



“Talbro's Automotive Components Limited
Q1 FY2023 Earnings Conference Call”

August 10, 2022

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Moderator: Ladies and gentlemen, good day and welcome to Talbro's Automotive Components Limited Q1 FY2023 Earnings Conference Call. This conference call may contain forward looking statements about the company which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. 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 "*" and "0" on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Anuj Talwar, Joint Managing Director of Talbro's Automotive Components Limited. Thank you and over to you Mr. Talwar!

Anuj Talwar: Thank you so much. Good afternoon everyone and a very warm welcome to our Q1 FY2023 earnings call. I hope you all are staying safe and healthy. On the call today, I am joined by Mr. Navin Juneja, our Director in the Board and our Group CFO, SGA, our Investor Relation Advisors. The results and the presentation are uploaded on the stock exchange and the company website. I hope everyone has had a chance to look at it. Let me begin with the industry and the economy overview.

The auto comp industry has been doing better in the last few months, thanks to rising demand, consumer confidence in the rural areas, the easing of the semiconductor supply issues and the declining commodity prices. As the data published by SIAM during the period of April to June 2022 auto sales soared across the board. Recent auto sale figures reported by auto OEMs continued to show an uptrend and it is anticipated that this trend will continue in the second quarter as well as we approach the festive season and having a great monsoon. In fact our key customers have indicated a positive growth for this year and I am sure that you will be reading in the media every other day we get a very strong picture about the auto industry.

For the quarter gone by our revenues increased by 11% Y-o-Y to 154 Crores. Our EBITDA increased by 9% to 21 Crores and our PAT increased by 20% Y-o-Y to 12 Crores. We are keeping pace with the ever evolving technology to be in the forefront of all revolutions. Our core company gaskets and forgings have done extremely well. Forging has had a slight issue due to the Euro which Mr. Juneja will explain in the question and answer session and also lot of its customers had the semiconductor issue in Europe as we export about 49% from our forging business line. Gaskets continues to be very strong, we dominate the Indian market, our market share is over 50% in the gasket business, we have just added a new product line called heat shield, which we will also talk in the question and answer session, adding new customers and new geographies. Our joint ventures are doing extremely,



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extremely well whether it is the Marelli joint venture which is doing lot of work for Tata motors and especially a lot for the EV vehicles is doing extremely well and even our other joint venture Talbros Marugo is looking at ramping up its revenue due to a big demand with Maruti . As a group with 100% of revenues of our standalone businesses, gaskets and forgings and our joint ventures we achieved a turnover of 238 Crores for Q1, 154 Crores being the Indian Accounting Standards but as a company as a whole we achieved highest of 238. We continue to remain a very hedged auto comp company with no customer bringing more than 10 to 11% of our revenue and being hedged in our domestic sales about 23% of revenue comes from two and three wheelers, 27% comes from passenger vehicle segment, 32% comes by commercial vehicles and 13% by agri and off-roader. Our exports are doing well as I mentioned earlier with forging being almost about 49% of revenue from the exports our export portfolio is around 25%. We just announced very recently that we won an order of about 400 Crores which will get commercialized in the next 4 to 6 years. These orders are across all our divisions gaskets, forgings, chassis, and rubber. We are proud to say we have also entered into a new segment which is agri and off highway in the overseas market and of this particular order book about 18% will come from electric vehicles. We are investing in technologies which will take us, will make us stronger both in the domestic market and the global market as well. I request Mr. Juneja now to take you through all the numbers.

Navin Juneja:

Thank you Anuj. Good afternoon and a warm welcome to all the participants. Let me begin with the financial overview. In the gasket division including Nippon Leakless Talbros for Q1 of FY2023 our standalone gasket sale was Rs.106 Crores as against 88 Crores in Q1 of FY2022, a growth of 20%. Total revenue of Nippon Leakless was 22 Crores in FY2022 as compared to 13 Crores in Q1 of FY2022 a growth of 69%. This segment saw a combined EBITDA of 18.6 Crores in Q1 of FY2023 versus 14.2 Crores in Q1 of FY2022 a growth of 31%. Now coming to the forgings division, revenue in Q1 of FY2023 degrew by 4% to 49 Crores as against 51Crores in Q1 of FY2022, this was primarily because of the huge power cuts in the month of April and May in Bawal area so the forging plant could not achieve the optimal level of capacity utilization which led to a production and sale loss in Q1 FY2023. The value of that was around 3 Crores approximately. For Magneti Marelli Chassis System Private Limited revenue for Q1 FY2023 stood at 45 Crores versus 32 Crores in Q1 of FY2022 registering a growth of 40%. For Talbros Marugo the revenue stood at 17 Crores in Q1 of FY2023 versus 12 Crores in Q1 of FY2022, a growth of 36%. For FY2023 we are working on multiple orders across exports and domestic market and across various segments of OEMs who remain confident of achieving growth over FY2022 in revenue terms; however, we are facing medium term challenges on raw material inflation, logistics, etc. We will refrain to guiding margins for FY2023 a revisit post the second quarter



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especially on long term basis we believe that we are in substantial margin improvement. This is all from our side and I would like to open the floor for question and answer.

Moderator: Thank you very much Sir. Ladies and gentlemen we will now begin the question and answer session. Our first question is from the line of Shalini Gupta from East India Securities. Please go ahead.

Shalini Gupta: Good afternoon Sir. Sir I have two questions one is that the order book that you are saying I just wanted to understand what is sanctity of that order book, why I am asking you this question because couple of weeks back we saw another auto ancillary company and their orders were cancelled by the company they were going to be supplying to so if you could just comment on this?

Navin Juneja: I would like to answer your question. First of all these are the confirmed orders and there is no question of cancelling them. In some cases we received the tool advances also number one and these are the new products, some are new customers, we have entered into some agreement with them in some cases and these orders are just I can tell you in gasket division it is 39 Crores per annum, in forging division it is 24 at present but we expect this 24 to become 40 in the next 45 days I think so, in Magneti Marelli it is around 23 Crores out of which 18 Crores if we divide by around 4 to 5 Crores is approximately in EV vehicles so combined total 85 Crores is per annum business , over a period of 4 to 6 years it will be around 400 Crores. These are confirm orders these are not going to cancel, in some cases we have received advances also this is what I can say.

Shalini Gupta: At my end like as an investor what should I look out for to make sure that the order book that a company is actually not open to being cancelled I just wanted to check at my end as an investor what should I look for?

Navin Juneja : First of all you need to see type of order for the company. We have got customers, we are working with them for so many years and these are the customers which are renowned customers, these are customers which are working with the group for so many years, these are customers which are not small companies they are not replacement market companies these are the big OEMs of the world, so in that case when they enter with you they enter with a long term prospective. We have long term contacts with them in some cases.

Anuj Talwar I like to add also one point out here. A lot of our relationship with our customers goes back many, many years number one. It is build on trust and delivery. The other things I like to also answer is that a lot of our customers today in India and we are pretty much single source with them so that is the kind of faith and belief that they have on the brand and getting a customer today in a global scenario or in India scenario is getting tougher. It takes



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a lot of validation, takes a lot of effort. All I can say is that we have received some advances; some prototype tooling from them, so it should be okay there is no problem at all. It is all trust and delivery which was built over last many, many years.

Shalini Gupta: My second and last question like everybody is talking about the chip shortage easing so I just wanted to check what in your opinion is the reason for the chip shortage easing , is it because new capacities have come up or is it that China lockdown is no longer there I mean the China the lockdown has been withdrawn so what in your opinion is the reason for the chip shortage?

Anuj Talwar: Even our own country today India is looking to get into chip manufacturing so lot of new capacities have come on board that is what happened and that is the reason for it.

Shalini Gupta: Okay thank you Sir.

Moderator: Thank you. The next question is from the line of Dipen Shah an individual investor. Please go ahead.

Dipen Shah: Good afternoon and thank you for taking my question. I had a question on the margins. Mr. Juneja you alluded to the fact that there have been some issues in the raw material pricing because of which you are not able to guide on the margins could you just elaborate a bit more on that and maybe also by when do you think you should be able to get a clear view?

Navin Juneja: Thank you Mr. Shah. Yes there are some pressures on the margins one is because of the import dollar price we are importing in gaskets a lot of stuff I think the cost of which has gone up because of the dollar appreciating and number two and some critical raw materials of rubber we are facing problem of prices but these prices are recoverable, 90% plus are recoverable from the customers, of course it takes one or two quarters to recover we will be able to recover the price increases and by the end of the year you can see that our margins which are originally there will be there. We are not worried about that, but it is a time lag only. Sometimes it affects the delivery also, some time we need to take some critical raw material buyer it adds to some cost except that everything is fine.

Dipen Shah: But in the first quarter was there any impact of this raw material pricing?

Navin Juneja: Of course dollar went from 75, 76 to 80 in the first quarter itself so some material price also increased in this quarter. We are all on the price increase and you will see the effect of that in the coming quarters effect in the sense positive effect we will be able to recover the price increase. It is not by quarter-by-quarter at the end of year you will see them everything will be recovered.



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- Dipen Shah:** So I just wanted to ask whether second quarter could be worse than first quarter?
- Navin Juneja:** No, not at all. It should not be worse it should be better.
- Dipen Shah:** Overall from the OEM side Sir we are seeing some positive comments coming across except for the lower end?
- Navin Juneja:** Anuj has told you yes positive comments are going across and we are looking for a healthy order book going forward and as you know PV are doing very well, Maruti has given very good numbers for this quarter, Tata Motors passenger vehicle has given very good numbers both Marelli and Marugo are banking on this order and they are doing very well they did perform very well in the month of July and for the gasket side we are also doing very well and forging the exports is muted because of the holidays there in the month of August in whole Europe but it may recover, every year it happens nothing new.
- Dipen Shah:** In terms of new model launches could you just guide us a bit on which all new models that you have been selected for?
- Anuj Talwar:** We have added some new customers in India, we have added Hyundai as a new customer so the new SUVs being a part of their journey, Maruti the new variants that have been launched we are a part of that as well, Tata Motors we are very, very aggressive with Marelli joint venture so all their new models, the EV, the Punch, the Hornbill we are a part of that. We are also a part of Jaguar Land Rover vehicles globally, the Discovery Sport, the Range Rover Sport, and the Range Rover so we are in a healthy situation so it looks very, very good actually. I mean the slump of August is there a little bit, but I think the commentary is so positive from OEMs even two wheelers if you look at our two wheeler growth also it is pretty strong all that commentaries coming earlier, even two wheelers are looking very, very strong.
- Dipen Shah:** Thank you so much Anuj and Mr. Juneja all the very best.
- Moderator:** Thank you very much. Our next question is from the line of Shikha Mehta from Equitree Capital. Please go ahead.
- Shikha Mehta:** Good afternoon Sir. I just have a couple of questions could you give me a capacity utilization across all the segment?
- Navin Juneja:** For gaskets it is around 87 to 88%, in forging division it is 78%, in Nippon Leakless it is around 80%, in Magneti Marelli around 75%, in Marugo in the case of anti-vibration it is 90%, in the cases of hoses it is 35% in the first quarter.



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- Shikha Mehta:** Currently are we outsourcing anything?
- Navin Juneja:** Outsourcing in the sense we are doing some OSP work, in forging some low end machining is being outsourced and similarly in gasket some low end processes are being outsourced that is all.
- Shikha Mehta:** Could you also throw some light on how our products are doing in Europe currently given the demand slowdown, how we are doing in Europe broadly given the slowdown?
- Navin Juneja:** Of course it is little slow. The BMW sale is little down I can say, but even in the case of GTL the sales are little down but not in the case of JLR we are doing okay there and in gaskets it is okay, in forging it is little down because of first of all chip shortages, second in the month of August specially there are holidays but the yearly projections are good there is no doubt about that.
- Shikha Mehta:** So we do not expect a degrowth?
- Navin Juneja:** Nothing major, nothing major maybe 2% here or there that is all, 2 to 3% here and there. Nothing major but we are adding some new customers also which will start converting into the commercial business in the third quarter and fourth quarter of this year.
- Shikha Mehta:** The semiconductor shortage issue seems to be even out are we witnessing that in our products changes as well, are we seeing demand improved?
- Navin Juneja:** I think it should not be 100% over, in the low end cars it is over, in the low end cars like Maruti and Tata Motors. In case of high end cars BMW, Volvo those stuff is still there it is not 100% over. Now in India I think KIA has also increased the production it means some relief they have got from China or from somewhere.
- Shikha Mehta:** Okay Sir. I will come back in the queue. Thank you.
- Moderator:** Thank you. Our next question is from the line of Hiten Boricha from Joindre Capital. Please go ahead.
- Hiten Boricha:** Thank you for the opportunity Sir. Sir I have two questions. The first one is on the revenue growth so you mentioned a commentary from the OEM was very good and we are seeing a very good traction here so what kind of revenue visibility we have in this year like double digit growth or any color on that and the second question is on the order book Sir so after receiving the Rs.400 Crores order book order now so what is our current order book?



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Navin Juneja: First of all I want to tell you regarding the outlook now topline outlook. Of course we are very optimistic of it, we are working and if the things remain what I am hearing from the OEMs we should be able to minimum double digit growth we are looking in the topline for this financial year number one and how double digit we cannot say that it is 11% plus how much it depends on how the thing is moving in the future also because of daily you are listening sometime China, Taiwan, etc., etc., I do not know what will happen there. Secondly your question was on the order book. The order book is we get the orders from OEMs and the export customers versus annual order we get from the export customers and then is the three months rotating order we get and in the case of OEM also we get the order but the order indicative order but at the beginning of the month the order sometimes goes up and sometimes come down also depending on their demand and it not depends on our product. There are other products in India are in the vehicle which has to be there. Sometimes we lose business because some other components are not available with them. It happened in the past but still the order book is okay, healthy and we are working for a double digit topline.

Hiten Boricha: Sir can you quantify the order book?

Navin Juneja: So we cannot quantify please understand. Nobody can quantify it. This is not a guarantee order of Maruti will give you I will take this much vehicles every month they gave an indicative call for three months then it is confirmed at the beginning of the month only.

Hiten Boricha: Okay understood.

Navin Juneja: For this quarter Maruti is healthy, Tata Motor is very healthy.

Hiten Boricha: Understood Sir and Sir on the margin front just a clarification you mentioned we are going at least maintain this 13% kind of margin right?

Navin Juneja: It will further grow. Do not worry it will grow.

Hiten Boricha: Okay so we are not paying any negative impact because of..

Navin Juneja: No negative. I know we should better if you do not worry.

Hiten Boricha: Okay Sir. I will come back in the queue Sir. Thank you.

Moderator: Thank you. The next question is from the line of Jyoti Singh from Arihant Capital Markets. Please go ahead.



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Jyoti Singh: Thank you for the opportunity. My question is on a heat shield side it is being in a traction so how much revenue we have in Q1 FY2023 and what is your outlook on the heat shield side as we also got the order so how much growth we are going ahead we are expecting and also we are facing any issues on the Europe side?

Navin Juneja: Now coming to the heat shield in Q1 I think we have done a business around Rs.8 Crores but I want to tell you the commercial business of Hyundai is yet to start in the next three weeks. The samples have gone, they are separate, they want to visit the plant, they will visit any time now and the commercial product will start I think from next month it will start Hyundai pie. Maruti launches are there in September and October when the Maruti business will start. At present if I have the order book which is under implementation or under development, etc., is to the extent of Rs.40 Crores plus I have got at present for the heat shield and we are negotiating new businesses of heat shield also with other customers and we are hopeful that in the next three to four years the business can touch up to Rs.60 Crores to Rs.70 Crores easily. Now coming to the export orders I want to repeat it. There is no doom in export order it is just a temporary phase and others you always know but it is not that bad JLR is doing very well we are getting Dana is okay and other customers of gaskets are fine there is no problem.

Jyoti Singh: Okay thank you Sir and Sir also my question is on the August side as we have almost whole month holiday so because of that we will see any impact?

Navin Juneja: No, not major nothing major no impact every year it happens. Every year that happens. There is no major impact. I want to say please do not worry there is no major impact. We have a lot of seasonal holidays that happen in India in August, they happen in the US, it happens in Europe but this is a part it is already factored into schedule before the customers. The good thing is that there is a big pent up demand in the auto industry that is what we should look at big pent up demand.

Jyoti Singh: On the Europe side are we facing any issue because of the NSG price hike?

Navin Juneja: No we are not facing. At present no.

Jyoti Singh: Any expectation for the future?

Navin Juneja: Energy?

Jyoti Singh: Yes on the energy front.



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- Navin Juneja:** That I cannot comment but the schedules we are getting from the customer is perfectly fine. They are showing good growth.
- Jyoti Singh:** Okay thank you Sir.
- Moderator:** Thank you. Our next question is from the line of Manikanda Prabu S from MKP Securities. Please go ahead.
- Manikanda Prabu S:** Actually I have a question on domestic and exports while comparing from the last year so the export contribution is coming down so is it any plan to expand the export direction or how is it going to be in the future that is my first question and my second question is like we got an order Rs.400 Crores of new orders in that how much contribution from exports?
- Navin Juneja:** I will answer that question. First of all my export is coming down okay firstly on that. If I have seen in Q1, in Q1 my total standalone business last year my export was in Q1 my export was Rs.42.77 Crores on standalone business this year it is Rs.41 Crores okay number one. One of the reasons of lower export was nonavailability of containers. In gasket division Rs.2.2 Crores of export could not be shipped because of nonavailability of containers and it went on July 10, 2022. The material is lying in my MGS so if the container was available I would have crossed this export Q1. Please I want to say my export will grow this year as compared to last year I want to repeat that question first. You will see the good collection coming in the next three quarters. My overall export for this financial year will be more than last financial year number one on a combined basis. Now coming to MMT, MMT export in the Q1 was around Rs.6 Crores to Rs.7 Crores. Last year total export was around Rs.20 Crores this year MMT export will cross Rs.40 Crores plus I am telling you because we have got very good orders and supplies are starting in the month of September onwards so on the export front there is no problem. As a group I will have a very positive growth in the export book number one.
- Manikanda Prabu S:** In the upcoming order like we had an order of..
- Navin Juneja:** Yes out of this Rs.400 Crores my export order book it is around 30%. 30% is my export order out of this. We have big OEMs in UK out of which Rs.80 Crores to Rs.100 Crores is on a very, very big off highway customers new customers we have added in UK.
- Anuj Talwar:** Our endeavor is that we will try and do about 20% to 30% exports, it is a healthy product mix for our group and at the same time now because of COVID restrictions are over our teams are now going ahead and participating in shows and handovers in Las Vegas, in Frankfurt, going back to the trade shows, going back to meet the customers so that is a very positive sign also because the last two to three years everything was done only on



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reputation and on Zoom but at the end of the day now they are meeting the customer yet again so we do see a lot of traction in exports.

- Navin Juneja:** It is much more than last year that I can guarantee you.
- Anuj Talwar:** We are very, very confident about exports because if we look at it in the gasket market today we are already 50% in India. We may become 51% or 52% or 53% and 54% but globally there is a huge potential for gaskets and heat shields and for forging and for chassis.
- Manikanda Prabu S:** So can we have a vision like next five years the export contribution will be 30% to 40% more for that or it will be domestic dominating player like that?
- Anuj Talwar:** Like I mentioned to you that we will try and target between 28% to 30% on a higher turnover because India is also growing very aggressively please understand that. The Indian market in the next three to five years is going to grow very, very aggressively commercial vehicles, passenger vehicles, tractors, then two and three wheelers so on a higher base we should be about 28% to 30%.
- Manikanda Prabu S:** In margin front how much we can get from export orders like compared to domestic how much difference we can get from that?
- Navin Juneja:** It is generally 2% to 3% higher than the domestic market.
- Manikanda Prabu S:** Thank you so much.
- Moderator:** Thank you. Our next question is from the line of Deepak an individual investor. Please go ahead.
- Deepak:** Thanks for the opportunity. My question has already been answered.
- Moderator:** Thank you. Our next question is from the line of Ashay Jain from Jain Capital. Please go ahead.
- Ashay Jain:** Sir I have a couple of questions. Firstly Sir have we taken any hit on account of our currency depreciation in our export segment?
- Navin Juneja:** Yes on the export segment we are hedging our currency but on the import side we are not doing that. Generally 30% to 40% we are hedging on export front.
- Ashay Jain:** Can you throw some light on the customer mix for this quarter?



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- Navin Juneja:** Yes we can throw. I will tell you the customer mix. I will give you division wise. The gasket front in Q1 Tata Cummins did a sale of Rs.16.17 Crores, Bajaj did Rs.14.5 Crores, Tata Motors did Rs.7.22 Crores, VCV did Rs.5.25 Crores, Hero MotoCorp Rs.4.25 Crores, John Deere Rs.3.5 Crores, Tata Cummins India Rs.3 Crores these are the major customers. Cummins USA did Rs.2.5 Crores. On the forging front BMW Rs.11 Crores, Dana Italy Rs.9 Crores, JLR again Rs.6 Crores, GTL Italy Rs.5 Crores, Carraro export Rs.4 Crores, then comes the Dana Spicer India Rs.4 Crores, Nippon Leakless Hero MotoCorp around Rs.11.5 Crores, Honda Rs.6 Crores these are two major customers there. In the Marelli Maruti India did a business of Rs.19.5 Crores, Tata Motors around Rs.8.5 Crores, Jaguar Rs.7 Crores. On the Marugo front Maruti did a business of Rs.5 Crores and Suzuki Gujarat did a business of Rs.2 Crores if we add it is Rs.7 Crores.
- Ashay Jain:** Okay Sir thank you. That is all from my side.
- Moderator:** Thank you. Our next question is from the line of Priyanka Shah from KK Advisors. Please go ahead.
- Priyanka Shah:** Thank you Sir for the opportunity. Sir what is the capex guidance for FY2023?
- Navin Juneja:** In the capex on the gasket front we are doing capex of around Rs.18 Crores to Rs.20 Crores which will include the heat shield line already 90% in term and IBC gasket which is around Rs.7 Crores to Rs.8 Crores plus some I think some machine for laser welding we are putting which is our own Rs.3.5 Crores so total about Rs.15 Crores to Rs.20 Crores in between. In the forging front we will do a capex of around Rs.12 Crores to Rs.15 Crores in forging business and the rest are in Magneti Marelli around Rs.5 Crores to Rs.7 Crores, Marugo we will do Rs.5 Crores, Nippon around Rs.1.5 Crores.
- Priyanka Shah:** Okay Sir and any plans on the debt reduction and can you mention the gross and net debt figure?
- Navin Juneja:** We are working towards that but with the increase in turnover you require some more materials my money blocked in debtors also into that extent we are trying to squeeze that we are not trying to increase that and term loan front we are trying to maintain the same amount because for the capex we need to borrow money from the banks also to some extent we cannot do 100% of our own so at present by June 30, 2022 my total is around Rs.92 Crores to Rs.93 Crores is my total borrowing which include term loan of around Rs.15 Crores balance is working capital.
- Anuj Talwar** But can you share what is now our debt to equity ratio?



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- Navin Juneja:** We will share in the month of September and when the balance sheet we will discuss the balance sheet also. It will come down further. It is 0.31 as on March 31, 2022 it will come down further by September 2022.
- Priyanka Shah:** Okay Sir thank you.
- Moderator:** Thank you very much. Our next question is from the line of Nagesh Rajanna from NR Family Office. Please go ahead.
- Nagesh Rajanna:** Congratulations to the team on another outstanding performance. Just one quick question because I think there seems to be lot of euphoria around the growth because the industry seems to be doing well, you seems to have got large orders and you have some great export plans, is there a kind of a compounded annual growth rate estimation for the next three to five years which you have both on the revenue and the margin side?
- Navin Juneja:** On the revenue side we are working on double digit growth every year number one and double digit growth we are looking.
- Nagesh Rajanna:** But you have to help us with some kind of clarity because when you say double digit it could actually range from 10% to 99%?
- Navin Juneja:** I know what we are talking about.
- Nagesh Rajanna:** I think you probably will have to be a little more fairer and little more transparent to the investors community?
- Navin Juneja:** The market is such you know that how the things are moving. We keep in mind something but at the end of the day something else happens so one has to be little careful. Of course we can discuss with you when we will meet you and we have some plans but it is not I cannot announce this plan. I have some long term plans. I have very much long term plans double digit growth plans and bottomline decent EBITDA improvement plans in mind.
- Nagesh Rajanna:** With due respect to you Mr. Juneja I think you will also have to appreciate because either you can actually give a broad range saying let us say 15% to 20% or a 20% to 25%, if you can actually give us some broad range because at the end of the day you are in the industry, you have an industry picture, you have so much of experience, I think all that knowledge and wisdom of yours should help us to get some specific range, double digit is a two ways and a too broad range I hope you respect it?
- Navin Juneja:** Yes I respect that, but let me give some time to come back on this please.



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- Nagesh Rajanna:** Let me change the question what is your vision in terms of your topline let us say from three to five year perspective would you be targeting an X revenue?
- Navin Juneja:** From three years vision of course first my vision in that gasket business Rs.600 Crores topline, in the forging Rs.400 Crores and Magneti Marelli our vision is around Rs.350 Crores to Rs.400 Crores.
- Nagesh Rajanna:** At a consolidated level say 2025?
- Navin Juneja:** Nobody can confirm 2025. We have a vision and we are working towards that. Nobody has business for 2025 today. We have to set a goal and we have to work towards that. It goes up and down as the year ends also.
- Nagesh Rajanna:** No with due respect to you 2025 what could be your topline vision?
- Navin Juneja:** I think we need to talk on that separately. We will talk on that separately along with SGA. We will work on that.
- Nagesh Rajanna:** Would appreciate if you could just work on that and let us know yes. Thank you.
- Moderator:** Thank you very much. Ladies and gentlemen that was the last question. I now hand the conference over to the management for closing comments.
- Anuj Talwar:** Thank you so much for participating in the call. I hope we have been able to answer all your questions. Any further questions you can contact SGA and we remain confident about auto sector and our own performance. Thank you so much.
- Moderator:** Thank you very much Mr. Talwar and Mr. Juneja. Ladies and gentlemen on behalf of Talbro's Automotive Components Limited that concludes this conference call. Thank you for joining us. You may now disconnect your lines.