



Sundram Fasteners Limited

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National Stock Exchange of India Limited

Symbol - SUNDRMFAST

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By NEAPS

BSE Limited

Scrip Code - 500403

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Mumbai - 400 001

By Listing Centre

Dear Sir / Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-Transcript of Analysts/Investors Meet held on August 06, 2026

Further to our letter dated July 31, 2026, on the subject, please find attached the transcript of the Analysts / Investors meet held on **August 06, 2026 (Thursday)** for your information and records.

The transcript is also available on the Company's website at <https://www.sundram.com/recentupdate.php>

Please take the above information on record.

Thanking you,

Yours truly,
For Sundram Fasteners Limited

G Anand Babu

Senior Manager – Finance & Company Secretary



Sundram Fasteners Limited

“Sundram Fasteners Limited Q1 FY27 Earnings Conference Call”

August 06, 2026



Sundram Fasteners Limited

Aventus[^]
SPARK



MANAGEMENT: **MR. DILIP KUMAR – CHIEF FINANCIAL OFFICER –
SUNDRAM FASTENERS LIMITED**
**MR. S. BHARATHAN – EXECUTIVE VICE PRESIDENT,
MARKETING – SUNDRAM FASTENERS LIMITED**
**MR. R. GANESH – VICE PRESIDENT, FINANCE AND
PROJECTS – SUNDRAM FASTENERS LIMITED**

MODERATOR: **MR. MUKESH SARAF – AVENDUS SPARK
INSTITUTIONAL EQUITIES**



Moderator: Ladies and gentlemen, good day and welcome to the Sundram Fasteners Q1 FY27 Earnings Conference Call hosted by Avendus Spark Institutional Equities. As a reminder, all participant lines will be in the listen only mode, 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.

I now hand the conference over to Mr. Mukesh Saraf. Thank you and over to you, sir.

Mukesh Saraf: Thank you. Good morning, everyone. Mukesh here from Avendus Spark. Appreciate everybody logging into this Q1 FY27 Earnings Call of Sundram Fasteners. From the management team, I'm pleased to host Mr. Dilip Kumar, Chief Financial Officer, Mr. S. Bharathan, Executive Vice President, Marketing, Mr. R. Ganesh, Vice President, Finance and Projects.

I'll now hand over the call to Mr. Dilip Kumar for his opening remarks, post which we'll begin the Q&A. Over to you, sir.

Dilip Kumar: Thank you. Good morning, welcome to call on our Q1 results for FY27. Want to inform everyone we have had a very good start in Q1. We have had 20% growth in the turnover, not only at the standalone, at the consolidated level as well. We have grown from INR1,367 crores to INR1,618 crores.

The growth has been there in all the three key segments in which we have a play, both in OE, aftermarket, as well as exports. Exports, we have grown well in dollar terms, the Q2 outlook also looks quite strong, Q2 as well as Q3. We are quite positive about the coming months.

Talking about the middle line, we have had challenges on account of inflation because of a rise in the cost of inputs, both direct and indirect materials, primarily because of West Asia conflict.

As most of you know in our interactions that we have pass-through arrangements with domestic customers. In the aftermarket, we raise our prices, we are well protected there. Also in the indirect materials, all energy related indirect materials like LPG gas, everything has gone up. We are also in discussions with the customers to get a price compensation.

The profit for the year has grown from INR138 crores to INR150 crores at the standalone level. Thanks to a greater degree of control over fixed costs, this helped us to post about almost 10% growth in profits. The subsidies also have done reasonably well with China leading the way. Strong momentum there in the construction segment. The U.K. subsidy performance has been satisfactory, the domestic subsidy, Upasana, has also had a reasonable run.



Overall, it's been a good quarter. We are quite excited about the coming quarters. Thank you.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Sucrit D. Patel from Eyesight Fintrade Private Limited. Please go ahead.

Sucrit D. Patel:

Good morning to the team. I have 2 questions. The first question to Mr. Kumar is, from a financial point of view, want to understand what key risks or challenges do you anticipate in the coming quarters, and what specific measures are being taken to manage margins, cash flow, and balance sheet strength, especially in areas like raw material cost volatility, receivables, and compliance. That's my first question. I'll ask my second question after? Thank you.

Management:

Yeah. On the financial strength, the company's debt equity, as you would have seen, is just about 0.1 or 0.2, I think. The stability and liquidity, the strength of the balance sheet has never been a concern. On working capital, the increase is in line with the operations. In fact, both in terms of number of days, our inventories and receivables have actually come down.

In terms of challenges from finance perspective, there are none because the liquidity is available, the market, and as you know, the repo rate has been held, and we don't expect the interest rates to go up. So on our capital expenditure, our working capital can be financed out of internal accruals if necessary through borrowings.

On the raw material and indirect material, like I explained in my opening remarks, in the domestic market, we have pass-through arrangements, so we are well protected there. With the settlement reached between the steel mills and the car manufacturers or OEMs, and we raise back-to-back invoices on the customers, and we also pay the steel mills.

In the aftermarket segment, we protect ourselves by raising the prices. In the export segment, we are reasonably protected or well protected, I should say, because of rupee depreciation. This year, with the tariff behind us in a manner of speaking, I think we have also grown in dollar terms. Your second question, sir?

Sucrit D. Patel:

Thank you. My second question to Mr. Ganesh is, from a projects point of view, how are you aligning Sundram Fasteners capital allocation and project pipeline with long-term growth, and what risk do you see in execution timelines, financing or industry dynamics, and any steps taken to mitigate them? Just want to understand a forward guidance on this? Thank you.

R. Ganesh:

With respect to the capital allocation, it's incurred towards enhancing our non-auto business. With respect to growing the auto business in line with the customer requirements, capital allocation is made, and the execution with respect to all projects are as per timeline.



Given the West Asia crisis, whatever the imported content of machinery, that also we are monitoring on a case-to-case basis so that the receipt and commissioning of capital equipments are as per timelines. With respect to financing, we do not see any concern and overall, we are very positive about execution of all projects on hand, our capex is whatever we have planned.

Sucrit D. Patel:

Thank you and best wishes.

R. Ganesh:

Thank you, sir.

Moderator:

Thank you. The next question is from the line of Rushabh Shah from BugleRock PMS. Please go ahead.

Rushabh Shah:

Hello, sir. Sir, in the previous calls you have mentioned that the growth drivers would be the new customers that you acquire. Just wanted to know any new customers that you have acquired in the last three to four years. On the same lines, how many new products have you introduced in the auto or non-auto in the past years? What is the contribution of these new products which you have introduced?

Management:

See, actually, Sundram Fasteners has a clear metric for the new product growth. On a 3-year basis, we have a metric of achieving at least 20%, and we are almost there on the new product front as a percentage of the total revenue that we earn in a year. Over the years, all our verticals have added new products as well as new customers.

In fact, in our venture to expand the portfolio other than North America, we have had good customer expansion or good customer base in Europe as well. In India, almost we have participated with all the new projects that have come up in the recent past. This way, I think all our new pipeline is protected. In fact, we are having over INR1,000 crores pipeline of new projects, and about an equal magnitude is awaiting under discussion.

Rushabh Shah:

Okay. Sir, my second question is on the non-auto side of the business. Just wanted to know your thought process as why did we choose to expand and what is the thing like defense. As we know that it takes a lot of time to get a product approved, and we are working with the defense industry. Is the reason that the margins and returns ratios are slightly above or slightly better than the auto business? Just wanted to know your thought process of entering into such kind of business.

Management:

Sir, with respect to non-auto business, our key drivers at the moment are working on wind energy fasteners, aerospace fasteners, and fasteners for industrial applications. With respect to defense, while we are pursuing the business, it's more on a startup, and we also understand that the defense business goes through a long cycle with respect to validation and approval.



The pursuit of non-auto business is to avoid or beat the cyclicalities which the auto business goes through, whether in terms of CV or passenger car. We are also well aligned and poised for growth in the automotive segment as well. It's like the twin engine of driving both auto and non-auto. That is how Sundram Fasteners is pursuing its growth story.

Rushabh Shah:

Okay. Thank you so much.

Moderator:

Thank you. The next question is from the line of Sahil Sanghvi from Monarch Network Capital. Please go ahead.

Sahil Sanghvi:

Hi, sir. Good morning, and very happy to see a very strong set of numbers.

Management:

Good morning.

Sahil Sanghvi:

My first question is, on the exports front, on the standalone numbers, you've done an upwards of 20% growth. If you can give some more details as to what has led to this number with respect to the constant currency growth, with respect to the underlying industries that have contributed to this growth, and also a comment on how is the demand with respect to class 8 trucks and overseas segments that we cater to. That will be very helpful, sir. Then I go with my second question after the answer.

Management:

See, more than the Forex and other elements, there has been a clear uptick in the demand on our exports front. If you look at the car segment on the export front, for the past 2, 3 years, probably there was a pushback and there was a setback in terms of the EV projects not taking up. Now, that's behind us in the sense that the ICE engines have come back. They're back on stage, and we see volumes picking up as far as the passenger car segment of North America is concerned.

Management:

When we move to the truck segment, there is a good rebound that we see on the on-highway segment and especially the class 8 trucks have come back. In fact, the primary order levels are at least 20%-25% more than the corresponding period for the last year. In fact, today capacities have again come into the focus and backlogs have gone on a 38-month high as it stands on June.

I think the class 8 trucks have been doing well and primarily the demand comes from construction and also the replacement of old trucks because of the aging of the fleet and also a mild pre-buy on account of the EPA27 norms. These three aspects are helping the class 8 trucks to grow.

On the vocational side of the class 8 as well, we see good project-based investments that are happening which are driving the demand. When it comes to engines on the North American



side, we see all the heavy-duty segment being triggered by the on-highway and the off-highway demand while the medium duty is also marginally better than it was last year.

On the high horsepower side, if I may say so, these are mainly driven by the power generation because of the AI compute loads as well as the data center loads. I think the customers are very upbeat about this demand and for the next 2, 3 years they see the order books full. On the whole, we see all the parameters are good and the North American business is going great as it stands today.

Definitely the Forex is helping us to boost this demand. On the Europe side also, we see a lot of improvement with customers whom we are supplying to on the cooling side and the temperature control side. Overall, the aspects are in our favor. It is not that we are oblivious to the downside risks, but while we are cautious, the positives I think far outweigh the negatives here.

Sahil Sanghvi: Got it, sir. That's a really detailed answer. Secondly, I wanted to understand this year what could be the revenue that we can get from that EV business from General Motors. I believe we are looking to scale up that business now, so any rough understanding on where we can be this year from that business?

Management: No, on the EV business it is scaling up nicely and we expect to do about INR200-250 crores this year from that customer.

Sahil Sanghvi: What was the base in FY26? Negligible, right? I mean, nothing meaningful, right?

Management: Last year was negligible, less than INR50 crores. The current year plan, our plan itself is high and we are on track based on Q1.

Sahil Sanghvi: Sir, this business can ramp up to INR500 crores, INR600 crores run rate by FY29. Do we have that visibility?

Management: Yeah, we will take one year at a time, but in the initial projections we had even talked about INR750 crores at its peak, but we are happy to take this at this point in time.

Sahil Sanghvi: Right, sir. What kind of traction are we seeing from the Stellantis business?

Management: See, with respect to Stellantis, while we have contracted for both ICE, PHEV and EV, I think the ICE and PHEV platforms are picking well. As Mr. Dilip had mentioned, I think we should see an uptick in this INR200 - INR250 crores comprising of both General Motors and Stellantis.



- Sahil Sanghvi:** Got it, sir. Sir, lastly with respect to the margins, now what kind of price hikes are we trying to get over here and assuming that all our negotiations go through as expected, what kind of sustainable margin levels do you envisage post these price hikes, say for the second half of the next year?
- Management:** You said price hikes. Can you just clarify what you mean by price hikes?
- Sahil Sanghvi:** Sorry, sir.
- Management:** You said price hikes. What did you mean by that?
- Sahil Sanghvi:** Sir, the pass-ons on the back of the RM pressure.
- Management:** RM pressure. Yeah, okay. See, as far as RM is concerned, there is no actually negotiation because it is provided in the contract. It is a pass-through arrangement where we have with OEMs. Whatever the steel mills and the OEMs agree, we are informed and we in turn collect it from our customers and also pay our suppliers.
- Sahil Sanghvi:** Accounting for all the input cost pressures, the indirect cost also that we are trying to pass on, what kind of price hikes can we expect or what kind of impact on margins can we expect? Can you ... give a rough range on the sustainable number on margins?
- Management:** Currently the impact is there. As you can see, we have reported EBITDA of 16.1 and from here onwards I expect it only to go up. Maybe we will finish closer to 16.5. See, on the direct materials we have pass-through arrangements. The indirect materials is more by way of negotiation. That is something going on and once that is accrued and accounted, that should expand the margin in Q2.
- Sahil Sanghvi:** Sure sir. This is helpful sir. I'll come back in the queue, congratulations to the whole team sir on very good set of numbers.
- Management:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Mukesh Saraf from Avendus Spark. Please go ahead.
- Mukesh Saraf:** Yes, sir. I'll just ask a few questions as the question queue kind of builds up. Firstly, you had made some comments on Europe. I think even last couple of quarters you've been talking about Europe doing better. When we see other companies in the auto ancillary space, which are into



machining, forging, casting, basically the metal side of business, they're all commenting that Europe is kind of getting really strong.

Could you give some more sense on this? How is our new customer base in Europe? How is the revenue growth there? Any order book? Because I remember even the Sri City plant, we had kind of earmarked it for a few customers in Europe for some hybrid components. It'll be good to kind of understand how Europe is doing for us and what we can look forward to there.

Management:

Europe, we have had good business acquisitions now in the recent past, Mukesh. One is on the machined parts for turbochargers from Garrett Motion. Also we are already, as you said, the Sri City is working with ZF. On the Europe side, really our percentage as a part of the whole export business has really grown in the past 2, 3 years.

At least 2 of our divisions have acquired business from Garrett Motion. That is definitely improving our Europe base. We also see RFQs coming from other customers. Maybe a bit early to spill the details, but definitely, as you say, Europe is growing strong.

Mukesh Saraf:

Of the overall exports, how much would Europe be now, just approximately?

Management:

Mukesh, it's sub 20%, and we are working to increase the European presence.

Mukesh Saraf:

Got it. Just one more question from my side before I again go back to the queue. We're seeing a lot of new launches in India from, I think, next year or so, multiple launches across OEMs on multiple powertrains as well. There's a lot of hybrids as well in the pipeline. How are we placed with a lot of these launches?

I think in the past, we had been having a higher exposure to the small car segment, while SUVs we didn't have as high as a contribution there. Now that there are upcoming launches, are we seeing some kind of traction there, improvement in some of the wallet shares there? Thank you.

Management:

Yes. Certainly. See, I think many of our product lines or the parts, many of our parts are almost fuel agnostic or transmission agnostic, I would say. Whether it is our powertrain division, whether it's metal forms division or fasteners, I think not much depends on the type of fuel or the transmission that is used. It's only we need to just dovetail the products to suit them. That way, I think we are well-placed in the new products that are coming.

While in the past, as you say, our exposure to small car was good. I think over the years, we have also improved our multi-utility segment presence, especially with our fasteners and metal forms division getting into quite a lot of new parts there. Even in the future launches, as you



say, on the multiple fuels or the multiple transmission that's coming, I think we are well poised to reap the benefits.

Mukesh Saraf: Great. All right. Thank you. We'll go back to the queue, sir.

Management: Thank you.

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

Navin Vijay: Good morning, sir. Thanks for the opportunity. Sir, my question is, out of the 20% revenue growth, how much is it due to the raw material inflation? If you could provide a volume growth also, that will be helpful, sir.

Management: In volume growth, we've had about 13% in terms of tonnage. In terms of the raw materials inflation, roughly about INR20 crores to INR25 crores may be there in the top line.

Navin Vijay: Thank you, sir. My second question is on our powder metallurgy setup. Are we making any inroads into precision engineering projects? If so, in what sectors are we pursuing those, sir?

Management: With respect to powder metal business, we are supplying to all the passenger car manufacturers. We are present with the shock absorbers, and also to a certain extent with respect to consumer durable business. All our supplies are precision machined, and we are working with expanding the capacity to serve the requirements of customers.

Navin Vijay: Currently, we don't have any projects with aerospace or even the power generators in the precision engineering end.

Management: With respect to aerospace, I think we supply fasteners, which are from exotic materials, and from powder metallurgy front, we are discussing on the required aerospace application, but it's in the very primitive stage. But growing the aerospace fasteners, I think as we had explained in our earlier calls, as part of our non-auto business drive, we are looking that business to grow to, say, INR500 crores level in 2-3 years. It has come through nicely in the last couple of years, moving from INR50 crores, and this year we are targeting INR100 crores plus in aerospace.

Navin Vijay: Great, sir. Great. Very helpful. Sir, my last question. This quarter, we have clocked a 20% run rate. How confident are we in maintaining a similar pace, plus or minus few percentage points?

Management: Yeah, I think with the festivals around and the indicative schedules of various customers, I think the run rate should be at this level.



- Navin Vijay:** Great, sir. All the best. Thank you.
- Management:** Thank you.
- Moderator:** Thank you. The next question is from the line of Krushi Parekh from BugleRock. Please go ahead.
- Krushi Parekh:** Yeah, I think my questions related to growth are already answered. Just a very small question. We have been investing a lot into this digital transformation strategy. We continue to do that. What kind of investments we continue to see into it? Additionally, if you can help quantify the productivity improvement through it and potentially even the margin improvements through it, that will be helpful?
- Management:** With respect to digital transformation, we have been working with respect to IoT across all our facilities, whether it is the fasteners or functioned assemblies. We have established it across all plants, and we have seen benefits in the form of the data quality and with respect to looking at the machine downtime or looking at the quality levels, whether within the parameters, upper control limit or lower control limit, manufacturing of the product with respect to specifications.
- I think it has been helpful, and it has given, I would say productivity improvement of, say, 5%-10%, and we will be deploying it horizontally to all our facilities. I think the IoT and the usage of AI, and we have also got into automatic storage and retrieval systems. All these are helping in terms of improving overall efficiency.
- Krushi Parekh:** Okay. 5%-10% improvement in productivity is expected throughout. Can you help quantify what kind of margin impact? It may be small, but still, what kind of margin improvement can we expect out of this?
- Management:** See, the margin improvement can be about 0.2%-0.5%.
- Krushi Parekh:** Got it. All right. Thank you.
- Moderator:** Thank you. The next question is from the line of Nikunj Mehta from Magma Ventures. Please go ahead.
- Nikunj Mehta:** Yeah, hi. Thank you for the opportunity. I have a couple of questions. First question is on our fasteners business. Just wanted to understand how is our wallet share moving with our existing set of customers, because many new programs are coming on board to that extent. Secondly, in terms of a few OEMs which we are not present, how do we see getting into their ecosystem? That's the first question.



Management: I think with respect to the wallet share, as we supply specials as well as the standard fasteners on the specials, with most of the OEMs, we are a single source. On the standards, while our overall presence is, say, 30%-40% with each of the OEM, there I think our share of business would be 50%-60%.

Moving on to addition of OEMs. Thanks to the BIS and QCO, we have been working with the OEMs like Hyundai for getting entry into the fasteners, where they have been importing earlier from their existing supply chain community. I think we are seeing quite a bit of headroom for us to penetrate. We have already got a few orders, and we have been meeting their requirements, and they're also happy to work with us.

With Cummins also, our fasteners segment has seen good opportunities, and we have encashed that. Our Cummins business of the fasteners segment is also growing very well, in addition to Hyundai's entry.

Nikunj Mehta: Okay. Just wanted to follow up on this one. For both Hyundai and Kia, I'm assuming, how big this opportunity can be for us in 2, 3 years' time as we scale up?

Management: We should be looking at, say, INR100 crores plus from this customer.

Nikunj Mehta: Okay. We have Kia as well, or it's just Hyundai for now?

Management: It is both Hyundai and Kia, and we are servicing center metal components from the time the plant was established in Chennai. That business is growing. In addition to that, we are working with the fasteners where we have got an entry.

Nikunj Mehta: Understood. The second question is on the non-auto side of the equation. You mentioned about aerospace. We did INR50 crores, and we are looking at INR100 crores, and eventually 2, 3 years' time of INR500 crores. The journey which we are basically kind of envisaging, I just wanted to understand that how is our existing set of customers, number of customers increasing over there, and how is our wallet share basically increasing there?

If you can call it, the most difficult part is to get into their supply chain because it is a very well-established chain out there. How do we see that scale up? Proportionately to reach that INR500 crores, do we have enough gross block to support that INR500 crores in aerospace and in the railways and wind energy segment? Any thoughts on that?

Management: I think with respect to aerospace, while we have gone through multiple approvals and the certifications in the form of NADCAP as well as AS9100, customers have very well appreciated



our quality standards. We work with the likes of Hindustan Aeronautics. We are there with ISRO, multiple platforms.

We work with General Electric in terms of their aviation requirements. We are also adding new customers like the recent one, Skyroot Aerospace. That way, the customer addition has been on the increasing side. Parallely, we are also working on equipping the division with sufficient and adequate investment. That is also getting addressed.

On the wind energy fasteners, as we had already explained, we have gone through one phase of expansion last year, and that has helped us move from INR25 crores to INR30 crores level per month.

Today, we are having a further expansion of close to INR100 crores of investments. That should help us move from INR350 crores level on an annualized basis to INR500 crores level. That way, the expansion and gross block is moving to support the targeted revenue.

Nikunj Mehta:

Okay. Understood. Just last question from my side in terms of capital allocation from here. The industry is doing quite well, and even on the non-auto side, there is a lot of scope to that extent. Do you see any acceleration in terms of capex or any inorganic opportunities where the capability, it is better to get it via inorganic route so that the scale-up happens quickly as compared to going through an organic route? Any thoughts on capital allocation from here?

Management:

We keep scanning the environment for inorganic opportunities. In fact, when we receive such teasers from other parts of the world, such as Europe, we even look for whether we can buy the assets in which we have experience, and then shorten the procurement time, because a typical project expansion takes these days about 12 months to 18 months. To shorten that, we look for asset purchase.

Nikunj Mehta:

Okay. Anything is there in pipeline, which looks in an advanced stage?

Management:

No, sir. Nothing. Even if it is, I cannot tell you.

Nikunj Mehta:

Okay, sir. Thank you so much, and all the best.

Moderator:

Thank you. The next question is from the line of Preet from InCred AMC. Please go ahead.

Preet:

Thank you so much for the opportunity, sir. Congratulations on very good set of results. My first question would be on the line of domestic sales. We have grown around 16%, but if I see the industry growth for this quarter would have been around 20% plus. If you could just give



some perspective on that. Are we losing on market share or is it because of mix? If you could give some insights on the sales?

Management:

See, from a domestic perspective, I think we've grown on all the vehicle segments. In fact, if you look at the M&HCV segment which is only prime drivers of the economy as well, I think the industry has grown by 20% in the first quarter, and our growth almost matches that.

We are seeing growth in all the subsegments of the industry as well, whether it is heavy commercial, whether it is intermediate and light commercial vehicles, whether it is small commercial vehicles and pickups or buses.

Every subsegment has its own drivers, and that has helped spur the activity. On the passenger car segment also, post the rationalization of GST middle of the last year, even the small car segment has started looking up. Small car commercial multi-utilities as well as vans have grown.

There also, I think the industry growth has been 23% and our growth has almost matched the industry segment... on the tractor segment also, while the growth was expected to be muted, but it has grown by around 14%, 15% in the first quarter, supported by a lot of environmental factors. There also, we have almost matched the industry growth.

The one factor that might be leading to your perception is that the two-wheeler and three-wheeler segment which is added to the auto growth normally and our presence is not there, it's just 5%-6% of the overall pie. There, I think we would not be on par with the industry. Except for that, wherever we are participating, I think either we have outperformed the segment or we are on par with the segment.

Preet:

Got it. That was very detailed and very helpful. Just a follow back up on the same. You mentioned that EV, we are not at par with the industry. So, what can we expect in this EV domestic business? We are doing good at EV export. If you could give some insights on the EV domestic.

Also this quarter subsidiary growth was around 20%-23%, but last few years we have been clocking around INR750 crores of revenue in the subsidiary business. What can we expect in subsidiary for this year? Also your view or your vision with the subsidiary business for the next 4-5 years.

Management:

To clarify your point, I think my colleague mentioned about the two-wheeler presence, not on the EV. With respect to EV, while all our platforms have a presence with respect to the EV, I think most of the revenue, as you mentioned, it comes from the export segment, and we are also working with the multiple players on propping up EV revenue in India as well.



Coming to subsidiaries, I think China's economy is doing well on the backdrop of growing the construction and commercial vehicle segments. The revenue from the subsidiaries Sundram Fasteners China, that is also mirroring the growth. I think we would post close to 20% growth in China for the current year compared to '25, '26.

With respect to the subsidiary in U.K., that serves predominantly the European truck market, and I think we are aligned with the truck market growth there. Parallely, we are also working for adding new business out of U.S.A., apart from serving the European market.

The other subsidiary operating out of India, TVS Upasana, that serves the two-wheeler segment where we are present with the likes of Bajaj, Royal Enfield and TVS Motors. That business is also growing well. I think for the current year, all subsidiaries put together, we should have a nice growth compared on similar lines of SFL standalone.

Preet: Yeah. Thank you so much, sir. Sir, if you could just mention the EV wallet, our EV fastener business wallet share, like we mentioned that we have around 100% wallet share for special fastener and 40% wallet share for standard fastener. If you could mention similar number for our EV business as well?

Management: See, with respect to EV, our overall revenue is 4%-5% of Sundram's revenue. See, generally these OEMs pick up fasteners and they do not distinguish between when they place schedules, whether it is going for auto M&HCV or EV. To that granular level, we do not have such information.

Preet: Got it. Sir, on last quarter, we mentioned that for our business, the growth we expect is CV 8%, PV 10%, tractor 7%, versus industry CV 4% and tractor flat to 2%. Now the demand has been strong, and we are seeing that similar showing in quarter 1. Would you like to change any growth rates or we will be maintaining same rates?

Management: I think as of now you might have seen in the news in the public domain as well the credit rating agencies are not talking about such high numbers. Whereas we would like to hold on to our high assessment, which we did the beginning of the year. The only thing is we are confident about the activity levels and the numbers being as robust.

The only thing that needs to be borne in mind is the high base effect of H2 of last year. That maybe as a percentage, the figures might not be as good, but still, we would hold on to the percentages that we had said earlier. Maybe a quarter or so later, maybe we can calibrate.

Preet: Got it, sir. I'll join back in the queue. Thank you so much.



Moderator: Thank you. The next question is from the line of Himanshu Singh from Baroda BNP Paribas Mutual Fund. Please go ahead. Mr. Singh, your line has been unmuted. Please go ahead with your question. As there is no response, moving on to the next question.

The next question is from the line of Sahil Sanghvi from Monarch Network Capital. Please go ahead.

Sahil Sanghvi: Thank you for the opportunity again, sir. My first question is on the cash conversion cycle. From what I see in the last two years, we have been a little elevated. We used to be at around 110 to 130 days, but the last two years have been upwards of 150. Where do you expect this number to stabilize this year? Any direction on that front?

Management: It should be around these levels, sir. As the exports come back and the share of exports in our total revenues has inched up again, back to 30%. It used to be as high as one third at one point in time. As the share of exports go up, the operating cycle is long, and depending on the customer mix, it tends to stay elevated.

It doesn't impact the balance sheet. Like I said in the beginning, the actual DSO has actually come down. Between one reporting period, another reporting period, you may see a temporary hike or a spike in the number of days. That's because there could have been a slight delay in payment, settlement of payments in the payment cycle of the OEM, but there are no concerns.

Sahil Sanghvi: Yes. Majorly what I see is the inventory day spiking up. So, your message here is that we'll come back to the 140, 150 levels if things are in place with respect to execution and logistics?

Management: Yeah. Correct.

Sahil Sanghvi: Okay. Secondly, sir, in the last con call, we have guided for roughly INR250 crores of capex this year. Would you stick to that number? Is there a revision to the capex estimate this year?

Management: There is a press release about INR400 crores. Any year, if you see last three years balance sheet, it is roughly around those levels. About 30% could be for replacement, and the balance would be for growth capex expenditure.

Sahil Sanghvi: Would this capex continue for the next few years or are we largely done with our capex cycle because we have done about INR1,000 crores upwards of that...

Management: Inherent nature of the industry, sir. We continue to invest. We will continue to invest.

Sahil Sanghvi: Okay. Got it. Thank you, and all the best.



Moderator: Thank you. As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments.

Management: Yeah, no specific comments. I thank everyone for attending the Q1 Conference Call. Thank you so much.

Management: Thank you.

Management: Thank you.

Moderator: Thank you. On behalf of Avendus Spark Institutional Equities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.