they control almost 60%, 70% of the market share. And we are majority growing with them only.
- Akash Sharma:** Okay. Okay, sir. And sir, my last question is that are we preparing for some EV-related opportunities or that's out of picture right now?
- Harpreet Singh Nibber:** No, EV also, I mean, as of now if we see tractors or others, EV. Everybody is developing and we are also developing components for them also. But as of now there is -- we don't see any major EV platforms coming in tractor for next two, three or five years. They -- I mean, it's a very small, in a very small way all the companies are working on it, but not in a big way.
- Akash Sharma:** Okay. Got it, sir. That helps. Thank you so much.
- Moderator:** Thank you. Next question is from the line of Yash Parkar, an Individual Investor. Please go ahead.
- Harpreet Singh Nibber:** Ma'am, please repeat the name.
- Moderator:** Yash Parkar.
- Harpreet Singh Nibber:** Yash.
- Moderator:** Yash, you go ahead with your question.
- Yash Parkar:** Hello, am I audible?
- Harpreet Singh Nibber:** Yes, you're audible.
- Yash Parkar:** Thank you sir for the opportunity and congratulations on good set of numbers. So, you mentioned that the rising cost was nearly 4% to 5% and we also saw that there was a lot of increase in the steel prices and power and energy cost in the last quarter. So, how do we see the cost environment evolving going forward for FY27?
- Harpreet Singh Nibber:** See, that I told earlier, if there is no major disruption because of war, then I think the cost should stabilize. Only thing is now with the diesel prices now increasing slowly and steadily, so that

will have some impact on the freight part and on the other thing, incoming raw materials and all those things.

But good part with Indian OEs is that, I mean, it is everything is pass-through. I mean, there can be delay, but it happens. So raw materials is already on a pass-on. Other things like freight and other things, I mean, they do pass on, and maybe with a delay. So, I mean, I don't see a very, very major impact of these cost pressures for a long term', short-term impact will be there, but not on long-term basis.

Yash Parkar: Okay, sir. Another question would be, sir, regarding the EBITDA and realization, they have improved quite a lot in this year. So, is this because of some value-added products that has contributed to such a good improvement?

Harpreet Singh Nibber: There are two reasons. One, value-added products, then number two is better utilization of the capacities. And these are the two major reasons.

Yash Parkar: Also, sir, what would be the comfortable leverage range for our business over the medium-term? Right now, I guess, the net debt-to-equity somewhere around 0.65 or something. So, how comfortable is the management on debt part?

Harpreet Singh Nibber: As far as debt-equity is concerned, we are pretty sitting on a comfortable position and, I mean, for future expansion also we see that, I mean, we'll keep it below 1 in any regard.

Yash Parkar: Okay, sir. And also, sir, regarding the future opportunities, so you have mentioned that infrastructure spendings, the commercial vehicle demand increase, and even the vehicle scrappage policies are going to be a growth drivers for us. So, which segments or applications do you feel would drive major growth for us?

Harpreet Singh Nibber: See, as of now, we see major growth in tractors. CVs because of lot of regulation disruption has been going up and down. CV has been more volatile than tractors over last five, seven years. So, we see a major growth in tractors as on, because all the government have lot of focus on rural income.

Rural incomes, everybody, I mean, right from center to state governments, they want rural incomes to grow, rural people, and you know how the election machinery has become now. So, government has lot of focus on rural economy and we see another for next four, five years good growth in tractors. There maybe a year or a year-and-a-half of a dip, but on a long-term basis we see a good growth in tractor industry.

Yash Parkar: Okay, sir. Last question, you also mentioned that we will be starting with production in the US. So, could you quantify what can we expect as in the margin difference between India operations and US operations, please?

Harpreet Singh Nibber: See, I mean, what we have studied till now is that if we work at 14%, 15% EBITDA margins, and if we do a major manufacturing over there, means not full product manufacturing, only a part manufacturing on a finishing part, kind of thing there, finishing operations something like that only. So, we expect that, minimum EBITDA margins of 18% to 20%.

- Yash Parkar:** That's great. Last question from my side, sir. You mentioned that tractor so far is not being adopted for EV. But how about commercial vehicles and off-highway equipment segments, are they adopting the EV thing around?
- Harpreet Singh Nibber:** No, no. In heavy commercials there is some very slight movement, in buses there is there, but not in commercial vehicles and in heavy vehicles. In tractors, they have just started a development or maybe in a very small way, and for off-road vehicles like construction equipment, I have not seen any movement in that towards electrification.
- Yash Parkar:** Okay. That answers my questions. Thank you so much, sir.
- Moderator:** Thank you. We'll take our next question from the line of Vishal from Svan Investments. Please go ahead.
- Vishal:** Thank you for taking my question, sir. I have few questions regarding the capex details, which you have shared. 80,000 metric tons of capacity you plan to achieve this year where you are adding 8,000 metric tons, plus next year you plan to increase it to 24,000 tons. So, what kind of investment you plan to do this year and next year if you can share some details, and how will it be funded?
- Harpreet Singh Nibber:** This year, we have planned to invest around INR 25 crores to INR30 crores, and next year when we go for a bigger project, that is for 2,400 tons, that time we are looking at investment of say around INR60 crores to INR70 crores. And that we will try to fund it by a combination of debt and equity. This year it will be by debt-only, and next year will be by debt and equity.
- Vishal:** Okay. Because, sir, the debt has increased quite meaningfully this year around INR190 plus crores.
- Harpreet Singh Nibber:** This year it is INR180 crores, yes.
- Vishal:** And our interest cost is also around INR22 crores. So, that will add extra burden to you...?
- Harpreet Singh Nibber:** This year we will do by debt-only, next year by combination of debt and equity, or maybe, we'll see what kind of equity we are able to raise. It will depend on that, but that is the plan.
- Vishal:** Okay. Okay. And the increase is 2,400 tons will be only through LFC, right, if I'm not wrong?
- Harpreet Singh Nibber:** Pardon?
- Vishal:** The increase in the capacity is for the LFC products, right?
- Harpreet Singh Nibber:** Next year would be LFC.
- Vishal:** Okay, okay. So, after this increase, what will be the share of capacity between the normal conventional casting and the LFC?
- Harpreet Singh Nibber:** After next year it will be around, say, 70/30.

- Moderator:** Sorry sir, you're sounding a little distant. Can you come closer to the mic, please?
- Harpreet Singh Nibber:** Yes, it will be 70/30. Next year it will be 70/30. Once we add these 2,400 tons, so it will be roughly 70/30, 65/35, it is between 70/30 and 65/35.
- Vishal:** Okay. Sir, what is the current share of business, or the share of revenue between the conventional and the LFC currently?
- Harpreet Singh Nibber:** Currently LFC is roughly say 10% to 15%, 15%, yes.
- Vishal:** Okay. And we were planning to add certain more customers in the LFC. It was few of the OEMs were testing our products. So where are ...
- Harpreet Singh Nibber:** We are under discussion with customers in India and abroad. Last year, we added one domestic customer in India for LFC, which was KION India. So that was import replacement product. And then we added one customer in South Korea for LFC product, for which the shipment, consignment is going this month for Korea. For KION, the Indian customers, we have already started the supplies.
- Vishal:** So, in terms of your order book, which you have currently, so what is the proportion of LFC products?
- Harpreet Singh Nibber:** As of now?
- Vishal:** Yes.
- Harpreet Singh Nibber:** Order book if we say, LFC is almost 20%, order book what we have.
- Vishal:** Okay. What is the overall size of order book currently?
- Harpreet Singh Nibber:** Order book is we are fully booked, rather we are overbooked as of now. What demand is being generated by customers, we are overbooked on that.
- Vishal:** Okay. So, it will be over INR500 crores, INR600-odd crores of order book currently we have?
- Harpreet Singh Nibber:** Yes, yes, yes, easily.
- Vishal:** Okay. And sir, what is the margin profile of LFC generally we envisage?
- Harpreet Singh Nibber:** Generally, it is, say 1% or 2% higher than the normal one.
- Vishal:** Okay, okay. And sir, what is the like-to-like basis in terms of capex between the LFC and the conventional in terms of per ton basis? Does the LFC capex are far lower than...?
- Harpreet Singh Nibber:** Yes. If we say for a greenfield project, not a brownfield, greenfield project for the categories where LFC is used. LFC is used basically in large castings, which have a high core part. So, there minimum, I mean, capacity created is 3,000 tons. For that minimum you need INR120 crores to INR150 crores depending on the land and the automation you add to that, whereas, same 3,000 tons in LFC you can put in INR75 crores. It is almost 50%.

- Vishal:** Okay. Fine.
- Moderator:** Vishal, are you through or you're asking questions?
- Vishal:** No, just one more last question. Sir, do share some details on how the funding would be there for the next leg of capex. That will have some clarity on...
- Harpreet Singh Nibber:** For next leg, I told you, it will be combination of debt and equity. We will raise some equity and debt also. It depends, I mean, we will prefer a -- if we can do it fully with equity and as much as equity as possible and less of debt.
- Vishal:** Okay. Thank you. Thank you so much, and all the best, sir.
- Harpreet Singh Nibber:** Thank you. Thank you, Vishal. Thank you.
- Moderator:** Thank you. Next question is from the line of Manas, an Individual Investor. Please go ahead.
- Manas:** Yes. Sir, I just had some follow-up questions. So, I just want to understand, are we doing some Ex Works-model, or is it like, we take -- so some companies, they have Ex Works model, because then they are not bothered about their pass-on cost. Are we looking to move to a transform to Ex Works model?
- Harpreet Singh Nibber:** The customers who are far away, like M&M and TAFE, we have Ex Works. And for customers who are nearby like Swaraj is there, Escorts is there, we give them on free delivery basis. And secondly, the diesel component, the freight component, which you are considering is not only on Ex Works also on the delivery. It also impacts the incoming raw materials also. So that is how it impacts. Incoming raw materials also become costly, because the freight part increases.
- Manas:** So, now how do we feel? Still the prices are there. Now in the upcoming quarters, we feel that the margins will be better. So, on what basis we feel that we'll be able to come back to the earlier level margins?
- Harpreet Singh Nibber:** The margins would be better, because other than the freight part, raw material will be passed on by the customer in this quarter, whatever increase was last quarter, it will be passed on. So, only freight component because that started freight, the diesel started increasing this month only. So that we have to see with our customer how we go about that. What is the quantum? Because still it is not closed. I mean, every day it is increasing. So, once that stabilizes the diesel, then we will start discussing with our customer.
- Manas:** Okay. So, you're saying majority part will be passed, so it's like quarterly you're passing on, monthly now at this point how are we doing it at this moment?
- Harpreet Singh Nibber:** At this moment, it is different; for some customers, it is quarterly only. For some, we are moving to monthly, it is under discussion. So that is how.
- Manas:** Okay. And the second question was, I see last two quarters, last two years, I have been noticing, March onwards our margin dips, maybe by 2% or something, I've seen for last two years, and

again this year also we had a hit. Obviously, there is some element of raw material cost, but also, I think the press release you hinted for the product mix.

So, my question was how much of element of this is a product mix? Is March quarter where a particular customer we are serving where we have less margin or what, because last two quarters, last two years I've noticed the March quarter, the margins are down 2%.

Harpreet Singh Nibber: Normally what happens is by the end of year, raw material prices start going up. So that is one part. Or maybe in last-to-last year, lower capacity utilization was there. So, it depends on various factors; raw material prices, capacity utilization, and then product mix.

Manas: No, on similar turnover also we had, suddenly the margins took a dip, like 16, 16, 16, then suddenly it goes to 30.

Harpreet Singh Nibber: So, I mean, raw material prices, product mix, the products, which are old products, where the value addition is less. So those days, their volume increases, but tractors have now a lot of product mix is there, different types of products are there.

Manas: But since you're fully doing machined components, the margins profile should be very similar. It should be like your base, your product mix should be very, very.

Harpreet Singh Nibber: What happens is the components, which were settled, which we call legacy components. So there the margins have over the year reduced. But in new components, the margins are better than the old ones. So that is one of the reasons.

Manas: Any idea you know a percentage? Any idea, I mean, just to understand like...

Harpreet Singh Nibber: What percentage?

Manas: Any percentage mean legacy versus the new components, at least you have some idea over that, any idea, any numbers you have to it?

Harpreet Singh Nibber: As of now if we say almost, it will be a ratio of 60/40. 60 would be legacy, and 40 would be new. Because legacy components take long time to move out of the system. The product, the customer also, the tractor models take long time to...

Manas: And it might be with the particular customer as well.

Harpreet Singh Nibber: Yes, yes, particular customers also.

Manas: And the last question, I little bit I understood the structure; Meeta Casting is there, Pritika Engineering Component is there, Pritika Auto also does some machining. So Pritika Engineering and Meeta Casting is there. I just wanted to understand is Pritika Engineering and Meeta Casting give the job back again to Pritika Auto to do some machining, or it's billed from entire three different entities to the final customer?

Harpreet Singh Nibber: Some components they give raw casting and Pritika Auto does the machining. Some they do the machining, and just bill it to Pritika Auto.

- Manas:** So, the billing is happening from both these ends, the Pritika Engineering and Pritika Auto. In earlier con-calls, I studied that earlier it was different, so I just wanted to understand that.
- Harpreet Singh Nibber:** No, no. Billing is done by both the ends.
- Manas:** Okay. So sometimes the casting comes from Pritika Engineering and goes to Pritika Auto also?
- Harpreet Singh Nibber:** Yes, goes to Pritika Auto, machines it. Sometimes Pritika Engineering does the machining and bills it to Pritika Auto.
- Manas:** Okay. So, both ways it happens.
- Harpreet Singh Nibber:** That is both ways it happens.
- Manas:** But is there any, because of operation reason it's like this or...?
- Harpreet Singh Nibber:** Where Pritika Auto is more into small and medium castings, and Pritika Engineering into medium and large castings. So, sometimes the medium castings go to Pritika Auto and they're machined over there.
- Manas:** So, the margin discovery happens then at the Pritika Auto then, because then you bill it there, then the margin discovery happens there. Am I right?
- Harpreet Singh Nibber:** Yes, yes, you're right.
- Manas:** And sir, last question. I remember you told now next year -- see we are generating INR70 crores cash this year. If I assume next year also, you'll generate INR70 crores cash and INR25 crores, INR30 crores you want to do some capex, and remaining INR40 crores will end up going in some interest cost, and INR20 crores you might repay some debt, I don't know, I'm just guessing.
- And so, debt might come down to INR170-odd crores. Then the next year following that you want to do INR70 crores capex. Assume you'll also generate similar cash flow, INR50 crores to INR70 crores. So, is there real need for debt, and I mean, is there some -- you might need some debt, but I don't think the debt component should go up disproportionately.
- Harpreet Singh Nibber:** I mean, we'll see the cash flow and how we are placed, then I mean, take a call on that.
- Manas:** But I'm assuming this cash flow trend will continue in the...
- Harpreet Singh Nibber:** It should continue.
- Manas:** Okay, sir. Thank you so much.
- Moderator:** Thank you. Next question is from the line of Rohit Mehra from SK Securities. Please go ahead.
- Rohit Mehra:** Hi, thank you for the opportunity. I joined late, maybe I'll be repetitive. I just wanted to know, so margins were gradually increasing from FY22 to FY25, and this year we saw decline in EBITDA margins. So, may I know the rationale behind that?

- Harpreet Singh Nibber:** Basically, it has been in Q4, and it was because of the increase in raw material prices, and then disruption due to war in March, in gas and other things there was a lot of disruption was there in whatever the chemicals, crude-related products were there, there was lot of disruption in that because of that.
- Rohit Mehra:** Okay. So, is it fair to assume that we will maintain the margins around 15% to 16% going forward?
- Harpreet Singh Nibber:** Yes, yes, yes. Coming this year, and if there is no further disruptions due to war, we should reach back to our original margins.
- Rohit Mehra:** Got it. Also, the company has invested in lost foam casting technology through Meeta Casting obviously. So, could you elaborate on the strategic advantage of this technology and expected business contribution going forward?
- Harpreet Singh Nibber:** See, at present business contribution is around say 10% to 15%, because this is a new technology and it has taken some time to establish it at our end and at the customer end. But now it has been fully established, and we are ramping up our production.
- The basic advantage of this casting is that if you see this is primarily used for large castings or where the castings, the core work is very high, the core content is high. So, for that kind of a product line, whatever investment required is minimum is INR120 crores to INR150 crores.
- But with LFC, we can produce same product with same quality with a with almost 50% investment and in a smaller blocks. So that is a 3,000, here we can start with 500 tons, 1,000 tons, 1,500 tons, that way we can create the capacities with that. So, it is much easier, with lesser capex you can start this technology. And then you get the same quality, same product, and slightly better margins in this.
- Rohit Mehra:** Got it. So, going forward, is it fair to assume that this percentage that you told me that right now it is 10%, will go upwards to 20%, 25% or maybe more?
- Harpreet Singh Nibber:** Yes. That is a long-term our project to take this to 30% in next three years.
- Rohit Mehra:** Got it, sir. Okay. And apart from the US market, are there any new export customers or geographies currently under discussion?
- Harpreet Singh Nibber:** Sir, we have recently started exporting to South Korea also. We have sent one lot and one lot more is going, and we are exploring Europe also in this regard.
- Rohit Mehra:** Okay. So, how are we competing in this market compared to this Chinese and European foundry?
- Harpreet Singh Nibber:** See, whatever advantage they had because of low-cost thing, low-cost manufacturing, because of labor cost and other power cost, now they don't have that advantage. Only advantage they have now over above us is, number one, the financial cost; and number two is productivity-wise. Otherwise, their labor cost is higher than us, their power cost is higher than us. So, India as of now can compete very easily with China, which was not possible say 10 years back, or 15 years back.

- Rohit Mehra:** Got it, sir. Thank you. That answers my questions, sir. Thank you and all the best.
- Harpreet Singh Nibber:** Thank you.
- Moderator:** Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Harpreet Singh Nibber from Pritika Auto Industries Limited for closing comments. Over to you, sir.
- Harpreet Singh Nibber:** Thank you. In closing, I want to acknowledge the sustained effort of our teams across manufacturing, quality, and supply chain. Financial year 2026 performance has been delivered through disciplined execution. I also thank our customers for their continued partnership and our investors for their engagement.
- I would also like to say that our company, we are on route to fulfil our vision of 1 lakh tons, and we are very aggressively following that vision. And we plan to growth, we have that's by 15% for next two to three year, and we will be continuously adding capacities and customers. And our focus would be for next two, three years would be exports. I know it's a long-drawn process, four to five years, so we will be focusing on export, so that our margins can improve.
- And second would be railways, which again we are very aggressively working on two, three products, and we hope that another two, three years that will also give us a good revenue, and bottom line. So financial '26 has validated the operating model we have built, consistent revenue growth, improving product mix, and broadening strategic agenda. We will carry that forward in coming years also.
- Thank you everyone. Thank you for your time. Thank you. Have a good day.
- Moderator:** Thank you. On behalf of Pritika Auto Industries Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.