August 7, 2025

National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051
NSE Symbol : SHRIPISTON

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

BSE Scrip code : 544344

Sub: Transcripts of the "Earnings Conference Call" - Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Madam/Sir,

With reference to the captioned matter and in furtherance to our earlier intimation letters dated July 29, 2025, August 1, 2025 and August 4, 2025, regarding the schedule, investor presentation, press release and Audio Recordings of the "Earnings Conference Call" of Shriram Pistons & Rings Limited ("Company") and in compliance with Regulation 30(6) read with Schedule III and other applicable provisions of the SEBI Listing Regulations, please find enclosed the transcripts of the "Earnings Conference Call" on the Un-Audited Financial Results for the quarter ended June 30, 2025, held on Monday, August 4, 2025 at 4:00 p.m. (IST).

The above information is also available on the Company's website and can be accessed at https://shrirampistons.com.

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

Thanking you.

Yours faithfully,

For **Shriram Pistons & Rings Limited**

PANKAJ GUPTA
Digitally signed by PANKAJ GUPTA
Date: 2025.08.07 17:23:51 +05'30'

(Pankaj Gupta)
Company Secretary & Compliance Officer
ICSI M. No.: F4647

SHRIRAM PISTONS & RINGS LTD.

"Shriram Pistons & Rings Limited Q1 FY '26 Earnings Conference Call"

August 04, 2025

SHRIRAM PISTONS & RINGS LTD.

MANAGEMENT: **MR. KRISHNAKUMAR SRINIVASAN –** MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER
MR. PREM RATHI – EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER
MR. PANKAJ GUPTA – DEPUTY EXECUTIVE DIRECTOR AND HEAD LEGAL COMPANY SECRETARY

Moderator: Ladies and gentlemen, good day and welcome to Shriram Pistons & Rings Limited Q1FY26 Earnings Conference Call.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing *, then 0 on your touchtone phone. Please note that this conference is being recorded.

Today, from the management, we have with us Mr. Krishnakumar Srinivasan - Managing Director & Chief Executive Officer; Mr. Prem Rathi - Executive Director & Chief Financial Officer and Mr. Pankaj Gupta - Deputy Executive Director, Head Legal & Company Secretary.

Before we begin, let me remind you that this discussion may contain forward-looking statements that may involve known or unknown risks, uncertainties and other factors. It may be viewed in conjunction with the business risks that could cause future results, performance or achievements to differ significantly from what is expressed or implied by such forward-looking statements.

I now hand the conference over to Mr. Krishnakumar Srinivasan for his opening remarks, post which we will open the floor for an interactive Q&A session. Thank you and over to you, sir.

Krishnakumar Srinivasan: Good evening, everyone. Thank you for joining us today for the Q1 FY '26 Earnings Call for Shriram Pistons & Rings Limited. It is really a pleasure to connect with all of you as we share our progress and achievements over the past quarter.

I am pleased to report that the Company has commenced the Fiscal Year 2026 with a very strong performance in the 1st Quarter. Building on our performances over the last few years, the Company has maintained double-digit growth across all key financial metrics this quarter. I am happy to state that the Company has outgrown the end markets by a wide margin.

As you are aware, the automotive industry is cyclical in nature and tends to be loaded in the Quarter 2 and Quarter 4 and is generally soft in the Quarter 1 and Quarter 3. Hence, normally in Q1, most of the OEMs have their plant maintenance block shutdowns for preventive maintenance and their production is normally on the lower side as compared to the previous quarter, Q4 of last year. So, normally, we compare year-on-year rather than comparing quarter-on-quarter and I am very happy to state that year-on-year, the Company has maintained a very strong growth as compared to quarter 1 of last year.

Under these circumstances, the consolidated total income grew by 14.9% year-on-year to Rs. 9,917 million, which is attributed to the Company's resilient business model and its strategic focus and further supported by SPRL's leading position in the industry along with the strong and long-lasting relationships with all its customers. These factors have also enabled us to continue to outperform the industry, which is going through a rather challenging time. We have been consistently speaking about our dedicated focus on efficiency and operational improvements, which have enabled us to deliver a 16.5% year-on-year growth in consolidated EBITDA to Rs. 2,234 million as well as enabled us to expand our EBITDA margins to 22.5% in Q1 of FY '26.

Our consolidated PAT grew by 15.1% year-on-year to Rs. 1,348 million while PAT margins were maintained at 13.6% in the quarter. Apart from working on various operational improvements, automation and digitization, we have been focusing on increasing our reach to the end markets globally like newer market segments like the marine engines, the defence engines, the railway applications, lawn mower applications and many other unique areas. We have also been dedicatedly working on other fronts like streamlining of supply chain, productivity improvements and cost optimization across all our products. We are confident that these initiatives will continue to drive our profitability but will also ensure that we uphold the superior product quality that SPRL is renowned for.

The auto industry is going through a turbulent time and this quarter presented challenges across all segments. While the passenger vehicles, commercial vehicles and the three-wheeler segments reported near-flat production volumes, the two-wheeler segment was the most affected, degrowing by almost 1% year-on-year from a production standpoint. While we recognize that the near-term outlook presents a cautious phase for the industry, we believe that with our diversified presence across various segments in automotive applications, across commercial vehicles, passenger vehicles, two-wheelers, tractors as well as non-automotive applications like the railways, defence, industrial engines, off-highway engines, marine engines and snowmobile applications will enable us to continue growing and outperforming the industry as we have done in the past.

Our presence across ICE components, EV motors and controllers and high-precision injection moulded components further adds to the strength of our business model. A positive factor this quarter for the industry was growth in exports across all segments after a few quarters of pressure due to the geopolitical situation. With our strong presence across key global markets, we believe that this further adds to the resilience of our model. Even with the geopolitical tensions coming out of the tariff wars and supply situations, we feel that being present in over 45 countries helps us to mitigate risks in one region by better sales in the other. Going forward, our strategic focus remains on strengthening our core business while exploring the new avenues for growth. We are committed to enhancing our product offerings and expanding our market presence through innovation and technology.

As a part of our commitment to innovation and sustainability, we are actively developing components for alternative fuel solutions like CNG, LNG applications, PNG applications, hybrid engines, flex engines, hydrogen engines, H-CNG engines which are hydrogen blended CNG engines and electric engines that complement the internal combustion engines. We firmly believe that all the powertrain solutions will continue to co-exist for quite some time in the future given the various challenges with regards to infrastructure and availability of mature technology solutions for only EV vehicles.

While we work on all the technologies, we are happy to state that our progress on EV motors and controllers is very satisfactory, and the onboarding of many new customers has been going on for quite some time.

We have also been able to mitigate the non-availability of rare earth magnets by alternate sourcing methodologies and maintaining our production run. The progress of commissioning of our new facility at Coimbatore for the EV motor and controller plant is progressing quite well and we expect to start production there by the end of September. Moreover, we continue to pursue strategic partnerships and M&A's that will bolster our capabilities, broaden our product portfolio and will be accretive to our business.

Our focus on sustainability and environmental responsibility remains unwavering as we continue to implement various initiatives that reduce our carbon footprint and promote the use of renewable energy across all our operations.

Before concluding, I would like to express my gratitude to our dedicated employees and all our other stakeholders for their unwavering support. Together, we will continue to grow our business profitably and also work on making SPR a multi-product franchise.

Thank you once again for each one of you for having joined this call today. I would now request the moderator to open the floor for questions and answers.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question comes from the line of Vaibhav Shah from BNP Mutual Fund. Please go ahead.

Vaibhav Shah: So, my first question was on standalone revenue growth, which we have reported against the average industry volume growth that we have given in our presentation. So, what led to this outperformance versus underlying industry growth and what is your expectation for say FY '26 against our industry volume growth expectation? How should our revenue growth be on a standalone basis?

Krishnakumar Srinivasan: Yes, thank you Vaibhav and thanks for this question. First and foremost, I think our standalone revenue has grown by 9.8%. And it has far outgrown the overall market volumes. The market has more or less from a production standpoint, sales standpoint and production standpoint is slightly different. We track more production standpoint because that is more relevant for us when we are selling the pistons, rings and engine valves and our other products. So, our production standpoint growth has been just over around 1% and we are tracking around 9.8%. That is almost outgrowth which is more than 9 times. Now, primarily, this has come out of the work that we started almost 4 or 5 years back with regards to getting into newer businesses, newer areas, newer segments of businesses like, the marine engines, engines for defense, the defense applications, the railway engines, etc. There are multiple areas on which we have focused on in the last many years now and that all the businesses that we have won in the past and all the actions that we have taken to grow the business in a manner where it is not dependent on one particular segment or one particular automotive field, we wanted to ensure that we de-risk it with all the other businesses that we can get and where , pistons rings and valves are used. So, we have been able to win that and that has really helped us to do this.

Vaibhav Shah: Understood, sir. Would you also call, we have gained some market share in the pistons business in this quarter also over the last 1 year?

Krishnakumar Srinivasan: Yes, we have been continuously working on our market share and I am happy to state that some of the new businesses that we have won with the customers and the launch of those new programs that the customers have done has really helped us to actually improve our market share in the country as well as improve the market share outside the country also. We supply to many customers outside India also.

Vaibhav Shah: Understood, sir. My second question is on our exports business. So, as I understand, roughly 10% of our exports also go to North America as a region. So, I just want to understand one, is there any duty impact on our exports today to any particular geography? What was that impact in the quarter which has gone by and what is your expectation for the export business overall in terms of growth for the coming year?

Krishnakumar Srinivasan: Yes. See, our exports has classically been around 20% of our sales, but our sales have also grown and obviously on a larger base, they are wavering between 18%-20% and it will be growing continuously. And even in exports, we have won new businesses as I already told you in the previous call also, even this quarter also we have won some new businesses. So, this will continue, and I don't think there is any one specific region where we are selling around 10% of our products into that region. I don't think we have given that number anywhere. But I can tell you for sure that yes, tariffs are there. It is a reality, and we are hopeful that the tariff will change in the near future. But even otherwise, our tariffs today as it compares relatively to the other countries that are there, which are, let us say, in the reckoning with regards to supply of those products, we feel that we are still better off than the other countries. As a result, we still stand to gain, and we don't see any major reduction in volumes or anything from our customers as yet. So, we don't foresee any major issue as such.

Vaibhav Shah: Understood. I referred to the FY '25 exports mix that is given on presentation slide 16, where North America is roughly 10% of our export mix. That was the number I was referring to, but understood. We continue to remain.

Krishnakumar Srinivasan: Again, it is a mix of all the countries in the region, it is America plus all the other countries. So, we have not any way specified that it is only America.

Vaibhav Shah: Understood, sir. Understood. Thanks for that. My next question is on our subsidiaries that we have now announced. It is very good to see the ramp up in all the 3 subsidiaries that we have. Can you highlight in terms of utilizations or absolute revenue size for the subsidiaries, where are we today as of Q1? And in the EV motors business, I understand we had a facility which was supposed to start from this current financial year. So, where are we in terms of our capacity ramp up plans for the EV motors business as well?

Krishnakumar Srinivasan: Yes. So, basically, we don't normally give any breakups of our capacities primarily because capacities are constantly changing, because we are putting in a lot of capex in almost all the businesses. Even in our legacy business, we continue to put capex and also in all the new areas, all the new companies that we have taken over, we have ensured that we are continuously putting in capex to increase the output of those companies. So, it is constantly changing. So, that capex figure will not be very relevant at this stage. But I can tell you that we are focusing on keeping the capacity utilization at a good level, ensuring that we are able to build capacities ahead of the market, because we see the markets also growing quite well. So, as a result, across all the companies that we are operating on today, we are continuing to put in a lot of capex, number one.

Number two, as far as EMFI is concerned, as I said in the opening remarks, our plant, we are operating from one facility at this stage, which is supplying to all the customers. We have put in a new facility, which, if you remember, we had started sometime in March of this year and in September, we are thinking of starting the plant and we should be in a position to start operations out of that new plant by the first week of October. So, we are really growing the volumes there. So, we think that that is the right way that we should complement the existing volumes and it is a state-of-the-art plant for both the motors and controllers. We will make all kinds of motors, including the mid-drive and the hub motors, and we will make motors right from 250 watts right up to 350 kilowatts.

Vaibhav Shah: Understood, sir. Thank you. I have more questions. I will come back in queue. Thank you so much, sir.

Krishnakumar Srinivasan: Thank you, Vaibhav. Thanks a lot.

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

Rushabh Shah: Hi. Thanks for the opportunity. Sir, in the plastic business, what is the potential for aftermarket?

Krishnakumar Srinivasan: Hi, Rushabhji. Good evening. Thanks for coming into the call and thanks for the question. Yes, there are aftermarket businesses for our plastic injection moulded parts also. Mostly, as you realize that the plastic injection moulded parts are precision plastic injection moulded parts, which goes primarily as into assemblies and sub-assemblies. There are also some sub-assemblies which we deliver directly to the customers. There are also some OEM requirements which we supply directly. So, many of the OEM requirements that we supply directly does have also aftermarket requirements, which is networked through our existing SPRL aftermarket, which is really very complementary to the business that we have in all the other subsidiaries. So, we have a combination of both direct supplies to OEM as well as the aftermarket requirements.

Rushabh Shah: Like, going ahead, how big could this aftermarket business be?

Krishnakumar Srinivasan: Well, all the initial requirements that we have seen is quite demanding and that is a good requirement. So, we think that this segment of the business will certainly grow. But keep in mind that these are only the precision injection moulded parts. These are not the normal big plastic parts that are going. So, it is, for example, the steering gears that we make, it goes only into steering application. So, there is a very specific requirement in the aftermarket for steering gears as and when steering breaks down or there is an accident or things like that. And that requirement is already fed by the aftermarket teams that we have. That is how it operates.

Rushabh Shah: Fine. Thank you, sir.

Krishnakumar Srinivasan: Thanks, Rushabhji.

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

Viraj: Yes. Hi. Thanks for the opportunity. Just a couple of questions. First is on the EV product offering. If you can just give some more historical perspective, how we kind of gone about acquiring technology, both in terms of motors and controllers? So, that is one. And just to extend that, traditionally, we have been present more in hub motors kind of offering. But I think you are also in the process of launching big giant motors as well. So, can you just give some more perspective how we have gone about acquiring the tech? And just to add to that, what are the kinds of presence we have currently, any color you can give in terms of end segment application and CV, LCV, PV or two-wheeler and similarly, in terms of the customer concentration or profile? And third is, if you look at space, you have seen a very high rate of change in technology, especially in motors. So, then how are we going about competing in the marketplace when the end offering itself is seeing a lot of changes in terms of tech?

Krishnakumar Srinivasan: Yes. First and foremost, as far as the EV motors are concerned, you are right that initially when we started, we started with the hub motors, which was the model of most of the motor companies. But then subsequently, we have gone into all the kinds of motors, including the mid-drive motors and also various profiling of motors. It could be a switch reluctance motor or synchronous motors. There are also some motors that we make without magnets also. So, those combinations are also there. So, there are multiple areas on which we are working. And we will continue to work in all the areas because ultimately, we want to ensure that we are able to cater to the industry requirements as per our customers' needs. So, most of that is dictated by our customers and the end product that it is going in. So, you will observe that we have been continuously growing. And as I said, our real growth has started in full swing. And that is why we are putting up a new plant also in Coimbatore. And that plant will also be operational from coming September end. So, that is just around one to one and a half months away. So, with that, we will scale up in all the motors that we are manufacturing today. From a technology standpoint, we have always believed in getting the right technologies. There are a couple of important points here that I should mention. First is, we are probably one of the very few motor manufacturers who combine the motors and controllers together. We size it together in our thing, we test it along with the controller, we test it on our test bench, our 100% of the final test happens only along with our controller and that is then supplied to the customer so that customer does not have any problem with regards to sizing the motor and the controller together. That is one of the major changes that we do with regards to the others. Second, most of our technologies have been with the help of, as far as control is concerned, we have a collaboration with Lingbo, as you know, and with, as far as the mid-drive motors are concerned, do it with Greatland Electrics. So, we have the technology movement coming there. They are all up to date with regard to all the newer technologies that are coming in, including hairpin bending and everything. All those technologies are available with us and we are almost in line with all the newer requirements of the customers.

Viraj: So, just two questions. Can you give some deeper perspective, given the kind of spread we would have in terms of different tech, different product offerings in motors and motor controllers? What is the kind of similarity or differences you see in terms of manufacturing setup? Why I am asking this is typically, say, if I look at core products of piston, piston rings or other engine valves, we have a very defined benchmark in terms of, what kind of minimum threshold we would want to see either in terms of returns or margins before adding any capacity. But here, given there is so much variability, and the rate of change is high, what is the kind of similarity or difference you see in the manufacturing setup between different offerings? So, that is one. And second is, if you can give some more deeper perspective in terms of the mix in terms of end segments, whether it be LCV, PV or two-wheeler, and similarly in terms of customer offerings?

Krishnakumar Srinivasan: We generally don't give any breakup of these customers, but we are present in all, that is why I said that we range our motors right from 250 watts right up to 350 kilowatts. 350 kilowatts are the ones which go into big buses and other things, other applications, including for truck applications, including mining. So, there are a number of applications. Volumes are, of course, low, as you all know, that it is all, we have to be present in all this, we have to size it, we have to ensure that those motors are in for various testings and other things that are going on. And multiple levels of validations are going on across various customers. I can only say that we are now among the top 3 motor and controller manufacturers. We are the only ones who are giving motor and controller sized together. There are a couple of others who are smaller players, but in terms of recognized big players, we are the only ones. And secondly, we are among the top

3 as far as motor manufacturing is concerned. So, I think we are on a very good way to establish our position as a major motor and controller supplier in the country.

Viraj: And in terms of customer concentration, say top 5, top 10 customers, how would that be?

Krishnakumar Srinivasan: This is a very growing field and it is very important to realize that many players are trying to enter many of these customers and it is not ideal at this stage to give any of the customer names because even the customers are keeping it very confidential, and they don't want us to disclose any of the names. So, unfortunately, I will not be in a position to disclose any names at this stage.

Viraj: Just one last question on this and I have a few questions on other parts of the business. One trend also you are seeing is, OE is going for more integrated offerings that are being three in one or five in one kind of offering where you just don't have a motor or MCU, but you have other drive part, value chains also embedded in one system. From your interaction, is that a limitation for us or if I have to look at as doing more?

Krishnakumar Srinivasan: No, we are already making a three-in-one also, two-in-one also. Depending on the customer requirements, we make everything. We can make along integrated with the controller, with the gearbox, we can give without, we can give with motor and gearbox together. So, multiple combinations are there. It depends on the customer's requirements and the way he has designed his vehicle. So, it all changes with the configuration of the vehicle. So, we are completely geared up for all kinds of supplies.

Viraj: Just a few more questions on the precision engineered products. Can you give some perspective, where is the product more concentrated in terms of application? If I look at the business profile of the two subsidiaries, is it more towards fuel injection or the engine applications or is it more towards the transmission or the driveline? Any color you can give in that sense, it will help understand?

Krishnakumar Srinivasan: Well, it is spread all over the place. We are supplying for steering applications, we are supplying for gearing applications, we are supplying for breaking applications, we are supplying for seatbelt applications, we are supplying for trimming applications in the vehicle. Multiple applications are there. There are not one concentration of any particular application. These are all precision plastic injections moulded. They are agnostic to the kind of vehicles that are made, powertrains. And we do have some components which goes specifically into injection-related components, which are very small in nature.

Viraj: So, to put it differently, if I look at product applications, where do you see most complexity and how are we positioned in that space?

Krishnakumar Srinivasan: No, it is quite complex. Some of the components that we make for steering gear applications, some of them which we make for headlamp adjustment applications, etc., are very complex in terms of its accuracies in this. And we are well placed, and we are already supplying to many of the Tier-1 manufacturers.

Viraj: Just last question, I will come back in queue. If I look at the subsidiaries, right, can you explain what drives the high margins? Because if you look at other players like Kingfa and others, they make mid-teens kind of margins, even though they are being global players. So, just trying to understand the margin drivers for the subsidiary?

Krishnakumar Srinivasan: Yes. So, Viraj, you want me to give away such secrets in an open call? So, we are into niche segment. See, what is very important for you to understand is our products are going into very niche applications. It requires very high accuracy and precision. We put the capex ahead of time. We put capex, which are very specific and very, let me say, high accuracy output kind of an equipment. And that requires high precision. That is why we call high precision components. These components are finish-to-finish dimensions in one stroke. And so it requires a very high amount of accuracy. So, those kind of components, not many people in the country make it. And that is the reason why we call it precision components. And the mix of business and a mix of customers actually helps us to maintain our margins. It is not that one particular set of customers is giving us the margins. It is not like that. It is a mix of customers. We also supply to music industry. We supply to many other industries, which is different than automotive industry also. And those products also are being supplied by our injection moulding facilities.

Moderator: Thank you. The next question comes from the line of Pradyumna Choudhary from JM Financial Family Office. Please go ahead.

Pradyumna Choudhary: Yes, hi, sir. Congratulations on the good set of numbers. I just had 2-3 questions. First one, sorry, I missed, I got disconnected at the time of when you spoke about tariffs. So, can you just tell how much of revenue is coming from US and what could be the impact of the tariffs on our business? That is one. Second is, how do we, like, of course, we have been outperforming the industry growth due to the factors you mentioned. Is there some sense on how we expect this growth to continue going forward, like, can we sustain such outperformance and what could be the drivers for the same? And lastly, as some of our other acquired entities scale up in business, do we expect our consol profitability to come down a bit from our current levels?

Krishnakumar Srinivasan: Yes, our consol profitability has grown here. It has not come down. There is no reason why it should come down, number one. Number two is, as far as our mix of customers in the export is concerned, as that is given already in our slide, you will see that, we have slide number 16 gives that. But at the same time, it is important for me to state there that it is not concentrated. It is very well spread across the globe. And that really helps us to de-risk our business model, because any one region, if it is getting affected, we can always complement it by supplying to the other region. And we have a fairly good presence across OEMs as well as aftermarkets across the world. And another big advantage is, even within North America also, you will see that we supply to not only the American region, but also to countries like Mexico, Brazil, and others, which is in a quite big manner. So, there is no reason why we should get worried at all by the tariff situation, number one. Number two, as it is also within the tariff situation, we don't see any major big impact coming to us relative to our other competition. So, that is the most important point. And that really helps us to maintain our customers and all our customers have reposed total faith in us in terms of our supplies.

Pradyumna Choudhary: Understood. And how do we expect the growth going forward? Can we continue the kind of outperformance we have been doing?

Krishnakumar Srinivasan: We are hoping to, and we are taking all the necessary steps to ensure that we are able to do that. So, I know, you can see the performance over the last 5 years, every quarter we have delivered to the numbers and done at least better than the market. Our aim is to ensure that we are able to outgrow the end markets.

Pradyumna Choudhary: Understood. Thank you and all the best.

Krishnakumar Srinivasan: Thank you, Pradyumna.

Moderator: Thank you. The next question comes from the line of Abhishek Kumar Jain from Alpha Capital. Please go ahead.

Abhishek Kumar Jain: Thanks for the opportunity and congrats for the strong set of numbers. My question on the cash in the balance sheet of the Company, we are looking for some acquisition as well. So, if you can throw some more light on these parts, sir?

Krishnakumar Srinivasan: Thank you, Abhishek for the question. And yes, we do have, as you see, the balance sheet is quite strong and we want to ensure that we are doing quite well. We are working on number of areas to improve our leverage on the balance sheet. And I can tell you that we will continue our drive towards making SPRL a more multi-product franchise. And I think we are on a good way to that. So, our drive towards M&A will continue and we are looking at more opportunities.

Abhishek Kumar Jain: So, you are looking for opportunity in the auto or the non-auto side?

Krishnakumar Srinivasan: Well, it is like this. We are looking for automotive side. But if we get a partner who is also having non-auto business, so why not take that.

Abhishek Kumar Jain: And what would be the size, sir?

Krishnakumar Srinivasan: Well, we can't crystal gaze that at this stage. You can see what kind of leverage we have from the balance sheet and we will certainly see to it that we are able to leverage it quite well.

Abhishek Kumar Jain: And in the EMFI side, so do you supply motors in CV only or will you enter into the two-wheeler and four-wheeler space as well? And how much is that current capacity and what would be the incremental value for the new plant to start from September onwards?

Krishnakumar Srinivasan: Yes, we supply to all the applications. There is nothing stopping us from any of the applications. The kind of machineries we have put in, the CAPEX that we have put in the new plant is primarily to cater to all segments of the market because we can't stay only with one segment of the market. We have to ensure that we are able to supply to all segments of the market. There are many customers of ours who are wanting the product to be sold within their product portfolio to ensure that we are supplying to all segments of the market that they market in. So, we want to be present in all of them. So, that is how we have built the new plant.

Abhishek Kumar Jain: So, once this plant will start from the September onwards, so what would be the peak revenue if the plant runs at a 100% capacity utilization?

Krishnakumar Srinivasan: Yes, so we are not giving out these figures at this stage. But at the relevant time, we will certainly be diverging those numbers.

Abhishek Kumar Jain: Thank you, sir. That is all for me.

Krishnakumar Srinivasan: Thanks a lot.

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

Nandan Pradhan: Yes. So, we had initially called out that the plant would start by the end of Q4 and now it has been pushed to October. So, one is why has this delay been caused? And the second is once the plant ramps up, how long do you think it will take for it to reach its full capacity or optimal utilization?

Krishnakumar Srinivasan: Earlier, we had stated this, where we had said that we will start our operations in the new plant by the end of July. And now we have decided to combine our existing facility also into the new plant because we think that there will be synergies with regards to having our entire management bandwidth and everything. So, we are combining everything into a new plant as a result of which we ensure that we are able to build up the required area and bring both the existing plant and the new plant together in one location. That is the reason why it has got pushed to end September. But I think we are on a good way in terms of the existing facility is still operational and we will be ensuring that we shift at the right time once the multiple lines that we are putting up in the new facility are operational and up to speed, duly validated by the customers. So, it is important to state here that we are probably amongst the top few to have got the ICAT approval and the PM E-drive approval. So, it is important that all this work is done with all the due approvals so that customers are able to use the product very seamlessly and be able to get all the benefits that they are aiming to get for their end customers.

Nandan Pradhan: Thank you, sir. And just a small follow-up, do you expect any one-offs during this transition where you halt operations at the old plant and everything gets shifted to the new Coimbatore plant?

Krishnakumar Srinivasan: No. Absolutely not. That is what I explained. That is why we have had to do it in such a way that it is able to complement each other.

Nandan Pradhan: So, that answers my question. Thank you and all the very best.

Krishnakumar Srinivasan: Thank you, Nandan.

Moderator: The next question comes from the line of Manik Bansal, an Individual Investor. Please go ahead.

Manik Bansal: Hi, sir. Thank you for the opportunity. So, I just have a single question. Can you please share the trend of the piston prices over the past 2-3 years and how do you expect the piston prices to move in the near future?

Krishnakumar Srinivasan: Yes. So, piston, see what happens is piston prices are all linked to the overall prices of aluminum and metal prices, the way it moves, and mostly linked via the LME model. And what happens is we get compensation from our customers as the metal moves up or down, or we have to increase or decrease the prices based on that. So, it is all back-ended by that and there is no this thing. Only thing is we are able to recover our margins, and we are able to ensure that we are able to maintain our margins. That is what is most important here. So, I think, I hope I could at least give you some idea about this.

Manik Bansal: But is there any product or segment they are passing on? Is there more of a challenge?

Krishnakumar Srinivasan: No, there is nothing. Nothing like that. Because most of the contracts are all back-ended.

Manik Bansal: And just last question, like if you can just give some light or color on the industrial growth that you are expecting on segment, like PV and CV mainly?

Krishnakumar Srinivasan: No, see, if you really see, the end markets have grown only by around 1% in this quarter, right? And we have been able to grow by 9.8% to be exact. And this comes from ensuring that we are able to get into newer markets, newer segments of the business that I talked about in my speech that I gave earlier. And we have been able to enter into those segments and be able to supply to those. So, that is what has really brought in the growth.

Manik Bansal: Thank you so much.

Krishnakumar Srinivasan: Thanks, Manik.

Moderator: Thank you. The next question comes from the line of Harsh, an Individual Investor. Please go ahead.

Harsh: Yes. So, thank you for taking my question. I just wanted a clarification on the working capital. So, we employ roughly Rs. 1,000 odd crores in working capital. So, how much of that goes to aftermarket, particularly in terms of our receivables? And my second question is, you listed marine, railways and defense as sort of your automotive verticals. So, if you could just throw some light on what kind of opportunities are we seeing in these verticals?

Krishnakumar Srinivasan: Yes. So, first and foremost, I don't know where you got the figure of Rs. 1,000 crores as a working capital. You are talking about cash and bank?

Harsh: No, so roughly Rs. 900-1000 odd crores of inventories and receivables, right, combined?

Krishnakumar Srinivasan: You have to reduce the payables also, no?

Harsh: Yes, I was just talking about the asset side. If you could just tell, particularly in terms of receivables, how much of those are originating from aftermarket?

Krishnakumar Srinivasan: Well, we don't give those kind of figures, but it is as per our norms. We have very clear norms in terms of our working capital, including finished goods and the kind of credit terms that we give to our customers. And it is all completely within norms. So, we don't see any major issue there. You can see it over the years, it has moved in the same band.

Harsh: Yes, it has been largely in line of revenues. And on the marine and railways and defense, what sort of opportunities are you seeing?

Krishnakumar Srinivasan: These are newer entry points for us. And those are areas where, it has multiple applications and we ensure that we are able to supply to the customers accordingly.

Harsh: Thank you so much and congratulations on another good quarter.

Krishnakumar Srinivasan: Yes, thank you, Harsh.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Krishnakumar Srinivasan for closing remarks. Thank you and over to you, sir.

Krishnakumar Srinivasan: Once again, thank you to everybody. Thanks a lot for joining and actively participating in the call today. We have had a very interesting questions today and I hope that we have been able to answer most of the questions. In case, you have any further queries, please do feel free to reach out to us. You can get in touch with our Investor Relation partners at Ernst & Young. On behalf of the Company, we again deeply appreciate your time and engagement. Thank you once again. Please take care and goodbye. Thanks a lot.

Moderator: Thank you. On behalf of Shriram Pistons & Rings Limited, that concludes this conference. Thank you for joining with us and you may now disconnect your lines. Thank you.

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