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Through NEAPS	**By Listing Centre**
National Stock Exchange of India Limited "Exchange Plaza", C-1 Bandra–Kurla Complex, Bandra (East) Mumbai-400051 **Trading Symbol: STERTOOLS**	**BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai – 400001 **Scrip Code: 530759**

Date: 2nd November, 2026

Subject: Transcript of Analyst/ Investor Conference Call

Dear Sir/Madam,

Pursuant to regulation 30(6) and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that a Conference Call for the Analyst / Investors to discuss the Financial and Operational Performance of the Company for second quarter (Q2 & H1 FY27) ended 30th September, 2026 was held on Wednesday, 28th October, 2026 at 11:00 A.M (IST).

Following Management Attendees attended the call on behalf of the Company: -

1. Mr. Atul Aggarwal- Managing Director
2. Mr. Jaideep Wadhwa- Director
3. Mr. Anish Agarwal- Director
4. Mr. Amit Dhadda- CFO

We hereby further confirm that no unpublished price sensitive information was shared/discussed in the meeting/call.

Accordingly, please find attached herewith the transcript of the aforesaid call. The same is being hosted on the website of the Company i.e. www.stlfasteners.com .

This is for your information and record purpose.

Thanking You,

For **STERLING TOOLS LIMITED**

Pragya Saxena
Digitally signed by Pragya Saxena
Date: 2026.11.02 14:58:42 +05'30'

Pragya Saxena
Company Secretary & Compliance Officer
M No. F9640

"Sterling Tools Limited

Q2 & H1 FY27 Earnings Conference Call"

October 28, 2026

"E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on October 28, 2026 will prevail."

MANAGEMENT: **MR. ATUL AGGARWAL – MANAGING DIRECTOR**
MR. JAIDEEP WADHWA – NON-EXECUTIVE NON-INDEPENDENT DIRECTOR
MR. ANISH AGARWAL – WHOLE-TIME DIRECTOR
MR. AMIT DHADDA – CHIEF FINANCIAL OFFICER
SGA – INVESTOR RELATIONS ADVISORS

Moderator: Ladies and gentlemen, good day, and welcome to Sterling Tools Limited Q2 H1 FY27 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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

I now hand the conference over to Mr. Atul Aggarwal. Thank you, and over to you, Mr. Aggarwal.

Atul Aggarwal: Thank you. Good morning, everybody. Thank you for joining us on the call this morning. Welcome to Sterling Tools Limited's Q2 and H1FY27 Earnings Call. I'm joined today by Mr. Jaideep Wadhwa, Mr. Anish Agarwal and our newly appointed CFO, Mr. Amit Dhadda; and Strategic Growth Advisors, our Investor Relations Advisors. Our earnings presentation has been uploaded on our website and the stock exchanges, and I hope everyone had the opportunity to go through it.

I would like to begin with the industry overview. The Indian automobile industry recorded its highest ever second quarter sales across major vehicle segments in Q2 FY27. Domestic sales grew approximately 18% year-on-year to 83.88 lakh units, supported by improved affordability following GST 2.0, healthy rural and urban demand and vehicle replacement.

According to SIAM, the industry is expected to maintain positive growth momentum in H2 FY27, supported by festive demand, new launches, infrastructure spending and fleet replacement. However, inflation, potential interest rate increases and geopolitical uncertainties remain important factors to watch.

Turning to our performance at a stand-alone level. We are pleased to report our highest ever quarterly and half yearly revenue, along with our highest ever half yearly EBITDA. We have outperformed the broader automobile industry. While industry sales grew by approximately 18% in Q2 FY27, our stand-alone revenue increased by around 32% year-on-year basis.

For H1FY27, against industry growth of approximately 20%, our stand-alone revenue grew by around 28%. A key driver has been strong traction in the CV segment, particularly high volumes from a marquee customer. This reflects the benefits of our customer relationships and our continued efforts to diversify across vehicle segments.

Our H1 EBITDA increased by 17% year-on-year to INR58.7 crores, whereas for Q2 FY27, EBITDA increased to INR27.7 crores, reflecting a growth of around 8% Y-o-Y. Profit after tax stood at INR13.6 crores in Q2 FY27 compared to INR19.8 crores in Q2 FY26 and INR30 crores in H1FY27 compared to INR30.8 crores in the same period previous year.

However, it is important to note that Q2 FY26 and H1 FY26 contain an exceptional gain of INR9.5 crores. While revenue growth has been strong, profitability has faced near-term pressure. As discussed on our previous earnings calls, we exhausted most of our earlier low-cost inventory in Q1. At the same time, commodity and non-commodity input costs have increased significantly amid the ongoing West Asia conflict.

Our pricing arrangements with OEMs provide for pass-through of input cost increases. However, these recoveries typically come with a time lag, temporarily affecting margins. As the higher costs are progressively recovered, we expect margins to improve over the coming quarters, subject to input price movements and broader operating environment. We remain focused on strengthening our core fasteners businesses through customer diversification, capacity expansion and disciplined investment.

Against our earlier capex plan of INR80 crores for fasteners business, we have already incurred about INR25 crores and our total fastener capex plans within the range of about INR110 crores now. We are also increasing our overall FY27 capex to about INR150 crores across all our businesses of fasteners, DC contactors and MCUs. Our fasteners business continues to provide a strong foundation for the group, supported by the healthy demand, expanding customer relationships and a continued focus on operational execution.

Moving to SEM, Sterling E-Mobility Solutions Limited. Revenue from this business stood at approximately INR23 crores in Q2 FY27, taking H1FY27 revenue to around INR37 crores. This quarterly growth has primarily come from higher volumes and new customer additions.

The business has made encouraging progress, particularly in the commercial vehicle and light commercial vehicle segments. Our focus remains on higher-value applications and expanding our presence in commercial vehicles. The production lines for onboard chargers and multifunction units scheduled for commissioning in Q2 has been commissioned as planned.

Our priorities remain increasing volumes, broadening the customer base and strengthening the position in higher-value electric mobility solutions. At STML, Sterling Tech-Mobility Limited, we have made steady progress in commercializing our high-voltage DC contactors and relays business. Commercial supplies, which were scheduled to begin in Q2 FY27, have now commenced. This marks an important milestone as we move from development towards commercial execution.

To conclude, our fasteners business remains at the core of Sterling Tools' growth strategy. Long-standing customer relationships, opportunities across vehicle segments, customer diversification and planned capacity investments position us to pursue the next phase of growth.

While near-term input cost pressures have affected profitability, we remain focused on execution, disciplined capital allocation and strengthening our competitiveness across our businesses. Our priority is to build a more resilient business and deliver sustainable long-term value for our stakeholders.

Before we move to the question-and-answer session, I would like to introduce our newly appointed CFO, Mr. Amit Dhadda. Mr. Dhadda brings nearly 3 decades of experience across

finance, taxation, audit, corporate reporting and financial control. He has held senior positions at organizations, including Spark Minda, One97 Communications and spent over 14 years with Price Waterhouse, including international experience in the U.K.

His experience in manufacturing, finance, regulatory compliance, fundraising and corporate governance will be valuable as we continue to strengthen our financial and operational capabilities. We warmly welcome him to Sterling Tools.

I now invite Amit to introduce himself.

Amit Dhadda: Thank you, Atul ji, and good morning, everyone. I'm delighted to join Sterling Tools Limited at its important stage in its growth journey. The company has built strong foundation in the fasteners business while steadily expanding into electric mobility and newer technology-led opportunities.

At Sterling Tools, I look forward to working closely with the management team to strengthen the financial discipline, support business growth and maintain strong standards of governance and reporting. I look forward for interacting with all of you and contributing to the company's continued progress. Thank you.

With that, we will be happy to take your questions.

Moderator: Thank you. We will now begin the question-and-answer session. The first question is from the line of Dev, who is an Individual Investor.

Dev: Can you confirm the growth in the SEM and STML business vis-a-vis Q1 of this year?

Atul Aggarwal: Can you repeat that question? We can't hear you.

Dev: Can you confirm the growth in SEM and STML business vis-a-vis the Q1 of this year?

Atul Aggarwal: I'm sorry, I'm not able to understand. I can hear you, but I'm not able to understand your question. Can you want to repeat that again? Apologies for that.

Dev: I was checking on the SEM and STML stream of business. What is the growth in Q2 versus Q1 of this year?

Atul Aggarwal: Jaideep, do you want to take that SEM question?

Jaideep Wadhwa: Yes, it's 26%.

Dev: It's 26%. And it's largely the SEM -- Okay. And for STML?

Atul Aggarwal: Yes. This is -- this number is Q2 over Q1. Am I right, Jaideep?

Jaideep Wadhwa: Correct. That's correct, Atul.

Atul Aggarwal: Yes.

Amit Dhadda: And in STML, it has just started its operation in the Q2 only, where the total turnover is mainly in Q2 only.

Dev: Okay. What is the loss per quarter that we are incurring in both of these businesses as of now? And are they largely fixed cost or operational in nature?

Atul Aggarwal: I think the losses in both the businesses, SEM, a substantial part is operational in nature. And yes, fixed cost always has an element to that. But yes, we need to bump up the revenue. Once we reach a revenue of INR150 crores plus, we'll probably achieve breakeven point at that time.

Jaideep Wadhwa: Sorry, Dev, my apologies. I gave you the volume growth number, which is not representative of the -- this thing because we are moving from lower value 2-wheeler, 3-wheeler businesses to the much higher value HCV. The growth is about 80%.

Dev: Growth is 80%. And what is the value -- what is the total value revenue in the SEM business today?

Jaideep Wadhwa: For the first half, it's -- as Atul mentioned, it's INR37 crores.

Dev: Okay. And we are expecting this above INR150 crores if we turn profitable, right?

Atul Aggarwal: Correct.

Jaideep Wadhwa: That's correct.

Dev: Okay. What are the challenges that you see in the SEM business in terms of scaling? That's my last question.

Atul Aggarwal: Jaideep?

Jaideep Wadhwa: In the SEM business?

Dev: Yes.

Jaideep Wadhwa: Yes. So you know, as of today, I think a lot of the hard work has already been done in developing the new product portfolio. For us now, it is ramping up of volumes from our new production lines and our revenue, as of today, what we look at for the fourth quarter because most of the programs that we are working on will go live in the fourth quarter. And I'll just explain why because we installed our machines, as Atul mentioned, in the second quarter.

In the third quarter, we are going to be doing the final validation of these products with our customers. And from the fourth quarter, we start supplying. So starting from the fourth quarter of this year and for most of next year, we already have confirmed businesses from several of our customers. And as long as they are able to meet their production targets, we don't see much of a challenge except the operational and supply chain challenges in meeting the numbers.

Dev: Thank You. One last follow-up. When Mr. Atul mentioned INR150 crores and above we turn profitable, are we talking about annual numbers?

Atul Aggarwal: Yes.

Dev: Okay. And we expect to do that by Q2 of next year?

Atul Aggarwal: Yes. I think we expect to outperform that number in FY28.

Moderator: The next question is from the line of Mihir from MB Securities.

Mihir: So congratulations on a good set of numbers. So I wanted to ask that our revenue grew 32.4% in Q2, but our EBITDA grew only 8.2%. So is this because of higher input costs still affecting our margins? Or like, how much improvement can we expect in H2 as well?

Atul Aggarwal: So it's a good question. Yes, you're 100% right. With revenue growth, EBITDA has not grown at the similar levels. Like I said in my call and as in previous engagements as well, input price increases have been dramatic this year. This has been an exceptional year in manufacturing.

We have seen where input costs have gone up by some commodities as much as 300%, some by 30%, 40%, 50%. So the inflationary impact has been substantial. We are bumping up our revenue. That's one way.

Secondly, we are negotiating with our customers for price increases, not only on account of steel, which is a normal practice running for years, but this year exceptional item is inflation and cost increases. We are negotiating with our customers. Some have come through, some are under negotiation. And some of them will come with retrospective effect, but this is a long negotiation process.

It does not happen overnight because these are long-standing relationships. We do expect will get substantial compensation going forward with retrospective effect. But having said that, this year is going to be -- there will be pressure on maintaining our EBITDA margin this year because of exceptional inflation and steel price increases.

Mihir: Understood, sir. So by H2, there would be a price pass on?

Atul Aggarwal: Yes.

Mihir: Is this understanding correct?

Atul Aggarwal: Yes. And that's a mutual negotiation we do, which takes some time.

Mihir: Okay. Understood. And sir, another question I had was regarding commercial vehicles. So they have been our key growth driver this year. So is this -- the growth is coming mainly from higher volumes with existing customers? Or it is like new customers who are also contributing meaningfully?

Atul Aggarwal: No. All -- these are all incumbents. There have been no really new customers or new operators in that segment. So it's existing customers like Tata, Leyland, Volvo, Mahindra, Daimler Benz. It could be Mahindra, Swaraj Mazda, which earlier. So it's across the board. It is not with start-ups. It's -- the existing operators have ramped up dramatically.

Mihir: Okay. So it means majorly existing customers only driving this growth.

Atul Aggarwal: Correct.

Mihir: Understood. Yes.

Moderator: The next question comes from the line of Madhur Rathi right from Counter Cyclical Investments.

Madhur Rathi: Sir, I wanted to understand regarding the margins of our fasteners business. Sir, can we expect to move to the 14%, 15% range maybe over the next 1 or 2 quarters? Or Q1, you mentioned that we had a benefit of low-cost inventory. So how should we look at the margins of this business going forward?

Atul Aggarwal: Madhur, so on the fasteners business, we've been hovering between 15% and 16% EBITDA. Like I said a little while ago, we hope to maintain that. But this year is an exceptional year. There's been a tremendous pressure, not only on account of steel price increases, also because of inflationary impact on every input we have into our manufacturing processes, power, diesel, carbide, tool steel, people costs, they have gone up dramatically because of minimum wages increases.

So it has been an exceptional year with most parameters going up. So there may be pressure on EBITDA margin this year. We are trying -- like I said, we are trying to negotiate with our customers to increase this. We hope to get substantial compensation, I would say, against that. For me to say whether we'll close the year at the same margin as last year, it's difficult right now.

As the time is progressing, I'll have a better estimate on that. But we are under pressure on EBITDA margins. Now, having said that, pressure does not mean it will be dramatic. It will be a marginal pressure in terms of numbers.

Madhur Rathi: Sir, would it be fair to assume that by Q4, we could move to the levels -- not on an annual basis, but from a quarterly basis, we could move to the 15% levels by Q4 of this year?

Atul Aggarwal: We are hoping that. That's correct.

Madhur Rathi: Got it. And sir, I wanted to understand how is the competitive intensity? Because it seems that one of our competitors was acquired some time back by an Italian company. So is the competitive intensity much better or the pricing is much better with OEMs? Or how is it, if you can help us understand?

Atul Aggarwal: So, despite that acquisition of that competitor by an Italian company, we don't feel any pressure coming to us on account of that. There is no pricing pressure. There is no volume pressure. In fact, our volume levels are up almost 28% on a half yearly basis.

I think we are in a good wicket because of our quality, customer servicing, volume availability, capacity availability, we are in a good wicket. I think our -- and obviously backed up by 4 decades of relationship. So we don't feel any constraint in terms of growth or pricing or margin pressures because of that.

Madhur Rathi: Sir, my question was more on -- is the acquisition been beneficial to the whole industry? Has there been any pricing discipline post the acquisition by some large MNC, kind of, a company or so from that metric?

Atul Aggarwal: It's an exceptional year. As you know, the volumes are up dramatically. I think it's too early to talk about that. For that, maybe you want to ask that question to the Italian company and try to get their sense as to what they see. From our perspective, we feel we are in a good place.

Madhur Rathi: Got it. And sir, what are the prospects of exporting our fasteners as well as moving into either structural fasteners that are used in either PEV industry. So is there a possibility for Sterling to move towards that as well?

Atul Aggarwal: No, we are not looking at structural fasteners. We want to -- our near-term plan is to stick with automotive and adjacencies of automotive. We have no plan to go into structural or construction businesses at all. We are trying to do some business with railways, and we will grow that business incrementally. And once we understand that business very well, we'll probably take a more strategic view on that after that.

Madhur Rathi: Got it. And just -- sir, just one final question on the STML business. As you commercialize our -- the contactors and relays. So how is our gross margin? So have we been able to reach the desired gross margin level for these products? And how should we look at the scale-up of this business going forward, if you can help us understand?

Anish Agarwal: Yes. I think the gross margins will be in line with what we project next year. They're already in line as of quarter 2. But once this business ramps up, which is last quarter of this year, then we'll get more clarity on gross margins as well as EBITDA margins.

Madhur Rathi: Got it. Thank you, that's all from my side.

Moderator: The next question is from the line of Ansh Khimavt from Capital One.

Ansh Khimavt: Congratulations on a great set of numbers, sir. I just had a few questions regarding the capex. So we had initially planned INR80 crores odd, and we've ramped it up to INR135 crores. So could you just lay out as to where we are seeing an opportunity and where this capex is going to be incurred?

Atul Aggarwal: So let me break up that capex for you. So our overall capex at a consolidated level will be about INR150 crores. INR20 crores is going to happen at SEM and about INR10-odd crores at STML. Our -- on our stand-alone fasteners business, the initial capex plan was INR80 crores, which has been ramped up to maybe close to more like INR130 crores this year -- sorry, INR120 crores this year. As the business has been progressing, time has been progressing and we see the traction.

We are building our capex with eye to the future of 12 to 24 months because there's a lag for that capex to happen and convert to possible revenues anywhere from -- depending on the kind of equipment, anywhere from 6 to 18 months. So we are progressively building our capex plan, keeping in mind what we hope to do in FY28 and FY29.

So that's why the numbers have gone up substantially. We are planning our next 24 months proactively based on the traction we have with our customers, based on revenue growth, based on our communications and our commitments with certain customers and lastly, keeping in mind the time lag we have to execute those commitments.

Ansh Khimavt: Okay, sir. That's encouraging. So what kind of capacity will you be adding for the fasteners business, sir? Like the additional INR40 crores that we are adding, what kind of capacity would be adding? And what utilizations are we at currently?

Atul Aggarwal: So it's not -- I think -- Ansh, it's a very complex question. I think it needs a long conversation because capacity itself is built across different areas. It's pure hard capacity on the shop floor, which will translate to numbers. capex also means putting up infrastructure, could be in terms of buildings, in terms of power backups, etcetera, etcetera.

So not each dollar value or rupee value converting into a revenue immediately. It's a combination of capex, which we do, which translates to certain capacity increase. For example, I think with about INR120-odd crores capex, I think we'll probably increase our capacity by roughly -- in value terms, it will probably give us another INR150 crores of revenue.

Ansh Khimavt: So also our other expenses have increased by INR10-odd crores in the current quarter. We were at around INR67 crores, INR68 crores in the last year, same quarter. And now we've come to around INR87 crores, which was INR77 crores last quarter. Is there any update as to why that is happening? Is that mainly you are facing?

Atul Aggarwal: Give me a second. So, yes, our other expenses have gone up. Other expenses include consumables, toolings, tools, etcetera. I'll just give you a number. Tungsten carbide prices have gone up by over 300% in the last 12 months. So this is -- so, A, backed on inflationary pressures; B, there's been a 28% volume growth as well.

So if you look at absolute numbers, they'll probably be deceiving. But if you look at other expenses, which have gone up on a stand-alone basis, they've gone up from INR77 crores to INR87 crores, like you rightly said. But percentage-wise, they're stable.

Ansh Khimavt: Okay. So the variable end of the expenses is increasing, which is in line with the sales. Is that a correct way?

Atul Aggarwal: Yes. So I would not look at absolute numbers, I would look at percentages. Percentages are stable despite the fact there have been inflationary price increases in input costs.

Ansh Khimavt: Okay, sir. That's encouraging. Also, sir, our debt has gone up considerably in this quarter. Is that mainly because of the capex we're incurring? Or is there any other...

Atul Aggarwal: I think the debt has gone up by 2, 3 reasons. One, we have done a INR40 crores investment in our subsidiaries this year, SEM and STML, which was announced in the last quarter's results. Second, because of our capex plan going up to about INR150 crores, so we are getting it funding through a higher debt component. So I think these are the 2 big reasons.

And lastly, since the balance sheet side is increasing, our revenue is up, say, odd 30%-. The absolute value of working capital needs have gone up. And on top of that, we have taken strategic view to add a higher level of inventory for raw material, which we buy from steel mills because the market is so buoyant, steel mills are totally booked out. We are carrying a higher level of inventory for our raw materials. So a combination of all these factors.

Ansh Khimavt: Okay, sir. And sir, on the business end of it, how is the AEM, the advanced motor ramp-up coming up, sir? So are we yet in contact with the customers? I mean, have we received any update from their end?

Atul Aggarwal: Jaideep, do you want to take that?

Jaideep Wadhwa: Yes. So I think we had updated that we were looking at doing 2 PoCs for the AEM product for 2 different product categories of vehicles. One PoC is delayed, but expected to be completed by the end of November.

The second PoC has been put on hold by the customer because of the inflationary pressure that they were facing. They've put a lot of the advanced engineering projects on hold for the time being. So we are hoping to see the first PoC coming through maybe by the end of the next month, which is November.

Ansh Khimavt: Okay, sir. So by the end of November, so as far as my understanding is that then we'll be in the advanced stages to build the motor for them then. So right now, we are in touch and we're just trying to understand as to what their requirement is, correct?

Jaideep Wadhwa: So I mean, I think that would be -- that's probably a little bit more advanced than what the actual status is. PoC is basically to prove that, yes, the concept works. Thereafter, the customer has to figure out how to incorporate it in their designs, etcetera. So there is still a lot of time and effort that is required to take it from a PoC to actual production. There's a lot of engagement, but that to translate a brand new concept or a new technology into revenue has a fairly long gestation.

Ansh Khimavt: Okay, sir. Understood. And sir, just if I could, have we taken any new clients in the fasteners business? So like we had Tata earlier, have we signed any new customers?

Atul Aggarwal: So -- Ansh, we are already working with pretty much all the customers. There are no major customers to be acquired in that fasteners space. All we need to do is we need to increase new product development with them. We need to increase our share of business spend with them. But in terms of new customer acquisition, we pretty much have all the customers in our deck.

If you see the investor -- the customer deck, you'll find all the customers are onboarded with us. All the customers with many material value of buying. You've got others like Volkswagen or Other groups, which are totally import based. So in that sense, all the major OEMs are already on our deck.

Ansh Khimavt: Okay, sir. So then I think the assumption that this volume growth can be carried forward in the -- for the upcoming -- for the remaining part of the year and maybe in the next year as well is something which can be made on a relative basis right now?

Atul Aggarwal: Can be -- what's the last part of the statement you made?

Ansh Khimavt: Which can be -- we can go ahead with that assumption. Is that correct?

Atul Aggarwal: Yes, I think that's what we are saying. This number is what I'm trying to project is based on our confidence we have with our customers and where we are today.

Ansh Khimavt: So we'll be able to surpass the revenue what we did last year, maybe on the stand-alone business by the end of this year is -- maybe a 15% increase also on that is a fair assumption?

Atul Aggarwal: Yes Definitely.

Ansh Khimavt: Thank you. That's it from my side.

Moderator: The next question comes from the line of Yogesh Patel from Prami Investment.

Yogesh Patel: Sir, my question is you rightly said 28% volume growth and there would be a cost increase. So it's very difficult to figure out piece-wise, but in terms of, let's say, volume tonnage-wise, if I see, so the amount of value addition might be reduced due to inflation? And do you see any kind of improvement in realization because of product mix or any kind of price pass on? Or do you see the...

Atul Aggarwal: Yogesh, we lost you in the middle. You want to start the question again? We lost you in the middle.

Yogesh Patel: Sorry. Sir, you said 28% volume growth, right? And it's very difficult to spread out on piece -- per piece basis. But I'm saying in terms of, let's say, a tonnage, if I see weight-wise and value addition, maybe per kg or per ton basis.

So the incremental growth or the revenues generated in Q2 is a combination of new product mix and lack of pricing -- lack of prices pass-through to customers. It means I'm saying the impact of inflation plus product mix. So roughly, can you slightly give maybe not very exact breakup, mainly how much impact of inflation is there in fasteners business, roughly?

Atul Aggarwal: So it's -- let me just say our 28% is a pure volume growth, which we have in the first half. And I think our value growth is also very similar. So that -- mathematically, it's already saying that there's not a large part of inflation factored into this revenue right now, which is, like I said, it's under negotiation. It's an ongoing process. So the inflation price increases from the customers are very nominal right now. A lot of them are under negotiation and which will probably translate into our P&L in this Q3 and Q4.

Yogesh Patel: Okay. And the price -- we'll get a price recovery in Q2 -- sorry, Q3 and Q4 roughly?

Atul Aggarwal: Correct. And some of those price increases will have a retrospective effect as well.

Yogesh Patel: Okay. Got it. Sorry, I didn't -- I'm asking is there any better realization, better because of the product mix -- improvement in product mix or high-margin product? What could be that percentage in volume terms?

Atul Aggarwal: No, I think those are marginal numbers right now. Yes, it's not something that will make a dramatic impact quarter-on-quarter with us in our business. It's a total basket we look at over the year.

Yogesh Patel: Okay. And sir, if you are growing above industry average, roughly we are gaining market share from other players, right?

Atul Aggarwal: Yes, we are.

Yogesh Patel: And considering the capex in the fasteners business and EV business, what is the potential revenue, maybe I'm not saying you give your target, but aspiration, kind of, in '28 and '29 roughly from EV and fasteners business, maybe a hypothetical number?

Atul Aggarwal: Our first target is to reach INR1,000 crores revenue in our fasteners business ASAP. And we hope -- we are quite positive if the current momentum continues and the kind of investments we are doing in our business, we probably will have visibility on that in the very near future. Talking about our SEM and STML businesses, SEM is on a rebuilding of the business. We've gone through a big shock in FY26, and we are rebuilding our business as of FY26 and FY27.

We are quite hopeful that business this year will turn around substantially by refocusing on the kind of products we are doing and the customers we are doing, and that will help us lay the foundation for the years going forward. Similar for STML, I think the validation and the testing periods are as long as 12 to 18 months. A lot of that work has already been done, and we'll see some revenue ramp-up coming dramatically next year based on top of this year's numbers.

Yogesh Patel: But roughly, what would be the number sir? Just for -- just to understand...

Atul Aggarwal: I don't want to put a number out there. Maybe we can have this conversation when we do our FY27 investor call.

Yogesh Patel: Okay. Sorry, I completely agree. But I just want to know what is the potential revenue possible in this capacity?

Atul Aggarwal: So like I said, I don't want to do that right now. There's a lot of groundwork happening and certain information is confidential right now based on certain contracts we have with customers perhaps on the EV businesses. So I would, like I said, maybe get into that conversation in FY27 investor call.

Yogesh Patel: Okay. Just last question...

Moderator: Mr. Yogesh -- sorry for interrupting. Please rejoin the queue for more questions. The next question is from the line of Ayushi Abani from Sai Advisors.

Ayushi Abani: Yes. So sir, I wanted to ask that the onboard charger and multifunction unit production lines have been commissioned as planned, right? So when do you expect these products to start contributing meaningfully to revenue? And how important could they become for SEM's growth?

Atul Aggarwal: So if you see, our lot of SOPs, our customers, SOPs are starting in Q3, Q4. So Q3, Q4, you'll see a substantial bump up in revenue compared to Q1, Q2. And I think the businesses have been acquired, customers have been acquired and developed and tested. They are converting into revenue in Q3, Q4. And FY28 will be a much bigger year on top of that.

We have refocused a lot into these new product lines and the unit prices of these product lines are much higher than we were doing for the 2-wheeler segment business. These businesses are primarily focused on commercial vehicles, light commercial vehicles, public transport and -- which has a more sustainable growth. So you'll see a lot of that revenue ramp-up coming in Q3, Q4 and FY28.

Ayushi Abani: Okay. Okay. Understood. And sir, I also wanted to ask that can you clarify the capex amount, whether it is INR135 crores or INR150 crores?

Atul Aggarwal: INR150 crores for FY27 at a consolidated level.

Ayushi Abani: Okay. Thank you.

Moderator: The next question comes from the line of Dev, who is an Individual Investor.

Dev: Sir, in the presentation, under the E-mobility segment, you mentioned that we have 42 active programs and 23 business contracts. Just wanted to understand how many of these contracts have come in H1 of this year where we have signed contracts?

Atul Aggarwal: Jaideep?

Jaideep Wadhwa: We've got 5 new contracts that are coming into production by the end of this year.

Dev: Okay. So this 23 number includes the 5, but the production will happen this year. It's not yet started, right?

Jaideep Wadhwa: Not yet. I mean, when I say we may have supplied quantities in the 10s, but not the full production quantity.

Dev: Okay. And are we also working with some of the bigger commercial vehicle OEMs like Tata, Ashok Leyland, etcetera, Eicher on the SEM business?

Jaideep Wadhwa: Yes.

Dev: Have we signed any contracts with them till now or it's under engagement?

Jaideep Wadhwa: Yes.

Dev: Okay. Yes.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, we have reached the end of question-and-answer session. I now hand the conference over to management for closing comments.

Atul Aggarwal: So thank you, everybody, for joining us today and giving us time, helping us communicate to you our last 6 months and where we see the business going forward. We hope to engage with you again in the future calls. If anybody has a request for additional information, please reach out to SGA, our Investor Relations Advisor. They'll organize the communication with us. And hopefully, we'll try and answer all your queries. Thank you very much.

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