Divgi TorqTransfer Systems

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**Ref.: DTTS/Sec/26-27/37**

**August 18, 2026**

| To,<br>**BSE Limited,**<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai - 400001<br><br>**BSE Scrip Code – 543812** | To,<br>**National Stock Exchange of India Limited**,<br>"Exchange Plaza" 5th Floor,<br>Plot No. C-1, G Block,<br>Bandra Kurla Complex, Bandra (East),<br>Mumbai – 400051<br><br>**NSE Scrip Code - DIVGIITTS** |
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**Sub: Transcript of Earnings Call held on August 12, 2026**

**Ref.: Regulations 30 of the SEBI LODR Regulations**

Dear Sir / Madam,

Further to our letter reference no. DTTS/Sec/26-27/28 dated August 07, 2026, pursuant to Regulation 30 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), please find enclosed herewith the transcript of the Earnings Conference Call held on **August 12, 2026**, in respect of the Unaudited Financial Results of the Company for the quarter ended June 30, 2026.

The transcript can also be accessed on the Company's website at the following link:

https://divgi-tts.com/earning-call-transcripts/

This is for your information and records.

Thanking you,

**For Divgi TorqTransfer Systems Limited**

ANIKET ARUN KOKANE
Digitally signed by ANIKET ARUN KOKANE
Date: 2026.08.18 11:38:15 +05'30'

**Aniket Kokane**
**Company Secretary and Compliance Officer**
**A51571**

*Enclosed: As above*

# "Divgi TorqTransfer Systems Limited Q1 FY '27 Earnings Conference Call"

## August 12, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchanges on 12th August 2026 will prevail.

**MANAGEMENT:** **MR. JITENDRA DIVGI – MANAGING DIRECTOR – DIVGI TORQTRANSFER SYSTEMS LIMITED**
**MR. HIRENDRA DIVGI – WHOLE TIME DIRECTOR, DIVGI TORQTRANSFER SYSTEMS LIMITED**
**MR. SUDHIR MIRJANKAR – CHIEF FINANCIAL OFFICER, DIVGI TORQTRANSFER SYSTEMS LIMITED**
**MR. DIPAK VANI – CHIEF OPERATING OFFICER, DIVGI TORQTRANSFER SYSTEMS LIMITED**
**MR. SATVINDER SINGH SABHARWAL – CHIEF GROWTH OFFICER, DIVGI TORQTRANSFER SYSTEMS LIMITED**

**MODERATOR:** **MR. RAUNAK JAIN – EQUIRUS SECURITIES**

**Moderator:** Ladies and gentlemen, good day and welcome to Divgi TorqTransfer Systems Limited Q1 FY '27 Earnings Conference Call hosted by Equirus Securities.

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

I now hand the conference over to Mr. Raunak Jain from Equirus Securities. Thank you and over to you, sir.

**Raunak Jain:** Good afternoon, everyone. On behalf of Equirus Securities, I welcome you all to the Q1 FY '27 Post-Results Call of Divgi TorqTransfer Systems Limited.

From the Management side, we have Mr. Jitendra Divgi – Managing Director, Mr. Hirendra Divgi – Full-time Director, Mr. Sudhir Mirjankar – CFO, Mr. Satvinder Singh Sabharwal – Chief Growth Officer, and Mr. Dipak Vani – COO.

I will now hand over the call to Mr. Jitendra sir for his opening remarks. Over to you, sir.

**Jitendra Divgi:** Thank you, Raunak. Good afternoon, everyone, and welcome to this quarterly earnings call. I am sure you have had the opportunity to go through the Financial Results and the Presentation which were uploaded yesterday on the Stock Exchanges and are also available on the company's website.

As was mentioned, joining me on the call today is Sudhir Mirjankar – CFO, Satvinder Singh Sabharwal – our Chief Growth Officer, Dipak Vani – Chief Operating Officer, and my brother Hiren – Executive Director, is traveling on business in the United States right now. Our Investor Relations Advisors, SGA, have also joined on the call.

So, let me begin by saying that, as you have noticed, Q1 FY '27 has heralded a very strong start to this financial year for us. And we believe that this quarter marks the beginning of a new phase of our corporate journey since 2023 when we went public. The performance demonstrates that the capabilities, investments, and opportunities built over the past few years are now converging and beginning to translate into impact. We see this quarter not as an isolated strong performance but as an early indicator of significantly larger growth opportunities ahead of us.

We delivered our highest ever quarterly performance with total revenue of approximately Rs. 142 crores, surpassing all our previous quarterly milestones. So, this represents an 85% year-on-year growth and a 25% sequential growth over Q4 FY '26.

What is particularly encouraging is that this growth has been accompanied by a significant improvement in operating leverage and profitability. EBITDA for the quarter stood at approximately Rs. 42 crores with EBITDA margins at nearly 30%. PAT came in at approximately Rs. 25 crores. Importantly, return on invested capital without the cash component stood at almost 32% in Q1 FY '27, reflecting strong returns being generated on the investments made over the past few years.

This performance is driven by a favorable product mix, increasing contribution from exports, and the operating leverage that comes from just a higher scale of business. Importantly, the benefits of this scale-up are not limited to just our financial performance. They are also enabling us to accelerate the next phase of our growth.

As I have been stating in previous calls, our global strategy has two clear priorities. First, to support our key OEM customers in their global expansion. And second, to build a global footprint for ourselves. And I am pleased to share that we have made meaningful progress on both these fronts.

On the first, we are successfully on track with our Indonesia program, supporting Tata and Mahindra in their work in Southeast Asia. This is an important milestone for us and demonstrates our ability to take our capabilities and partnerships beyond India.

Building on this experience, we are now taking the next step in our internationalization journey. I am pleased to introduce Project Mayflower, our initiative to establish eventually a manufacturing presence in the U.S. Under this initiative, we have established our wholly-owned subsidiary in Greenville, in South Carolina, at the International Center for Automotive Research, and have begun building our initial team and operations.

So, my brother, Hiren, is in the U.S. in connection with this initiative. We are already seeing encouraging customer traction, including new RFQs for sourcing from this proposed manufacturing site in the U.S. Our focus now is to convert these opportunities into concrete revenue streams, deepen our engagement with existing customers, build relationships with new OEMs and Tier-1 customers, and also evaluate the right opportunity then to establish local manufacturing.

Together, the Indonesian or ASEAN program and Project Mayflower mark important steps in our evolution from an India-focused business to an enterprise with an increasingly global footprint.

So, I think the message from this quarter is not simply that we have achieved another record quarter. More importantly, we are beginning to see a fundamental transformation in the scale and breadth of our business and the benefits of the capabilities and opportunities that we have built over the past few years by beginning to see all of this translate into scale.

Over the last few years, we have invested deliberately in technology, engineering capabilities, advanced manufacturing technology, and customer relationships. We are now at a stage where these investments are translating into multiple growth opportunities simultaneously.

In simple terms, all the cylinders are now beginning to fire together. Transfer cases, EV transmissions, components, exports, and emerging transmission opportunities such as automatic transmission for front wheel and rear wheel drive. This gives us a much stronger and more diversified foundation to grow better, stronger, and faster.

One of the most significant changes that we are beginning to notice is the evolution of our relationship with customers. We started by proving our technology and manufacturing capabilities. Today, we are increasingly being recognized as a technology partner, working alongside OEMs to develop and commercialize new technologies at an ever increasing and faster pace. This is an important change in the way we participate in the automotive value chain.

We are no longer looking at individual product opportunities in isolation. It is all about building deeper relationships across platforms, applications, and technologies. We are strengthening our relationships with existing customers, while our capabilities are also attracting new customers and new applications at existing customers.

We have already initiated discussions with several new customers across domestic as well as international markets. These include Japanese, Chinese, and Korean customers, who, as you may have noted, are increasingly going to play an influential role in the Indian market and Indian and global markets.

The other trend we are seeing is a transition from being just a PV player, that is passenger vehicles, to a broader light vehicle and mobility player. So, in other words, the addressable market is also evolving. Historically, we were identified with just passenger applications.

Today, that is no longer the case. With our growing participation in pickup trucks and other light commercial truck applications, we are expanding beyond the traditional passenger vehicle opportunity. The pickup truck opportunity is particularly important because it allows us to participate in a segment that combines the scale of light vehicles with the requirements of commercial mobility. And we are not stopping here.

We are actively evaluating opportunities to participate in other vehicle and transmission segments, which can further expand our addressable market over the coming years. So, this is the transformation we are talking about, from a company with a strong capability in a specific product and vehicle segment, to a broader drivetrain and mobility enterprise.

Let me shift gears and talk a little bit about our core transfer case business. So, this business continues to be a key growth driver. The global market for transfer cases is in the region of about 14 to 15 million units. And as you can see, we are still quite modest.

The Indonesia program has significantly increased volumes for us. And we expect further momentum through FY '27, including incremental volumes from the pickup truck program, new platforms, and facelift programs.

Importantly, while the Indonesia program has required immediate execution and has influenced the timing of some other orders, we do not view the resulting revenue as entirely one-off. More than 50% of the business has the potential to become recurring in nature.

Some other opportunities that would otherwise have entered the pipeline were pushed out temporarily because of the immediate execution load, both at our end and on capacities at the OEMs. These opportunities have not disappeared. They remain part of the overall pipeline and will come back as the current program concludes its execution phase.

At the same time, our OEM customers are establishing manufacturing footprints outside India and are looking to expand their own exports. This creates a much larger opportunity for us to participate in global platforms beyond the current Indonesia program. And one such program, we expect, will start in FY '28.

So, our opportunity in transfer cases is not simply about executing what is on hand. It is about using this program as a springboard for sustaining the global nature of this business.

Another significant transformation has been our export business. There was a period when our export revenues had become almost negligible because of external factors. Rather than accept this situation, we reworked our strategy and within just two to three years, we have rebuilt a substantial order pipeline and business that is very tangible and visible to all of you.

Our technology is at par with international players and meets stringent European, American and Japanese requirements. Therefore, our opportunity is not restricted to any one geography. If an opportunity moves away from Indonesia, our capabilities can be deployed across other export markets and global platforms.

A case in point is a Japanese OEM who is targeting applications in the Gulf region. So, the Gulf region, as you know, is sort of in the vicinity geographically of India and Japanese OEM wishes to take advantage of its cost structure in India to service these markets. So, this is just one example. We are therefore building exports as a structural growth engine rather than treating them as mere transactional opportunities.

A word about our EV transmission, which continues to be a very critical pillar despite showing a little bit of a dent in Q1. So, while the transition from imported platforms to localized production at one of our key OEMs has taken longer than initially anticipated, the underlying opportunity remains intact and as a matter of fact, for the remaining quarters of this year, we are seeing extremely strong schedules coming in.

Our customer programs continue to progress and we have already demonstrated our capabilities through prototypes, proof of concept work and the approval we have received from OEMs for mass production of new programs at the customer.

In particular, the Sigma program is progressing towards commercialization while localization and validation activities continue across other programs. Significantly, we are building this capability not merely for one EV program but with the objective of creating a technology platform that can address multiple EV hybrid and emerging transmission applications.

So, I think the takeaway is that the assets, both in terms of hardware and the intellectual capital that is being created both at product design and manufacturing process level, is all very fungible and can be taken across the verticals that we have.

Components and exports have also become increasingly important. We are seeing greater acceptance of the precision standards that we have in international markets and customer engagement is increasingly opening opportunities across components, transfer cases and broader drive train systems.

But eventually, our ambition is to move beyond individual component supplies and build higher value recurring global programs in products. So, this is another area where our technology manufacturing customer relationships can create significant operating leverage as commercial volumes present themselves.

In the midst of all of this, we have not lost sight of the next set of growth engines that will drive the business over the next 10 to 15 years. Alongside our established businesses, with great deliberation, we are building the next generation of opportunities. We are evaluating and working across automatic transmissions, manual transmissions, hybrid technologies and power takeoff and active systems for front wheel drive based all wheel drive applications in SUVs.

Not every opportunity will commercialize at the same time, but we will remain disciplined in how we allocate capital and develop and sort of shepherd this business growth. But the important point for you to take away is that our opportunity funnel today is significantly broader than it was a few years ago.

And in the last four to six months, we have added two new applications. One is a front wheel drive based all wheel drive application, where the content is upwards of 30,000 per vehicle. And the second one is transfer case for a Japanese OEM, which is Japan's oldest and fairly renowned truck company.

Now looking ahead, I think it's fair to say that we have a vision of a company that is fundamentally different from where it was a few years ago. And how do we see this evolving? So, we no longer have to prove ourselves as a technology player. We are increasingly partnering with OEMs on technology development. And very active R&D programs that we are doing are a clear evidence of that.

So, the second point is from a predominantly passenger application to broader light vehicle commercial applications, and I would even go to the extent of saying mobile construction equipment manufacturing, from predominantly domestic business to an increasingly global opportunity, although there is much work to be done in this direction, and from individual product opportunities to multiple technology and product platforms. In other words, from one primary growth engine to multiple growth pillars.

What's interesting is that the development of these opportunities is coming all together. So, the opportunity also therefore presents challenges in terms of execution bandwidth. And that is what continues to preoccupy us.

In short, transfer case business is scaling, component exports are gaining traction. The component business in India is growing with our customers. EV transmissions increasingly moving towards commercialization. Our three-wheeler product now is also ready, the EV reducer. And I think what makes us very distinctive is that we are not building to print.

We come with our technology and our products with which we can solve problems for OEMs. This enables us to optimize upfront tooling cost, upfront engineering cost, and bring a very high level of assurance very early on in the vehicle development program.

What we are also doing is now working on the next set of opportunities, which I mentioned earlier, automatic transmissions, manual transmissions, hybrids, and other drivetrain technologies, both at a component and system level, both domestic and global.

And so, this is why I say that we are entering a qualitatively different phase of growth. The investments made over the past year and the confidence shown by all of you, I think have helped us create these capabilities. The relationships we have with our customers, some of them going back more than 60 years, are creating these, enabling us to create these insights.

Our technologies is , I think, differentiator. And the expanding addressable market is bringing us more and more opportunities. We now have multiple strong pillars supporting the business, and all of them, as I said, are beginning to fire together.

So, where do we go from here? I think the idea is that we convert this expanding opportunity pipeline into sustainable, profitable, and increasingly global growth. And that is where, I think, the timing of Project Mayflower couldn't be better.

We believe the opportunity ahead for the company, for your company, is significantly larger than the business we have today. And we are building the organization, technology, and manufacturing capabilities to capture that opportunity.

So, this is a historic crossroad that we are at. And we believe that the Divgi TTS is leading the revolution in India to create India's first generation of genuine Tier-1 companies.

With that, I would like to conclude my remarks. We will have a Q&A session after my colleague Sudhir Mirjankar has had a chance to talk about the financials.

So, let me hand over the proceedings to Sudhir, and then we will take, we will have a Q&A session. Thank you very much.

**Sudhir Mirjankar:** Thank you, sir. Good afternoon to everyone on the call. Before presenting the financial numbers for Q1 of FY '27, I would like to highlight a few key points.

I am pleased to share that we have started FY '27 on a very strong note, delivering another record quarter across revenue, EBITDA, and PAT. Following the strong performance in Q4 of FY '26, the momentum has continued into Q1 of FY '27, reflecting sustained growth in the underlying business.

The transfer case business delivered strong growth during the quarter, supported by higher volumes from key OEM customers and sustained demand across upgraded platforms.

We also continued to strengthen our presence in export markets. Our E-gear drive business remained relatively subdued during the quarter. However, we continue to see opportunities for the business to scale up, supported by approvals for new platforms and programs in the pipeline.

Meanwhile, the components business continued its strong growth trajectory, supported by higher contributions from precision components and continued growth in exports. We remain focused on expanding into new geographies and deepening our engagement with global OEM customers.

At the same time, we are building opportunities for the next phase of growth through new platforms, export opportunities, and expansion into adjacent transmission products. We continue to work on opportunities in automatic transmission, manual transmission, and hybrid transmission, which will further strengthen our product portfolio over the longer term.

Speaking of the financial performance of Q1 FY '27, in Q1 FY '27, we delivered our highest-ever quarterly revenue of Rs. 141.8 crores, registering a strong 85% year-on-year growth from Rs. 76.8 crores in Q1 FY '26 and a 25% sequential growth from Rs. 113.8 crores in Q4 FY '26.

On the revenue mix, the transfer case segment delivered strong growth during the quarter, with revenue increasing 93% year-on-year to Rs. 76 crores compared to Rs. 39.3 crores in Q1 of FY '26.

As mentioned, the growth was driven by strong transfer case volumes and healthy demand from existing OEM programs. The segment contributed around 53% of total revenue during the quarter.

The E-gear drive segment reported revenue of Rs. 5.7 crores, with the business positioned for a gradual ramp-up as existing platforms, scale, and new programs move towards production.

The component segment continued its strong performance, with revenue increasing 83% year-on-year to Rs. 34.4 crores compared to Rs. 18.8 crores in Q1 of FY '26. The growth was supported by improved realizations, a higher mix of precision components, and continued growth in export business.

Exports continued to strengthen during the quarter, contributing around 16% of the geographic revenue mix. Other businesses also recorded strong growth, with revenue increasing to Rs. 21.4 crores compared to Rs. 6.5 crores in Q1 of FY '26. This includes contributions from NexTrac, ALH, Synchro, After Market, and other operating incomes.

Gross profit for Q1 FY '27 stood at Rs. 88.6 crores compared to Rs. 48.3 crores in Q1 of FY '26, representing an 83% year-on-year growth. Gross profit margin stood at 62.5%, broadly stable compared to 62.9% in Q1 of FY '26.

EBITDA for the quarter stood at Rs. 41.6 crores, registering a strong 118% year-on-year growth from Rs. 19.1 crores in Q1 of FY '26, and a 50% sequential growth from Rs. 27.8 crores in Q4 of FY '26. EBITDA margin improved to 29.4% compared to 24.9% in Q1 of FY '26 and 24.5% in Q4 of FY '26, supported by a favourable product mix, higher contributions from exports, and better margins from the 4x4 products.

Profit after tax for Q1 of FY '27 stood at Rs. 25.2 crores, reflecting a strong 183% year-on-year growth from Rs. 8.9 crores in Q1 of FY '26, and a 63% sequential growth from Rs. 15.5 crores in Q4 of FY '26. PAT margin stood at 17.8% compared to 11.6% in Q1 of FY '26 and 13.6% in Q4 of FY '26.

Overall, Q1 of FY '27 reflects the continued strengthening of our business momentum, with higher volumes from key OEM programs, growing contributions from components and exports, and a healthy pipeline of new opportunities. With the visibility we currently have across existing programs and upcoming platforms, we remain confident in sustaining this growth momentum in the coming quarters.

So, that is it from my side. Now, I would like to open the floor for questions and answers. Thank you.

**Moderator:** Thank you very much. We will now begin with the question-and-answer session. Your first question comes from the line of Mahesh Bendre with LIC Mutual Fund. Please go ahead.

**Mahesh Bendre:** Sir, you spoke about the setting up of the facility in the U.S. So, what kind of investment you required? And overall level, if we have to look for the next three years, what kind of resources we require in terms of the growth we are talking about, both capital as well as any new set of factories that we need to set up?

**Jitendra Divgi:** Thank you, Mahesh, and thank you for your compliment. Very relevant question. I think it comes straight out of the remarks that I made. So, there are two areas we are looking at. One is RFQs on new programs that we are working on and the feedback in that regard is very, very positive. The challenge, of course, is to now convert this into awards and awards into revenue streams.

On the new RFQs, the SOPs are towards…

Apologies for that little disturbance and interruption. I was answering Mahesh Bendre's question on what the outlook on our investment is. And what I was explaining was there are two types of opportunities, new RFQs and existing work going on in plants where we can quickly play a role by bringing proximity and cost reduction to ongoing business. And we are looking at both opportunities.

Essentially, what the initial feedback that we have is that there is the possibility of an opportunity of arbitrage with the application of technology in manufacturing technology. And the intelligence that we have uncovered is in the process of being verified in interactions by now our program office in the U.S. And if that is borne out, then in the first phase, now, this is directional numbers I am putting out. Please don't hold me to this. This could evolve. But the figure that we are looking at is about $5 million in the first phase.

So, the idea is to build a small compact facility in South Carolina, near the city of Greenville, in the general vicinity of our current largest customer in the United States, wh ich is BorgWarner. And there are opportunities there that we are looking at supporting their plant, which is North America's and therefore the world's largest plant for transfer cases in the U.S.

The other point I wish to make relevant point is that the United States government now in working with the automotive industry is mandating a certain minimum local content produced in what they call the U.S., Mexico, Canada, North American region.

So, to qualify for this cluster of opportunities, you absolutely need a manufacturing location locally. So, that in and of itself presents opportunities. So, this is a quick, concise answer to the question that Mahesh asked.

**Mahesh Bendre:** U.S., but we spoke about opportunity. I mean, company is on the verge of, in terms of business, we are in a breakout stage. So, in that context, do we require to invest more in Indian facilities?

**Jitendra Divgi:** Yes, the Indian, what we are seeing is perhaps for the first time in history of certain global, it is still not global volumes, but in the direction of global volumes of upwards of 5,000 units a month. Such opportunities will come in mainstream transmission products, which is what we are working on. And these opportunities we believe will come in the area of manual transmissions and automatic transmissions.

Automatic transmissions then become the foundation to go and evolve into more sophisticated hybrids and even further dedicated hybrid transmissions. But that will take some time. As we have mentioned in previous calls, we are actively working on automatic transmissions.

The complexity of a program like this means that a transfer case will have 80 to 90 line items in its bill of materials, and automatic transmission has upwards of 250. And we have to have a very systematic, coherent, phase-wise localization program to deliver cost savings relative to imports.

We believe we have the formula and the recipe to do that. We have the assets. And if I may say so, the financial resources to pull this off. And that's what we are now engaged in, in figuring out how to help our OEM customers.

The imperative for our OEMs in India is pretty clear. They have to upgrade their powertrains with localized automatic transmission offerings. Otherwise, they risk losing market share in the years to come. And given the diversification of the prime mover, in terms of having petrol, diesel, hybrid, pure electric, the complex plus vehicle segments, the complexity of the automotive business is growing.

And therefore, OEMs need fast, agile, Tier-1 companies like ourselves to work with them, which is why I said in my opening remarks, that we are seeing our evolution from just being a transactional supplier to a technology partner, who is like an influencer of not just the product, but the manner in which you curate the introduction of that technology into the vehicle portfolio of the company. And unless one is willing to walk up to the line in this manner, I don't think you can have a sustainable formula.

All this is going to require investment in India. The reality is that the investments within India will definitely be more than overseas. Because it is the Indian market that will give us the better opportunities of much higher technology and value addition compared to overseas markets.

But given the exchange rate and the regime of India to one simply cannot neglect exports and globalization. Otherwise, you run the risk of this macroeconomics somewhat kind of causing problems to the business model.

So, this is how we see it. Broadly, 25% to 40% of our business, as I see it, will continue to be either exports or global operations. And the remaining 60% to 70% will be domestic. And increasingly, domestic will mean proprietary products. Because it is pretty clear to us now that it is very, very difficult to scale up doing just components and build to print.

It will work if you are doing just components, commodity components, with a little bit of automation. But then the attendant factor then is going to be relatively more modest EBITDA margins.

If you want to remain a distinctive company, Tier-1, a product leader, it will come with its risks, but the promise of much better EBITDA margins. So, taking all this into consideration, the investment in India is going to take primacy, if I may say so.

**Mahesh Bendre:** Thank you so much for answering my question in detail and wishing you the best.

**Moderator:** The next question comes from the line of Vimal Gohil with Alchemy Capital Management. Please go ahead.

**Vimal Gohil:** Congratulations on a very strong quarter and the outlook as well. Sir, what I wanted to understand is basically on the domestic business, how has the traction been in the transfer casing piece if you take out our top customer? So, that is one data point that I required.

The same thing for our, I missed out on the export piece, sir. How much was the export revenues this quarter and the kind of performance we have seen 'X' of the order that we are executing in Indonesia? If you can give me these two numbers.

**Jitendra Divgi:** So, the principal customer is Mahindra. The number two customer right now and sort of in close step behind Mahindra is Tata Motors because Tata Motors is also exporting the Xenon or the Yodha pickup truck to Indonesia. So, that I think is the answer to the first part of your question.

As far as exports are concerned because, well, let's put it this way. The Indonesia order through our OEM customers in India is a kind of export order because 70,000 of our transfer cases are going to land up in Indonesia in the next 10 to 12 months.

But right now, it is not showing up as an export order on our books. But this domestic business has kind of a little bit eclipsed our exports in terms of percentage. In absolute terms, the export has grown, I think it is almost Rs. 34 crores and for the quarter, it is around Rs. 23 crores. If you annualize it, you can see it is Rs. 92 crores.

Considering that just two years ago, it was down to almost zero, and with the tariff war, with all the geopolitics going on, this kind of scale up in exports tells you that India as a source and Divgi as a participant in this market cannot be wished away. Many of these, in fact, not many, all of these contracts that we are executing that are contributing this 23 per quarter or almost 90 per year are all exclusive contracts. We are the only supplier on these components into the North American market. So, this is the second part of your question. Does that answer the question?

**Vimal Gohil:** Yes, sir. On the exports, it does. Just trying to understand better on the traction transfer casing piece, apart from M&M and the Tata Motors, which other customers are looking to adopt all-wheel drive or 4x4 transfer casings or that technology into the business at this point in time?

Because why am I asking this question is that domestically, most of the OEMs are right now contemplating EV drivelines versus ICE within petrol and diesel and also looking at hybrid. So, given this scenario, how do you see the acceptance or the adoption of four-wheel drive for the longer term in India going forward?

**Jitendra Divgi:** So, I think four-wheel drive cannot be wished away because the commercial truck market will continue to be diesel. We have done prototypes, development work with Force Motors, Eicher, Ashok Leyland, and of course, Tata and Mahindra. Our applications in these commercial trucks have a huge potential for globalization.

And it is to be noted, because this information is now public domain, you are aware that Tata Motors has acquired Iveco in Italy. And Iveco has a really global footprint. And one of the markets that Iveco is extremely strong in is South America, the entire South American continent, with Brazil and Argentina as the center of gravity.

So, we believe that the opportunity truly is global. The products are ready with us. Maybe manufacturing capacity, is a little bit of extra localization in some instances is needed. Nothing is beyond us. We have to prioritize our work because the volume of work is so much that we have to sort of sequence it and prioritize it a little bit. But it is all extremely doable.

Having said that, at the end of the day, the largest truck maker in India is Tata Motors. They operate from small commercial vehicles all the way to big trucks. So, the segment is pretty dense as you go from, let us say, 1.5, 2 tons to something like 12 to 14 tons. And it is in this space that four-wheel drive is needed. The numbers obviously are much more in the lighter range. But in the medium to slightly heavier range, the margin realization and the unit prices are significantly higher.

Applications include general utility, off-road, forestry, mining, defense, construction. These are the application areas where four-wheel drive is needed. And it is not going away. I mean, you look at India is a huge 3.5 million square kilometers. There is tremendous amount of geographic diversity. So, if we meet Indian conditions, we can pretty much take care of anything around the world.

So, I will just give you a very quick example. Up at 16,000 feet in the Himalayas where the army operates, the temperatures can go minus 20 Celsius. This is the temperature you might see in Siberia, in Russia, or the Canadian Prairies. But it is also there in India. Plus, you go to the deserts, we have sand and heat going to 45 to 50 Celsius.

So, we have to design products that can handle this kind of a climatic range. And that is what we are doing, which is why our transfer cases, two of our transfer case models are extensively used by the Indian army, which, as you know, is the world's like third largest standing army. And that in and of itself gives us a certain brand.

So, four wheel drive is not going anywhere. It continues to require a lot of attention. And let me say the incumbents like Mahindra and Tata are investing heavily in capacity building. This Indonesian order, you could say, is a foretaste of things to come.

Because the competition in Indonesia was from the mighty Japanese, Toyota, Nissan, Mitsubishi, Isuzu, and two Chinese companies, Great Wall and Foton, against six formidable global competitors, much bigger than Tata and Mahindra. Our compatriots have won this prestigious order and swept it clean. One of them probably would have taken everything, but none of them individually had the capacity.

Now, ask yourself, what do you think the leadership in these companies is thinking? Having proven this, do you think they are just going to rest on their laurels? I think not.

ASEAN is a huge region. It is bigger than the Indian subcontinent. It goes from Burma till Vietnam, and from Laos till the islands of Indonesia, which is touching Australia. It is a huge region. And the Indian companies are not going to stop. We have the Indo-ASEAN free trade agreement.

I apologize. I kept talking, not realizing that the line had disconnected. Let me just rephrase in a very short way.

The Indian OEMs are also going global. We are not just working with our customary traditional OEMs, but as I said, we are widening the footprint to include companies like Force Motors, Ashok Leyland, Eicher, and also now companies like JSW that are coming into the automotive industry. So, our own work with American, Japanese OEMs, our OEMs going global, and just a wider cross-section of the Indian market means that there are enough opportunities out there.

But also remember that when we do transfer case development with these OEMs, we bring a lot of credibility as a Tier-1, and using that channel, we can give them offerings in manual transmissions, in EVs, and also automatic transmissions. I do believe that we are bringing absolutely state-of-the-art automatic transmission technology. I know it is taking time, but please bear with us. We will have announcements later this year.

**Vimal Gohil:** Sir, last question is, what is the timeline for our USA plant? Any timeline that you are looking at to set it up?

**Jitendra Divgi:** Yes, right now, the thinking is that we will do this in the second half of Calendar '28, the earliest. So, that is about two years from now.

**Vimal Gohil:** Fair enough. So, the commissioning will take some time. I mean, we are looking at a possible commissioning in 29.

**Jitendra Divgi:** Yes, we did look at the possibility of acquiring a going business, but what we realized is the companies that we are capable of acquiring are smaller, private limited companies, and the accounting standards of these companies in the U.S. is quite lax because audits are not statutory for small companies in the U.S.

As a listed company, if you go after them, if there are red flags coming up, there are all kinds of minefields. So, we now feel that the best way to do this, it will be a little slower, but we will be able to take our culture of quality, of manufacturing technology, the innovativeness we have in our, you know, that culture to a greenfield site.

So, it is going to be a Greenfield plant, but let's look at it this way. We will start small, but we will engineer the system so that we can move very fast.

**Vimal Gohil:** I will drop back in the queue.

**Moderator:** The next question comes from the line of Raj Agarwal with Niveshaay Asset Management. Please go ahead.

**Raj Agarwal:** Like we mentioned, I had an opportunity to meet the team a couple of times in the last six months. Like we mentioned, that we are adding this large growth pillars, automatic transmission, this transfer cases, we are taking it abroad.

Sir, to the best of your understanding, if you can put a small timeline into each of the verticals, basically after Indonesia order, when can we win a next order for transfer cases, or basically manual and automatic transmission, when can we start contributing to revenue, not asking for any specific date, but just a general timeline to it, that would be very helpful.

**Jitendra Divgi:** Directionally, I can tell you, sometime next year, which means from April 28 to March of 29, we are expecting shipments to start to South Africa.

**Raj Agarwal:** Wow.

**Jitendra Divgi:** That is one indication. Around the same time, we are looking forward to commercializing an LCV manual transmission. And remember, about a year ago, we had announced the global pickup truck coming from Mahindra and Mahindra. So, that operation will start also later this year, and then continue in the out years, next three to five years.

So, this is as far as the transfer cases are concerned. On the EVs, I do want to take some time to emphasize this particular product vertical. We have ready designs from the lower end of the range, which is 10 to 15 kilowatts, all the way up to 150 kilowatts.

We have ready-made designs. And our recent interactions with customers, that includes Japanese, Korean, Chinese, Indian, tells us that our designs are extremely cost effective. And I personally am of the opinion that this particular product line can deliver much better margins in the global markets rather than India.

So, if you ask me, I am going to pay a lot of attention to the globalization of our EV transmission products. The markets to us are essentially Western Europe and the United States, because these countries are a little cagey and leery, if I may say so, about overwhelming dependence on China. So, they will want to temper their Chinese imports with a significant dose of maybe Indian content. And I think we are in a position to do that for them.

Now, this is where our offices, sales office in Cologne in Germany, and now this new office in South Carolina, will be of great help. I just want to make the point that the US office is sitting right inside the International Center for Automotive Research, a world-class university campus in the southern part of the United States, where Mercedes, Isuzu, BMW, all make cars out there.

So, that gives us a lot of visibility and ready access to people, contacts in the United States ecosystem. We also have a lot of active help from the local state government of South Carolina in promoting our name and access to, because the local state government wants investors to succeed in that region. So, this is how I see this playing out.

**Raj Agarwal:** It is very heartening to hear, sir. Can you put a similar kind of directional timeline on manual and automatics as well?

**Jitendra Divgi:** Yes, I told you manual next year, we will see light commercial vehicle. And this is highly, this particular contract is a little modest, but it is the beachhead to go after business opportunities in India, which we believe will be anywhere from INR 100 crores to INR 150 crores and above. So, the initial, I am calling it the beachhead contract, will start earning revenue next year.

As far as automatics are concerned, the earliest now that we see is second half of 28. Essentially what we see, we have the technology, we have the product, we have to work with OEMs and their cycle plans and sort of dovetail into their overall timelines, project timelines and vehicle project timelines. So, this is where the work is going on.

We think that automatic transmission programs at a minimum will deliver INR 300 crores to INR 400 crores. So, at the end of the day, if you have to hit that holy grail of that benchmark of INR 1,000 crores, it is the automatic transmission, which will give us the afterburner thrust, if I can use that aviation analogy, to get to that point.

**Raj Agarwal:** Superb, sir. And just one last clarification, you mentioned that we will be supplying to South Africa very soon. South Africa and the global pickup truck, these are not two separate contracts, right? They are the one and the same.

**Jitendra Divgi:** They are one and the same. So, there is an India portion of it and there is a South African portion of it.

**Moderator:** The next question comes from the line of Sumit Ambekar with Parami. Please go ahead.

**Sumit Ambekar:** Sir, regarding a transfer case out of 70,000 units, how many were dispatched in first quarter and what is the balance to be executed over a period of this year? And second, can you quantify the monthly dispatch run rate for EV platform?

**Jitendra Divgi:** Yes. So, I think roughly you could say some 30% of the total contract has been roughly broadly in that range. The remaining will get executed over the remaining months because the OEMs also need that capacity to absorb what we are supplying them.

So, I think right now the good news is that the Divgi TTS manufacturing line and system is two steps ahead of the OEM. So, on account of us, the customer should not have any complaints of quality or delivery. So, Divgi TTS has done a good job in supporting the OEMs. I can very categorically tell you that. But because of their impediments in the rest of the supply chain and all that, some of this contract may spill over into the one or two months of the next year. So, this is as far as the transfer case is concerned. What was the other question?

**Sumit Ambekar:** The second is on dispatch of EV transmission system.

**Jitendra Divgi:** EV, yes. So, I don't know, call it the effect of the Iran war and the general scare created in the market. We are seeing a scheduled releases that are coming from the customer which are significantly higher. And the shock to the system has reinforced the importance of a local supply chain.

Now, I have to tell you that the Indian EV market is highly competitive. There are incumbents and the new entrants are from the clutch of multinationals in America and Europe, but also Japanese, Korean, and Chinese.

So, the market is beginning to look crowded. But not all, very few of these have any significant extent of localization. The one company that is a market leader in terms of localization, I have to say is Tata, Tata Group. And we are their primary transmission supplier. And because of this, call it the scare of the Iran war and its ripple effect in the marketplace on petroleum products, we are seeing a distinct impact on the schedules. And the new program that we have, I think given their preoccupation with product development, the vehicle testing got delayed.

But interestingly, we are sitting with the production, you know, part approval process. It is a quality protocol that's followed in the automotive industry. And we have a PPAP approval today from Tata.

But because of that, we are waiting for them to finish their testing. As soon as that happens, I can tell you that if you look at the, I will give you a directional feel for this. We were averaging 6.5, let's say, 7 to 8 crores a quarter on the EV products. Our forecasts now are in the region of 10 to 12. So, there is a distinct uplift that we are seeing in the schedules.

As with anything else, whether the market holds or not, time will tell, but I think tactically speaking over the next three quarters, we think it will hold. And there is a lot of focus from Tata Motors on this. So, that is where we are.

Interestingly, because of our success, primarily with Tata and a little bit with Mahindra on the commercial side, this has attracted attention of Chinese, Vietnamese, Korean companies. And we are in active conversation with the Koreans as well, which we think is a very significant, otherwise, the Korean market is very, very difficult to price open without an active association and a partnership with a Korean firm.

But the way things are going, we are looking forward to getting it first. It will be a little modest, but it will be a path-breaking event, winning an order from a Korean EV for an EV application. So, this is broadly where we are.

**Sumit Ambekar:** Just can I squeeze one more question if it is possible?

**Jitendra Divgi:** Quickly.

**Sumit Ambekar:** You said 30% of contract, that means around 21,000 of transfer cases we have given. So, remaining, if I strip away Indonesia, how much domestic transfer case we have done?

**Jitendra Divgi:** I don't have the numbers off the top of my head, but broadly on a revenue basis, you can see the transfer case business, I think we have given a comparison, is at an all-time high of almost INR 75 crores. If you were to annualize that, that will come to INR 300 crores, right? So that tells you where the business is at and what the potential over the next several quarters is.

**Moderator:** We have a next question coming from Karan Gupta with Asit C Mehta Investment. Please go ahead.

**Karan Gupta:** So, my question on the capacity utilization side and the number of volumes we have done on the transfer case and what is the capacity that we are increasing over the next one or two years. So, just to understand the volume-wise capacity for transfer case and then E-gear drive component side. So, just to understand, as you said, the 40 to 50 million transfer cases, the global demand, right?

**Jitendra Divgi:** Yes.

**Karan Gupta:** And then India maybe in the range of 4 to 5 million, right? If you just--

**Jitendra Divgi:** No, Indian will not be 4 to 5 million transfer cases, India will be significantly lower.

**Karan Gupta:** So, can you just share these numbers?

**Jitendra Divgi:** Yes. So the Indian market is anchored by Mahindra, but to some extent also by the Japanese, Toyota and Isuzu. There is also a requirement for what are called front-wheel drive-based all-wheel drive devices because a large portion of the SUVs are front-wheel drive.

The transfer case is used in a rear-wheel drive-based all-wheel drive vehicle or four-wheel drive vehicle. Now an example of a front-wheel drive-based four-wheel drive or all-wheel drive is the Mahindra XUV700, the Tata Harrier, the Tata Safari, the Tata Sierra, right? So, we have the XUV700 contract and we are currently working on the equivalent of a transfer case for the front-wheel drive vehicle, which is the Tata Sierra and that whole family at Tata.

But even so, India being a tropical country and most of our metropolitan regions, which are demand centers for SUVs, being within the tropics and the slow pace of speed in our metropolitan areas, the demand for four-wheel drive will never be very significant. And this is precisely why we are diversifying away from, while working on the opportunities in four-wheel drive, we also want to work in areas like manual transmissions, automatic and EV because the investments and the methods of designing and manufacturing are very similar.

These are competencies that are laterally deployable. So the demand for four-wheel drive within India, unless our companies go global, I don't think will ever exceed 100, 200 of that order of magnitude. But the global potential for these companies is enormous.

I mean, our intelligence says that the Indonesian government seems to have saved upwards of $500 million on this tender by coming to India. So, the economic argument was so very compelling. And this should set, according to me, alarm bells ringing in the Japanese companies.

We also know in our conversations with Japanese OEMs that they see India as a springboard for entry into the Arabian Peninsula, the Gulf region, and the Middle East, not Africa. Because what the Japanese are telling us is that it is Indonesia and Thailand cannot compete with India on costs. So, it was a pleasant sort of surprise to hear that from them, which means we can expect that the Japanese will be concentrating on investing and building their capabilities on the Indian subcontinent to not just the Middle East, but eventually, I think, the global marketplace.

So, the demand for four-wheel drive will come indirectly and directly. And my sense is the indirect channel is going to be much bigger and will sort of eclipse the direct local demand. Clearly, we are seeing that.

**Karan Gupta:** So, our volume numbers in terms of capacity and capacity utilization, if you can share, and the future plan to grow this number?

**Jitendra Divgi:** Yes. So, right now, I think, we have two assembly lines. We are in the process of modernizing because these assembly lines go back more than 20 years.

And we have a modernization project going on, which will put our, hopefully, when the line is installed, we will publish photographs, you will be able to see it. It will absolutely be world-class, second to none. We have a German automation company working with us to upgrade.

So, I believe we will have capacity on that line of 400 a day, about 120,000 a year on that new line, which will go into our Shirwal facility. So, I don't think capacity is an issue for us. And as the Indian market throws up opportunities, we believe we will be well-equipped.

Between our assets in Sirsi, Karnataka, where we have 25 acres of land and 10 acres of land at Shirwal, I think for now we are well-placed to cash in on opportunities that will come by for us.

**Karan Gupta:** And how…

**Moderator:** Sorry to interrupt, Karan Sir, we request you to return to the queue for follow-up questions, please. The next question comes from Rushit Shukla with Nexus Equity. Please go ahead.

**Rushit Shukla:** So, a couple of questions from my side. First on the, for the FY '27, obviously we will see this abnormal growth due to Indonesia order. But going forward to FY '28 and FY '29, and eventually our target of INR 2,000 crores of revenue, we seem to be quite early. I think we can achieve in

28 or maybe 29 because of all the initiatives and the new Japanese customers that we can do business with.

And second is on the margins front, like we have hit our peak margin, which we used to do in like four to five years back. So, what about the sustainability of margins and is there any room of further improvement eventually? Not going forward by quarter-to-quarter, but like on directional basis, can margins improve further?

**Jitendra Divgi:** Yes, I don't want to sound unreasonably optimistic on the margin front. I think all of you have a very good idea of the range of EBITDA margins where the automotive industry is. Maybe the more reasonable expectation to have is scale the business in a sustainable manner, be constantly future ready, and sustain reasonable margins.

Because this is like a one-off opportunity that has come, we should not get carried away by this. What we can assure you, and which we will even in the relatively bad year that we had last year, when we were down to 240 for the whole year, we still maintained an EBITDA of about 20%.

So, that is the sort of promise we have. If it surges higher, it will be because of a certain unforeseen opportunity that has come about. But to the substance of your question, I think what is sustainability?

What I have experienced in my career of close to 40 years is that it is really figuring out how to manage risk effectively. And if you do that, then your business becomes sustainable. It is resilient with respect to the risks which are out there, which eventually do catch up with you.

So, the trick is have, as the Americans say, many irons in the fire, have options worked out, and be prepared. I mean, strategy is not just about fancy jargon and words. It is making choices, taking decisions, and putting stuff on the ground in terms of resources. And then you can say you are strategically ready, which is what we are doing.

And if you see we have, let me just sort of remind you that the mantra that we are following is actually very simple to describe. It is technology-led innovation. Okay? It is product and application diversity, and customer and geographic diversity. So, these two pieces of creating diversity and plurality sit behind the spearhead of technology-led innovation. And the vision is global.

And of course, the foundation of everything is financial discipline, manufacturing excellence, and a culture of collaboration. Because what we are observing in this world today, no one firm has all the answers. So, if you are part of a network that is collaborating, a consortium, that is the way to build sustainability in your business.

So, I believe that is how we will have to run our business going forward. And we are backing it up with specific, because there are a lot of NDAs and stuff like that. I am not at liberty. But as and when we have the advantage of these quarterly calls, and as and when things fructify and crystallize, we will be announcing and updating you like we have been right now. And I am sure our track record should give you assurance that we will be pushing in the right positive direction.

**Rushit Shukla:** Thanks, sir, for such a detailed response. And sir, the remaining…

**Moderator:** Sorry to interrupt, Rushit, sir, we request you to return to the queue for follow-up speech, as there are several other participants waiting for their turn. We have a next question coming from the line of A. Sriram with ithoughtPMS. Please go ahead.

**A. Sriram:** So, the automatic transmission we developed for which we are expecting the proof of concept stage, right? So, is this a wet clutch DCT? And do we need a new plan for production when we reach that stage?

**Jitendra Divgi:** Yes, I have to be a little careful here because you will appreciate that a lot of the competition also listens on this. So, we don't want to give away too much. But let me broadly say that we are looking at two market areas. And you will really appreciate this.

If you look at India, there are two segments that we see you can develop an automatic transmission business proposition profitably. One is we believe is the mass car. Mass car means these premium hatchbacks of the type of Nexon or Baleno or i20. You know, if you look at our cities are so congested, that there will be a need for small cars. But with increasing disposable income, we clearly see a trend towards premiumization.

And that is where you have to give product features that is not a compromise. You need to make it affordable and make it top class. So that is, we believe that can be serviced only with dual clutch, because dual clutch technology can optimize the weight, it can optimize the packaging, and it can harness the manual transmission infrastructure of the country. So, that is one area we are looking at.

The other area we are looking at is, we are in transfer cases, rear wheel drive, two liter engines, automatic. And we know that our transfer cases today over the last 20 years, have been designed for all of the world's automatics, you name General Motors, Ford, ZF, Aisin, JATCO, you name the Hyundai Transys, any guy who is making an automatic, our transfer cases are engineered for that.

So, now the time has come, because none of these automatics is made in India. There are long, tenuous supply chains, with the problems of inventory pile up, inefficient working capital, and of course, the mounting costs because of the weak rupee. So, that is another area we need to, we want to concentrate on. The architecture of the product is very critical, because these emission norms are constantly moving. And we need to be damn careful of the technology and the configuration that we invest in so that we are not caught on the wrong foot.

What we have now in place is within the space and weight, and hopefully even the cost of a six speed, we believe we can bring an eight speed now. And that is so that it is future ready, it enables our customers to get the migration path and effectively compete against the best in the world globally.

And let me, I know I am taking a little bit of time, but you will appreciate this nuance and insight. Imagine if the Indonesia export order, the tender specification called for an automatic, sudden ramp up. If and when such an eventuality does come about, the OEMs will need a localized, aligned supplier who breathes and feels like the OEM. You cannot at that point in time get into a negotiation with a foreign supplier who is sort of glaring down at you.

So, I think our OEMs understand this, that to win in a competitive market, we need to build likeminded coalition in the automotive industry. And we are working in that direction to put in place. So, the first project is not just going to be about investment and creating a product; it will be our contribution to India's ecosystem for automatics.

I am not saying we will do it completely, but we will be a significant player in bringing automatic transmission ecosystem to India. So, I mean, we are almost looking at it, not just as a business, but with a sense of mission as well. And that gives our people tremendous motivation and josh to do something creative.

**A. Sriram:** That was very helpful, sir.

**Jitendra Divgi:** Your best wishes and blessings are needed for us.

**Moderator:** Your next question comes from the line of Darshil Jhaveri with Crown Capital. Please go ahead.

**Darshil Jhaveri:** Lot of my questions have already been answered. So, just a small two part question, sir. So, one is the INR 2,000 crore annual run rate that we mentioned in our PPT. By when do we think we can reach there, sir?

And sir, margins, I understand that you said that because of the Indonesian order, we have some higher margins. But overall, with new and new projects coming up, something or the else coming up, so we can sustain a range of margin, like 20% to 27% is a very big range. So, if you could just narrow it down for us, that would be really helpful, sir. What is our internal target?

**Jitendra Divgi:** Let me be extremely practical and down to earth here. I mean, you guys are in the financial field. You probably know much more than us. I mean, we are also engineers and sometimes.

So, let me just say that you know what is happening in the Indian industry today, the range at which EBITDAs and ROICs are coming. And let me just point to one of the market leaders in India. You know, the top leadership at Mahindra has said that they want to focus on return on invested capital of 18%, right, minimum.

So I think that sets a benchmark target for all of us. We have to do this by being competitive. Nobody is going to hand that to us on a plateau. So that ROIC, I think it has always been a touchstone for the Divgi Enterprise.

The second one I would say is, if we are doing, if we keep talking about innovation, product leadership, and we cannot deliver better margins for the risks we all are taking, then what is the business all about? So, I am suggesting to you that we should, we have studied the Indian market; we have benchmarked it.

We know that over the last six to seven years, EBITDA margins have on an average gone between 14% to 17% in the Indian automotive industry. My proposition to you is if I can sustain 20% to 22% and above, I think that is a very fair offering we are giving you. And this is the mission that we are on.

I can tell you any quotation that goes, this is what we focus on. And we need to do it with innovation. Because at the end of the day, we have to be competitive to win the business and deliver that EBITDA. And the more complex the technology, the better the chances we have of doing both.

**Darshil Jhaveri:** Correct. And the INR 2,000 crore target, sir?

**Jitendra Divgi:** Yes, I think 2,000 is like a potential in terms of the addressable market and the potential we have. I think you would agree that our first order of business is to work out a roadmap to get to the first 1,000. And that is what we are engaged in.

Experience tells us that, like somebody said, luck is what happens when preparation meets opportunity. And what you saw now, a first quarter revenue of 140, given that we were at 240, then we did 390. Just with this 140 that we have done, if you annualize that, that goes to 560. So, that is how things will happen.

But my suggestion is, focus on the year and now in terms of execution, set the path and the direction. And what we are telling you is that across these four verticals, the first order of business is to cross that 1,000.

For that, we need to have four or five chunks of 150 to 200 to 400 crores. And that is the roadmap we are on to. Exports, transfer cases, EVs, manual transmissions, and what will then give that buoyancy to all of this is that automatic transmission.

I mean, my submission is that even if we get a modest order of 40 to 50,000 units, it will still be business worth INR 400 crores to INR 500 crores.

**Darshil Jhaveri:** That's it from my side.

**Jitendra Divgi:** So, I think we are being very practical down to earth. But to be to present this in a simple fashion, I can tell you, many, many years of hard work have gone into this.

**Darshil Jhaveri:** Yes, that is really great, sir. And that is being shown in the results that we are doing, sir. So yes, we are just hoping for better results coming forward also, sir. The streak to continue.

**Moderator:** Thank you. Ladies and gentlemen, due to time constraints, we will take that as the last question for today. I now hand the conference over to the management for closing comments. Over to you, sir.

**Jitendra Divgi:** Yes. No, I just want to thank all those who came for this call, asked piercing, penetrating questions. I was once asked going public, is that going to be a drag, difficult, do you want to take on this load?

And I can tell you, dear investors, that it is because of the kinds of questions you ask, you keep my organization on its toes, that enables us to perform well, and gives us a sense of motivation to try and redeem the promise that we give you. So, I do want to thank you for all the trust and confidence, and your best wishes and blessings are needed as we go forward now on this journey. Thank you very much.

**Moderator:** Thank you. On behalf of Equirus Securities, that concludes this conference. Thank you everyone for joining us and you may now disconnect your lines. Thank you.