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Creating Possibilities

February 05, 2025

To,

National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai -400 051 **Symbol: SJS**	**BSE Limited** Corporate Relationship Department, 2nd Floor, New Trading Wing, Rotunda Building, P.J. Towers, Dalal Street, Mumbai – 400 001 **Scrip Code: 543387**

ISIN: INE284S01014

Dear Sir/Madam,

Subject: Transcripts of Analysts/Investor Meet/ Earnings Call of the Company pertaining to Q3 of FY 2024-25

Please find enclosed the transcripts of the Analysts/Investor Meet/ Earnings Call of Q3 FY 2024-25 held on January 31, 2025.

You are requested to kindly take the same on record.

Thanking you.
Yours faithfully,
For **S.J.S. Enterprises Limited**

THABRAZ HUSHAIN WAJID AHMED
Digitally signed by THABRAZ HUSHAIN WAJID AHMED
Date: 2025.02.05 11:28:11 +05'30'

Thabraz Hushain W.
Company Secretary and Compliance Officer
Membership No.: A51119

Encl: As above

S.J.S. Enterprises Limited

Q3 FY25 Earnings Conference Call

January 31, 2025

Analyst: **Mr. Joseph George – IIFL Capital Services**

Management: **Mr. K.A. Joseph – Managing Director & Promoter**
Mr. Sanjay Thapar – CEO & Executive Director
Mr. Mahendra Naredi – Chief Financial Officer
Ms. Devanshi Dhruva – Head – Investor Relations

Moderator: Ladies and gentlemen, good day, and welcome to SJS Enterprises Limited Q3FY25 Earnings Conference Call hosted by IIFL Capital Services 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Joseph George from IIFL Capital Services Limited. Thank you, and over to you, sir.

Joseph George: Thank you, Steve. Good morning, everyone. On behalf of IIFL Capital, I welcome you all to the 3QFY25 Results Conference Call of SJS Enterprises Limited. I also welcome the senior management of SJS, Mr. K. A. Joseph, Promoter and MD; Mr. Sanjay Thapar, CEO and Executive Director; Mr. Mahendra Naredi, Chief Financial Officer.

Now I will hand over the call to Ms. Devanshi Dhruva, Head of Investor Relations, to take the call forward. Over to you, Devanshi.

Devanshi Dhruva: Thank you, Joseph. Good morning, ladies and gentlemen, and thank you for being with us over the call today. We appreciate it.

Moving on, this is how we intend to take today's conference call forward. I will pass on the dais to Mr. K. A. Joseph, our MD and Promoter, who will make his opening remarks and then hand it over to Mr. Sanjay Thapar, our CEO and Executive Director, who will take you all through some of the slides of our presentation that has been uploaded on the stock exchanges as well as on our website.

Sanjay will take you all through the industry view, our business performance and then give a strategic outlook for the future growth of the company at the end. And Mr. Mahendra Naredi, our CFO, will update you all on our financial highlights, post which we will open it up for Q&A.

The duration of this call is around 60 minutes, and we will try to wrap up our comments in about 20 minutes, so we leave enough time for you guys to ask questions. If the time is not enough, please feel free to reach out to us through e-mail or write to us, and I will try and answer all your questions to the best of my ability.

Thank you once again. And I will now hand it over to Mr. Joseph to make his opening comments. Over to you, Joseph.

K. A. Joseph: Thank you, Devanshi, for the introduction. Hello, and good morning, everyone. I trust you all had a chance to look at our investor presentation and the results published yesterday. SJS continued its strong momentum in Q3FY25 and delivered its 21st consecutive quarter of outperformance with a strong Y-o-Y growth of 15.4% in the automotive business, significantly surpassing the industry growth of 7.1% in production volume.

With a consolidated revenue of INR1,785.6 million in Q3FY25, the company showcased its ability to consistently outperform market benchmarks. This performance was driven by strong performance in the passenger vehicle segment, reflecting SJS's strategy of expanding its customer base and product portfolio in the passenger vehicle segment organically and inorganically, which positions us as a leader in the industry.

Aligned with our vision for growth, the expansion for Exotech capacity is already on track, and we have also commenced the development of the cover glass manufacturing facility in Hosur, marking a significant milestone in managing our production capabilities. This facility will not only increase our capacity to address rising demand but also strengthen our position as a leader in advanced aesthetic and functional products.

With a robust financial foundation and consistent cash flow generation, we are well equipped to pursue strategic growth initiatives. Our key focus areas include, planned capex in cover glass segment, as well as going on expansion of Walter Pack and Exotech. Additionally, our strong balance sheet enables us to scale operations efficiently to meet diverse application demands while actively exploring inorganic growth opportunities to further strengthen our market presence.

Moving forward, we remain focused on delivering quality products to our customers by being the one-stop solution provider for aesthetic products, driven by premiumization and adoption of advanced technologies.

We are committed to building long-term relationships with all our stakeholders. We continue to focus on gaining momentum in the aesthetics business, maximizing operational efficiencies and leveraging our strong liquidity position, while also exploring new prospects and markets for growth.

With that said, I would now like to hand over the call to Mr. Sanjay Thapar to take you all through some of the business and industry highlights for the quarter. Thank you, and over to you, Sanjay.

Sanjay Thapar: Thank you, Joe. Hello, and good morning, everyone. Building on a solid foundation of the first half of this financial year, we are pleased to announce yet another quarter of very strong performance across all operational and financial parameters. The strategic initiatives we implemented at the start of the fiscal year have delivered impactful results, and we will continue to build the momentum in the coming quarters.

Coming to some key updates. Talking of the quarter gone by, Q3FY25 was marked by yet another quarter of better-than-industry performance by SJS, with a consolidated revenue growth of 11.2% Y-o-Y to INR1,785.6 million compared to 7.1% Y-o-Y growth in the automotive, that is 2-wheelers and passenger vehicle, industry production volumes. As mentioned earlier, this growth is primarily attributable to our strong performance in the passenger vehicle business.

During the quarter, domestic sales grew 12.3% Y-o-Y on back of a 22.6% Y-o-Y growth in our PV business, outperforming the underlying industry. On back of robust margin performance delivery by our company, I'm delighted to share that the consolidated EBITDA grew 16.9% Y-o-Y to INR 482 million. Our PAT grew 32.9% Y-o-Y to INR 277.1 million with margins at 15.5%.

In terms of production volumes, the auto industry, 2-wheeler and passenger vehicles combined, grew by 7.1% Y-o-Y in Q3 FY '25, whereas SJS delivered a Y-o-Y growth of 15.4%, which is over 2x of the industry growth. Exports for the quarter stood at INR 115 million. We won a large export business in the U.S. market in the consumer durables segment and added Tube Investments India for the EV tractor business.

We continued winning new businesses with mega customer accounts like Stellantis, Mahindra, Whirlpool, Bajaj Auto, Visteon, Royal Enfield, Marelli, Atomberg and Samsung, amongst others. Exotech and Walter Pack adding an additional 4.1 megawatts captive solar power generation capacity reinforces our commitment to a greener planet.

Talking of 9-month export performance. SJS exports grew 20.3% Y-o-Y. Growing exports remains a key focus area for SJS, driven by our efforts to strengthen our presence in the high-potential global markets. We remain focused on deepening our presence in the existing geographies while exploring opportunities to tap into new markets.

On the business segment performance, Exotech demonstrated exceptional performance during this quarter. It reflects the company's efficiency in operations, sustained demand for its offerings and the strategic approach to capturing market opportunities successfully.

In the domestic business, passenger vehicle segment has outperformed the underlying industry growth, showcasing the strength of our product offerings and the effectiveness of our customer-centric organic and inorganic strategies. With a solid operational framework and targeted investments, we are poised to sustain this momentum, delivering long-term value to our stakeholders by unlocking new avenues for growth.

On the ESG front, SJS continues to demonstrate its commitment to sustainability through impactful initiatives. With Exotech and Walter Pack additional of 4.1-megawatt captive solar power generation capacity, is a step in this direction to our commitment for a greener planet.

At SJS, our dedication to social responsibility is evident through contributions towards medical treatment for the underprivileged and support for the Different Arts Centre, which empowers specially-abled children with education and skill development opportunities. Through these and many other initiatives that we've already taken, SJS continues to embed sustainability and social responsibility to its core operations, and we hope to drive meaningful change for a better future for our community.

I would now like to hand over the call to Mahendra, our CFO, to update you on the SJS financial performance, before I come back to talk about the future growth outlook. Over to you, Mahendra.

Mahendra Naredi: Thank you, Mr. Thapar. Good morning, everyone. Let's delve into the financial snapshot. Slide number 13 to 16 provides a concise overview, focusing on the consolidated picture of SJS.

In Q3, our consolidated revenue reached INR 1,785.6 million, showcasing growth of 11.2% on a Y-o-Y basis. This robust performance is attributed primarily on back of a strong business growth in passenger vehicle segment. Moving to EBITDA, we achieved INR 482 million, representing a Y-o-Y growth of 16.9% with a margin of 26.6%, improved by 102 bps Y-o-Y due to enhanced operational efficiencies.

Our consolidated PAT for the quarter stood at INR 277.1 million, demonstrating a robust Y-o-Y growth of 32.9% with a PAT margin standing at 15.5%, improving by 253 bps Y-o-Y, primarily due to higher EBITDA margin, lower finance costs and increase in other income.

The company had strong cash flow generation, which has positively impacted our consolidated ROCE, which stands at 25.9%, and ROE recorded at 17.4% on an annualized basis. In 9 months FY25, we've generated strong operational cash flows amounting to INR 1,263.1 million with a free cash flow reaching INR 1,003 million. Additionally, cash and cash equivalents stood at INR 874.8 million, positioning the company with a net cash balance of INR 754.4 million. Strong free cash flows strengthen our ability to pursue future growth and strategic investments.

As you are all aware, with the addition of Walter Pack India products in our portfolio, we have penetrated deeper with our new-generation products that contributed 27% of the consolidated revenue during Q3FY25. Walter Pack India acquisitions has effectively helped to balance our portfolio across 2-wheeler, passenger vehicles and the consumer segment in the right manner.

During 9 months FY25, exports grew 20.3% Y-o-Y to INR 421.6 million, constituting 7.5% of the total revenue. Q3 FY25 exports were at INR 115 million, which constituted 6.4% of the total consolidated sales. Both Exotech and Walter Pack are primarily domestic business. And hence, export as a percentage of our consolidated sales are at 6.4% in Q3.

Our strong financial position remains a key enabler of growth with robust cash flow generation, providing a solid foundation for a strategic investment. A major focus area is our planned capex of around INR 100 crores in Pune for chrome plating and painting capacity expansion and around INR 40 crores in the cover glass segment aimed at expanding production capabilities to cater to rising demand for advanced technology products that have diverse applications.

Additionally, our improved credit rating from A+ positive to AA stable by ICRA, which is one notch higher, highlights our commitment to the financial discipline and the consistent performance, further strengthening our ability to pursue growth opportunities and the long-term expansion initiatives.

Notably, few companies in the auto industry have attained such a high credit rating. We are also happy to inform you that your company has been awarded Certificate of Appreciation from Institute of Company Secretaries of India (ICSI) in recognition of our best practices and the good governance culture.

I would now like to hand the call to Mr. Thapar, to discuss about our future plans and growth outlook.

Sanjay Thapar: Thank you, Mahendra. Moving to our outlook for future growth. As we look ahead, our robust cash flow generation continues to provide a very strong foundation for us to pursue strategic expansion initiatives. As told, company has incurred a capex of close to INR 100 crores for chrome plating and painting in Pune, another INR 40 crores for the cover glass facility at Hosur.

With this expansion, we are not only strengthening our production capabilities but also preparing ourselves to be future-ready to cater to the emerging opportunities like cover glass for displays and enhance our kit value. This additional capacity in chrome plating and painting will not only help us serve the domestic market but also enable us to address demand in global markets.

In addition to our capacity expansion projects, a key strategic focus for our company is the expansion of our export business. As we have mentioned earlier, our ambition is to increase the share of exports in our consolidated revenue. We are actively working towards achieving an export target of 14% to 15% of consolidated sales by FY28 by expanding into new geographies, increasing penetration in existing markets and adding new products to meet the need of our global customers.

Our focus on exports has started to yield results as we bagged large orders in the last 2 quarters from key OEMs like Stellantis and Whirlpool, amongst others. Our strong balance sheet and cash flows enable us to look for better inorganic opportunities as we make strategic capital investments in new technologies to expand our product portfolio and reach. This approach not only enlarges our addressable market but also strengthens our positioning as a one-stop solution provider for aesthetic and functional human machine interface parts.

Lastly, I would like to say that premiumization remains a key driver of our growth strategy. Leveraging our customer relationships, expanding our product portfolio and reach, we are confident to maintain a strong growth momentum, surpass industry benchmarks and maintain our superior margins that deliver long-term value to our stakeholders.

With that said, I come to an end of my quarterly updates. Thank you. We are now open to the Q&A session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Khush Nahar from Electrum Portfolio Managers. Please go ahead.

Khush Nahar: Thank you for the opportunity. My first question was more on the demand side, that how are we looking at demand in the domestic and the export region? And also, I see that our stand-alone business has grown only 2%. So any particular reason in terms of maybe supply chain issues or demand issues? And second question was, is it right to assume that quarter 3 is a seasonally weak quarter post the festive month and if we can go back to the 18% - 20% growth that we were doing from Q4 onwards?

Sanjay Thapar: Yes, you're right. So let me take the last part of the question first. Yes, Q3 typically is cyclically a lower quarter, primarily for the reason that there's a new model change happening. In the automotive industry, consumers like to buy a new model. But this year, there was a large supply float in the trade and that accounted for lower volumes or low production volumes of the OEMs to normalize the supply chain in the industry.

So our growth trajectory, we've already maintained that we are not delinked from the industry. If industry volumes go down, our volumes do go down. But then on an overall basis, we outperformed the overall industry volumes growth. So we've continued to show that in this quarter as well. So for 2-wheelers, we were in line with the industry growth. 4-wheelers or passenger vehicles, we grew 22.4%

So we were disconnected. Coming back to the question, so I've mentioned that quarter 3 typically is lowest sales quarter because of the change of the year. But overall, the data that you referred to was Q-on-Q. So as I said, our volumes are not delinked from the industry, though we tend to grow faster. So I said for this quarter, the 2-wheeler sales were in line with the industry growth and the passenger vehicle sales, we grew at 22.4% vis-a-vis 2.8% on a consolidated basis.

Coming back to the stand-alone SJS that you referred to, so here, mostly exports were lower in this quarter versus the last quarter. And that accounted for that nominal increase. But if you look at our stand-alone 9-month numbers, our growth has been 13% on stand-alone SJS. Our Exotech revenues on a year-on-year basis have grown at 25.5%. And what we reported in terms of the overall numbers, you have that data. So we continue to grow strongly.

Khush Nahar: Right, sir. So in terms of demand, any outlook you can share in terms of domestic and export maybe? Because export is a big focus for us for Exotech and WPI also.

Sanjay Thapar: Export, as I said, we've already won very large businesses. So, in this quarter, we won a business from a very large plant of Whirlpool in North America., We will be the sole supplier to that for the product that we supply to that division. And that's one of the very large divisions of Whirlpool. So that is a big win. In the current quarter, sales have been lower in exports primarily because of soft market conditions in Europe and North America, but we are optimistic that they'll come back.

So the outlook remains very, very positive. And exports, as I said, we are today just at the fringe of the large export market. There's a huge opportunity out there. So we reported last quarter that we won a large global business from Stellantis. That's a long-term business, 8-year program, very large volumes across North America, Latin America as well as Europe. So, our order intake continues to be very strong, and we are sure that we will do great business in exports.

Khush Nahar: Thank you for the detailed analysis. Just one question, if I can squeeze in. So what is the operational timeline for the optical glass plant? And is it right to say that this glass technology that we develop can be also used in other segments like maybe cell phones, TVs, etcetera?

Sanjay Thapar: So the larger picture that you must see here is that cover glass that we already started investment. So that plant should be ready somewhere by September, October of this year. We've already started work on ordering equipment for that plant. So the shed is ready and equipment orders are in process. So this plant will come into stream maybe towards the end of FY26. So that is the timeline.

Coming back to your view that is it fungible with other areas? Absolutely, it is. So we are, in fact, very excited that there could be much larger opportunities beyond the cover glass in this business. So we are looking at displays in a holistic manner. And we are in early stages of discussion of seeing that how could we enlarge our presence in the display market per se, not just cover glass. And with that, we could address multiple business segments. So once we get to that, we will surely come back to you to announce what we are doing.

Khush Nahar: Thank you.

Moderator: Thank you. The next question is from the line of Suraj Malu from Catamaran. Please go ahead.

Suraj Malu: If you look at Walter Pack Spain, globally, they have BMW, Mercedes, Tesla, Audi all of these global brands as their customers. I just wanted to understand like do we serve these customers via Walter Pack India as well? Or is that in pipeline for us?

Sanjay Thapar: So Walter Pack India is primarily an India-focused business. The deal where we had when we acquired this company was that all of Asia, all of India, 100% is with us. And some key customers that were already SJS customers, we will continue to serve, notably Whirlpool, for example, is our business.

But the Walter Pack Europe or North America business that they do out of Spain and North America, that is a Walter Pack business. We don't supply to them. But having said that, we have a strong relationship with Walter Pack in Spain. So we are always exploring opportunities of what we could do, to be a sub-supplier to them to address these markets. So that's something that is for the future. But at the moment, we are focused on India.

Suraj Malu: Got it. But we will not supply directly to Walter Pack Spain's customers?

Sanjay Thapar: Yes. So there is an agreement that while we -- with the running technical assistance agreement that we have, we will not compete with them, with their customers that they have in Europe. And this is a 3-year non-compete agreement that we have, so 1.5 years has gone by.

Suraj Malu: Sorry?

Sanjay Thapar: 1.5 years ago, we signed this 3-year agreement, so that is another 1.5 years to go. So that is the current agreement that we have with Walter Pack Spain.

Suraj Malu: Got it, sir. So we are free to speak to these customers after total 3 years from the start?

Sanjay Thapar: Technically, we can. But we believe on building relationship and trust with our partners. So ideally, there is a cooperation that we are in. So I think Walter Pack Spain recognizes that Walter Pack India is the most profitable or most cost-efficient plant that they have in the world. So there could be plenty of opportunities of partnering with Walter Pack Spain rather than competing with them. So I think our strategic intent is better served in terms of jointly addressing the global needs and carving out business amongst us.

Suraj Malu: Thank you.

Moderator: Thank you. The next question is from the line of Ajox Frederick from Sundaram Mutual Funds. Please go ahead.

Ajox Frederick: Congrats on the new order wins. I had one question. Sir, on the WPI and Exotech business, if I find the Q-o-Q growth, it has been negative despite our primary customer growing on a Q-o-Q basis. Can you shed some light on that, sir?

Sanjay Thapar: Sorry, I didn't get your question. Growth has been negative where? You're talking about Q-o-Q number?

Ajox Frederick: Yes, sir, I'm talking about Q-o-Q, quarter-on-quarter, WPI and Exotech.

Mahendra Naredi: So Ajox, we have disclosed our revenue in our presentation. And Q-o-Q number, if you see for Exotech and Walter Pack, so Exotech has grown by 2.4% and Walter Pack has degrown by 4.1%. And overall basis, they are, let's say, reduced by maybe 1%.

Sanjay Thapar: But the important point, I would like to add to what Mahendra just said, quarter-to-quarter, depending on the model mix, depending on the offtake of the customer, as I said, demand, because of supply float in the market, was lower in some cases. But the important operating number you should look at is the 9-month number for these companies. So Walter Pack has grown very strongly, close to about 20.5% and Exotech has grown at about 25%, 26%.

So there's extremely robust growth. So quarter-to-quarter is not the right way to look at the company because there are so many factors in terms of some particular model, supply floating more, the customer demand going down in a quarter. But I think that doesn't impact the overall very, very strong growth trajectory that we have in both these companies.

Devanshi Dhruva: Also just adding to what Sanjay just said, so usually, Q2 is a stronger quarter for us because it's just before the festive period. And that's why that production starts before the festive period so that's why we also supply. So Q2 and Q4 are usually stronger. Q3 is generally a little weaker quarter compared to Q2 because of even plant shutdowns and all that happens during this quarter.

Ajox Frederick: Okay, very clear. The second question is on your other expenses, which is bundled under Walter Pack and Exotech. And that has bumped up. Is it because of any new tooling you're doing? Or what's causing that?

Mahendra Naredi: So Ajox, it's a normal business. We have a provision for the ECL, estimated credit loss, in this quarter. So that is why it is happening, but it's a normal business. It is an accounting adjustment which happens every quarter-on-quarter. So, this time, we have an amount of INR 8.8 million. And maybe that is causing the higher other expenses.,

Ajox Frederick: Okay. And that's a one quarter phenomenon or this gets...

Mahendra Naredi: When you compare with the quarter 2 of the last year, it was not there. So that is why you are seeing a higher amount in this quarter. But it is a normal scenario in an accounting manner.

Ajox Frederick: Understood. And sir, the final question is on stand-alone business. Like you said, the margins were pretty strong in this quarter. And there was some decline on the employee cost also sequentially seen. So what caused that on Q-o-Q?

Mahendra Naredi: Ajox, you have to repeat again, what your question say, decline of what?

Ajox Frederick: Employee costs, standalone.

Mahendra Naredi: So in the standalone, I mean, you are comparing with the quarter 2?

Ajox Frederick: Yes.

Mahendra Naredi: So from the quarter 2, which was a higher turnover and higher manpower, versus quarter 3, it's a decline in the turnover. So also, the people cost will decline. We don't have all permanent employees. There are some contract employees also being deployed. So as per the business requirement, it keeps going up and down.

Sanjay Thapar: So we align it with the sales offtake that there is. So there is a component that we can fine-tune to minimize costs. And employee cost is one of the areas.

Ajox Frederick: Very interesting, sir. And sir, any color you can give on that new Whirlpool win, when that will come through, how much can be the potential from that, any options?

Sanjay Thapar: This is a business for North American plant of Whirlpool. This is for a dishwasher plant and we will supply overlays to them. So we are replacing their American supplier. And that is what we will cater to.

Ajox Frederick: Okay. And when will this come into production?

Sanjay Thapar: So we should start immediately. So I think in 1 quarter, next quarter, we should be able to start supplies.

Ajox Frederick: Okay. And this will take our consumer business mix substantially higher from where we are right now?

Sanjay Thapar: Yes. So our focus really is to balance our mix. So today, consumer is at 20%. So it will remain aligned because the other businesses also are growing. So I think secularly, the mix will remain with the 2-wheeler, 4-wheeler and consumer. Mix will remain the same because we have strong growth in all the areas. So as a proportion of sales, it's likely to remain similar to 20% or thereabouts.

Ajox Frederick: Okay, sir. And sir, just a final question, sorry for extending this. On exports, any other potential customers we are closer to crack at this point in time?

Sanjay Thapar: The strategy we have is that, we look at large mega accounts. We win trust by supplying to them successfully in one geography. So Continental for one, Stellantis, the other. So these are very large global companies and we are growing business with them. Similarly, Whirlpool, we are at the tip of the iceberg, as I said earlier.

So that is the reason why I say that to be Indian, which is truly global in terms of what we cater to across the world. So our thrust is on growing this export business. And we have, I think, a very promising pipeline of opportunity that we are pitching for. So that would be and will be a game-changer for SJS in the coming years.

Ajox Frederick: Fantastic, sir. Congrats once again and all the best. Thank you.

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

Pradyumna Choudhary: Congratulations on a decent set of numbers. My first question is on the exports front, you spoke about exports being lower due to a subdued environment in Europe and the US.. But given a low base and given the kind of orders that we've been winning, isn't it is a little too soon for us to be linking to the market in terms of our exports growth?

Sanjay Thapar: Two things really. So as I said, what we have as historical exports, that, of course, depends on what is the demand in those markets. So it's not that everything has come down. So for example, we supply to Visteon for some dials. And that dial business has grown quite dramatically in the last quarter. So we've, in fact, grown by close to about 90%. So that's one product.

But then there are some areas wherein Visteon also has a plant in Tunisia, where the demand has come down. So it depends on market-to-market what happens. Similarly, Whirlpool in Europe, demand has been lower. And as Devanshi said earlier, the quarter 3, you have a lot of plant shutdowns that happened, especially in the export area. So you have a subdued demand in November and December for export markets. So that's just a function of this.

If you look at the overall exports, again, on a Y-o-Y basis, whatever we've grown close to about 20%. So the pipeline remains extremely strong. We see a lot of traction from the customers. And I have repeated many times earlier, the products that we sell are likely to ship and the companies in Europe and North America, our competitors in Europe and North America, cannot really compete because of their very high operating cost.

So there's a natural advantage for printing companies in India wanting to address the export market. So that makes us extremely bullish that we are absolutely right in terms of our focus because this is an area where we feel that we have an edge over competition in that market.

Pradyumna Choudhary: Understood. And could you give the exact numbers, like in Q3, what was the Y-o-Y growth or degrowth in exports and consumer durables?

Sanjay Thapar: One moment. Devanshi, do you have the numbers? So you want to know the Q-o-Q of export?

Pradyumna Choudhary: Y-o-Y, but for Q3, versus Q3FY24.

Mahendra Naredi: So Q3, we have grown overall 11.2%, out of which 2-wheeler grown by 8.4% and passenger vehicle has grown by 22.4%, rest is come out from the consumer goods.

Pradyumna Choudhary: No, I was actually looking for the number for this number for exports and for consumer durables.

Mahendra Naredi: For the export only. So the export business Y-o-Y basis is kind of flat overall. And out of which consumer segment has remained flattish.

Pradyumna Choudhary: So what was the reason for a flattish consumer durable business?

Mahendra Naredi: Like Mr. Thapar said, it's a subdued demand in the market, especially we are supplying to the export and the US. And basically quarter 3...

Sanjay Thapar: Europe, largely it was Europe where the Q-o-Q demand was lower. And as I said, in this quarter, you typically have a slowdown, plant shutdowns happen. And that is the reason why you see demand to be a little lower. But of course, there are political uncertainties still prevail in Europe and that has impacted demand in those regions.

Pradyumna Choudhary: Just last two questions. One is on the Stellantis side, the order we have won, when would the supply start for that? And second is you spoke about to previous participants; you spoke about how Walter Pack India can't sell to geographies where Walter Pack Spain is selling in terms of Walter Pack Spain's existing customers. So would it not limit our ability to cross-sell to our international customers to a certain extent?

Sanjay Thapar: So let me address that part of the question first. So when we acquired Walter Pack India, it was a new technology area. Walter Pack Spain is one of the few companies in the world, which has this capability. So it was strategically very important to get into this area, which we have done successfully, step one.

Step 2 was that we still have a lot to learn. It's a new business which is in the process of building capability and scaling up in India. So the market in India itself is so large and the opportunities in the global markets are so large that we really don't have to compete with Walter Pack Spain. You would understand that if we are a partner and we have a technology type arrangement with them, it does not make sense to attack them in their home market.

So we are, as I answered earlier, in a spirit of cooperation and we have extremely cordial relations with Walter Pack Spain. I think we have much more to gain. It is not that we've given away geographies. So all of Asia is with us. Walter Pack Spain cannot sell in this territory. All of India is with us Walter Pack Spain cannot come here and sell. Then the key customers like Whirlpool, Walter Pack Spain cannot supply to. So we have safeguarded that very well.

And as I said to an earlier question, we are in the process of discussing with them and there are opportunities where we could together collaborate because Walter Pack Spain recognizes that the cost efficiency of Walter Pack India operations or the erstwhile Walter Pack India operations are far better than what they can achieve in Europe. For the nature that I said earlier again, it's a printing.

So when you have IML part, there are two parts to it, one is the printed outer layer or a decorative service that you have. So that is a natural advantage that we can get when we compete in an IML business because of the nature of the decorative services printing. So we are much more efficient than Walter Pack Spain. So there are a lot of collaborative opportunities. That is what we focus on rather than cannibalizing or eating into Walter Pack business. But as I said, legally, the agreement is for 3 years. So 1.5 years has gone, we will see how this develops.

Pradyumna Choudhary: All right. And that question regarding the Stellantis order commencing?

Sanjay Thapar: Yes, Stellantis supply should start from July next year. So we are in the process of submitting samples approvals. So that's a large business. Tooling is under development. So there are different phases, different part numbers they had. And as I said earlier, for the first time, the owner of the complete branding for a vehicle. So that's a very prestigious project for us, and we are very eagerly looking forward to start supplies.

Pradyumna Choudhary: July '25, you said, right?

Sanjay Thapar: Yes, July '25.

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

Moderator: The next question is from the line of Amit Hiranandani from PhillipCapital India.

Amit Hiranandani: Thanks for the opportunity and congrats for good set of performance. Sir, how do you see the growth trajectory for the company's Consumer Durable segment?

Sanjay Thapar: So extremely strong. So, my answer to that is that the Consumer Durable segment, typically whatever parts we supply currently, so they are highly profitable for us, and we have very long relationship with all the marquee names. So again, answering the same thing, a large market exists outside India. So India, of course, we are supplying depending on the volumes. So that is business as usual.

The huge opportunity that we see for growth is exports. So North America and other regions are very, very large markets where all these consumer durable companies do a lot of sales. Samsung in Thailand has a very large plant, which is a great opportunity for us. So markets outside India, volumes being very large are the key focus area for us moving forward. We are in the process of addressing RFQs, getting RFQs, seeing how can we do a more meaningful business and see if we have an opportunity to do not just components, but some assemblies for those customers. So this is in process, but we are very optimistic.

Amit Hiranandani: Right. Sir, on the cover glass, so for the benefit of all, if you can help us understand more about this product competitors in India, how much import happens? And what is our right to win here? And also, if you can throw some outlook on the revenue and margin for the cover glass, please?

Sanjay Thapar: Okay. So let me tell you all cover glasses in India are imported so far. So we will hopefully be the first guys of the block and we will have an early mover advantage. As I've said in the earlier calls, the cover glass is a part of a display. So everybody can see that the number of displays and the size of displays in cars are increasing. So that is a key trend for premiumization that we see playing out.

So customers want larger displays and sometimes these displays combine 2 or 3 displays in one, and the cover glass encompasses all of these. So we are committed to do the cover glass, but at the same time, we are very excited. There also in our conversations with customers, we see an opportunity that we could become an aggregator of the display as well. So this is still early times, as I said earlier in this call.

So maybe we will revive our focus on what is the opportunity set that we have. It is a little early to say in terms of what revenues it will be or what margins will be. But what I would like to mention here is wherever competition intensity is low, and the parts are imported, there is a natural tendency that margins should be very attractive. So we are moving with that thesis.

So I would say that by and large, whatever margins that we command at SJS in our overall numbers, we will continue to target towards that, by climbing up the value chain really. So with lower competition intensity, the pricing pressure should be lower.

Amit Hiranandani: Understand. Continuing on this, do we have any orders in hand for this product?

Sanjay Thapar: Yes. So as we said, we are negotiating, discussing. We have certain approvals. The pricing has been approved. So we are in that process of consolidating the orders. And as I said, not just from the cover glass, we are also looking at a larger play. So at the moment, it is early time, so I would not like to disclose because this is confidential information, but we are very optimistic.

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

Jyoti Singh: Thank you for the opportunity. So sir, my question is from the earlier participant only on the cover glass side, as we are optimistic and also basically it's imported. So as far as I know, 1 or 2 players in the industry, they are also planning to manufacture cover glass in India. So if you can highlight on that, how it will be differentiating the pricing point of view?

Sanjay Thapar: Two things. So cover glass is basically as the word says glass and then a key part to this is the printing that is done on the cover glass. So, at SJS, we are more than close to 35 years of expertise in printing on parts, which are literally right under the drivers' nose. So we are making dials, and we are exporting dials across the world. So the people who will make these displays are people who are already buying dials from us.

So there is a good customer relationship that we have in place, the customers realize. So just by an ambition to make cover glass is not the reason that you could be successful. The entire business of the company has to be geared towards delivering highly sensitive aesthetic parts. So you can imagine if I export dials, which are equivalent to a cover glass in terms of printing, in fact, cover glass is a higher specification in terms of printing. So I think those people who have that ambition, would need to do a lot of work.

I'm not saying that they will not be competition. Obviously, it's a very attractive emerging market. So a lot of people will have ambition to get into this business. But again, repeating that we have an early mover advantage. We have a relationship of over 15 - 20 years with all these large global OEMs, who do these displays in the driver information system. So we would have an edge over there. Because of global quality and delivery capability.

Jyoti Singh: Okay. And sir, another question on the advance logo side, that we are currently supplying to Tata Motors. So are we in active discussion to supply other OEM also?

Sanjay Thapar: We already are supplying. So it's not just Tata, to the entire 2-wheeler industry. I mean not the entire 2-wheeler industry but most of these people, we supply logos, we supply to Honda Motorcycle company. We supply to Bajaj. We supply to Royal Enfield. We supply to TVS. So we already have a lot of that 2-wheeler business. In 4-wheeler business, we do a lot of business with Mahindra. We do a lot of business with Tata. So we are already present in this business.

Jyoti Singh: Yes, sir. I'm talking about the advanced logo that we are implementing with the ADAS. I'm talking on that side.

K. A. Joseph: Now see it is up to the OEM to decide on what kind of designs can be incorporated on their product, okay? So we have had discussions with Hyundai and Suzuki and all that. But they are not like to go with a bubble kind of finish that what we are seeing with Tata's. So it also depends on the shape of the logo, the lettering and all that. So it is not that everybody would like to universally adopt and then follow some kind of strategies.

Sanjay Thapar: No, let me answer it this way. We have the capability. We have proven it with very large OEM, So the customers recognize that yes SJS is the supplier of those parts. So as and when opportunities arise or whatever platform they want to use it, obviously SJS is first in their mind when they recall.

Jyoti Singh: Thank you.

Moderator: Thank you. The next question is from the line of Lokesh Manik from Vallum Capital. Please go ahead.

Lokesh Manik: Sanjayji, the first question was on your vision for exports at 15% by FY28. Does Whirlpool and Stellantis take us there, the big orders on that front?

Sanjay Thapar: So they take us to a large distance. As I said, Whirlpool, we just acquired the complete business for plant. Now, obviously they do their homework in terms of checking our cost, our delivery capability and our quality reputation. So we tick all those boxes. So I'm very proud to say that, if I go to an export customer and pitch for our company, people pay serious note because we not only supply to the marquee OEMs, but we deliver them flawlessly throughout the world. So we are in an extremely, extremely strong position.

This does not take me to the 15% completely, but takes me somewhere close to that. So at the moment, we are looking at much larger or thinking bigger as to what would we do with the platform that we created in SJS and an amalgamation of the technology that we have. So just two example, I have an IML plant or IMD plant. I have a chrome plating and a painting plant. I have 3D lux or printing plant.

Now a lot of these products that are required in those markets or opportunity for new aesthetics that come in, is may be amalgamation of 2 or 3 technologies or maybe all of these technologies. So that is something that a company that does just one part of business cannot do. So that's why I said earlier that we are not just looking at discrete components or an assembly, but we're looking at maybe subassemblies and we could do some sort of business, which is much more higher value add.

So I'm quite optimistic that moving forward, exports, so we've gone out and said that, yes, 14%, 15% of my top line in the next 3 years has to come from exports, and we are very actively driving that. And I just cited some examples, that we won large successes in face of global competition in the last two quarters. So I'm quite optimistic.

Lokesh Manik: My second question was for Mahendraji, on the cover glass capex, what is the asset turn that we should expect?

Mahendra Naredi: Yes. So, we have allocated around INR 40 crores. And if I talk about the asset turnover, at a peak level, we're estimating 2.5 to 3 times.

Lokesh Manik: That’s it from my side. Thank you so much.

Moderator: Thank you. The next question is from the line of Sahil Rohit Sanghvi from Monarch Networth Capital. Please go ahead.

Sahil Sanghvi: Thank you for the opportunity and appreciate your performance. My first question is the outperformance that we've got on the passenger vehicle side, can you give us some more details on what were the reasons for it? I mean, is it the new products? Is it new customers, I mean some of the products that you can outline, what's driving that outperformance?

Sanjay Thapar: So as you know, Mahindra is doing exceedingly well. And in our businesses at both Exotech and Walter Pack, we have that as a customer. So Mahindra recently launched a new range of vehicles, reborn electric vehicles, so we see good traction moving forward also. So they are in the ramp-up space. So we ship them parts and there is a very large content on their born electric range of vehicles. So they have 2 vehicles as you are aware 6e and 9e. So we are present in both of those.

With Walter Pack, we have started supplies to the new Dzire for IML parts that also has contributed to our increase sales, and we've also started supplies for the new IMD part, for the lit logo that we supply to Tata for their vehicles. So that lit logo volumes have increased so they like it.

And there's good customer demand for that. So they've implemented across different models. So this part we supply, we are a Tier 2 position. We supply to the airbag supplier, and he installs it in the steering wheel. And of course, supplies to Maruti Suzuki for some parts and continental for dials. So these are some of the reasons, which have led to our outperformance in the passenger vehicle market.

Sahil Sanghvi: Got it, sir. This is impressive. And second question, would you be able to disclose the quantum of the order that we got with Whirlpool for the dishwasher plant or maybe the term over which we'll be servicing this or maybe an annual run rate? Would it be possible?

Sanjay Thapar: I mean this confidential information. There are competitors across the world. So I would choose not to say. But then let me say that's a very large plant, and we've got 100% of that business for the plant. So typically, if you don't move up in terms of supplies and quality, so this business stays with you. So it's a stable business and a stable long-term business.

Sahil Sanghvi: And right now, the agreement is for 5 years, is it? How long?

Sanjay Thapar: Typically, the customers have contracts who are 3 years at a time. So this will continue to get renewed, as I said, unless we give a customer reason to complain, which we have not so far. So we don't have a single warranty recall, customers are infused with us. They understand that not only this part, we could supply some other parts around this part.

So I think we are in a very exciting phase where customers globally are starting to discover the capabilities of SJS. And that I think leads to a lot of customer enthusiasm for approaching us for new development or whenever a new model is launched. So that was our focus to be the first code of call or a preferred code of call for customers launching a new product. So I think we are slowly getting there.

Sahil Sanghvi: Amazing sir. Congratulations and that was from my side. Thank you.

Moderator: Thank you. The next question is from the line of Rohan Advant from Prad Capital. Please go ahead.

Rohan Advant: Thanks for the opportunity. Sir, my first question is that, while we've done exceedingly well in the EV segment and it seems you continue to do so. On the 2-wheeler front, our out performance has been coming down and we match the industry maybe slightly ahead, but we used to grow much faster earlier. So anything changing in the 2-wheeler space that you are not able to do the 1.5x of industry growth?

Sanjay Thapar: No, no. So all along, I have been maintaining, that 2-wheeler is a finite size vehicle. There are no interior exterior. What you see is what you see. So we've always maintained that our 2-wheeler business will grow organically. The growth that will come, will largely be for passengers where we are increasing content.

The positive side in the 2-wheeler really is that when EV or EV 2-wheeler starts coming to mainstream, then the display that they have for the electronic cluster, the transition from the mechanical to the electronic cluster for example, which we are doing for Foxconn for example, we also won the business for Ather.

So those when they start becoming mainstream and the proportion in the overall 2-wheeler volume starts increasing, then you would see that increase in content in 2-wheelers. So, for the moment 2-wheeler electric vehicles are hardly 5% - 6% of the overall volumes. So they still don't make a dent. So if you look at the consolidated mix, there is still is no meaningful gain that is visible in the content in 2-wheeler. When the localization of the displays happen and when the EVs are, let's say, 50% of the EV sales, you then start seeing this 1.5x performance by SJS.

Devanshi Dhruva: Also, Rohan just adding to what Sanjay has said, so if you actually see even in this quarter, although 2-wheelers, it does show 8% volume growth. But actually, if you see, it's the scooter segment, which has grown higher. The motorbike segment has grown a little lower and scooters, as you know, is a segment where we do not have much presence, as decals is not used much.

Sanjay Thapar: The key point, his question was that the, premiumization trend that we are outgrowing the market. So my point is that, that outperformance will happen when higher content of premium products which, for example, EVs, are will take mainstream. So we've won recently a very large order in the Tier 2 position for Suzuki 2-wheelers, where they are transitioning, or they are increasing volumes of the lens mark assembly that they will use. We have continued building that business with Marelli and with Visteon.

So we are very optimistic. But I've always guided that 2-wheeler sales is going to be typically in line with the market industry growth. Our revenue growth from 4-wheeler is where you will see that outperformance because of increasing kit value for premium products.

Rohan Advant: Understood. And sir, my second question is that starting Q4, which is the ongoing quarter, we would be cycling a very strong base because we had a step-up growth in the March '24 quarter. So are we confident of growing double digits on this elevated case?

Sanjay Thapar: We are always confident, because we've done a lot of homework and we are using this opportunity to strengthen our capabilities and work on reducing waste in all the processes. So our focus is to import, one is to outperform the market in terms of growth, the other is to look at all possibilities to drive cost efficiency in our operations, reducing scrap, reducing wastage.

So we see a lot of scope and the effort that we put in over the years, I think will bear fruit. So it's a twin thing. It's not just increasing sales the essence is increasing profit and profitability as well.

Moderator: The next question is from the line of Prateek Giri from Subh Labh Research.

Prateek Giri: Thanks for taking my question and congratulations on a good set of numbers. Mr. Thapar, all my questions are answered. I have a few left, which is first one is on IME. I understand we have an aspiration to be in this segment. I just wanted to understand...

Sanjay Thapar: Which segment, sorry I missed that part. Which segment are you talking about?

Prateek Giri: IME Electronic.

Sanjay Thapar: IME Yes.

Prateek Giri: Yes. So I was just wondering, is it possible to develop something in-house in the meanwhile, we look for acquisition opportunity...?

Sanjay Thapar: No. So we are already developing IME part.

Prateek Giri: IME I'm talking Mr. Thapar.

Sanjay Thapar: In-moulded electronics. Yes. Okay.

Prateek Giri: Electronics. Right. Correct.

Sanjay Thapar: Yes, yes. No. So we are already doing that. In fact, we have made a lot of prototypes as you know, these products are not in serial production. A lot of companies and their design centers come to us to say what can we do with the aesthetic surface and the functional surface? So we already have a lot of prototypes that have been given. So those teams are discussing with their marketing people.

So typically understand that to introduce an IME in a product, whether it's a consumer appliance or a vehicle, whether a two-wheeler or a four-wheeler, it has to be implemented at the inception of the design of that product. So you can't have a retrofit, which a lot of decorative parts can be fitted.

So the new launches that these people will do, so they will, of course, work out the economics and the feature, cost benefit analysis and then decide to introduce. But we are actively developing IME parts and supplying these concepts to the OEMs or Tier 1's to then pitch to the final customer. So I think it's a matter of time, but this is new, not just in India, but globally as well. So I think it is a matter of time between the next 2 to 3 years, you would see IME penetration starting to increase in India.

Prateek Giri: Understood, Mr. Thapar. So it will be fair to assume that it is going to take some time, but the work is happening.

Sanjay Thapar: Yes, yes. So, for the past 1 or 2 years, we've been giving prototypes and concept proofs to customers, and they are very excited. Now to bundle it into a vehicle, they need to decide what model, what features to introduce? So, I think the OEMs today recognize that, yes, it is possible. It's a question of who takes the first step in this direction.

Prateek Giri: Understood. Very helpful. Mr. Thapar, my second question is related to the global markets. I understand we have aspiration for the OEs market also in exports. But in USA and Europe, we have seen the emergence of Chinese brands. So I just wanted to understand how does this change our opportunity size given the Chinese OEs mostly be solved by Chinese ecosystem?

Sanjay Thapar: No. So we have a new president in the North American market who is a notorious friend or not a friend with the country that you mentioned. So the idea is that, look, at our end, we can't control the geopolitical dynamics of what plays out. But what we can do is that what can we do with our own capability and our own relationship with the customers. So, we continue to do that very strongly. And companies realize that they need to diversify supply chains.

So I think there is a place for the Chinese to play. There's a place for India to play. There has been for the last 2 - 3 years, the China +1 story. So we are not really focused on China +1 as an alternate. So I just give you that example of what business we won, the global business with Stellantis. So this is not China +1. This is a new technology that was introduced. So I'm much more proud of winning businesses on our own merit than position myself as a substitute for China. So we think that they are just another competitor. In fact, I export some parts to China.

So we are not afraid of the Chinese technically. We have all the capability, and the skill sets here. We have the customer relationships. We speak English much better than our Chinese counterparts or competitors do. So I think we have everything in the favor of a company like

SJS, which has proven its technical capability and the ability to support overseas markets, which disruption in supplies through COVID and the pandemic and the Suez Canal challenges. So, I think that is what global customers look at in a partner.

Prateek Giri: Understood. So you're saying that if we compare our nearest competitor, any competitor from, say, in China on the technology front and product front, you're saying we are as good as any other Chinese player, which has new similar business line?

Sanjay Thapar: Absolutely, if not better, because the Chinese companies, again mass produce one particular category of products. So there's a guy making dials, he will continue making dials and he would like to make only one model. So I make 7,000 SKUs and I have 13 - 14 different technologies that I can offer.

So when a customer looks at a prospective supplier to onboard, he would rather buy multiple parts from one supplier than choose different supplier for each category of parts. It increases the headache. So that is the rationale where we said that we want to be a single source or the single-stop solution provider for all aesthetic parts. So that is something that we have, or we do better than the Chinese who focus primarily on one technology in a company.

Moderator: Ladies and gentlemen, due to time constraint, this will be the last question. It's from the line of Shrinjana Mittal from RatnaTraya Capital.

Shrinjana Mittal: I just have 2 questions. So one is on WPI. I just wanted to know how are we on the integration side, like it's been a couple of quarters, right? And the run rate which we look at is currently INR 40-odd crores, and it has been that for a couple of quarters. You mentioned in the last call as well that there is some delay in the Tata Motors, the launch is there. So that's also one of the reasons. So could you throw some light on that part?

Sanjay Thapar: Yes. Okay. So let me start with Tata Motors first. So delays in launches was 1 year ago. So those launches of those vehicles have been launched. So the new Safari, new Harrier, new Curvv, so almost all the Tata vehicles. So Walter Pack is the main supplier for IMD, IML parts. But unfortunately, the volume that Tata Motors has not been as well as they promised. So that is a little bit of lull for the moment. But then in terms of features, it's a fantastic vehicle. So I hope it will do well, and we are long-term suppliers committed to that. So that's one part of the question.

So when supplies come back, it's not just Tata Motors, as I said in the call earlier, we are supplying to Maruti Suzuki for the new Dzire. And that is leading to increased sales. We are looking at Mahindra and Volkswagen as other customers for Walter Pack. We already are in the consumer appliance business. So we do a lot of consumer electrical business.

So Walter Pack has all the technologies. Only historically, we inherited some customers. So the new customers we are working on and that will lead to the growth trajectory at Walter Pack. And at the same time, we are focusing on the other part of your question was integration of Walter Pack into SJS.

So as we announced earlier, we've appointed a Group COO and a gentleman called Mr. Mahender Singh, who is on board. He's stationed at Walter Pack plants in Pune. And his key job is to facilitate this integration. So we are still in the stages of integration, but we hope that by the end of the year, the integration part should be clear.

Then we move to the next phase, which is improving or scaling up that business as we have demonstrated very successfully for Exotech. So we go to the next phase of integration and acceleration of the trajectory of Walter Pack next year onwards, so that is the broad plan. I hope I've answered your questions.

Shrinjana Mittal: Yes. That's very clear. I just have one more question. On the consumer appliances side. Firstly, congrats on the new order win. I just wanted to understand that this quarter has been flattish Y-o-Y, right, in terms of growth for the consumer side. And I think it was you mentioned before as well, some part of it is also because of exports being weak. But even on the domestic side, it would have been flattish, right, because export is still a small portion. So is it just an end industry impact for us or like what would be the reason for that?

Sanjay Thapar: Sorry, just to understand your question better, you are focusing on consumer?

Shrinjana Mittal: Yes, Consumer segment. Yes.

Sanjay Thapar: Yes. So as I said, this quarter was weak for the reason that most of the overseas customers, November, December are generally flat period because they are finishing their year, and they start again in around the middle of January. So typically, that is a cyclical variation.

But overall, in terms of uncertainties in Europe, especially the political -- geopolitical tensions there, people are a little cautious and demand has been hit in Europe. So Europe and even North America were lower, which we hope will come back. So these are the legacy products that we have.

The new businesses I've already talked that we are opening more doors. So we are not juts depending on those businesses. So moving forward, we think this will come back. And we are extremely bullish on our capability to be a very strong player in the export market. And that is why we are saying that we are going all out, and these 2 large order wins, both with Stellantis, which is a global product across the world and also with this complete ownership of supplying parts to one major plant in North America. So both these will support our case for exports.

Moderator: Ladies and gentlemen, that was the last question for today's conference call. I now hand the conference over to Ms. Devanshi for the closing comments.

Devanshi Dhruva: Thanks, Steve. I would like to thank everyone for joining on the call. I hope we have been able to respond to most of your questions adequately. For any further information, we request you to please to get in touch with us. Stay safe, stay healthy, and thank you once again for joining with us. Have a good weekend.

Moderator: On behalf of IIFL Capital Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.