



NDR AUTO COMPONENTS LIMITED

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Sub: Transcript of the Earning/Quarterly Call of FY 2022-23

Dear Sir/Madam,

Pursuant to the provision of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith the transcript of the earnings/ quarterly call Q4 of FY 2022-23.

The same is also available on the website of the Company.

Kindly take the same on your record.

Thanking You
For NDR Auto Components Limited

Rajat Bhandari
Executive Director and Company Secretary
DIN: 02154950



“NDR Auto Components Limited Q4 FY23 Results Conference Call”

May 30, 2023



MANAGEMENT: **MR. PRANAV RELAN – WHOLE TIME DIRECTOR –
NDR AUTO COMPONENTS LIMITED**
**MR. VINOD KUMAR – CHIEF FINANCIAL OFFICER –
NDR AUTO COMPONENTS LIMITED**
**MR. SANJIV KUMAR – FINANCIAL ADVISOR – NDR
AUTO COMPONENTS LIMITED**
**MR. RAJAT BHANDARI – EXECUTIVE DIRECTOR AND
COMPANY SECRETARY – NDR AUTO COMPONENTS
LIMITED**

MODERATOR: **MR. GOPAL CHANDAK – KIRIN ADVISORS PRIVATE
LIMITED**



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Moderator: Ladies and gentlemen, good day, and welcome to the Q4 FY '23 Results Conference Call of NDR Auto Components Limited hosted by Kirin Advisors Private Limited.

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 the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Gopal Chandak from Kirin Advisors Private Limited. Thank you, and over to you, sir.

Gopal Chandak: Thank you. Good afternoon everyone. Thanks for joining the conference call of NDR Auto Components Limited.

I would like to welcome Mr. Pranav Relan – Whole Time Director; Mr. Vinod Kumar – Chief Financial Officer; Mr. Sanjiv Kumar – Financial Advisor; Mr. Rajat Bhandari – Executive Director and Company Secretary of NDR Auto Components Limited.

Rajat sir, over to you.

Rajat Bhandari: Good day everyone. I would like to extend a warm welcome to all of you attending the Q4 FY '23 Conference Call of NDR Auto Components. It gives me great pleasure to have each one of you here today.

Before we dive into the performance discussion, let me provide a brief overview of our Company NDR Auto Components, a proud member of the Rohit Relan Group specializes in manufacturing seating solutions such as frames and trims for both four-wheeler and two-wheeler vehicles.

Presently, we operate three plants, two in Haryana and one in Bangalore while our fourth plant in Gujarat commenced operations in March 2023. This new addition has expanded our total capacity to 11 lakh units. Our seating solutions are integrated into popular car models such as Brezza, Ciaz, Wagon R, Swift Dzire, Grand Vitara, Jimny, and Toyota Hyryder. In two-wheeler segment, we supply seating arrangements for Suzuki Gixer and Suzuki Access.

Key operational highlights of Q4 FY '23:

The Company has successfully commissioned Gujarat facility and production of FRONX started as per customer timeline. Now let us delve into the financial aspect.



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It gives us immense pleasure to conclude this fiscal year on a positive note, and we anticipate continued momentum and growth in Financial year '23-'24. Allow me to provide you with some key financial highlights of both Q4 FY ' 23 and FY ' 23.

In Q4 FY ' 23 on a consolidated basis, our total revenues witnessed a remarkable year-on-year increase of 64.14% reaching Rs. 133.05 crores. This substantial growth in our top line is a direct result of the robust demand for our products.

Our EBITDA increased by 89.97% to Rs. 13.64 crores, indicating an improvement in operational profitability. Additionally, our EBITDA margins grew from 8.86% to 10.25%. We also achieved a 56.35% increase in profit after tax amounting to Rs. 9.85 crores. Furthermore, our EPS stood at Rs. 16.76, reflecting an impressive growth rate of around growth rate of 64.31%.

Moving on to the Performance Highlight for FY ' 23:

Our total revenues reached Rs. 399.10 crore, making a substantial increase of 66.12%. Meanwhile, our EBITDA stood at Rs. 38.04 crores, representing a growth rate of 75.79%. Our EBITDA margin showed slight improvement of 9.53% compared to 9.01% in the previous year.

Furthermore, our profit after tax reached Rs. 28.20 crore, indicating a notable increase of 85.89%. Notably, our EPS stood at Rs. 47.27 exhibiting a remarkable growth of 88.78%.

It is important to mention that we generated a robust cash flow from operations amounting to Rs. 48.18 crores. Overall, these financial results highlight our significant growth in revenues, profitability and net income. The improved EBITDA margins and EPS reflect our commitment to efficient cost management and value creation for our esteemed shareholders. These positive performances and metrics depict a healthy financial position for the Company.

Let's take a moment to discuss the industry landscape and the road ahead. The Indian passenger car market demonstrated remarkable growth reaching evaluation of US\$32.70 billion in 2021. Projections indicate that it will achieve a value of Rs. 54.84 billion by 2027, exhibiting a robust CAGR of over 9% between 2022 and 2027.

Moreover, the electric vehicle market in India is estimated to reach Rs. 50,000 crores, that is 7.09 billion by 2025. In light of this, the PLI scheme for automobile and auto components valued at Rs. 25,938 crores i.e. US\$3.49 billion is expected to attract investments exceeding Rs. 42,500 crores, that is US\$5.74 billion by 2026. These figures represent significant opportunities for ancillary Company like ours.



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As a provider of seating solutions, we are uniquely positioned within the auto ancillary segment of the automobile industry.

The robust demand for four-wheeler passenger vehicles continues to be a key driver of our business growth. Notably, our largest client Maruti Suzuki witnessed a robust sale of 19% in selling 9.66 lakh units during FY '23. We cater to approximately 33% of their seating solution requirement, making us a crucial contributor to their growth trajectory.

Similarly, Toyota recorded an impressive year-on-year jump of 41%, selling 1.74 lakh units in FY '22-'23. As a supplier of seating arrangement to Toyota, this further strengthens of our growth prospects.

Moreover, at the recent Auto Expo 2023, Maruti Suzuki unveiled two exciting new models: Jimny and Fronx indicating their focus on expanding their SUV segment in India. Given our existing supply of seating arrangements for models like Brezza and Grand Vitara, we anticipate potential new contracts for the aforementioned model Jimny and Fronx.

Similarly, Toyota launched unique version of their regular cars including the Glanza Sporty Edition with a carbon fiber body kit and matching interior as well as the hydrogen powered concept vehicle the Corolla Cross S2 concept. Additionally, the Land Cruiser LC300 SUV, one of the most renowned luxury SUVs was showcased in India for the first time.

Based on these developments, we are optimistic about securing our new contracts for the upcoming launches of our key clients. With our expanded capacities, we are well-positioned to see this opportunities and drive revenue growth.

Before we proceed to the question-and-answer session, I would like to express our gratitude to all our stakeholders for their unwavering trust in our Company. FY '23 has been an incredibly successful year, and as a token of our appreciation, we recommend a dividend of 50% and a bonus in the ratio of one equity share for every one share held rewarding our shareholders for their continued support. We remain dedicated to the growth of our Company and eagerly anticipate a remarkable year ahead in FY '24.

Now, I open the floor for the question-and-answer session.

Moderator:

Thank you. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Yashwanti Khedkar from Kojin Finvest Private Limited. Please go ahead.

Yashwanti Khedkar:

Can we say that our growth is directly linked with the Maruti Suzuki?



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- Pranav Relan:** Yes, it's directly linked to Maruti Suzuki and Toyota.
- Yashwanti Khedkar:** And Toyota. Sir, how much of Maruti Suzuki's requirements are made by us?
- Pranav Relan:** Sorry.
- Yashwanti Khedkar:** How much of Maruti Suzuki's requirements are made by us?
- Pranav Relan:** About 30% to 35%.
- Yashwanti Khedkar:** 30% to 35%. Any new model has been added to our portfolio, sir?
- Pranav Relan:** So, we have added the Jimny and the Fronx. That is the Jimny is yet to start production. The Fronx started production last quarter.
- Yashwanti Khedkar:** And anything from Toyota side?
- Pranav Relan:** No, there is no new model from Toyota side. So, no, we haven't added anything.
- Yashwanti Khedkar:** We haven't added anything. And sir, when we operate in Bangalore and the Gujarat plant capacity, the full capacity, what will be the revenue potential?
- Pranav Relan:** So, the Bangalore plant is about 200 crores, and the Gujarat plant at the moment is about 70 crores to 80 crores. Then there is a new model coming next year which will enhance that significantly.
- Yashwanti Khedkar:** Which model is coming, sir?
- Pranav Relan:** So, that's a new car. So, once I think Maruti reveals it, then we will let you know.
- Yashwanti Khedkar:** Sir, normally, what is the process of getting any new model into our portfolio? How much time does it take?
- Pranav Relan:** So, I think from acquiring the business to production is about a two-year lag. One and a half to two-year lag.
- Yashwanti Khedkar:** One and a half year to two-year lag. Okay.
- Pranav Relan:** It depends on if you are setting up the new facility, then it's a bit longer. If it's an existing model, then that's a little shorter.



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- Yashwanti Khedkar:** Right now, with all our new modernized facility, I think we can do anything for any model of any Company, right, sir?
- Pranav Relan:** Yes. Any new model that comes, I think we should be able to do it.
- Yashwanti Khedkar:** We should be able to do it. Sir, in the Quarter 4, we have seen the margin of 10%, while overall for the full year, it is 9% and odd figure. So, what is the margin guidance you would like to give going forward?
- Pranav Relan:** So, I think we are going to stick to 10% going forward.
- Yashwanti Khedkar:** 10%, we can maintain the 10%?
- Pranav Relan:** Yes, we will stick to 10%.
- Yashwanti Khedkar:** Sir, on the last question, you recommended a dividend of 50% respecting all the shareholders. Will this trend be continue going forward?
- Pranav Relan:** So, our policy is to give 10% of our profits. I think we are going to stick to that going forward.
- Moderator:** Thank you. The next question is from the line of Himani Ubhan from Suraj Enterprises. Please go ahead.
- Himani Ubhan:** My first question is what is total capacity? And what was capacity utilized during this year?
- Pranav Relan:** So, the NCR capacity is about 600,000 sets. we used about 80% of it. So, Bangalore capacity is about 250,000 sets. The production started late, but by the last few months we were also at 80% of it, and Gujarat is just started. So, there was almost no capacity used last year.
- Himani Ubhan:** Please share production value for four-wheelers and two-wheelers?
- Pranav Relan:** I don't have that at the top of my head, but I can share that with you later.
- Himani Ubhan:** Do you see raw material pressure on margin?
- Pranav Relan:** No. So, whatever raw material up and down is index for us. So, we get that from the customer. So, absolute terms there should be no impact on it.
- Himani Ubhan:** And is any new client added to your client portfolio?
- Pranav Relan:** No. No new client at the moment.



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- Himani Ubhan:** And my last question is, can we say our growth is directly linked with Maruti Suzuki? How much of Maruti Suzuki's requirements are met by us?
- Pranav Relan:** Our growth is, yes, it is directly linked by Maruti Suzuki and Toyota. And we supply about 33% of the needs.
- Moderator:** Thank you. The next question is from the line of Deepika Chadha from Kojin Research. Please go ahead.
- Deepika Chadha:** Sir, I wanted to ask what is the revenue potential on full capacity utilization of Bangalore and Gujarat plant?
- Pranav Relan:** So, I don't want to give a guidance for now, but it should be closer to 500 crores or 600 crores if not more. It should be approximately 500 crores or 600 crores.
- Deepika Chadha:** And what is the working capital cycle?
- Pranav Relan:** 45 to 60 days.
- Deepika Chadha:** So, what was the CAPEX for FY '23? And any further plans for future?
- Pranav Relan:** So, yes, we actually for FY '23, we did 30 crores in Bangalore, about 20 crores in Gujarat, and then in addition to that, we bought property in Kharkoda where Maruti Suzuki is expected to set up their new facility.
- Deepika Chadha:** You recommended a dividend of 50% for FY '23. So, can we expect the same for the current year?
- Pranav Relan:** So, we will stick to giving about 10% of our profit as dividend.
- Deepika Chadha:** So, when we add Gujarat plant, what will be the new revenue opportunity?
- Pranav Relan:** I think I already answered that. The Gujarat facility should add another 70 crores to 80 crores in revenue for the next fiscal, and the Bangalore facility should have the full year kick in.
- Moderator:** Thank you. The next question is from the line of Rahul Mishra from RTL Investments. Please go ahead.
- Rahul Mishra:** Could you just tell us how in terms of the number of sets that you sold in the quarter?



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- Pranav Relan:** So, for the year, we sold about 600,000. So, the quarter will be, let me get back to you. For last quarter was 184,000.
- Rahul Mishra:** And CAPEX plan for F '24, please?
- Pranav Relan:** CAPEX for next year should be another 30 crores to 40 crores.
- Rahul Mishra:** This will be in Gujarat.
- Pranav Relan:** It will be in Gujarat because we have a new model coming up. That's a high value model.
- Moderator:** Thank you. The next question is from the line of Siddhesh Shah from Money & Tree. Please go ahead.
- Siddhesh Shah:** I had few questions related to our operations and future CAPEX plans and all. So, first of all, related to the sets, I think you have answered around 600,000 sets for the full year. So, can you give us a bifurcation or how much for the Maruti and how much was for the Toyota?
- Pranav Relan:** For last quarter for...
- Siddhesh Shah:** As in full year. As in full year.
- Pranav Relan:** Okay. So, for Toyota, for the Bangalore, we have done about 90,000 and for NCR we have done 5,10,000. So, Bangalore goes for Grand Vitara and Hyryder. So, we don't have the exact bifurcation for that.
- Siddhesh Shah:** So, in Toyota portfolio, are we doing only Hyryder, correct?
- Pranav Relan:** Yes. We are doing the Hyryder and the Urban Cruiser.
- Siddhesh Shah:** And Urban Cruiser. But Urban Cruiser is the old model.
- Pranav Relan:** Yes. It's the Brezza variant.
- Siddhesh Shah:** Yes. It's the old Brezza variant.
- Pranav Relan:** Yes. And the Grand Vitara. Yes.
- Siddhesh Shah:** Okay. The Grand Vitara and Hyryder are the same basically.
- Pranav Relan:** Yes.



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- Siddhesh Shah:** So, are we planning to expand into more into Toyota's other cars?
- Pranav Relan:** So, we are planning to expand to other OEMs, but once something happens, then we will let you know.
- Siddhesh Shah:** So, yes, it's almost three to four quarters you are telling you are in talks with other OEMs, but you won't be expanding with Toyota apart from this common shared product.
- Pranav Relan:** So, there is no opportunity coming with Toyota in the near term, but if something comes later, then we will definitely try to expand the portfolio.
- Siddhesh Shah:** The high value model you have just talked about for the Maruti which is coming up, so by when it's going into production?
- Pranav Relan:** I think that is 2024 maybe July, August, September. I don't know the exact date, but it's something like that.
- Siddhesh Shah:** So, I don't think the Company has launched currently this model.
- Pranav Relan:** No, it's a new model.
- Siddhesh Shah:** So, in terms of Maruti, in our current inventory, so any updates on the new models for the current set of vehicles, like we have seen very frequent updates in the recent months, recent last one, one and half a year from Maruti? So, any update on like older model like Wagon R and all which is our primary, I think, will be the primary product for us?
- Pranav Relan:** They are stable. They are doing well.
- Siddhesh Shah:** So, can you just give the idea about the price difference between the price of a, let's say a Wagon R seating set and a Hyryder or a Grand Vitara seating set?
- Pranav Relan:** So, I can't give numbers at the moment, but when the...
- Siddhesh Shah:** In terms of percentage, what will be the price difference?
- Pranav Relan:** No. No, sorry. I can't, but when premium features like artificial leather comes, then our content significantly shoots up.
- Siddhesh Shah:** So, now we are seeing more and more models coming up with the heated and ventilated seats and all. So, are we equipped to match the demand?



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- Pranav Relan:** Yes.
- Siddhesh Shah:** I think currently in your portfolio, only the Hyryder and Grand Vitara will be coming with this feature.
- Pranav Relan:** So, I think that will be in a year or two, but yes, we have already got orders for that.
- Siddhesh Shah:** So, we have enough capacity for this.
- Pranav Relan:** We have enough capacity. And in addition, yes, we have enough capacity.
- Siddhesh Shah:** And last question. So, if you tell your planning, it takes up around 30 crore in FY '24. So, can we expect like in this year FY '23 you did around 20 crores to 30 crore, next year planning 20 crores to 30 crore, so this trend will continue for next, let's say, four or five years?
- Pranav Relan:** So, it depends on how much business we acquire and what mob do we want to do. So, I don't know if the trend is going to continue. It might increase. It depends on our growth.
- Siddhesh Shah:** Yes. That is there definitely, but the way you are getting business from the Maruti and how aggressively Maruti is working currently, so this can be a trend.
- Pranav Relan:** For our existing business, yes, but we want to add new customers and new products. So, that might increase once we do that.
- Siddhesh Shah:** And just one additional question. So, from the Maruti front, how much time period we have to supply once they give the order? So, I think it will be a continuous process, but how they are sending the requirements? So, let's say for one model, let's say you are building sets for the Wagon R, and they all of a sudden come and say they want for the Brezza. So, how quickly it can change production? And what's the normal sort of demand?
- Pranav Relan:** No, normally it's stable. It depends sometimes the shocks like semiconductor, but we have a production planning department to address that.
- Siddhesh Shah:** Sir, any update on your BIW Department?
- Pranav Relan:** No updates for now.
- Moderator:** Thank you. The next question is from the line of Suyash Singh an individual investor. Please go ahead.
- Suyash Singh:** Sir, I wanted to ask is, what is your spend on technology? Do we have any tie up for technology?



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- Pranav Relan:** Yes. So, we have three joint venture partners. We have Toyota Boshuku, Toyo Seat, and I think Hayashi Telempu that we take our technology from.
- Suyash Singh:** And sir, with the volatile raw material prices, so do we use any strategies or hedge contracts or any such?
- Pranav Relan:** No. So, our raw material prices are fully indexed. So, when there is an uptick or a downtick, our customer pays for it. It has no impact on our profitability.
- Suyash Singh:** And sir, considering the PLI scheme for automobile and auto components, what role do you anticipate that NDR will be playing in attracting investments and capitalizing on opportunities?
- Pranav Relan:** So, we have not applied for the PLI scheme, but we are always looking for new opportunities.
- Moderator:** Thank you. The next question is from the line of Yashwanti Khedkar from Kojin Finvest Private Limited. Please go ahead.
- Yashwanti Khedkar:** Sir, with regard to the notice about the search and seizure operation at the Company and the factory, is there is any production affected during that period?
- Rajat Bhandari:** No. No production was affected.
- Moderator:** Thank you. We will move on to the next question that is from the line of Rahul Mishra from RTL Investments. Please go ahead.
- Rahul Mishra:** Any update or clarification on the whole income tax matter, please?
- Rajat Bhandari:** Yes. The search operations were conducted by the Income Tax department under Section 132 of the Income Tax Act at Company's corporate office and factory at Pathredi from May 19 to May 22nd. The impact, if any, will be assessed during the proceedings in the matter.
- Moderator:** Thank you. The next question is from the line of Kishore S, an individual investor. Please go ahead.
- Kishore S:** Sir, I have two questions. So, one is with respect to further expansion of business within your core customers. Are you looking at adding any either new models or programs or any improvement in wallet share by getting into other components?
- Pranav Relan:** So, we are looking at both. We are looking to add new models also, and we are looking to add new products also. Once there is an update, I will definitely let you know.



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- Kishore S:** And my second question was, you know, given that there is sort of a two Company structure, if you can call it that, in terms of how we eventually serve the OEM which is Maruti, so what's your thinking as the management in terms of the long term where you want to capture how much of the top line and bottom line?
- Pranav Relan:** Sorry. Can you repeat the first part of the question?
- Kishore S:** So, since you sort of have a two-level companies where you have a sister concern as well through which you finally supply to Maruti, is there any sort of philosophy or thinking that you are following in terms of where you want to capture how much of your top line and bottom line that you get from the customer?
- Pranav Relan:** So, we have divided the processes between the two. From NDR, we want to do more customers and more products. And BSL is a more interior Maruti focused Company.
- Kishore S:** So, can we take it that going forward, you know, on the seating system side, bulk of it will get captured in NDR?
- Pranav Relan:** The bulk will get captured in NDR through BSL, and then NDR will do some of the processes.
- Moderator:** Thank you. The next question is from the line of Siddesh Shah from Money & Tree. Please go ahead.
- Siddhesh Shah:** Just one follow-up question from the previous participant. So, as you mentioned, BSL is more focused on Maruti. So, it will remain focused on the Maruti because it's a joint venture between you and Maruti. Is this correct?
- Pranav Relan:** Yes.
- Siddhesh Shah:** So, you can't produce anything from BSL for the other OEMs.
- Pranav Relan:** So, we will do that through NDR.
- Siddhesh Shah:** And for the other OEMs, what BSL is doing, that will also you will be doing through the NDR. Correct, if I am getting it right?
- Pranav Relan:** Sorry. I didn't understand that.
- Siddhesh Shah:** So, you are supplying frames to the BSL, and BSL is doing the foaming and other part, correct?
- Pranav Relan:** Yes.



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- Siddhesh Shah:** So, if another OEM is coming on board, so that part will be also taken care by the NDR operation.
- Pranav Relan:** For other OEMs, we will try to do the full seat, and we will try to do the seat components.
- Moderator:** Thank you. We will move on to the next question that is from the line of Kishore S, an individual investor. Please go ahead.
- Kishore S:** So, I think most of my questions have been answered, but I was just wondering if there is, you know, any assessment that's been done by the management in terms of the recent IT, you know, operations that were conducted. Any further visibility over and above what you have already said that you can provide at this point?
- Rajat Bhandari:** The search operations were recently concluded on May 22nd only. So, this further any impact, if any, will be assessed during the proceedings and the matters. We cannot comment on that right now.
- Moderator:** Thank you. The next question is from the line of Dinesh Bhatia from Nirmal Bang. Please go ahead. Mr Bhatia? As there is no response from the current participant, we will move on to the next that is from the line of Rahul Mishra from RTL Investments. Please go ahead.
- Rahul Mishra:** So, apart from Maruti and Toyota, have you made any headway with any other OEM? We don't need names or anything, but any color that you could provide, any direction would be very helpful?
- Pranav Relan:** So, we have got one or two RFQs. But that is the long run process. Maybe will take one or two quarters if something pans out.
- Rahul Mishra:** And generally, do you get push back because you are so closely aligned with Maruti and Toyota?
- Pranav Relan:** Not at all.
- Rahul Mishra:** Anything with Mahindra Tata?
- Pranav Relan:** So, again, we said we are not taking names.
- Rahul Mishra:** I just tried my luck.
- Moderator:** Thank you. The next question is from the line of Siddesh Shah from Money & Tree. Please go ahead.



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- Siddhesh Shah:** Few more questions related to two-wheelers. I think one of the previous participant has asked for the breakup between two-wheelers and four-wheelers set. So, have you got the number?
- Pranav Relan:** So, I think two-wheelers about maybe 40 crores to 60 crores of our revenue comes from the two-wheelers.
- Siddhesh Shah:** 40 crores to 60 crores.
- Pranav Relan:** Yes.
- Siddhesh Shah:** So, in two-wheeler front also, are we expanding to any other OEM other than Suzuki?
- Pranav Relan:** So, we want to focus more on the four-wheeler segment at the moment, and then we want to focus more on adding products for now in the four-wheeler segment.
- Siddhesh Shah:** So, two-wheeler, that is only a demand from the Suzuki that will continue? Apart from that we are not focusing anything major on the two-wheeler front.
- Pranav Relan:** We are looking at one or two opportunities, but it's very nascent.
- Siddhesh Shah:** Like this because two-wheeler is like spurting up with a lot of new models and all, so that's why I was wondering are we focusing or not?
- Pranav Relan:** So, we are looking at it, but it is very nascent.
- Moderator:** Thank you. The next question is from the line of Sarvesh Bodani, an individual investor. Please go ahead.
- Sarvesh Bodani:** Sir, I wanted to confirm that for Q4, you said you sold 1,84,000 units. So, that translates to a realization of around 7,000 per unit, right. For the full year, you are at 6,500. So, would you say this realization is more sustainable? You said there are some other high value orders also possible in FY '24? Anything on that front?
- Pranav Relan:** So, this is sustainable. So, the segment is a little cyclical. Q4 tends to be the best, but going forward, I think we should be able to sustain this number since Jimny and Fronx have started. So, maybe in a quarter or two, we will be able to sustain this number.
- Sarvesh Bodani:** And sir, on the Gujarat unit, you said that you will achieve breakeven in the second half of the financial year in an earlier Con-Call. So, do you stick to that?
- Pranav Relan:** Yes, we stick to that.



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Sarvesh Bodani: And what could be the ramp up schedule? So, will we be hitting 60%, 70% by the end of FY '24 or?

Pranav Relan: Yes. I think we should be comfortable doing that.

Moderator: Thank you. The next question is from the line of Dinesh Bhatia from Nirmal Bang. Please go ahead. As there is no response from the current participant, we will move on to the next that is from the line of Kishore S, an individual investor. Please go ahead.

Kishore S: Sir, couple of questions regarding your future growth revenues. I was wondering if in your plans, you plan to go into the off-highway segment at all at any point of time?

Pranav Relan: So, that's something we are evaluating. When something happens, we will let you know.

Kishore S: On similar lines, again, does our product lend itself to exports at all given that, you know, a lot of people are looking to source more and more from India? Is that an opportunity that's available for us?

Pranav Relan: So, that whole off highway commercial vehicle exports, we are evaluating that as well, but nothing has happened. Nothing has materialized for now.

Kishore S: And similarly, sir, again, are there typically, you know, adjacencies which are similar products or components that perhaps can open up a higher share of wallet even with our existing customers? Can you talk about which would those opportunities be?

Pranav Relan: So, we are going to be working towards expanding our BIW segment also. When something happens, we will let you know.

Moderator: Thank you. The next question is from the line of Chethan Dhruva, an individual investor. Please go ahead.

Chethan Dhruva: So, I had one question on the guidance you had given earlier that you said you can sustain these levels going forward. Was that with reference to the revenue you did in March '23 or the rate that the participant talked about?

Pranav Relan: No, I think the run rate.

Chethan Dhruva: Run rate, okay. So, second question follow on is can we assume this Q4 revenue that you have done as a base and because a new model is coming in and should we see that from Q-o-Q we will see some growth on top of this or should we look at it as a whole year and extrapolate?



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- Pranav Relan:** So, I can't comment anything on the OEM volumes. If there is some cyclicalality which makes it go down, then, you know, that's something that's not in our control.
- Chethan Dhruva:** But you see at least the current momentum sustaining.
- Pranav Relan:** Yes. As long as there is no chip shortage or some other reason, then I think this should be okay.
- Chethan Dhruva:** So, something like a (+130) Cr is what we can look at going forward if there is no other extraneous factor.
- Pranav Relan:** Yes.
- Moderator:** Thank you. As I don't have any further questions, I now hand the conference over to Mr. Gopal Chandak for his closing comments.
- Gopal Chandak:** Thank you everyone for joining the conference call of NDR Auto Components Limited. If you have any query, you can write us to at research@kirinadvisors.com. And one more, thank you everyone for joining the conference call.
- Moderator:** Thank you. Ladies and gentlemen, on behalf of Kirin Advisors, that concludes this conference call. We thank you for joining us and you may now disconnect your lines. Thank you.