

SBCL/BSE & NSE/2026-27/42**13th August, 2026**

To, BSE Limited Corporate Relationship Deptt. PJ Towers, 25th Floor, Dalal Street, Mumbai – 400 001 Code No. 513097	To, National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Code No. SBCL
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Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcription of Earnings Conference Call with Investors/Analysts held on August 07, 2026

Dear Sir,

Please find attached herewith transcription of Earnings Conference call with Investors/Analysts held on August 07, 2026. Kindly take the same on record and acknowledge.

You are requested to take the same on record.

Thanking you,
For Shivalik Bimetal Controls Limited

Aarti Sahni
Company Secretary
M. No: A25690

Shivalik Bimetal Controls Limited (SBCL)

Q1FY27 Earnings Webinar Transcript

Friday, August 7th, 2026: 3:00 PM IST

Speakers from the Management:

1. Mr. Sumer Ghumman- Whole-time Director

Moderator:

Good Afternoon everybody, it's our pleasure to have you here today for Shivalik Bimetal Controls Limited's Q1FY27 Earnings Webinar produced by ElevEase.

I am Shankhini - Director of Investor Relations at Dickenson, and I will be moderating our call today.

Joining us from the Shivalik's management team is:

1. Mr. Sumer Ghumman- Whole-time Director of the Company

Before we get into his opening remarks, kindly note that this conference is being recorded, and that some statements in this call may be forward-looking, based on current expectations and subject to risks that could cause results to differ materially.

You can also download the Company's investor deck and press release from the links on the company website or on the NSE. Great. So I'll hand over to you Sumer now to begin with your opening remarks.

Opening Remarks:

Sumer Ghumman (WTD of SBCL): Thanks, Shankhini. Good afternoon, everyone, and thank you for joining us today. Q1 FY27 is a strong start to the year and gives us further evidence that Shivalik is progressing higher on the value curve. We are building on our precision materials and process technology base to participate more deeply in higher-value components, integrated assemblies, and application-ready solutions. The objective is to grow revenue, and to also improve quality of growth, deepen customer relevance and increase the value we capture from our engineering capabilities. This quarter reflects that progress. Consolidated revenue grew 33.4% year-on-year to 182.2 crores, EBITDA increased 35.2 to 43.2 crores, and PAT grew 44.9% to 33 crores.

Sequentially, revenue increased 13%, EBITDA 23%, and PAT 26%, giving us a strong operating start to FY27. Importantly, this margin improvement was achieved while employee costs increased as we invested in capacity, people, and capability, giving us confidence that the underlying operating model is strengthening as we scale. From the quarter, Shunts remained the stronger growth engine, with revenue increasing 18.7%, but bimetals grew 7.4%. India delivered broad-brace growth across both businesses. Europe grew strongly, led by shunts, with the Americas also showing early improvement in shunts with a 30% growth year-on-year this quarter, after a softer FY26. Asia was weaker during the quarter, and remains an area where we are focused on building rebuild... on rebuilding momentum. At the consolidated level, growth was supported by a higher contribution from our subsidiary platform.

As electrical contact scale, precious metal content can affect reported revenue and gross margin, so we remain focused on EBITDA and cash generation. I would also like to thank Rajeev for his contribution to Shivalik. We will surely... we will ensure an orderly finance transition and continuity. Subsequent to the quarter, receiving consent to operate for Phase 1 is an important milestone in the operationalization of our Pune facility. The approved capacity provides a scalable manufacturing platform for cell connecting systems and support our strategy of increasing participation in value-added components and assemblies. It represents an important extension of Shivalik's model, bringing together our strengths in the material science, precision joining, electronics, and application engineering on a single platform.

The next phase will focus on completing customer and process qualifications, establishing repeatable production systems, and scaling in line with program requirements. Over time, they should enable us to deepen our participation in automotive and electrification applications, while increasing the value we deliver to OEM and Tier 1 customers. We look forward to growing our business in cell connecting systems, bus bar assemblies, and PCBA assemblies in line with customer program schedules. Looking ahead, Q1 positions us well for a positive year. Our priorities remain margin quality, working capital efficiency, cash conversion, and selective capital allocation. We will continue to grow the core, recover opportunities in key export markets, and execute on our forward integration objectives carefully.

In summary, Shivalik is becoming a more integrated, higher value, and more resilient precision components and assemblies platform. Q1 shows that this strategic progression is beginning to translate into stronger growth and better earnings quality. With that, let's start with the Q&A session.

Shankhini Saha (Moderator): Thanks, Sumer. Before we begin the Q&A, just a reminder on how to raise your hand to join the question queue. So if you are on your Desktop or Laptop, look for the 'Reactions' button at the bottom of your Zoom window, click on it, then select 'Raise Hand' from the options. Your name should appear in the queue and I'll call on you in order. If you are on Mobile or Tablet, tap on the 'More...' button at the bottom right of your screen, then select 'Raise Hand' from the menu. Perfect, so we'll start with the Q&A session. Our first question will be from the line of Dhruv Jain. Hi, Dhruv, you can go ahead and ask your questions.

Dhruv Jain: Hi, hi, thanks a lot for this. Congratulations, guys, for super numbers. I had a couple of questions, right?. So, you know, you said that, you know, Q1 has been pretty strong, and incrementally, if I'm not wrong, a lot of bus bar revenue has also not come through. So, just wanted to get a sense that for FY27, what would your guidance be for the full year in terms of top line and margins both, and if you could split that into, say, shunts, contacts, bimetals, and, you know, bus bars also, that's my first question.

Sumer Ghumman (WTD of SBCL): Okay. So, you know, bus bars, as you know, and the cell connecting systems are fairly new, so they're just a minimal addition to the revenue in this quarter, and then it's substantially increasing in the current and upcoming quarters. It's a business that, as you know, has just actually just begun. So initially, you know, we were doing some sampling, and we were making pilot lots, etc, but now full production has started, and a lot of that production has not been a part of this Q1. So it's more of it is... there has been some revenue addition in this one month or so of the last month of the quarter, but most of it is going to start reflecting in the current quarter and the upcoming quarters.

With even the current quarter being very, to some extent, quite limited because of, because our real manufacturing, the main manufacturing facility for this actually becomes fully operational only in October. Right now, we've got only the first phase running, as we've been making clear. So now, coming to the expectation of what we, or what we are seeing from our customers and what forecasts we have, we expect that on a Shivalik standalone basis, we expect, like, maybe a 44-45% revenue coming from Bimetal, and 54-55% coming from shunts. With shunts, obviously, it's a little bit different from what it used to be. Have you been mentioning that, you know, we've converted a lot of our business from ready-to-use strip for resistor manufacturers to final components.

So, so the value there, as well as the value added there, is consistently increasing. But keeping that in mind, we expect 45%, and a 55% between this. On a consolidated level, I think we would be more like, maybe around, you know, like a 30-35% of total consolidated revenue would be from, somewhere between the 30% to 35% should be from the contacts business, which is the wholly owned subsidiary. And, we expect that, from... from the... these assemblies, the PCB assemblies and these, bus bar assemblies, we expect, like, maybe a... about a... in the first year, maybe about a 15-16% of total revenue coming from that.

Dhruv Jain: No, so this is helpful. I was talking about what's the growth number that you are envisaging in FY27. So, I mean, we can then do the math around the proportions that you've spoken about, but broadly.

Sumer Ghumman (WTD of SBCL): I think proportions is something that probably you need to hear from me, and then you can work the other way around. Anyway, so... so growth, you know, we... if things go as per what we have in, in forecast, etc, or what expectations we have from the customers, we could... we could, on an overall revenue basis be looking at somewhere... somewhere between the, you know, that 20% to 30% kind of a number. It depends on a lot of factors, we are still pretty early on in the financial year. But yeah, we are working towards, and we have expectations of business in that kind of a range.

Dhruv Jain: Got it. My second question, Sumer, you know, was that, you know, I was noticing your largest customer's recent earnings announcement. It seems that the category that you're present in has seen a significant surge in order book. So, does that mean that for the next, say, 1 or 2 years, at least in the shunt resistor side, we should start to see that meaningful recovery that you've been speaking about in the last year, year and a half?. Actually finally, you know, starting to come to fruition, and US as a geography starts picking up meaningfully. I understand you're doing it for the other geographies as well, but, you know, it was interesting to look at that number that your key customer reported, so....

Sumer Ghumman (WTD of SBCL): Yes, so that's what, you know, the key customers have actually given us an expectation for this year, and those numbers look pretty encouraging. And the good part is that, you know, this resurgence that we are experiencing from that customer is now in the form of a much more higher value-added business as compared to what it was a few years ago. And, so not only do we go back to those levels, but we expect to go back to those levels with a much higher value add.

Dhruv Jain: Got it. And, you know, any key end markets that you're seeing a lot of traction, at least with respect to that customer, you'd want to call out, you know, a couple of qualitative aspects there?.

Sumer Ghumman (WTD of SBCL): Yeah, the two areas where we are seeing a lot of growth coming in, or a lot of developments happening at a very fast speed because, you know, the market demand is there. One is two-wheeler EVs. And a lot of developments happening there, and when such developments happen at this, with this kind of a demand increase in demand, then everybody goes into a very fast development mode. So, we have a lot of pressure on these opportunities. shunts to be used for that, and then as we produce these cell connecting systems, and as we scale in that, that demand will continue. Currently, a lot of that business, or a lot of that, those components are imported, but as we get more into that, we'll see a demand.

But even for our shunts, as of now, as just shunts on their own, because all these two-wheelers use shunts directly as well. So we're seeing a lot of new developments and a lot of fast developments happening, actually, in that area. The other place that we're seeing a consistent growth is smart meters. So when, when we talk of shunts, these two, both these, both these areas we are seeing, as an end-use case, we are seeing a lot of growth or expected growth.

Dhruv Jain: Got it. No, thanks a lot, Sumer. This is very helpful, and all the best.

Sumer Ghumman (WTD of SBCL): Thank you, Dhruv.

Shankhini Saha (Moderator): Thanks, Dhruv. We'll move on to the next question. We'll take the next question from Nirali Gopani. Hi, Nirali, you can go ahead and ask your questions.

Nirali Gopani: Yeah, hi, thank you for the opportunity. Hi, Sumer. So my question is on the revenue for this quarter. So when I look at shunts, is it largely driven by the conversion from stripped to high-value-added products?. And how much of contact's revenue would be silver-led, the pricing lid?.

Sumer Ghumman (WTD of SBCL): Hi, Nirali. So, yes, basically, you know, a lot of the increase, and specifically in the value add more than in the revenue itself. Because, see, part of the revenue of even the shunts can be attributed to an increase in material prices from, let's say, you know, last year to this year, there has been a substantial increase in copper prices. And a lot of the materials, a lot of the cost of raw material that goes into the shunts is copper-driven. It's either directly copper or some copper alloys. So, so some part of it has come from there, but... still there is an increase beyond that, and especially an increase in the value addition that comes from, as you rightly said, from the conversion of strip to parts.

Now, between the two quarters compared, for example, our strip production has actually... or our strip sales in shunts has come down to nearly one-third of what it was last year, that same quarter. And interestingly, that whatever leftover strip quantity, that one-third that's left, is actually the higher value-added strip. So in strip also, we had a you know, 2-3 types of strips that we were supplying, and the lowest value-added ones are converted into parts which have become automatically higher value-added in comparison now. And the leftover strip is actually also a higher value added strip. So that strip business, if it continues also, it's great for us, because it's a higher value added, more, you know, tolerances-wise, or dimensions-wise, a more complicated size.

So, yeah, that's with the shunts, and when we purely look at silver pricing affecting the revenue growth, the answer actually lies if you do a sequential comparison between Q4 last year and Q1, between these two quarters. Silver as a material, or silver as a bullion price, has actually gone down a little bit. And in some... sometimes it's been similar, but it's actually overall gone down. So, but we've still... we've still experienced growth. Now, when we compare this quarter to Q1 last year, there you will see that there's been a, nearly, you know, silver is nearly more than double of, almost, just a little bit over double of what it was last year. So I would say about what you purely see as revenue, about half of that revenue growth can be attributed to silver, silver, alone.

Nirali Gopani: So, so Sumer to put it in a simple terms, of this 33% of revenue growth that we see in the quarter, how much of that is sustainable, keeping aside the commodity prices?.

Sumer Ghumman (WTD of SBCL): I think about what I said earlier, you know, when you... you... somewhere in this, in this 20 to... 25, or like I said earlier, if we go as per the developments that are happening, we could somewhere be in between the 20 to 30 range.

Nirali Gopani: Okay, fair enough. And what would you attribute this increase in the EBITDA margins to?.

Sumer Ghumman (WTD of SBCL): a lot of that... a lot of that comes from, again, from two areas. One... one, it is coming from... first of all, even... even for a lower growth area like thermostatic bimetals, even there, we are seeing an improvement in margins, because... because we have followed this, you know, higher value-add component strategy to some extent, even there. For example, if we were supplying a thicker or a wider material size to certain customers, we have gone with proposals to supply a finished component or add some more value to our process. So we are working on... so we... although minimal, but there is still a margin, or an earnings increase, even in the lower margin business segment.

But a lot of it comes from... from shunts, and because we've switched from those strips, those lower value-added strips or components, a lot of that EBITDA margin increase is coming from there. So, yes, that part is sustainable, because those parts are here to stay. In fact, a strip business is probably sometimes less sustainable, because a strip

can be sourced from, let's say, a competitor. But when we have developed a very high precision component for a customer, the chances of that business going away, other than its lifecycle finishing, or other than some kind of a major design change happening, which is very unlikely in a short period of time, that usually isn't the case. So... so that business actually becomes sustainable. So the vast majority of contribution coming into the EBITDA is coming from a sustainable source.

Interestingly, some portion of profitability also does come from materials. Because certain, you know, way of costing is such that certain percentages do come in, but that's a very minimal amount. So what we see is that what you'll see, that some margin will increase, because of materials going up. And that usually ends up showing when the materials have gone up a lot. So, with slight increases in materials or slight reductions in materials, you will not see a huge difference, but materials have been a little bit, you know, different than their usual trajectory in the last one and a half, two years, you know how things have been, especially in cases of silver, etc. Definitely, sustainable, majority of... if it was the other way around, and a large portion of our profitability was being attributed to materials going up, we would be really worried. A large portion is, since it's coming from a sustainable source, we feel confident.

Shankhini Saha (Moderator): Nirali request you to join the follow-up queue by raising your hand again. We'll certainly take more questions from you if we have time. Perfect. Thanks, Nirali. So, we'll go on to the next, participant asking questions. Deepan Narayanan. Hi, Deepan. You can go ahead and ask your questions.

Deepan Sankara Narayanan: Good afternoon, everyone. Thanks a lot for the opportunity. So firstly, one of our large US-based clients has delivered very strong growth in the ECA-related application with their MOSFET division. So, do we expect more volume growth from their higher growth from MOSFET, or we supply only to their resistor division?.

Sumer Ghumman (WTD of SBCL): No, we only supply to their resistor division, but we expect, we expect some increase in, you see, our product is actually something where the customer can give us very black and white numbers. Because they know that what are the expected volumes of the final product, where our product is going. So we do get sort of a year... year-wise, or at least for this current year, we know that how many components are expected to be shipped out to them for this, and... because we actually know where that product is being used in the end. So it's also, you know, we can also do a sort of an analysis on our own to see where that trajectory is going. now, the volume that we see from that same customer coming in is for, specifically for, two or three automotive giants, which I'm not at the liberty to talk about because of the NDAs in place, but... So we have an idea, and they have, they have given us an idea as to what these volumes would be, and so it's easier to estimate.

Deepan Sankara Narayanan: Okay, so does their MOSFET division also use some kind of shunts in their products?.

Sumer Ghumman (WTD of SBCL): See, shunts are a very, it's a general product, there are many different types of shunts. What we manufacture are very specific EB-welded strip shunts, which is a very, very small portion of the many hundreds or thousands of different types of shunts that exist. So, although we don't have any such development with them happening at this point, we have some other developments in areas, but they're only linked to their resistor unit, or resistor portion of their business.

Deepan Sankara Narayanan: Understood, sir. On the Bimetal side, so what is our expectation, or when do we expect, the growth to be turned around, in this, segment?. Because Shunts has been doing well for some time. Now, Bimetal has been, struggling across region, so do we expect, growth to return in, 27?.

Sumer Ghumman (WTD of SBCL): Yes, interestingly, just, you know, in the last few days, actually, we've been, getting a lot of you know, from our existing customers, we are getting a lot of information about increase in quantities, expected quantities. And a lot of that, I think, is coming from, real estate as well as from infrastructure development. For the first time in, actually, quite a few quarters now, like, 4 or 5 quarters, we are actually getting this kind of a feedback from the customers, wherein... and we are actually seeing it in this current quarter, that Bimetal is, for the first time, seeing an uptake in terms of not value or anything, but specifically in terms of quantities.

So we do find that information from our customers very accurate, because 70-80% of thermostatic bimetal consumption is kind of evenly split between 4 or 5 large players. So, you know, it's fairly easy to get the right amount of data about what's going on, and we... and this, by the way, all this time that I'm... all this increase, or expected increase that I'm talking about is specifically more towards the Indian market. So, for the first time, we are seeing an uptake, or an expected uptake, including for this month, for the domestic market. We are... we do have a few developments in place that could add decent, volumes for thermostatic bimetal for some export opportunities, which, I don't know if you've been following, but which had sort of taken a bit of a backseat during the tariffs issue with the US. A lot of those you know, I'm happy to say that a lot of those developments have restarted, and with some customers. And by the way, those customers are all our existing customers, so with them, we are working on a couple of larger volume opportunities. Now, those, of course, are not something that we foresee are going to add a lot of revenue in the coming, say, one or two quarters, but let's say slightly longer term, like 4 quarters or so, or a year from now, we should see added revenue coming from those developments as well. So if we see a substantial Indian growth, and then by then, by 2 or 3 or 4 quarters, we start seeing an increase in those developments, which are in the middle of you know, testing, et cetera, right now, we should see Bimetals going in a growth direction as well, finally.

Deepan Sankara Narayanan: Thanks a lot, and all the best for future.

Sumer Ghumman (WTD of SBCL): Thank you.

Shankhini Saha (Moderator): Thanks, Deepan. Next question will be from the line of Rushit Shukla. Hi, Rushit, you can go ahead and ask your questions.

Rushit Shukla: Yeah, hi, thank you, thank you for the opportunity. I just wanted to ask questions regarding the new side of the business that is bus bar and the cell system that we are manufacturing. So, I just wanted to know what... what is the, runway, and currently, how... how much of, orders that we have received from how many OEMs?. And also, what is the, guidance that management gives for FY27 as a whole?.

Sumer Ghumman (WTD of SBCL): Okay, so this product, actually, you see, we don't... we develop it sometimes for certain types with the OEMs, but our customer actually is the supplier to the OEM. So, again, we have, you know, the final user of the first... the first product that we started in the cell contacting System Division is for a specific customer, end user, which again, due to NDA-related issues, I cannot take the name of that customer, but it's through the supplier to that customer, and that, actually, the NDA is with that company. So, I can tell you that it's a, it's a two-wheeler, major two-wheeler OEM, two-wheeler manufacturing OEM, that has gone in a very big way into EV two-wheelers.

And, that same company that has developed this, the final battery pack for the end user, is also doing it for 3 or 4 major other brands as well. So, although it started with that one OEM for us, but we are currently working with another 2 or 3 designs. And, the steady production as well as sale is right now only for one OEM. By the end of this year, we should, you know, those other developments should start converting into business as well. As, you know, it's sort of... the two things are going hand-in-hand. Our plant needs to be 100% ready to be able to get more of that business. And right now, the capacity, or the first phase that we talk about in Pune, for which we have the CTO, or the consent to operate, that is only specifically can cater only to that one particular model.

So, in any case, you know, even if we had more developments, we would not have been able to add more revenue from it before the end of the year. So, but developments are, are, are in place in this- we expect the kind of business that we are looking at, or the value of that business that we can gain from this Pune facility for this particular thing, you know, somewhere in the range of 300 to 400 crores, and to in about 3 years' time, out of which we see maybe about 10-15% revenue coming in year 1. Maybe about, you know, 150 to 200 crores in year two, and then 300 onwards thereafter.

You know, these numbers obviously are subject to change a lot, because this is also a product that India as a country is still you know, absorbing. For example, to give you some context, if an OEM tells us they're planning to sell 10,000 two-wheelers of a certain model and, you know, the product is not accepted as well, and it turns out to be only 5,000. That changes everything, because if you follow the two-wheeler EV market, it's a product that people are still in the process of gaining confidence. It's a lot better than where it was two or three years ago, where people were still not accepting this as a product. It's a lot better the situation now. And thanks to these... some other things that have been recently happening, you know, the push has happened actually faster now.

The adopting of two-wheelers and EV two-wheelers is speeding up. So, subject to those things, this is the kind of revenue we could expect. And we also feel that once we... once our facility is running, which has a fairly enough extra room for expansion, we can also look at certain other assemblies, which can be used alongside these products, along with some specialization of ours. For example, we supply shunts for the BMS as well for these... all of these two-wheelers. We have an opportunity there if from the same facility we start supplying, you know, like a... like an integrated assembly, that adds even more revenue. So, I think this Pune facility is one step with the revenue that I mentioned, but then looking at these other opportunities that could also be serviced from there, that could add, you know, more revenue. But then this is a sort of a 3-year, 4-year, 5-year plan.

Rushit Shukla: Yeah, thanks for such a detailed response. So, like, what we have understood till now, internally, is that this product can improve both battery life, battery quality, and also the range of the electric two-wheeler. So, like, this could be a breakthrough for the entire industry. So we expect that we are starting with one giant OEM, but if the industry itself is growing at such a high pace, and we can accommodate another 2-3 OEMs, then, like obviously, naturally, if the battery life and, the kilometre capacities increase, then other OEMs will come. So, how do we plan, like, in terms of capacity expansion, like, funding requirements, and also handling so much of, demand when it, products hit the market?.

Sumer Ghumman (WTD of SBCL): You know, if you look a little deeper into this market, you know, it's a lot of two-wheelers, a lot of EV two-wheelers are being manufactured as we speak, right?. The numbers are already there, they are... a lot of those, even... even if you speak of four-wheelers, this applies to that as well. Now, you know, a lot of these existing products in the market import a lot of their major battery components, including the battery pack itself. So, what's happening now, as a lot of that... that supply chain for import is already in place. And to switch from that overnight, or to switch from that very quickly, is not something that a lot of OEMs can do.

For example, they are still establishing their product in the market because, you know, EVs themselves are a sort of a new thing for a lot of people, first-time buyers especially. And so they're not going to immediately, even if there's a substantial cost saving, they're not going to immediately switch a supplier. Even if they say, okay, okay, fine, Shivalik can give us this assembly, or that assembly, and this, you know, they're not going to immediately do that. Why? Because the import supply chain is already in place. Where this comes in is when there's a design change, or there is something specific that's, like you mentioned, that, you know, when a, say, a range -with a new technology, range is going up, or battery life is going up.

In this case, you know, the cell contacting system which uses our EV-welded strip, in this case, the maximum benefit that a user can take from such a... such an assembly is actually not the two things. I mean, not to that extent the two things that you mentioned, whereas it's actually more on the safety side. And if you see why our product has a possibility of a very high volume consumption in the future, is because safety was one of the biggest concerns of people buying two-wheeler EVs in India, because there were a lot of early reports of fires and all of things, all these things that were related to, you know, safety issues. So, I think there, you know, even an import supply chain can be bypassed to be able to design a product that's more suited to Indian conditions, which has been reporting these kind of safety issues. So I think our biggest selling point first comes more related to becomes more related to safety.

Shankhini Saha (Moderator): Thanks, Sumer, and Rushit, you can raise your hand again to join the follow-up queue. What we'll do is move on to the next participant. So, our next participant asking a question is Naushad Chaudhary. Hi, Naushad, you can go ahead and ask your question.

Naushad Chaudhary: Yeah, hi, thanks for the opportunity, Hope. I'm audible.

Shankhini Saha (Moderator): Yes, Naushad, go ahead.

Naushad Chaudhary: Yeah, congratulations, Sumer and the team, for a very good set of number. Two questions, first on the, bus bar side, you indicated the, potential of this product could be 300-400 crore rupees of, business. Now, assuming if we, you know, have to reach there, how much incremental investment would require a Pune facility to achieve that number?.

Sumer Ghumman (WTD of SBCL): Hi, Naushad. So, the CAPEX requirement for this entire project is somewhere in the, you know, ballpark of about 20 to 25 crores. But, but again, you know, we sort of, we clarified this because it's somehow doesn't sound right, that with that kind of investment, how do you generate that revenue?. So, a lot of the high capex process, or the high capex, part of this whole product that's there is already there with us, let's say, in Solon, right?. And that capex is already done. So, and that capex is already done. So, it's... standalone, the incremental CAPEX of Pune doesn't fully justify, or doesn't paint the right picture. So, but yes, that's... since that is the case, the Pune project is estimated in this phase.

So, in this phase where we are talking about a possibility of reaching that, thereafter, when we talk about making more assemblies, or we talk about making more different types of finished integrated assemblies there, you know, the number could change. But as of now, the exact specific product that we're targeting and the exact capacity that we're targeting is expected to be a capex of about this much.

Naushad Chaudhary: Interesting. And second one on the, new, any new development, if I remember, we had been indicating, our interest into precision... electronics component, which may evaluate and get into, any, development on that site, or any other new initiative which can, you know, help growth beyond, 28-29.

Sumer Ghumman (WTD of SBCL): Yes, so there are two, two areas which are, you know, there are two areas where we are working with potential you know, technology partner or a JV kind of a setup. We haven't reached-we are still in talks with them as to... we are still in the process part of it. But yeah, the two areas narrowed down to a very, very specialized material for some electronic applications, but it is a... is a metallurgical, specialized material that is used in... massively in most electronic applications, and very few companies in the world make it. So we are in the- again, I apologize, but, you know, I can't give very specific details of it, because it's still in talks, and the technology partner that we're talking to, you know, with that comes under a very strict NDA.

But I can say it's a specialized material, so it's a very interesting thing for Shivalik, because it's got a metallurgical specialization to that product, but supplies to a vast, huge market size within the electronic space. And that is exactly the kind of product for future growth or future addition that qualifies for, let's say, a company like Shivalik. This is exactly what we should... we have... there are two areas of expertise that we feel. We are in precision components for electronics and automotives already, you know, have all of those systems in place to cater to that, but our core actually lies in metalworking. So this becomes actually a very, very good product for us to consider, and hopefully, you know, by the time we have our next earnings call, we should have a lot more concrete information to share on that development.

Similarly, there's another project which is related to automotive fuses. Now, automotive fuses have also, you know, for the longest time been a commodity product, but it's also very few manufacturers make those automotive fuses. And then beyond the automotive fuses that we see in cars, which we generally talk about, there are some other fuses that are in individual equipment within an automotive, you know, fuse box. And those are the ones that, some of

those designs meet our, you know, joining capability ethos. So, we are also, again, with some fuse manufacturers, we are in talks as to which one we could materialize. Now, both these developments could result in some kind of a partnership, or some kind of a technology partnership, or even a, you know, some kind of a smaller size, or some kind of an acquisition to buy that technology and bring it here.

So we are, you know, exploring those kind of options, too. So, to answer your question, yes, these developments are going on. Other than this, there are quite a few others, but I would not mention them right now, because those are not, you know, in any, advanced stages, but these two kind of closer to, something coming out of it. So this is where we are working on, and I think I've mentioned this a few times. One very useful step that we took in Shivalik was to segregate people, or a team of persons who look at these kind of new technologies and new... we totally understand that, you know, this... our business with whatever best we can do with it, growth-wise has limited scope in terms of scalability, and until Shivalik goes into these kind of new product verticals, the real growth or the real scalability only comes then. But we don't want to do it at the cost of whatever best we can do with what we have, so we have to work alongside each other and, you know, not let the two things come in the way of one another.

Shankhini Saha (Moderator): Thanks, Sumer, and thanks, Naushad. You can keep your hand raised for the follow-up queue, and we'll certainly take more questions if we have time in this session. Our next question will be from the line of Bhavya Nahar. Hi, Bhavya, you can go ahead and ask your questions.

Bhavya Nahar: Hi, can you hear me?.

Shankhini Saha (Moderator): Yes, go ahead, please.

Bhavya Nahar: Alright, congratulations on the result. I just have one question on shunts. Could you please, if possible, exactly indicate what proportion of the growth was driven by value-added products versus the underlying commodity increase?.

Sumer Ghumman (WTD of SBCL): Yeah, so, well, we were just reverse working on that. So, the strip business basically has, like I mentioned, strip business has come down to about one-third of what it used to be, and all of the value-added business all of the growth that you see right now in the shunts has come from... basically come from two things. One is the material cost, and some... and a bigger number comes from the value addition of... so, if we were to see that out of the overall growth, roughly about 70-75% of that value addition growth has come from, from converting to value-added parts rather than from the materials. The rest of it has come as a contribution from material, commodity prices.

Bhavya Nahar: Thank you.

Shankhini Saha (Moderator): Thanks, Bhavya. The next line of questions will be from Vivek Seth. Hi, Vivek, you can go ahead and ask your questions.

Vivek Seth: Thank you so much for the opportunity, and congratulations on the good set of numbers. My query is now that seems to be generating a lot of cash in future, and, majorly the Capex is done. Any plans for the future with respect to inorganic growth?. By mutual acquisition?.

Sumer Ghumman (WTD of SBCL): Hi, Vivek. So just one question ago, this is what we were discussing that someone mentioned, that, you know, we are, closely and not interfered by the day-to-day business as well as these developments within our business. We have a separate, you know, group of people who are working constantly on these new developments. So we have identified two or three opportunities which could result in a... either a greenfield project or a, you know, technology partnership. Those details are being worked out.

But we are very closely working towards materializing at least one or two of those projects soon, and announcing them, because we also, you know, we know for two reasons. One is, of course, the cash that we are generating. We want to deploy it to a good business opportunity that matches the ethos that we've so far, you know, worked on, and that, as well as we also know that, you know, like I mentioned, real scalability for our business will come from adding more such verticals. So these two reasons make it very, very important for us to materialize these... some of these new opportunities without, of course you know, jumping into something that, just for the sake of it, rather than- We want to be conservative in the right way, but also, you know, want to focus on these new opportunities with a growth mindset.

Vivek Seth: One more quick question. How much portion of the revenue is going towards the switchgear portion of the sales?.

Sumer Ghumman (WTD of SBCL): So, about 45% or 40% or so through, through Bimetal. In fact, by the way, the contacts business mostly caters, also about 60% of the contacts' revenue goes into Switchgear, so about, between 45 to 50% of total revenue for the switchgear related.

Vivek Seth: Thank you so much.

Shankhini Saha (Moderator): Thanks, Vivek. We'll take the next question from Raj Agarwal. Hi, Raj, you can go ahead and unmute your line and ask your questions.

Raj Agrawal: Hello?.

Shankhini Saha (Moderator): Go ahead, Raj.

Raj Agrawal: Thank you so much for the opportunity. Sir, I had two questions. First, a previous participant already asked this question. Since our Busbar product is a much better, or offers a much better safety solution to the customer. I understand that it will not happen immediately, but do you expect that eventually, maybe, like, you know, 5-7 year journey, every two-wheeler auto company will be using our solution or an EBW solution in their vehicles, battery solution makes?.

Sumer Ghumman (WTD of SBCL): Yes, for certain applications, definitely. You see, if anything adds to an improved performance. Now, when you still look at, you know, where the answer actually lies in this, even a slight improvement in whether it's safety or performance, when... when we add, suppose, an EV welded component, which adds this additional dimension of safety, let's say, the overall cost of the product, or the final product, doesn't drastically go up, or let's say the overall cost of this product as, let's say, even a battery pack, let alone the final two-wheeler. But even a battery pack within the two-wheeler does not go up drastically.

Now, for example, if we were to compare two types of assemblies, one with an EV welded and one without the EV welded. There, the total price difference between those two may be in a few hundred, maybe a few hundred out of an assembly that's, say, 3 or 4 thousand rupees, you know?. And it is eventually going into a product which is going to be 25 to 40,000 rupees, the pack itself, or the pack and all of its components. So, so when you look at it from that point of view, let's say in a 25,000 to 40,000, let's say 100 to 300 range, or say an average of 200, is really not going to have an impact for somebody to decide that let's go with a... so price is not... obviously, since price is not the deciding factor, then there is an absolute possibility that wherever such an improvement happens in our product, we have an opportunity to access all of those products.

At some point, I mentioned in the past that some of these solutions are already imported as it is, and sometimes it's difficult to change, even for an OEM, that supply chain, because of the way it works. So some of them have to wait for the life cycle to end. But yes, eventually, when you... as you rightly mentioned, and that's actually the right way to look at it, in that 7-8 year period, that is absolutely doable and possible. And by then, if we have specialized ourselves in

making various types of other components, for example, you know, even the PCB assembly for the BMS itself, even that becomes an added opportunity, and every two-wheeler possibly could have that.

Raj Agrawal: Well, that was super helpful, Sumer sir, and my second question, sir, you know, this bus bar, as well as our EBW capability, also translates into areas like, you know, these areas that are just coming to India, aerospace, satellites you know, data centers. So, do we have any relevance in these areas?. Are we working in this consumer electronics?. Are we working in these areas?. Any updates on that side?.

Sumer Ghumman (WTD of SBCL): So, you see, anything that requires current sensing measurement to be accurately done, and one big, big area over there is energy storage. So battery energy, because energy, renewable energy without, without, energy storage- it doesn't exist. So as renewable energy requirements, or- okay, again, so let me go a step backwards. You see, in most of, most of where our product goes, a lot of that equipment itself was always imported, and that applies to even, you know, when you look at a relay in a smart meter, or you look at a battery pack of a two-wheeler, or you look at a battery storage application, you would see that a lot of it is something Shivalik cannot or could not in the past, to some extent, target, because our usage was in the product in the middle, and that is something that was, until very recently, and even in large quantities even today, imported. So, as we see more of that ecosystem in India being created, for Shivalik's product, don't look at the final product alone, because final product alone will never paint the right picture. And a very good example for that is to study the smart meter business. When smart meter manufacturing in India was really going up, Shivalik's sales in smart meters was not that much, but it was a small penetration, and we used to always tell people who would ask us that why your shunt businesses not growing if smart meters are growing.

That's because our part goes into a relay, and the relay was still being imported. So even though there was a huge growth in smart meters, it was not coming to us because of the relay. Now, apply that same logic to a lot of these other applications. When we talk about all these two-wheelers, and these bus bars, and even these EB welded designs, all of this is very new, not because the two-wheelers themselves are new. Two-wheeler, now we are seeing growth. But two, electric two-wheelers have been around for a long time, actually, if you see. But why we were not supplying to those volumes is because the ecosystem to make these components in between, like the ecosystem to make these packs in between, etc, didn't exist in India.

Raj Agrawal: So, just a small thing here, like, but, like, how long do you think that this ecosystem gets made?. And, you know, how long, much time will these industries, you know.

Sumer Ghumman (WTD of SBCL): It's already happening. See, it's already happening. Now, that is why our business has a potential now, because we see this change happening. And now, you know, it sort of... it has a domino effect, right?. So, for example, one major OEM has developed it in India through its supplier. It's automatic that, you know, one by one, everybody gets into that. Nobody wants to import these huge battery bags, and nobody wants to import these huge, you know, these components as... especially with four-wheelers. Now, I mean, let's go a step ahead, and we haven't spoken much about it, but if you look at four-wheelers, it's the same story.

Right now, you know, let's say a large OEM, like a Maruti Suzuki, or a Mahindra or Tata, for a lot of their models, they still import packs. And that means that entire system comes from there, not ready to be used and assembled. They don't want to do that, because they want to have local suppliers making all of those things. So it's hard to say when it will happen, but the thing is, it's happening. It takes, you know, time for a country to change this assembly mindset to a complete ecosystem manufacturing, and I think a lot of people will play a role in it. It's not just you know, a few manufacturers or auto manufacturers. It's the government, it's the schemes by the government, it's the ease of doing business. There are a lot of moving parts that have to move together. Good news is that it's happening. Now, at what pace it happens is something that, you know, even we can't say.

Shankhini Saha (Moderator): Thanks, Sumer, and thanks, Raj, for your questions. You can keep your hand raised to join the follow-up queue. We'll take the next question from Dhaval Shah. Hi, Dhaval, you can go ahead and ask your questions.

Dhaval shah: Yeah, hi, Sumer and team. Broadly, my question is answered, but just, again, touching a bit on the electric vehicle and the way, you know, we're seeing the bookings and the demand today. You know, and you were drawing your business plan six, eight months ago versus today. What has changed for the company, seeing the current, demand for electric vehicles in India?. And maybe you can also touch upon, you know, even though globally the trend is picking up really strong, like, Chinese OEMs are conquering European-American markets. So, what has changed for Shivalik, you know, with this entire EV demand across two-wheelers and passenger vehicles?. We have spoken a lot about two-wheelers, how Shivalik benefits, but if you can also touch upon how Shivalik benefits with creative four-wheeler demand. Thank you.

Sumer Ghumman (WTD of SBCL): So, you know, thanks, Dhaval. The thing is that a lot of the increased volume that we are seeing from you know, some of our existing customers for, for shunts, they're not in assembly forms, they're just, you know, just the metal components, just the... to venture. And then stamp concrete.

Shankhini Saha (Moderator): Sumer, just one moment. Dhaval, do you mind muting yourself while Sumer is speaking? There is some background noise.

Dhaval shah: Yeah, yeah

Shankhini Saha (Moderator): Thanks. Go ahead, Sumer. Sorry about this.

Sumer Ghumman (WTD of SBCL): So, a lot of that is coming, actually, interestingly, from larger Chinese OEMs. And why that is happening, because, again, you know, it's sort of an extension of what I was mentioning earlier. Where our part goes, or what we manufacture, really, which is fairly... very important, but fairly small in the value part of it, in the four-wheeler is... is something that, you know it's not just decided on the basis of price as to whether somebody would buy that from Shivalik or not. It usually comes down to accuracy.

And when it comes down to accuracy, then it becomes even more important as to which supplier is going to supply that component. And what we have seen is that, you know, with one of our larger resistor customers that they have recently, you know, patented certain designs where they have a far greater accuracy than they had originally in those resistors. So not only are, let's say, some of the American large OEMs buying now from there, even some of the larger Chinese ones are buying from there, because a Chinese EV can enter or conquer the entire market for selling a product that should be \$60,000 for \$20,000 but they're still going to buy that same \$5 shunt or a \$7 shunt, as long as it's providing that accuracy.

To come down from \$60,000 to a \$20,000 EV, they don't necessarily need to look at cutting down \$2 in the shunt. So, the deciding factor actually becomes the accuracy, and so now this recent patent development, this is actually a very recent thing. When I say recent, it's about it's about a year old. And, you know, this was all happening at a time where the whole world was asking us, oh, you know, all your US business has gone away, or all this large business within ourselves, we knew that we are going into a much larger thing eventually.

But of course, we were, you know, not at the liberty to talk about it at the time. But yeah, these things do happen, you know, things get modified over time, and technology changes. And so, so, so the opportunity for, for four-wheelers is a lot but when it comes to fully made assemblies there, you know, we need to add that to our- what we are developing, let's say, in Pune, what we are doing for two-wheelers. We also have a plan to introduce those kind of assemblies for four-wheelers, starting with the Indian market, so that is the other four-wheeler area that we are working on.

So one is through our large customer, who eventually makes, you know, value-added product out of those resistors. So a large chunk of that business will remain as it is. Although some of those will eventually get into a bit of forward integration as well, because that's what the customer is asking us to do, but that's, again, a development. And then the CCS assemblies that we talk about for two-wheelers, there's an opportunity for certain four-wheeler designs as well for us to introduce. So those are, we are in talks with the manufacturer for the battery packs alongside the OEM to look at those opportunities, assess them where all... and where all we can push our product of, like, an EB welded design.

And by the way, I mean, we can go ahead and enter these assemblies as a non-EB welded design to begin with, and then eventually go into a future development with EB welding. So we have that flexibility as well. So alongside the two-wheelers, even though, because that is what is converted into business first, so we speak about it more, and usually we typically try not to talk too much about business that has not actually started, but alongside, we are working a lot on the four-wheeler CCS as well as four-wheeler assemblies.

Dhaval shah: So, regarding the Chinese OEMs, so were they procuring domestically, the shunt and the resistor product which your customer is now supplying to them?. Or how was it before?.

Sumer Ghumman (WTD of SBCL): You know, it's very interesting, because it's not... it doesn't work, again, it doesn't work like that. So, for example, let's say that, let's say there are 4 suppliers for a similar type of shunt. It's not always a necessity, let's say somebody sitting in China doesn't necessarily have to buy it from a Chinese source. He will say that, okay, look, this is where I'm getting the maximum accuracy for my design and I will source it from there.

Now, to give you a real-life example, there are two customers who produce BMSs in China, but they're not Chinese companies. But they don't source the shunt or the resistor from China, they buy it from us in India. Similarly, there are some... probably some shunt applications wherein the design works better from another supplier. Let's say, even if somebody is based in India, but their design works- the way their design is, that accuracy, they're achieving more with, let's say, a German competitor of ours. So they will continue to buy from there because of that accuracy. Now, it's not like we cannot reach that accuracy, but they don't necessarily need to change it or risk changing it right now.

So, the decision- to buy it from, whether it's from a local source or not from a local source, actually, in these shunt resistors doesn't exist. Because, again, it comes down to the total percentage value of the product. It's accuracy that matters more, and it's not like you can say that this supplier is more accurate than the other. It could be for a particular design, it could be for a particular application of that design, so there's far too many variables to know, and there's far... very few suppliers for it in the first place. So, you know, it's a very, very different ecosystem to try and understand. It works very different from a traditional business. I don't know if I was able to make myself clear, but whatever best I could do.

Shankhini Saha (Moderator): Thanks, Sumer. That's great. So, thanks, Dhaval. I think, you can write to us for your follow-ups. We'll take one more question. We'll go ahead with Gokul Handa. Hi, Gokul, you can go ahead and ask your question.

Gokul Handa: Hi, just want to understand, I think now we're seeing, now that we're seeing revival in the US shunt business, what kind of concentration would we have, with our largest customer?. Because, that has been significant in the past, so just want to understand that and, you know, are we able to take steps to, diversify away from that?.

Sumer Ghumman (WTD of SBCL): Yeah, yeah. So, we've had a very healthy trend of going from the maximum exposure we ever had to one customer was, at one point, you know, somewhere between the 35% to 40% mark, which was obviously giving us sleepless nights at the time. But, now, you know, even with this growth coming back, and our diversification is a lot more healthier. Even this year, for example, once, you know, those numbers, the way they are supposed to be going, and the way we expect them to go, even then, in that maximum case scenario, also, it

will not cross, you know, 17-18% level, and so we come back to those original levels of what at one point of time used to constitute of 37-38%, but it will still remain well below 20%.

Gokul Handa: Got it. And one last thing, could you also help me with the number on your capacity utilization?.

Sumer Ghumman (WTD of SBCL): Well, so for shunts, you know, it's a little bit difficult to say, because if we...shunts involve, not just shunts for all of our products, actually- they involve a lot of processes. So, usually what we do is we calculate our capacity on the basis of the most CAPEX-intensive process. And, because, you know, of course, if you want to increase capacity, we don't necessarily always have to get all of those processes, because, you know, there's 8 or 10 different other processes involved. So, if we just simply, for example, if we look at shunts, and we look at shunts, we would translate that to a welding capacity.

So, if we look at purely our welding capacity, right now we are at about 65%-70% of our welding capacity. And, we, you know, in a short, like, say, 2 to 3 months kind of a window, we can always quickly add capacity, because we always keep spare ready-to-build capacity in terms of spare parts, etc, to add that, to increase the speed, or to increase additional smaller line. So, in a very short notice, it can be increased. Whereas for thermostatic bimetal, it's a different story, because increasing that capacity actually takes a lot of time. It's also very highly CAPEX-intensive.

Also, it takes many years to get that process right. So, in case of Bimetal, we are only at about 40-45% of our capacity, but we had to put in that larger capacity earlier because there is no other way around it, so we knew even at the time that we'll only be able to, over a few years, reach some vast majority portion of it. But, yeah, so capacity utilization, again like, some of the other things I mentioned, does not work, similar to a lot of other businesses. It's a little bit... you know, complex.

Gokul Handa: Got it. Thank you.

Shankhini Saha (Moderator): Thanks, Gokul, and thanks, Sumer. I see there's a few participants still in the follow-up queue, so please do write to me at shivalik@dickensonworld.com, and I'll make sure the team sets up some meetings for you, so you get all your questions answered to your satisfaction. So before we wrap up, just a big thank you to you all for being part of Shivalik's growth journey, and for attending this call. I'll now hand over to Sumer for closing remarks.

Sumer Ghumman (WTD of SBCL): Thank you, Shankhini. So, quarter one gives us confidence that Shivalik is moving in the right direction, with stronger value capture, improving earnings quality, and a broader platform for growth. As we progress through FY27, our focus will remain on disciplined execution, cash conversion, and scaling our higher value components and assembly capabilities. Thank you for joining us today and being a part of Shivalik's growth journey.

Shankhini Saha (Moderator): Thanks, Sumer, and thanks to everybody for spending your afternoon with us today. You may now disconnect your lines. Cheers.

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