SPR AUTO TECHNOLOGIES LIMITED

(formerly Shriram Pistons & Rings Limited)

REGD. / H.O. : 3rd FLOOR, HIMALAYA HOUSE, 23, KASTURBA GANDHI MARG, NEW DELHI-110 001 (INDIA)

SHRIRAM

August 10, 2026

National Stock Exchange of India Limited (NSE)
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051

NSE Symbol: SHRIPISTON

BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001

BSE Scrip code: 544344

Subject: Transcript of the "Q1 FY27 Earnings Call" - Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Madam/Sir,

With reference to the captioned matter and in furtherance to our earlier intimation letters submitted on July 21, 2026, August 4, 2026 and August 5, 2026 regarding the schedule, investor presentation and audio recording of the "Q1 FY27 Earnings Call" of SPR Auto Technologies Limited (*formerly* Shriram Pistons & Rings Limited) ('Company') and in compliance with Regulation 30(6) read with Schedule III and other applicable provisions of the SEBI Listing Regulations, please find enclosed the transcript of the "Q1 FY27 Earnings Call" on the Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter ended June 30, 2026, held on Wednesday, August 5, 2026 at 4:00 p.m. (IST).

The aforesaid transcript is also available on the Company's website and can be accessed at https://shrirampistons.com/investor-information/investors-call-transcripts-audio-recordings/transcripts/.

Kindly take the above information on record and treat this as compliance with SEBI Listing Regulations.

Thanking you.

Yours faithfully,

For **SPR Auto Technologies Limited**
(*formerly* Shriram Pistons & Rings Limited)

KRISHNAKUMAR SRINIVASAN
Digitally signed by KRISHNAKUMAR SRINIVASAN
Date: 2026.08.10 17:17:58 +05'30'

(Krishnakumar Srinivasan)
Managing Director & CEO
DIN: 00692717

Encl.: *As above*

PHONE : +91 11 2331 5941 FAX : +91 11 2331 1203 E-mail : sprl@shrirampistons.com Website : www.shrirampistons.com
PAN : AACS0229G • CIN : L29112DL1963PLC004084

“SPR Auto Technologies Limited

Q1 FY27 Earnings Conference Call”

August 05, 2026

MANAGEMENT: **MR. KRISHNAKUMAR SRINIVASAN – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER**
MR. PREM RATHI – EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER

Moderator: Ladies and gentlemen, good day and welcome to SPR Auto Technologies Limited Q1 FY27 Earnings 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

Today from the management, we have with us Mr. Krishnakumar Srinivasan, Managing Director and Chief Executive Officer, and Mr. Prem Rathi, Executive Director and Chief Financial Officer. Before we begin, let me remind you that this discussion may contain forward-looking statements that may involve known or unknown risks, uncertainties, and other factors.

It may be viewed in conjunction with the business risks that could cause future results, performance, and achievements to differ significantly from what is expressed or implied by such forward-looking statements.

I now hand the conference over to Mr. Krishnakumar for his opening remarks. Post which, we will open the floor for an interactive question-and-answer session. Thank you and over to you, sir.

Krishnakumar Srinivasan: Okay, thank you. Good evening, everyone. Thank you for joining us for this Q1 FY27 earnings call. We hope you have had an opportunity to go through the financial results, the investor presentation, and the press release which are published on the stock exchanges and the company website.

I'm really pleased to share that SPR Auto Technologies has commenced the financial year 2027 on a very strong note and delivered an encouraging performance during Q1 FY27 as the company delivered a 51% year-on-year growth on a consolidated total income and a 27% year-on-year growth on consolidated EBITDA.

The strong performance is particularly noteworthy given the challenging industry backdrop, characterized by elevated commodity prices, supply chain disruptions, and broader macroeconomic uncertainties stemming from heightened geopolitical tensions. Moreover, commodity cost adjustments normally have a time lag of a quarter for regularization with customers, thereby presenting a temporary gap in the margins. Even with the above impacts, the company has delivered a strong financial performance during the quarter.

Consolidated profit before tax grew by 7% year-on-year in Q1 FY27, while profit after tax increased by 9% year-on-year. The growth is after reflecting the flow-through impact from EBITDA and contributed by higher finance costs to fund the acquisition of the automotive interiors and lighting businesses. These elevated finance costs are expected to be temporary and should normalize as the related debt is repaid.

Post the GST 2.0 reforms, we are seeing a phenomenal growth in both the two-wheeler and the passenger car markets. We expect this volume momentum to continue for the above segments and also for the commercial vehicle and tractor segment throughout the year.

Our strategy to invest in technology and capacity ahead of time has really helped us to cater to these increased demands.

This performance underscores the strength and resilience of our diversified business model, our continued focus on operational excellence, and the effectiveness of our strategic initiatives. We remain focused on driving cost efficiencies, streamlining the supply chain, integrating the low-cost automation and digitization programs across all our manufacturing operations, and optimizing inventory and logistics planning. These initiatives are aimed at strengthening the structural resilience across the business and form the foundation of our established and growing presence in the auto components industry.

We continue to build on our strong leadership in legacy products, while steadily scaling our powertrain agnostic businesses, which of course enhances the future readiness of our portfolio. In the legacy business, we achieved a key milestone during the quarter with the successful completion of the acquisition of the piston manufacturing plant and machinery from Sunbeam Lightweighting Solutions Limited. This acquisition strengthens our piston manufacturing capacity and also enables us to meet the growing demand for all our products. I am happy to state that we are continuing to win new programs for hybrid and flex-fuel applications from all our customers in the legacy business.

The integration of the recently acquired automotive interiors and lighting businesses progressed very well during the quarter. These businesses continued to deliver a strong performance, reinforcing the strategic rationale for the acquisition. We remain focused on aligning the operating processes, leveraging cross-selling opportunities, and unlocking cost and operational synergies across the group. Post our acquisition, the auto interior business has also won some very important customer programs to fuel the future growth of this segment.

The electric motor and controller business has been continuously exceeding all the targets that we set for the businesses at the beginning of this year. Also, the high precision injection molded components business has also witnessed a very significant growth during the quarter.

We also continued to make a very steady progress on all our group-wide capacity expansion programs. These investments are designed to support customer programs, enhance capacity availability, and create a stronger platform for future growth across all our products.

All our businesses, including the legacy engine components business, the automotive interiors lighting, the high precision injection molded components, and the EV motors and controllers, continued to perform very well during the quarter.

The powertrain agnostic businesses now contribute over 35% of our consolidated total income, while nearly 60% of the overall business is positioned to remain relatively insulated from the impact of EV penetration. This reflects the steady progress of our diversification strategy and the increasing strength of our group.

We continue to strengthen our ESG credentials through focused investment in renewable energy and robust sustainability practices. ESG remains a very strategic priority for the company, and we are pleased to report that we achieved a CDP B rating for climate and water disclosures.

We obtained our TUV certified sustainability assurance. We secured certifications under ISO 14064, ISO 50001, ISO 46001, ISO 17029, and ISO 27001. We were also recognized with an EcoVadis bronze medal, putting us in the top 35 percentile globally on sustainability achievements, Dun & Bradstreet's highest ESG rating of 2 in India, and a CII award for corporate sustainability, further reaffirming our commitment to responsible business practices and long-term sustainable value creation.

We have also continued our journey of winning many awards from all our customers across the country. We have also got our TISAX certification done and are happy to state that from a cybersecurity angle, the company is well-positioned to be able to counter any possibilities in the future.

Looking forward, we remain focused on disciplined execution, strategic investments, and sustained operational excellence. Backed by a diversified product portfolio, long-standing technology partnerships with global industry leaders, and deep customer relationships, SPR Auto Technologies Limited is now well-positioned to drive its next phase of growth and create sustainable long-term value for all our stakeholders.

Thank you all for all your continued support and I am looking forward to taking your questions and request the moderator to open the floor for questions and answers. Thank you once again.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Radha from Motilal Oswal Financial. Please go ahead.

Radha: Hi, team. Congratulations on the sharp improvement in Antolin performance. So, my first question is, Antolin Global has introduced several next-gen interior technologies over the past few quarters, like electrochromic sun visors, cockpit solutions integrated with human machine interface, emotional lighting, etcetera.

So, to what extent does SPR have access to these technologies today and how are they being localized for the Indian market? Do you see these differentiated capabilities becoming a key competitive advantage in winning new businesses with customers?

Krishnakumar Srinivasan: Yes, thank you, Radha. We have access to all the technologies that are globally available and tested within the Antolin portfolio. As you all know, that we have already signed a long-term TLA, which is a complete licensing agreement. And we have all the solutions available.

In fact, we are working on a number of programs with end customers for various HMI initiatives as well as the newer programs for headliners, the Imersa technology, and others, which has all been tested with customers and once they fructify, then we'll be in the right position to come and inform all of you with regards to all the new businesses that we are working on.

But we are happy to state that we are working on all the technologies. All the technologies are seamlessly available to us and we'll be probably amongst the frontrunners to introduce some of those technologies which have been time-tested elsewhere in the globe in India with Indian customers. And we are already working on it.

Radha: All right, sir. That's great to hear. Second question is, sir, Eaton USA has shut down its engine valve plant in the last calendar year-end. So, are you witnessing a boost in exports due to this and apart from this, what are the other key growth drivers in the export segment for pistons?

Krishnakumar Srinivasan: Yes, so Eaton is basically mostly in the engine valve segment. They don't operate on the piston side. But as far as the engine valve segment is concerned, we do have the growth, and we are working on number of initiatives to be able to meet our customer programs. And the mobility solutions of Eaton has been now sold to Dana, as you might have heard.

And we have yet to see as to what exactly the strategy of Dana is to grow the business here in India. As far as India is concerned, I think we lead the stack with a fairly good market share across all customers and across all industry segments. And we are fairly well-entrenched with most of our customers to be able to cater to their demands.

Radha: Understood, sir. So, last question is, Takahata Global has a lot of products in non-auto, like office automation, measuring instruments, etcetera. So, are we supplying these components from the Indian entity to our customers as well? And what can be the scale of non-auto portion of the business in the next three to four years as compared to where it is today? And what are the delta in margins of non-auto compared to auto?

Krishnakumar Srinivasan: We also make non-auto components in India. We already supply to medical industry, we supply to sports industry, we supply to music industry. But these segments do not have very high volumes. They are all low volume segments. And so that way, for example, the music industry, we supply the complete keyboard for some of our customers like Yamaha and others. They are not sold in millions; it is not like in automotive. So, it will be on a lower side. We don't normally give the breakup of this segment, but it's a sizeable segment for us, and it's a good margin business for us. Thank you.

Radha: Understood, sir. Thanks, and all the best to the team.

Krishnakumar Srinivasan: Thanks, thanks a lot, Radha.

Moderator: Thank you. The next question is from the line of Gokul Maheshwari from Awriga Capital Advisors. Please go ahead.

Gokul Maheshwari: Thank you for the opportunity. KK sir, if I may ask, what kind of opportunity do you see for our legacy business once the CAFE norms are introduced? And does this increase our realization or a chance to consolidate our market share in this product segment?

Krishnakumar Srinivasan: Yes, we are already working with our customers on the CAFE norms. And based on the new CAFE norms that have been released, we have already submitted products which are under testing and validation with the customers. And most of these products require a different kind of an approach with regards to frictional reduction as well as reduction of exhaust gases and others, for which a completely new technology has to be introduced in terms of coating and in terms of the piston ring manufacturing strategy.

So, all this has already been done. We have already invested ahead of time, and the technology is all available within our manufacturing setup that we have in Ghaziabad and Pathredi. And our engineering teams have progressed well with the development of these technologies. So, we are well-entrenched with all our customers.

Gokul Maheshwari: But does this increase the realizations for the same product which we were supplying earlier?

Krishnakumar Srinivasan: Yes, to some extent, yes. Because with all the newer technologies, the cost is also more, the realization is also more.

Gokul Maheshwari: Okay, and is our competition also following us by offering this to their OEM customers?

Krishnakumar Srinivasan: I would say, that we are leading the game.

Gokul Maheshwari: Okay, great. Secondly, sir, just on the M&A front, I mean in the past calls you've mentioned that you would want to look to expand our scope of offerings and look for M&As. Just a question given where we are in the automotive cycle, how are you protecting yourself, because the industry is doing very well in the last 12 months or so, and more specifically after GST cuts.

And this could be possibly closer to peak sales or peak profitability from a cycle perspective. So how are you safeguarding yourselves when you're looking at potential opportunities over there?

Krishnakumar Srinivasan: Well, if I have understood your question right, you're asking me how we are safeguarding with regards to newer M&As and doing it at the right deal price and all that, right.

Gokul Maheshwari: Right, right time and right price, actually.

Krishnakumar Srinivasan: Yes, so we have a very detailed working that we do with our M&A team. And the M&A team looks at multiple angles, it's not only the angle of multiple on EBITDA, but it's a very detailed exercise that we do with regards to the overall strategy of investment.

And we of course take all the future outlooks in place, and we look at the current situation of the industry as well as look at the situation of how the industry is growing over the next five to ten years' time and then do a lot of forecasting to be able to take a decision with regards to our M&A direction.

Gokul Maheshwari: Okay, great. Just lastly, in the non-auto business in the Annual report there is a mention of pistons for railways, snowmobiles, compressors, etcetera. What would be the contribution of this segment to our current business, and how do you see this business shape up over the next two or three years?

Krishnakumar Srinivasan: Well, it has been a sizeable business because as I said, this is a segment which is growing for us. And if I give one figure it will change tomorrow morning because it is a continuous growth that we are having, both in terms of the compressor industry, the marine, the defense, and various other applications like snowmobiles and others. So, at this stage to give any number percentage to this will not be correct because we expect this percentage to grow. It's a sizeable business now.

Over last four years, I think we have grown almost at the rate of 15% to 20% in this particular segment. We have entered into various applications including lawn-mowing applications and others. And all this has really helped us to maintain our growth trajectory and also maintain continuous growth which is better than the market growth. We have always maintained that we want to outgrow the end markets.

Gokul Maheshwari: Great, sir. Thank you and all the best.

Krishnakumar Srinivasan: Thanks, thanks a lot, Gokul.

Moderator: Thank you. The next question is from the line of Vijay Pandey from Axis Capital. Please go ahead.

Vijay Pandey: Hi sir, thank you for taking my question. And sir, just a couple of questions. Firstly, if you can give the breakup between the plastic business, Antolin business, and EMFI, the revenue and EBITDA for the first quarter?

Krishnakumar Srinivasan: Normally, within the quarter we don't give the breakup. But you have the breakup at the end of last year and you can see that more or less that kind of trend is being maintained even today, because we see an all-round growth across the auto industry. Thanks to GST 2.0. As a result, we see that the end markets are really doing well, and we are seeing full growth across all the segments that we operate in today.

Vijay Pandey: Actually just want to understand how the margin profile is looking for the plastic and Antolin business. I think plastic is around 18%-19% EBITDA margin and Antolin was at around 7%-8%, so just want to see if this has improved in..

Krishnakumar Srinivasan: We have significantly improved the interiors business also. And that has come with a lot of synergies playing out as well as we have streamlined a lot of things with regard to the fixed costs and we have taken a lot of actions with regard to improving the cost structure of the company, which has really helped us to improve the margins. As of now I can say that we have crossed the double-digit figure and we are in the early mid-teens, I should say.

Vijay Pandey: Okay, that's good to hear. Secondly, sir, the industry has definitely grown at 20% in Q1, but our like, if I see, our standalone business, legacy business, there the growth was around 12%. So just want to know any reason for lower performance versus industry? If you can throw some color?

Krishnakumar Srinivasan: Let me attempt to answer your question. Basically, if you see, the industry was also carrying a good amount of stock. We go by the manufacturing that has been done, not by the sales, because sales normally carry a lot of stock coming from the previous quarter. So, if you really see the manufacturing, the manufacturing growth has been in the region of around 12% to 14% and our growth has been over 16%.

So, we have outgrown the industry even as we speak. And within the mix if you see, the 2-wheelers have grown by almost 20%, the passenger cars have probably grown by around 11% from a manufacturing angle, 19% and 11% to be exact from a manufacturing angle. But the commercial vehicles and the tractor industry have grown by somewhere around 7% to 8%. And the other industries have grown by something like 4-5% including the compressor industry.

So as a result, you'll see a mix of all this coming into the end product but overall considering that the exports got affected because of the war situation, where there was a tremendous impact on the export side, and also because of this sudden rise in the two-wheeler and the passenger car industry, the manufacturing had to be a little bit tweaked towards the OE industries.

As a result, you will see that the growth impact is fairly significant considering that we have grown at this percentage, which is better than the market percentage even after considering all these segments of the market. And I'm happy to state that we have actually satisfied all the segments of the market with regards to our supply.

Vijay Pandey: And sir over last one month or last one and a half months post when the things have started to normalize in West Asia, has the exports picked up? So could we expect better quarter in exports in second quarter?

Krishnakumar Srinivasan: See exports are still quite affected especially in Europe and in America. So both US and the Middle East markets including Egypt and others, Turkey, Egypt and others have been badly affected, and they have not still picked up and it's quite slow I would say. There are still a lot of ambiguities in the overall supply chain to what will happen with regard to a very seamless supply chain situation that we had earlier.

So I personally think that it will take some more time for things to normalize. Commodity prices have started falling. It had gone to unprecedented levels. We have had to face a very unprecedented increase in the commodity prices, but we have been able to manage it and we see this now slightly coming down. So hopefully it should all normalize within this next quarter.

Vijay Pandey: And lastly sir, if you can probably give us some of the technologies that can come up from Antolin business, which we can see over next 1 or 2 years, that will be pretty helpful.

Krishnakumar Srinivasan: I think I spoke in the earlier question. Number of technologies on which we are working on including HMIs as well as you know the Imersa technologies, the technology with various kind of pillar trims, backlit pillar trims, the floor consoles et cetera. So, there are a number of areas in which we are working on.

Moderator: Thank you very much. The next question is from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.

Anubhav Mukherjee: Sir, this EBITDA impact of 300 million that was mentioned in the investor presentation. So are we able to receive price hikes from the OEMs to pass this on and any timeline by which we think our margins can normalize?

Krishnakumar Srinivasan: As I said, this is an impact which has happened because of commodity prices and also the impact of our interest cost that we have paid. So to a fair extent that has been covered up already in our -- as you can see from our financial results, is certainly better than if you really discount the fact that we have had to pay the interest on our NCDs.

If you really take that out, then you'll see that our performance has been really in line with our previous quarter's performances and we continue to maintain those performances and I don't see any reason why we will drop further.

Anubhav Mukherjee: Sir my question was more on the -- not on the finance cost but more on the EBITDA impact because of logistics and commodity inflation. So do we need to ask for any sort of price hikes from the OEM or like this will...?

Krishnakumar Srinivasan: I mentioned earlier that we have a back-to-back arrangement with all our customers. But it has a time lag delay. Normally there is a delay of a quarter with most of the customers, that's how the industry operates. And that's why what will happen is whatever is the commodity increase that we have had this year based on the average commodity price, we get the price increase for the next quarter and that gets covered in the next quarter.

So we already have a back-to-back arrangement with all our customers and not only for this particular business, even for plastics business, as well as our motors business and the interiors business.

Anubhav Mukherjee: Yes sir. And sir for the like motor controller business and plastics business, would you be able to share what kind of like revenue growth have we witnessed year-on-year in these two segments?

Krishnakumar Srinivasan: Well, last year we grew by double and I'm hoping that we continue that trend. I am pushing my team for that, but then we'll certainly continue to outgrow the markets.

Anubhav Mukherjee: Yes sir. And sir my last question is for the auto interior Antolin business. Like do we have a like margin target that we want to achieve? Can we bring it to the standalone kind of margins? Can you share some perspective on that?

Krishnakumar Srinivasan: Yes, we have improved the margins, and we have improved from the earlier 7%-8% that they were operating on to almost early teens.

Anubhav Mukherjee: Okay. Thanks, that's all from my side.

Krishnakumar Srinivasan: Yes.

Moderator: Thank you. The next question is from the line of Harsh Shah from Seven Rivers Holding. Please go ahead.

Harsh Shah: Yes, good afternoon, sir. Sir I was referring to slide 8 of our presentation wherein it's mentioned that production volumes have grown by 22%. Now when I compare that with our standalone revenue which has grown at around 12%, 12.5%, so how do we reconcile it?

Krishnakumar Srinivasan: Normally the mix changes in the industry. Even all our end customers, if you see our, even if you see our end customers, the overall post GST 2.0 what has happened is the mix has changed. They've gone in for more production of smaller sized vehicles because the demand for that is more both in the rural and the urban segment.

So automatically the realization price per piece changes as we have those kinds of products going in more and you'll find that by value the realization could slightly vary because the mix changes drastically.

Harsh Shah: Okay, okay. And another was...

Krishnakumar Srinivasan: So what is important is to maintain the kind of margins that we want to maintain which we have been able to do that.

Harsh Shah: Yes sir, another question is on the margin side. So if I look at the standalone business, now I'm comparing sequentially Q4 FY26 versus Q1 FY27. Between these two quarters our gross margins have gone up on standalone business, it has gone up by 60 bps, yet our EBITDA margins have come down, they've almost come down by 200 bps. So what explains that?

Krishnakumar Srinivasan: That's what I explained, the commodity prices. You have a quarter delay in the commodity prices and you will see that.

Harsh Shah: No, not but our gross margins have improved between Q4 FY26 to Q1 FY27 our gross margins are almost intact, yet the EBITDA margins are down by 200 bps.

Krishnakumar Srinivasan: It's a combination of a multiple combination of mix plus volumes. And also the fact that when I say mix, it also means the mix of our overall business within our portfolio, the kind of mix that we have. So overall it shows that some of our areas of let's say aftermarket business and other things have, normally in the first quarter we always have a lag. In the first quarter if you really compare the first quarter of last year, you'll always see that lag.

Harsh Shah: Okay. And sir last question is any update on the fundraise and any new acquisitions that are in the anvil?

Krishnakumar Srinivasan: Yes, our team is working on the acquisition part and there is a lot of work going on there. And we'll inform all of you guys at the right time. As far as fundraise is concerned, I think we are progressing as per target.

Harsh Shah: Sure, sure. Thank you so much, sir.

Krishnakumar Srinivasan: Thank you.

Moderator: Thank you. The next question is from the line of Nandan Pradhan from Emkay Global Financial Services. Please go ahead.

Nandan Pradhan: Yes, hi. Good evening, sir and congratulations on a great set of results. So, I think just following up on the question from the previous participant, I think what we are trying to understand is our gross margins are intact. Sequentially our staff cost as well as our Opex has gone up. I understand there could be some impact from the minimum wage hike as well here, right?

So just on that and also this other expense would include some sort of one-off expenditures since we are just integrating Antolin and do we consider this as a new normal or do we expect this run rate to go down as we get the synergies kicked in over the coming quarters?

Krishnakumar Srinivasan: The overall mix has the impact. While the gross margin could show the improvement, but if you compare it, you cannot compare it sequentially with quarter four of last year because mix was completely different. So, you will have to see it with the mix of Q1. The mix of the market also makes a big difference. So, both the things come together. Of course, we have our normal wage increases that we have every year, which happens normally during the first quarter, 1st of April, and that has a small impact on the employee cost percentage that you see. But otherwise, we are well within the targets.

Nandan Pradhan: Got it, sir. And sir just I think across ancillaries the wage hike has seen an impact and since we are also the northern region, are we, would you broadly give directionally some idea about how much the wage impact has been this quarter and how are we seeing the...

Krishnakumar Srinivasan: No, we don't normally give those internal figures. But the good part is that we have been able to retain the team. The team is doing a fantastic job. All of them are very motivated to work in the kind of atmosphere that we are presenting to them. And the team is doing a fantastic job.

Nandan Pradhan: Okay, sir. Thank you so much sir. Good luck.

Krishnakumar Srinivasan: Yes, thanks a lot Nandan ji.

Moderator: Thank you. The next question is from the line of Divyansh Gupta from Latent PMS. Please go ahead.

Divyansh Gupta: Hi sir. Let's say we supply X number of pistons to say Maruti on 1st of April, how far ahead in their production line will that be consumed?

Krishnakumar Srinivasan: In their production line?

Divyansh Gupta: Basically, for them to finally ship out the car, what is the time lag?

Krishnakumar Srinivasan: It varies, it varies. Product-to-product it varies. Some of the product they, when the demand is very good in the end markets then those product goes within maybe less than a month's time. Depending on the kind of stock levels that they operate at across various operators across the country, it varies. So it varies from time-to-time, but on an average, you can see the kind of volume growth that Suzuki is having and we are going quite well with them. We have a fairly good market share.

Divyansh Gupta: No, no. I wasn't specifically asking for Maruti, I just took Maruti as an example as a name of the placeholder.

Krishnakumar Srinivasan: Everywhere it is the same story. See on an average, the product when we supply, we of course do lot of things to supply them. There are also requirements that we should supply just in time as the manufacturing takes place. But post their manufacturing how much time they will take to supply to the end market, now that is a question that you have to probably ask the end customers.

Divyansh Gupta: Got it. Understood sir. The second question was just if you can tell what would have been the growth of our consolidated business ex of Antolin? I'm just looking at the numbers, and it's not margin or anything, but just ex of Antolin what would have been our growth topline only?

Krishnakumar Srinivasan: I think it's over 16%.

Divyansh Gupta: And sir just last question, with the government trying to push in higher blends of ethanol, we have readiness up till E85 is what I understand.

Krishnakumar Srinivasan: Yes.

Divyansh Gupta: The question that I have is that what are the kind of conversations we are having with our clients and let's say the blending levels increase, would it lead to more capex just to support higher blending or current capacity can also support higher blending and how far ahead or far are we at this composition?

Krishnakumar Srinivasan: See what happens is when the blending goes on a higher side, the product undergoes a change. Because of more water content and carbon content, you have to improve the kind of coatings that we have on the piston as well as on the rings. So, we have already tested all the products that is required by our customers right up to E85.

Now the strategy of what they want to introduce into the market will depend on the political situation in the country as well as the end customer's market needs. So as far as we are concerned, we are ready with the products. Every segment of the product, whether it is for E20 or whether it is for E40 or E85 will undergo a change and the price is different because of the content change that happens.

So with most of the customers we have already signed up, the products are all tested for our products. I don't know about what other products has an impact because of E20 or E40. And we feel that this situation should get addressed quickly and hopefully the customers will start growing their business. As far as we are concerned on the flex-fuel side we are completely ready.

Divyansh Gupta: My question was a bit different. So my question was let's say we have to supply 100 pistons to Maruti. If we are doing for E20 versus let's say E40 or E85 to provide the same volume, do we need to do further capex as?

Krishnakumar Srinivasan: It requires different kind of plating, and we have enough capacity for that.

Divyansh Gupta: Understood. That's all, that's all from my side. Thank you.

Moderator: Thank you. We take the next question from the line of Devesh Kayal from Boring AMC. Please go ahead.

Devesh Kayal: Yes, sir just want to understand our gross margins on the standalone side have been around past two quarters have been around 56% to 57% versus what we have seen historically of 59% to 61%. So, is it just commodity hit or any other product mix or lower export share or if you can just throw some colour on this?

Krishnakumar Srinivasan: It is a mix of both the product mix as well as the commodity impact. Both are there and we have normally a gap in our recovery with our customers as far as I explained.

Devesh Kayal: Okay, so we can try to assume that we will see recovery in this part and it's not a normalized scenario?

Krishnakumar Srinivasan: Obviously we'll recover. We are not going to lose on our margins.

Devesh Kayal: Okay. And sir what would be our gross debt currently? At the consol level?

Krishnakumar Srinivasan: Our net debt is around Rs. 550 crores.

Devesh Kayal: Okay, this is as of June and not March?

Krishnakumar Srinivasan: As of June, Yes. As of this month it will be even better.

Moderator: Thank you. The next question is from the line of Viraj Kacharia from SIMPL. Please go ahead.

Viraj Kacharia: Yes, thanks for the opportunity and congratulations on good set of numbers in challenging environment. Three-four questions sir. First is this Rs. 30 crores will eventually if I look at annual wages, we will recover this from the customer, right?

Krishnakumar Srinivasan: Normally it has a gap of a quarter. So we are hoping that it will get all normalized in this quarter.

Viraj Kacharia: Okay. Sir second question is if I look at exports, I understand the environment outside India is pretty bad in terms of market not recovered from the bottom lows, but if one has to understand say over next three, five-year kind of a horizon, how should one understand export play for us you know especially in the legacy business, right? Because capacity is you know market is getting consolidated so what are we doing you know if you can give some more deep dive you know how are we approaching this over a three-five year period.

Krishnakumar Srinivasan: You know it is a mix of the end market that is happening in exports and also the issue of some of the people vacating capacities. As you heard in the previous question, Eaton has closed down some of their plants for engine valves in the US. So it's a mix of both but what we see as a possibility for us is that the end markets will recover because once the geopolitical situation improves it will certainly recover and the possibilities of markets opening up for us is always there and we are already working on it.

So both the things seem to be quite positive for us looking forward. So I don't see any major issue. If you see even under the very tough geopolitical situation the whole of last year we delivered almost 2% to 3% better results in exports coming out of different segments of the market that we have been able to develop.

Now that also was for partial of the year, so for this year I hope that we'll get the full year benefit. At the same time, we are continuing to grow into newer segments and newer areas and with newer customers which will really help us to grow the export business. So frankly I see it as a very, very positive side for us.

Viraj Kacharia: Okay, just one follow up on this. See technology partners also have their own you know customer base and you know market policies so you know when we looking at business say in

US or Europe, is there a limitation for us to explore and you know go and approach for new business wins in those markets or any colour you can give on this?

Krishnakumar Srinivasan: We have had clear agreements with our technology partners, and we have always worked within those precincts of those agreements that we have in the previous years also. So whatever you see is always relative to the previous years and I am seeing that is going to be positive going ahead so I don't see any issue there.

Viraj Kacharia: Okay. Just last question sir, if you look at the Takahata subsidiary for FY26 we had seen a margin moderation and a PAT drop right, so what was what really happened there? If you can give some colour?

Krishnakumar Srinivasan: It's a purely a market mix situation there and product mix also. So that always if you really compare it you have to compare it with the first quarter of last year. Don't compare it on a sequential. Because always in April we do have a drop in the mould sales and others, so it always happens that way.

Viraj Kacharia: No, no. I was actually talking about FY26 as a whole for Takahata. So there was a drop in there was a margin moderation and there was a de-growth in profitability on a full year basis.

Krishnakumar Srinivasan: Yes, it's purely a sales mix. I don't think there is a major issue on any drop in prices that we had.

Viraj Kacharia: Okay and last question was for the EMFI business. I think we have now commissioned the capacity and based on your earlier communication the capacity can go up to a peak sales of couple of hundred crores. So where are we in that process of ramp up and any colour on new order wins?

Krishnakumar Srinivasan: It was only because of new investments that we have done in Coimbatore that we have been able to double the sales last year. And that's only for part of the year because we commissioned it sometime by end of December only. So this year we will get the full benefit of the full capacity that we have created there. And we are really progressing very well in the very first quarter itself we have done quite well.

Viraj Kacharia: Okay, thank you.

Moderator: Thank you. The next question is from the line of Preet Pitani from Incred AMC. Please go ahead.

Preet Pitani: Thanks for the opportunity.

Preet Pitani: My first question is on the line of margin. Like we have said that of all the acquisitions we have done, we have translated margins from high single digit to low double digit and we are aiming to of higher double digit. Just wanted to know what are the margin drivers? Is it by change price, we are getting change price realization from the operating leverage or is it from some expense which earlier -- pre-acquisition they were into the place which we have removed? If you could give some highlight on the same.

Krishnakumar Srinivasan: Frankly Preet ji there are many, many actions due to which this starts happening and it is not only related to actions on the shop floor, actions on improvements on operations, improvements on supply chain, improvements on some of the insourcing that we are planning, lot of actions. It has a time period for that and over a period of time you'll see the improvements happening further.

Preet Pitani: Thank you. And second question is on the line of peak with our current capacity utilization what peak revenue can we achieve?

Krishnakumar Srinivasan: See capacity is something that we continue to keep on investing. As I said we bought the Sunbeam lines, we got a fantastic capacity for pistons. So this capacity is a dynamic number, this keeps on changing. So we have to continue the investments and continue to ensure that we are able to meet our customer demands. So we are putting all the money at the right place and ensuring that we are able to meet the customer demands. Happy to state that in the first quarter we have met our customer demands even and have maintained a fairly good mix so that we are able to maintain our margins.

Krishnakumar Srinivasan: Everywhere we are putting in lot of money. There are capacity expansion programs going on almost in every place right from our plastics business to motors controllers to even our interiors business and also our legacy pistons business.

Preet Pitani: Thank you so much. That's it from my side.

Moderator: Thank you. The next question is from the line of Varun Arora from Safe Enterprises. Please go ahead.

Varun Arora: Hi, thanks for the opportunity. Sir my question is regarding Antolin India. You mentioned about some new wins. It will be great if you can give some customer-wise idea in terms of share of business. My understanding is that Antolin India was probably not investing prior to be acquired and customers wanted them to make certain investments. So now under SPR you've also mentioned that you've made some investments. So now can you give some idea in terms of how our share of business could improve with OEMs, leading OEMs?

Krishnakumar Srinivasan: If you really see Antolin's business, Antolin have a fairly good market share with all the customers. And we have maintained those market shares, and we are seeing how we can go further. And as far as we are concerned, we have opened up all the possibilities to invest and all our customers know that.

Customers know us right from the beginning, almost all the customers are similar we have contacts with all the levels of the customers even at both for our legacy business as well as all our other businesses. So we have a fairly good confidence and customers have a good confidence on SPR Auto Technologies that we'll continue to invest and make the right investment for them. So we don't give the exact figures, but we are continuing to invest and you'll see it at the end of the year you'll see all the details.

Varun Arora: Sure. And sir on subsidiaries we've seen a good margin improvement. So you mentioned partly due to Antolin margins have come to early teens. I think our competitors are operating at early teens to mid-teens. So fair to say that I mean SPR I mean our profitability generally we do a good job across the businesses. So fair to say that we can kind of get to mid-teens level even for Antolin?

Krishnakumar Srinivasan: Well I hope we can. So we are pushing the teams and we'll continue to see how we can make further progress on our margins. We have number of actions lined up and I think all of them are working, which is seen by the result, and I don't see any reason why it should not further improve.

Varun Arora: Just a follow up sir related to margins. Our margins improvement is it also driven by the EV subsidiary or just Antolin like Q-on-Q margin improvement?

Krishnakumar Srinivasan: No from all the subsidiaries. All the subsidiaries have done well on the margins.

Varun Arora: Right because the EV subsidiary would have got the maximum operating leverage right with the volume ramp up.

Krishnakumar Srinivasan: Yes, Yes they everybody has got a good margin improvement. So, I must say that all the all the companies have done really well.

Varun Arora: Okay. Thank you sir. Thank you.

Moderator: Thank you. The next question is from the line of Nikunj Mehta from Magma Ventures. Please go ahead.

Nikunj Mehta: Hi, Yes thanks for the opportunity.

Nikunj Mehta: So just a couple of questions from my side. So one is that from the fundraise which we are which we have taken the board approval from. So I just wanted to understand that how much is going to be used for acquisition and how much will be used for debt repayment?

Krishnakumar Srinivasan: We are looking at various things. See money is completely fungible. We already have money sitting in our balance sheet. So we do have plans for further investments, and we have plans for the repayment of debt. At the same time, we also have to continue to invest on all our businesses. So it's all it's a mix of everything and the good part is that it will be put to very good use and it will be put to the areas of growth and we continue to look at excellent business opportunities ahead and we are quite confident of using the money well.

Nikunj Mehta: Okay. So just a follow-on question on this one: from an acquisition perspective now as we have moved over the last two years our acquisition sizes has clearly increased with the Antolin being the largest one which we have acquired. So how should we look at now going forward because at the consol level our size and scale is increasing so is there any threshold in terms of acquisition amount or the business which you want to acquire? Is there any threshold or something like that that you have in your mind?

Krishnakumar Srinivasan: No, normally the acquisition has to stand on its own legs with regards to all the parameters that we have in our evolution. We completely ensure that it falls into the respective parameters that we check on and only after we tick mark on all the issues related to technology, future growth, markets, and so many other possibilities that we really fix it.

It could be INR 300 crores or it could be a INR 500 crores or INR 1,500 crores. So we can't we can't really go by that. The good part is that the company now has a good appetite and it has a good means of managing a fairly good appetite in terms of managing the M&A. So we'll continue to do that till the time we know that for sure we are able to service it well and especially service it for all our stakeholders.

Nikunj Mehta: So from a balance sheet perspective is there any metric like a net debt to equity or a net debt to EBITDA which you would want that these are the thresholds that we will not cross this one.

Krishnakumar Srinivasan: We have very clear parameters on that. Very, very clear parameters internally and you can always work out the net debt to the equity that we have. So, it's fairly very low.

Nikunj Mehta: So is it fair to say that we would like to keep it at 1x as a on the higher side net debt to equity.

Krishnakumar Srinivasan: Yes, it could it could even be lower than that. I don't think we'll ever cross that. At present it is only 0.2x. So, we don't see any reason why we have to even go up to 1x.

Nikunj Mehta: Okay. And the last question from my side that you have mentioned that you are you want that the consolidated margins essentially should over the time kind of merge with what we are doing on the standalone side of the equation. So in that journey how much time do you see that it will be you'll be able to kind of meet that?

Krishnakumar Srinivasan: You mean investment in the legacy business?

Nikunj Mehta: No, no the margins in the consolidated level to reach at the standalone level.

Krishnakumar Srinivasan: We are continuing to grow our margins. You can see that at a consolidated level if we are able to maintain the high teens, I think it's an excellent possibility, and it gives us a lot of opportunity within the group to do many things both in terms of improving capacities as well as in terms of investing for the future, in future M&As.

Nikunj Mehta: Okay. Thanks, thank you so much.

Moderator: Thank you. The next question is from the line of Ravi Purohit from Securities Investment Management. Please go ahead.

Ravi Purohit: Yes, hi. Thanks for taking my question. So, two questions. One is on this SPR EMFi business that we have. If you could just kind of give us some color on what kind of capacities have, we created and what kind of product because when we go on the website of our SPR EMFi, we see products like axial flux motors or drone motors or electric marine motors.

So, there are quite a few interesting products that are there listed on the website. If you could kind of because generally this business does not really get too much spoken about in our, you know, either in our presentations or the concalls. So, if you could just spend some time and I think we have commissioned a capacity like you had mentioned in December, you know, last year. So, if you could just share some insights as to what this business is, how scalable it is, what kind of products are we doing? How big can it be over a period of time? What are the industries that it is addressing?

Krishnakumar Srinivasan: Yes, see we put our electric motor and controller facility. We are probably one of the very few who make both the motors and controllers together. We have a complete line; we have couple of lines for electric motors and controllers. Electric motors standalone and controllers also. And as far as electric motors are concerned, we make traction motors, we can make PMSM motors, non-PMSM motors, the synchronous ferrite motors as well as others. For the two-wheeler industry, the car industry, that is the passenger car industry, and also the truck and the bus industry.

And we already have products which are under various stages of validation with various customers. I would like to state that we have really grown very well in this, and we have almost become a very sizeable player today as a motor and controller supplier across the industry. So, we don't normally give the market share obviously because this is changing by the day.

We are getting new customers, it's changing by the day, and it's really not right to give one number and then tomorrow say a different number. So, it's we are as yet not giving any kind of those details because it's evolving, and I am very happy to state that last year we doubled the turnover, and we continue to grow very, very fast in this segment.

Ravi Purohit: Right. So, what kind of capacity do we have right now? At peak capacity utilization levels what kind of turnover can this business do and is it diluting?

Krishnakumar Srinivasan: No, no. I'll tell you Ravi ji, if I add one winding machine the capacity will increase by more than 15%. So, I can't give the capacity number. It's a figure which will keep changing as we keep putting a little bit of investment here and there. So normally we are not giving that because then that restricts our growth targets, and neither do I want to tell the team that we are not going to invest and for me, it's important to get business and meet those demands and we'll continue to grow.

Ravi Purohit: Okay, okay. Because some of the products that you mentioned like axial flux motors right not many companies actually do it in India. So, I was wondering as to what kind of R&D work is being done what kind of technology do we have there, and what is the source of the technology for this business?

Krishnakumar Srinivasan: We have a good technology partner. EMFi International is based out of Singapore. We have a fairly good technology availability. We have also tie-ups with Lingbo for our controller, and we are able to cater to all the requirements that is there for the Indian market as on date.

Moderator: The next question is from the line of Vijay Pandey from Axis Capital. Please go ahead.

Vijay Pandey: Yes. Just want to understand about the capacity expansion which we were taking up for Takahata and TGPEL. So how is it looking and when can we expect production revenues from there?

Krishnakumar Srinivasan: Our phase four expansion in in Takahata has already started, and we are building up the new plant, just adjacent to our existing plant. We have another five acres of land which is adjacent to the factory that we had where we have got three phases of expansion already done. Now we've gone in for the fourth phase of expansion in in Takahata.

And similarly, in TGPEL we already have the two plants in Noida and in the second plant we have complete capacity available and that's getting filled up as we speak.

Vijay Pandey: And these two plants will start generating revenues by over next two years or will it be faster?

Krishnakumar Srinivasan: Yes. As far as the new business in Takahata is concerned, I think we are expecting it to start generating revenues by next year, early next year and TGPEL is already in process.

Vijay Pandey: Okay. And if you can help us understand the key OEMs or key OEMs to which we supply because even in the EV business?

Krishnakumar Srinivasan: Almost on a monthly basis, we have got addition of new customers happening. So, it's very difficult for me to give any particular names and miss out the others which would be impacting my business. So kindly believe in us that, it's not that we are we have doubled the volume just by talking. It is double the volumes just by getting new customers right? So, we are growing the business and it's really going very well.

Moderator: The next follow-up question is from the line of Gokul Maheshwari from Awriga Capital Advisors. Please go ahead.

Gokul Maheshwari: Yes. Thank you for the opportunity again. Just one question sir, just if you could comment on the Antolin business. How does our current business or standalone or whether Takahata or TGPEL work along with the Antolin business with respect to providing synergies or certain products etcetera, which can be catered by or providing raw materials etcetera, to the Antolin business? How are the operational synergies taking place?

Krishnakumar Srinivasan: Yes, it's going quite well, and all this takes a lot of time with regards to approvals, getting the clearances, making the dyes, tools, and then getting the customer approvals, end customer approval. So, all this takes time, but we are progressing quite well. And already the synergies have started and the teams have started collaborating quite well. And the whole overall, let me put it this way that the integration of the team within the overall SPR management has been extremely good. And that's what is showing in the results.

Gokul Maheshwari: Okay, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Ajay Omprakash Ahuja, an Individual Investor. Please go ahead.

Ajay Ahuja: So, my question is regarding the Antolin integration. Three years from now, what has to be true for you to say the acquisition has been truly successful? Beyond the financial metrics I'm asking, what would be the early strategic indicators that tell you the integration is progressing in the right direction?

Krishnakumar Srinivasan: Yes, a very interesting question. From the standpoint of the management, I can tell you that we have four or five clear parameters based on which we say that it has been successful. I already say that it is successful because the integration of the teams has happened well.

Teams are working together quite well, there's a good collaboration, there's a good amount of culture that is getting developed across all the companies that we have done M&A. We are trying to build in the same kind of culture in terms of how we work.

And it's going to be more about people that I'm going to say because automatically then once we know that our people are all aligned, businesses start thriving. So, we are quite confident of getting that that happen. We provide a very, very professional management, and that really helps everybody to grow within the umbrella of SPR.

Ajay Ahuja: Okay. Thank you, that's all.

Moderator: Thank you very much. We take that as the last question and conclude the question-and-answer session. I would now like to hand the conference over to Mr. Krishnakumar for closing comments.

Krishnakumar Srinivasan: I know we have overshot the time. I know that some of the people have also not been able to complete all their questions. I'd really request all of you to reach out to our secretarial department for the questions so that we can answer back one on one. And please do not feel otherwise that we have not been able to take all the questions because time-wise we were limited. We have already overshot by almost 15 minutes.

But I'm very happy to see the amount of questions that we have had and the kind of questions that we have had which is really which really talks about how deeply people are really analysing the company. And that gives us a lot of confidence that we have great stakeholders who are supporting the business to actually grow.

And we thank you once again for all that support that you are giving us and thank you for joining us today and for asking such valuable questions. We hope that all your queries will get answered, even if some of them have not been answered so far, you can reach out and we will answer it back.

And thank you once again for the Secretarial cell and the Investor Relationship Partners at Ernst & Young to have given the full support. Thank you once again for everybody to have joined the call. And thanks, thanks a lot.

Moderator: On behalf of SPR Auto Technologies Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.
