



ROLEX RINGS LIMITED

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August 18, 2025

To,
Corporate Relationship Department,
BSE Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai-400001

To
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

Script Code: 543325

Script Symbol: ROLEXRINGS

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we wish to inform you that the company participated in Investor/Analyst Call as given below:

Date	Type of Meeting/Event	Location
August 12, 2025	Investor/Analyst Call scheduled by Equirus Securities with the management of the company to discuss the company's results for 1QFY26	Zoom Meeting (Virtual)

No Unpublished Price Sensitive Information (UPSI) was shared/discussed in the meeting with the investors/analysts.

However, as a matter of better compliance & investors' services, the Transcripts of the said Analyst Call is attached herewith, for reference & record please.

Please take the same on your records

Thanking You,

Yours faithfully
For Rolex Rings Limited

Hardik Dhimantbhai Gandhi
Company Secretary and Compliance Officer
{Membership No. A39931}

Rolex Rings 1QFY26 Concall Transcript

Duration – 52:16

Start time [00:00]

Mr. Mihir Vora (00:20):

Good afternoon, everyone on behalf of Equirus Securities, I welcome you all to the Q1 FY26 Post-Earnings Conference Call of Rolex Ring. From the management side, we have Mr. Manesh Madeka, Chairman and Managing Director, Mr. Mihir Madeka, Full-time Director and Mr. Hiren Doshi, (inaudible 00:49). So, without any further ado, I would like to now hand over the floor for opening remarks post which we can open it for the Q&A session. So, Hiren, over to you.

Mr. Hiren Doshi (01:07):

Thank you, Mihir. Mihir, can you please confirm, am I audible?

Mr. Mihir Vora (01:10):

Yeah, you are.

Mr. Hiren Doshi (01:14):

And is my screen visible?

Mr. Mihir Vora (01:16):

Yes.

Mr. Hiren Doshi (01:17):

Okay. Very good afternoon to all participants. We welcome you on the updates on the earnings of Q1 FY26. As you all are very much aware that global economy and the overall export business are just on an age of a certain kind of sword raised by a respectable Trump side in terms of reciprocal tariff and partial tariff what has been implemented and partial again to be by end of this month. And everybody is still uncertain or still not able to envisage that what would be the overall call and how much in total the import duty would be applied by US for their imports or particularly the exports done by India to US. Anyway, looking to hope for the best for getting this thing without and we hope that it will not affect our business significantly though we have not much dependency or the overall weightage to the US business. Today, as of date, we have almost 25% of our revenue. It is from the USA, 20 odd percentage something from the Europe, couple of percentage is from Canada, Mexico, which we are expecting to grow. At the same time, we are expecting to grow in Europe market. Europe market, if you people are aware that for last couple of years, we were in the range of 14 to 16% of our overall revenue. But for this four months, we have already touched somewhere about 20% of our revenue contribution from the European side. Again, the new order winning and the new additional supply incremental dispatches that is major lead to the European countries. Taking you to the first, the numbers of the first quarter later on.

Mr. Manesh Madeka (03:35):

One thing I want to add that new program which we have been nominated are 50% for Europe only.

Mr. Hiren Doshi (03:48):

Right, sir. Okay, I'll take up the financial numbers and then we'll have a Q&A session where we would like to address the queries and the concerns of our investors. Here with me, Mr. Manesh Madeka, CMD of the company and Mr. Mihir Madeka, a whole time director in charge of entire marketing and supply chain is there with me. For the first quarter of this current fiscal FY26, we have recorded revenue of almost 292 crores, which was 284 crore in the previous quarter that is the last quarter of fiscal 25. If we compare the corresponding quarter of previous fiscal, which is June 25, it was somewhere about 311 crore. In terms of EBITDA, we have recorded 77 crore rupees of EBITDA for this first quarter, which was 22% in the previous quarter and it was 24.6% corresponding quarter of previous fiscal. Here we do have gain in EBITDA margin, overall EBITDA margin that is because of certain contribution added by the gross margin and we have recorded certain other income, which has given me a benefit forex fluctuation appreciation in Euro that gains accounted over here. In terms of operating margins, profit before tax for this current quarter FY26, first quarter of FY26, it has recorded 68 crore vis-a-vis 49 crore rupees of the PAT, which in March 25, it was, the PBT was 49 crore and, sorry, PAT was 55 crore and PBT was 49 crore. If we compare the number of previous years, the first quarter, corresponding quarter, my operating margin before tax, it was 67 crore and the PAT was 50 crore. If we see, in spite of having 5 odd percentage decline of comparing with June 25 quarter, June 24 quarter to June 25 in top line, but the overall margin remains same or it has gained to marginally also. In terms of revenue bifurcation, we have recorded bearing rings contributed almost 46% of our revenue and the auto components is growing and it has reached to 54% in this first quarter. In terms of overseas market and domestic market bifurcation, export has come down to 47% and domestic has increased or rather it has gone to 53%. Here we would like to tell that as we are getting good opportunity in the domestic market also in last couple of years, though initially the Europe market got down and now maybe we are envisaging marginal impact from the US, but the domestic market has significantly grown and we are expecting the couple of programs, orders which has already been allotted may be deferred by couple of months or something, but we are expecting to have the same kind of numbers in terms of domestic market also and it may increase even. As we have informed initially also even in the last few quarters that we are facing the subdued demand in the bearing ring business particularly in the industrial application, overall infrastructure application where the demand is very much lower on the bearing ring side and that is even particularly more from European side. As I was mentioning that tariff implications, touchwood, till now we did not have any kind of indication from our customers and nothing deferment or holding of the consignment. We are in dialogues with our customer how we are going to take up the things. The first incremental tariff it has already been adjusted and the customers have accepted that it has and we are going to get the implemented tariff at the end realization at Rolex level. But down the line end of this month we are eagerly waiting for the final outcome if any changes and any kind of fluctuation or changes may be proposed by US government. As I mentioned that domestic business continues to show traction and we are adding back couple of more customers and the good part is that Europe is reviving and we are getting as our MDs have just told that majority of the new program or more than 60% of our new program, new business that would be from the European side and it has already started in marginally in the first quarter revenue. The revenue bifurcation in terms of end user industries almost 50% majority goes for the passenger vehicle segment, 16 and a half % that is for industrial. As I mentioned that industrial is facing some kind of subdued demand and the pressure commercial vehicle, heavy commercial vehicle almost on the same line what we had two wheeler very less and the electric vehicle and hybrid we are at the almost same kind of percentage what we had in last quarter. Overall operations as I was mentioning we have recorded 292 crore out of that 126 crore revenue that is from the overseas and 165 crore revenue that is from the domestic market. If you see the same numbers in the previous fiscal or maybe in FY24 the exports is much on a higher side it was 636 crore vis-a-vis domestic was 586 crore.

As we are getting good response from the domestic we are expecting further to grow in a domestic market, domestic business and again with the same kind of operating margin. EBITDA margin if we compare overall with the previous fiscal this first quarter is 77 crore EBITDA which is somewhere about 26 and a half gross EBITDA what we have recorded earlier for last year it has averaging to 23% for the fiscal 23, 24, 25. We are expecting the sustainability of this EBITDA definitely in the range of 23 to 25%. Profit before tax, profit after tax for the particular first quarter it is 68 crores before tax and 49 crores if you annualize with the four quarters or with the previous fiscal it is more or less same or bit on higher side compared to the previous fiscal numbers. Company has good sound cash flows averaging almost 225 crore rupees of cash flow on year on year basis for last three years where the company did capex of somewhere about 50 crore in the previous fiscal and in this current quarter that is the first quarter of fiscal 26 where we have spent somewhere about 16 to 18 crore in terms of capex. Net debt as you are aware that it is already negative debt company do not have any kind of debt and company is having certain surplus fund which it has been parked in certain investments company have certain fixed deposits and having a quite good sound cash flow and the liquidity position. Return on equity it was 16, 17 % in last couple of years as my top 9 is more or less on the same for last couple of years it is on the same momentum and we are getting the same kind of even the margin that is why our return on equity is being bit under pressure but we expect that down the line FY26 and FY27 this curve again will go up. These are the detail numbers what we have already submitted. These are the last five fiscals as well as comparing with the current quarter. The balance sheet numbers for the last five fiscals. With this I would like to thank you the investor for their patience hearing and now we are opening a session for the Q&A and would like to address your concerns.

Mr. Mihir Vora (13:22):

Thank you for the opening remarks. So, we will now open the floor for Q&A. Anyone who wants to ask a question can please use your raise hand function. Once you are done asking your question please lower your hand. We will wait for a couple of minutes for the question queue to assemble and then we may start. So, the first question is from the line of Jason Sones. You have been unmuted you can go ahead.

Mr. Jason (13:53):

Yes, hello. Sir, am I audible?

Mr. Mihir Vora (13:57):

Yes, you are.

Mr. Jason (13:58):

Yeah, okay. Thanks. Thanks for that. So, first I just wanted to know the breakup of the bearing those both the segments export and domestic. For Q1 FY26 and Q1 FY25 as well. Just wanted that split which you give for bearing rings automotive competence and scrap export incentives as well.

Mr. Hiren Doshi (14:22):

Okay. Domestic bearing ring for this first quarter of FY26 it is 90 and half crore or you can say 906 million. 906 million for the domestic bearing ring contributed in the current quarter. Export bearing ring it was 355 million. Domestic auto components it was 527 million and export auto component almost 909 million. Scrap is 184 million and export incentive is rounding to 35 million. All put together is 2916 million.

Mr. Jason (15:16):

Sure and so same corresponding figures for Q1 FY25 the last quarter.

Mr. Hiren Doshi (15:23):

Corresponding

Mr. Jason (15:24):

For Q1 FY25.

Mr. Hiren Doshi (15:26):

Q1 FY25 that is April to June 25 or you want March 25 numbers?

Mr. Jason (15:31):

No, sir. April to June 25. April to June 24. I mean.

Mr. Hiren Doshi (15:37):

April to June 24. Right?

Mr. Jason (15:38):

Yes.

Mr. Hiren Doshi (15:39):

And then domestic bearing ring it was 857 million. Export bearing ring 450 million. Domestic auto component 460. Export auto component 1072. Whereas scrap was almost 224 and export incentives 44 million.

Mr. Jason (16:05):

Okay, export incentives 44 million and scraps are 224 million, right?

Mr. Hiren Doshi (16:10):

Yes, yes. All put together is 3107.

Mr. Jason (16:17):

Sure, thanks for that, sir. So, next question just pertains to this in the Q3 presentation, you had alluded to certain programs which could add up to around 1750 or 1.75 billion in FY26. And so just wanted to know the progress on that in FY26 is that, do you see that revenue coming through? And how will it scale up in FY27?

Mr. Hiren Doshi (16:45):

See, the order envisages or the program what we won in and we have disclosed or we have informed, those are alive as of now. And if you recall, we categorically mentioned that the majority of the order would be starting from the second quarter of this current fiscal that is July 25 onwards. Let me tell you partially, a few of the orders have already been started. And there are a few programs which are from US. And those customers because of this tariff uncertainty and all this thing, they have just hold their stand as of now, unless and until they got clear picture for this thing final, maybe

in the month of September or 25, they will be able to tell us. Meanwhile, they have hold these things. Yeah, Mr. Mahir Madeka would like to add this.

Mr. Mihir Madeka (17:41):

But they are very much positive that it is just for the time being they hold means like they are waiting and watching. So, but they are very much positive that within another one or two months, we are going to get the green signal. Means they are not going to divert to any other player in another country. That is for sure.

Mr. Manesh Madeka (18:10):

One thing I want to add here. Yesterday, I had a call from one of our customers that this MCA, Mexico, Canada and America, they are 40%, 60% of the raw material what they consume, if it is domestic, then that Chapter 232 is applicable. So, there is no duty, 40% is only their export, import content. So, that also we are going to clarify more. But this is what basic we have information.

Mr. Mihir Madeka (18:55):

It is as per USMCA rule.

Mr. Manesh Madeka (19:02):

Suppose we are supplying semi-finished component and it is used in gearbox. For the complete gearbox, if the content of import is only 40%, then this tariff will not be applicable.

Mr. Jason (19:20):

So, that will, so our products do comply with that 40%.

Mr. Manesh Madeka (19:25):

Yes, that we are.

Mr. Jason (19:28):

Okay. So, you are saying some projects have been held in terms of the tariff uncertainty and we will get more clarity going ahead, right?

Mr. Manesh Madeka (19:36):

Yes.

Mr. Mihir Madeka (19:39):

Within the maximum, within one and a half or max.

Mr. Manesh Madeka (19:41):

No customer has stopped the supply. They have not asked us to stop the supply.

Mr. Mihir Madeka (19:47):

Yes. And see, this auto component or whatever we are exporting, it takes a long time to start the bulk supply. So, there is a very big, means long validation time. So, and one more than one and a half year. So, if they change the supplier, with them also they have to follow the same rule. So, we don't think that they will stop supply because it is very tedious activity for them to evaluate the product

from other suppliers. And like China, there is 30% duty, Mexico 35%, Canada 35%. So, we don't think that, and I think this problem will be resolved shortly.

Mr. Jason (20:53):

Okay. So, sir, my next question just pertains to this right of recompense. So, just to understand correctly, I mean, in a very basic sense, 228 crores is the amount that is being contested. 50, 51 crores we have provided. So, the rest of the thing is still under contention. Is that understanding, correct? So, the rest would be probably around 178 crores on. So, that is still under contention and this legal thing is going on. And we will finally get a settlement on this from this 178 crores. How much is going to get basically expense to the (inaudible 21:28)?

Mr. Hiren Doshi (21:31):

See, basically the story is like that, bankers, lenders have claimed 227 crores, where we have asked that no, it is not applicable as they have calculated on a compounded basis kind of thing. Looking to our agreements and looking to our documents executed with the lenders, we are in belief that compounding would not be applicable. And even thereafter, the bank has appointed one legal advisor or one taken an opinion from a legal expert, which itself also says that this compounding would not be applicable and the demand would be restricted to so and so. Now, this matter is lying on the table of the Directorate of Union Bank of India, which is our lead bank. We are in touch with them for last one, one and a half months. And we expect to get some kind of a response maybe before end of this month from the bank. But as of now, it is as per our understanding, as per the, backed by the legal advice also, we have provided the maximum as per our view, which is 50.6 crore. And which is mentioned in our CDR approval letter also that has been provided. Beyond that, any kind of amount, any settlement amount that would be hit back to my P&L, obviously.

Mr. Jason (22:58):

Okay. And just lastly, wanted to understand, sir, this, I mean, you are seeing some improvement in domestic side for the bearing rings business as well as for auto comps business. That's what you alluded to. And so in a nutshell, domestic seems to be improving and auto components is improving on both domestic as well as overseas markets. Is that understanding correct?

Mr. Hiren Doshi (23:23):

Yes, definitely. Say, let me tell you, overseas market from Europe, a major chunk or more than 70% it is from the auto component business. In domestic, it's a combination of that certain portion of bearing ring as well as mainly the auto components. So, our growth as of now, it is auto driven, auto component driven only. And we expect that bearing ring business, which has been suppressed, but down the line couple of quarters, it will gradually improve.

Mr. Jason (24:00):

Okay. Sure, sir. I'll come back in a few. Yeah.

Mr. Mihir Vora (24:04):

Thank you, Jason. So, the next question is from the line of Rajesh Goyal. Sir, you have been allowed to talk. You have been unmuted. Please go ahead.

Mr. Somil Shah (24:15):

Yeah. Hi, this is Somil Shah from Paras Investments. I was using my manager's account. So, it's showing Rajesh Goyal. So, good afternoon, sir. And thanks for the opportunity. I would like to know what is the current order book position in auto components and in bearing rings?

Mr. Hiren Doshi (24:33):

See, as of now, what we can have an order book broadly in the range of 110 to 120 crore on a monthly basis, wherein you can say some almost 60 to 65 crore rupees is towards the auto components and 45 to 50 crores is for the bearing rings.

Mr. Somil Shah (24:59):

Okay. Okay. And what would be the capacity utilization for both the segments?

Mr. Hiren Doshi (25:04):

See, first of all, we have quite common capacity available for the bearing ring as well as auto component. If I want to increase my auto component business significantly, definitely I can because we have those kind of fungible equipment. Overall, we are at the range of 62 to 64 percentage of utilization.

Mr. Somil Shah (25:27):

Hello. Sorry. What did you say? 60 to 65?

Mr. Hiren Doshi (25:32):

62 to 64 percentage of overall capacity as of now in terms of forging we are using. Still, we have certain capacity available in the certain kind of products. But there are certain kind of products where our facilities which are occupied more than 85% or something like that, then we are adding those kind of forging lines. Okay.

Mr. Somil Shah (25:57):

So, is there a need for further capacity expansion or for 1-2 years we can continue with the same?

Mr. Hiren Doshi (26:04):

Yes, definitely. It is a need based kind of thing. The spare capacity which is available to us is on the bigger size of components and the high-volume components or which are majority required for this industrial applications, windmill applications, marine applications and such on. But apart from that, the automobile applications, mainly you can say from a two-wheeler to four wheeler, LCVs, there we have capacity utilization is somewhere about 75-80% or something. And if I want to set up any new facility, I need to give a lead time of almost a year or so. So, there would be addition in anticipation of incremental business of certain kind of products. We are going to add up forging lines. In last couple of years also, we have added three small forging lines, which are almost at the level of 65-70% utilization. Because for those kinds of components, the orders have already won and it was started as per the schedule.

Mr. Somil Shah (27:11):

Okay. And can we have some sort of a guidance on revenue and EBITDA for this financial year and for FY27? I mean, internally, what are we targeting for?

Mr. Hiren Doshi (27:23):

So, for fiscal 26, what we were mentioning that it would be somewhere about meet in growth for this FY26 and definitely higher team growth in FY27. Just to have an exception or rather the comment over here is to have the impact of this tariff. Maybe to some extent, my US business may pace down or maybe differ to some extent, but not for the short term kind of thing. But for FY27, if something would be beyond 50% tariff and this thing again, it would be a call from my customer how they are going to take up that may impact to my overall projection. Because one of my main auto customer is based at US. So, maybe if their contribution would go down because of this, which we are not envisaging at least for this fiscal, then it may go down to some extent. But at the same time, we are expecting the new orders and the new, this one upward rising from the domestic and Europe. So, I think we are able to get these numbers.

Mr. Somil Shah (28:39):

And on the EBITDA side, I think this quarter you did a EBITDA of, if we include other income, the EBITDA is around 27%. So, what are we targeting for this financial year?

Mr. Hiren Doshi (28:48):

See, the other income is not that constant. There are certain investments, there are certain, it is a forex gain, foreign currency fluctuation. So, if I am neutralizing that portion, our EBITDA would be in the range of 23 to 24 percentage.

Mr. Somil Shah (29:09):

That is excluding any forex gains or losses?

Mr. Hiren Doshi (29:15):

Regular gain, I am certain thing realizing I am considering. This particular quarter, it has have quite a positive jump, which I am not expecting in the coming quarters.

Mr. Somil Shah (29:29):

Okay. Okay. Because I think last year your EBITDAs were in the range of 21 to 22 %?

Mr. Hiren Doshi (29:34):

Without this one, other income, yeah.

Mr. Somil Shah (29:38):

Okay. So, without the other income, you are saying 23 to 24 %?

Mr. Hiren Doshi (29:42):

No, no, no. I am considering gross 23 to 24. Without other income, it would be in the range of 21 to 22 percent.

Mr. Somil Shah (29:53):

Okay. In the similar range, what we are doing last year.

Mr. Hiren Doshi (29:55):

Yes, yes, yes.

Mr. Somil Shah (29:56):

Okay. Okay. And so, is there any seasonality in our numbers? I mean, first half a bit softer and second half to be a stronger or it's evenly spread?

Mr. Hiren Doshi (30:05):

It is something the first quarter always with an, starting with a low notch and then maybe second quarter bit of incremental top line. And, but mainly, as you said rightly, in the second half and the last, particularly in last quarter also, we had a major this one. You can divide, say, 40 percent, 60 % kind of thing, first half, second half business.

Mr. Somil Shah (30:33):

Okay. So, second half to be around 55, 60 %?

Mr. Hiren Doshi (30:37):

Yes, yes.

Mr. Somil Shah (30:39):

Yeah. Okay. Because in last three, four years, I think if we are seeing at your revenues and EBITDAs, I think we are at a similar range in last three, four years.

Mr. Hiren Doshi (30:48):

Three, four years, we are similar. Very true. And even I admit that thing in my earlier conversation also. But we need to see the all-geopolitical reasons, all economical crisis and whatever this thing. Factually, the other industries, other businesses, what they are facing and the same kind of challenges what we are facing. Touch wood, with the grace of God, we are not having dip down and rather not negative kind of impact on our margins. Still, we are able to survive or rather maintain the 100, 100 odd crore revenue per month. I think that is a bit positive. But down the line, 26, 27, FY27, it is very much positive what we are looking for.

Mr. Somil Shah (31:35):

Okay. So, that's it from my side. Thank you and all the best.

Mr. Mihir Vora (31:39):

Yeah. Thank you so much. Next question is from the line of Sonal Gupta. Sonal sir, you have been unmuted. You can go ahead. Yeah.

Mr. Sonal Gupta (31:48):

Hi, good afternoon, sir. Thanks for taking my question. First, just could you give us the same breakup on a full year basis? Like what was it for FY25 domestic bearings and domestic auto component and exports?

Mr. Hiren Doshi (32:06):

For the fiscal FY25 domestic bearing, it was 330 crores. Export bearing, it was 155 crores. Domestic auto component, 178 crores. And export auto component, 398 crores. (Overlapping 32:27). Within scrap revenue of 78 crore and export incentive of 16, 16 crore. All put together, 1155 odd crore.

Mr. Sonal Gupta (32:42):

Right. So, in this scenario, right, like what we are currently facing now, I mean, how do you see the domestic pieces on the bearing and auto components moving from here?

Mr. Hiren Doshi (32:56):

Let me tell you, say, I told you that my first quarter bearing, domestic bearing is somewhere about 906 million, 91 crore almost, which was the previous year where my top line was higher than this quarter. And I'm talking about the first quarter of FY25, where my domestic bearing was 86 crore. So, here we have a jump of 5 to 6% over here. If you compare straight away with the quarter 4 of FY25, where my domestic bearing business was 83 crore only. So, here we have a 9% jump in the subsequent quarter. Same way in auto components. Let me tell you, this quarter, March 20, sorry, June 25, we recorded 53 crore of revenue, which was in last June 24, it was 46 crore. Again, almost a jump of 20% in domestic auto components. In quarter Q4 of 25, we had this domestic auto component business was of 44 crore only. So, here, as I was consistently mentioning that domestic market, we are getting numbers or rather we are getting better numbers in bearing ring as well as auto component both. The concept is the bearing ring business for the export.

Mr. Sonal Gupta (34:22):

But that I think has now become anyway a much smaller business, right? Last year, 155 crores, which is like 15% or even smaller, right? Like almost 12, 13% of our revenues.

Mr. Mihir Madeka (34:38):

In that also we are increasing, we are having a very good hope because we are discussing with few of our customers in Mexico, USA and Europe. So, the Mexico and USA due to this tariff, at present it is stopped. So, it may differ by maybe one or two months, means like we will get some positive results by maybe September or so. So, we are hoping that in very near future, our bearing exports are also going to increase.

Mr. Sonal Gupta (35:12):

Right. No, sir, I completely appreciate, I appreciate you are sort of getting new orders and that is why we have till now been largely able to maintain our top line, although last year was a mild, small decline over the last two, three years, despite the challenges on the export side. But I am just trying to, I mean like because the export environment continues to remain volatile and now this year we have seen this US tariff issue as well. So, I am just wondering if and given that we have capacity, are we going more aggressively for domestic business and is that also partly the reason why our margins have come down a little bit? I am just trying to understand.

Mr. Hiren Doshi (35:59):

See, definitely we would, we will be bit of aggressive as far as domestic market is concerned. But at the same time, any new business in domestic market, say for example, for the electric vehicles or hybrid kind of vehicles, whether it is auto component or even the bearing ring, we are at almost same kind of margin and we are doing the same kind of margin on such EBITDA numbers on such new business. As far as my existing business, which is under pressure, maybe to revive to some extent to get a better scale of economy, if marginally, if we would like to favour our customers, definitely it would be a business call and if they are giving me a good numbers or rather they are expecting this thing, we may go for bit of lower margin into this thing, which will, overall it will not impact or rather it will give a positive impact on top line as well as bottom line, both.

Mr. Sonal Gupta (36:56):

Yeah, yeah, that is what I was asking that incrementally, even though it might be slightly lower margin, but at least our EBITDA will grow.

Mr. Mihir Madeka (37:05):

See, cost will remain same.

Mr. Hiren Doshi (37:09):

Yeah, and at the same time, what we need to consider is a facility which is able to generate a better kind of margin, whether it would be advisable to keep idle for some time or we need to book those facilities with a smaller margin kind of thing on a long term basis. So, that is something business call we need to take up at the respective time.

Mr. Sonal Gupta (37:34):

But, I mean, like given that we have had this stagnancy for the last 2-3 years now, is that, I mean, what is your call on that?

Mr. Hiren Doshi (37:44):

Sir, that is, our stagnancy, it is not my, this thing, you must have checked the industry numbers, you must have had the other numbers in domestic business, domestic passenger car segment, two wheeler segment, EV market, where all have, negative fluctuation over there. But in spite of that, we are able to manage and most particularly in the overseas market, this kind of turbulence is what is there in Europe. Earlier in Europe, I was more than 23-24% of business and I went down to 15% of business over there in fiscal 24. So, those things, but in spite of all this plus minuses, we were able to maintain this momentum. Though it is not growth, but we are trying best for getting this.

Mr. Sonal Gupta (38:42):

Got it. And just lastly, what is the capex for this year?

Mr. Hiren Doshi (38:47):

This year in totality for fiscal 26, if I tell you, it will be in the range of 30 to 35 crores.

Mr. Sonal Gupta (38:57):

So, thanks for taking my question.

Mr. Mihir Vora (39:02):

So, just a reminder, if you want to ask the question, please use the raise hand function. Our next question is from the line of Vishal Chandiraman. You have been allowed to talk. Please go ahead.

Mr. Vishal (39:17):

Yeah, thanks. Good afternoon. Thank you for taking my question. So, I had two questions mainly. One is that initially we had guided, we were looking at 15% top line growth for FY26. Now, given how the first quarter has evolved and how there are geopolitical challenges and the macro challenges, we would have to grow at a significant rate of, I think, 23% for the remaining nine months to end the year at 15% growth. So, do you think that that is realistic given the market scenario? And the second question is, I believe our end market applications are mainly towards auto, right? So, how is it that the auto components segment is showing growth, whereas the bearing rings is struggling, even

though, as far as I understand, it mainly goes into the auto end markets. Yeah, those are my two questions.

Mr. Hiren Doshi (40:10):

Taking to your first question, that is overall estimates or the top line of the current fiscal see, if we, if you ask me this same question before a month back, or maybe in the last quarter, we were mentioning that it would be in the range of 14 to 16% of top line growth in this current fiscal, but the way this tariff has come out, it will impact to some extent on my existing business. If the things would have stabled, not it has been the way it has projected, if it has been settled down a bit lesser, then I think we'll be able to manage our top line. But if not, then my top line may be having a marginal impact and we would be what you say early teen growth kind of thing in this fiscal 26. But this is the only factor what we, it is questionable as of now. If it is not there, definitely we would be having these, the numbers what we have already projected and the new business of somewhere about 170 crore something what we have projected, those is in the pipeline or rather those will be executed. But because of this thing, a couple of months, the industries are struggling, industries are thinking as Mr. Mihir was mentioning, that couple of customers from the US for the bearing ring business, they have hold these things for last two months from the month of April onwards, just to see the tariff irregularity because it is definitely going to impact on their overall strategy. But if this thing settled down positively, we do not foresee any kind of problem as far as to getting these numbers. But if not, then marginally we would be on the lower side compared to our overall expectation of 15-16% growth. And the second portion, second question what you have asked is as far as the auto business and this thing auto market, definitely my major end usage or rather the components what we are producing, whether it is bearing ring or auto component that goes to auto. But here in auto, we have versatile the range of the products. Only the challenge is what we are facing as of now in the bearing ring mainly from the infrastructure, industrial applications and those kind of bigger rings. As far as the bearing rings, which are used in passenger cars, LCVs, we do not have much of the issue over there. And even the EV hybrid, we are able to produce it. So, we do not foresee. And as we are in dialogue with a couple of US customer, one is from Mexico, another one is from Canada also, that they are into requirement of bearing rings, which at least 50% we are expecting then also my bearing rings business will get some substantiation.

Mr. Vishal (43:12):

Great, thank you. So, last question is, if you can just tell me of that 175 crore new orders, how much of that is coming from the US which is kind of on hold or stall because of the tariff uncertainty?

Mr. Hiren Doshi (43:23):

Almost 25 to 30% is from the US side and remaining from Europe and domestic one. You can say 30% numbers of that is from US. Definitely that entire 30% will not go away, but we may have some impact. And again, we need to wait till the end of this month.

Mr. Vishal (43:47):

Great, thank you so much. All the best.

Mr. Hiren Doshi (43:50):

Yeah, thank you.

Mr. Mihir Vora (43:52):

Yeah, thank you, Vishal.

Mr. Mihir Vora (43:56):

So, two questions from my side. One is the follow up on the CDR issue. So, basically, when do we expect that to be closed now, since there's been a lot of two and (inaudible 44:03) in that. So, one is on that.

Mr. Hiren Doshi (44:08):

See, for last couple of months, we are rigorously taking follow up to the, Lead Bank, Union Bank of India. And as I was mentioning, we got some legal backup also in the month of end of May 25, and which we have submitted or other the legal expert has submitted to the bank. And it is on the table of Directorate at Lead Bank, wherein we are just trying to check these things with the regional offices and this. And every time they are telling, oh, it is in under process, and maybe in this week, that week, we are going to get. But maybe by end of this month, definitely, we would be having some kind of indication, some kind of next step what they are looking for. If it is not, then we are going to rush to them or to meet the higher ups of the Union Bank of India. And we intend to close it even before end of the second quarter.

Mr. Mihir Vora (45:13):

Sure, sure, sir. So, in terms of, we have mentioned in the PPT about improvement into Euro business. So, like, is it more of onto the bearing side part or we are also there into auto components, where we are seeing some improvement on in the Euro?

Mr. Hiren Doshi (45:27):

No, there is major portion is for the auto components in the Europe side. Bearing ring, marginally, it would be. But in bearing ring, we have a few customers from the US, Canada, Mexico. In Europe, majority is, it is auto driven.

Mr. Mihir Vora (45:47):

And so basically previously, we had also mentioned that there are few customers, bearing customers are putting up a facility in Poland, where we would get some traction. So, are we on that?

Mr. Hiren Doshi (46:00):

Yeah, it is already started in and the numbers are there in the first quarter and it will be gradually ramp up in this coming quarters. It is already started. Yeah.

Mr. Mihir Vora(46:13):

All right. All right. Okay. So, that is all from my side. Next question is from Jason. Jason, you have been unmuted. You can go ahead.

Mr. Jason (46:22):

Yeah, thanks, sir. So, just one question first is that I just want to understand, sir, I mean when we go back, when we started out, bearing rings domestically was a strong story. Now we have seen some weakness there as well in terms of domestic economy. So, sir, just wanted to know how you are seeing client feedback from the likes of the big three and going on ahead for medium term, how do you see that commentary on the ground?

Mr. Hiren Doshi (46:55):

See, we are, we do not have any kind of negative indication, negative comment from our top bearing customers in domestic market. As you know that rather all three of them or rather the majority of them have initiated certain CAPEX and they are increasing their capacity. But only the question in their mind is also that how the export would be affected for the US because they all are also export to bearings rather to US and other markets. But they are looking for a strong demand as far as domestic business is concerned. And they are expecting not to have much of the negative impact because of this tariff. And maybe the pace of growth might have gone, rather might be slow, but definitely it would be on a positive way.

Mr. Jason (47:51):

Okay. And, sir, just another question, I mean, in auto components we have customers like Allison, GM, Magna. So, just wanted to know if you could provide some color on what is our USP in terms of delivering like products like the shafts, spindles for these customers. So, that is one part. And the second part is just wanted to understand, of course, that is an export driven business. So, what measures are we taking to increase our share domestically in that business?

Mr. Hiren Doshi (48:24):

See, the first part, as you said, what are the USPs or why such big global giants are there with us? The reasons behind that it is definitely the facility, the equipment, what we have installed under one roof. And it's a big versatile range of the product, what we are able to produce. And the different kind of auto components, what we are producing for last seven to eight years, where we have a bit of expertise and my equipments are able to give me a 100% okay or a zero defect kind of production. Another USP is that good supply chain. And I'm able to manage the quantum requirement of my customer, whether it is a big batch, whether it is a small batch. So, we have those kind of facilities set up over here. Apart from that, we have a consistent good association with all these players for last couple of decades. And wherein generally these customers do not change once the things are being stable or other the things are going properly. Only the worry or other the concern for my customers, if they are getting something at a marginal reduced price, they will definitely not going to approach anyone else because the facility, the supply chain, the quality, the management interactions, the association of the business that matters. And we are able to offer products to them at a best yield, if we say which is a quite competitive in their part. Because of my equipments, because of my USP of tool development, tool design, we are able to produce the component with the least of the input raw material required.

Mr. Jason (50:18):

Okay. Sure, sir. And yeah, similar strategies for domestic market also, same thing.

Mr. Hiren Doshi (50:27):

Yeah, same thing. Yeah, our products are using for a premium segment and this thing, apart from the traditional bearing rings whatever the new bearings or a critical operating bearings, what we are producing, there also we have a same kind of strategy and we are able to maintain the the most preferred requirement of our customer that is quality and supply chain.

Mr. Jason (50:58):

Okay. Okay. Sure, sir. And just lastly, one question, how are we seeing EV momentum on the ground, sir? I mean, the transition hybrid EV, how is it on the ground?

Mr. Hiren Doshi (51:10):

We do not see for last three, four quarters, we do not see much of the traction as far as this transition is concerned. And you better know, you know the industry numbers and you are getting, you must have gone through the SIM numbers, the way it has and even my overseas customer, they are developing new kind of transmission for the hybrid vehicles or for the routine IC vehicles. So, we do not expect much of the traction in the EV market.

Mr. Jason (51:42):

Okay. Sure, sir. That is all for me, sir. Thank you once again.

Mr. Mihir Vora (51:49):

So, since there are no further questions, I will now hand over to Hiren, sir for closing remarks.

Mr. Hiren Doshi (51:55):

Thank you. Thank you very much for all the participants. We hope that we have tried our level best to address your concerns and your queries. Thank you very much for your time.

End time [52:16]