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"Sandhar Technologies Limited Q3 & 9M FY-25 Earnings Conference Call"

February 18, 2025

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DOLAT CAPITAL

CHORUS CALL®

MANAGEMENT: **MR. JAYANT DAVAR – CHAIRMAN, MANAGING DIRECTOR & CEO, SANDHAR TECHNOLOGIES LIMITED**
MR. YASHPAL JAIN – CHIEF FINANCIAL OFFICER & COMPANY SECRETARY, SANDHAR TECHNOLOGIES LIMITED

MODERATOR: **MS. SHAILLY JAIN - DOLAT CAPITAL**

Moderator: Ladies and gentlemen, good day and welcome to the Q3 and 9 months FY25 Earnings Conference Call of Sandhar Technologies Limited hosted by Dolat Capital Markets Private Limited.

As a reminder all participants' 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 the '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Shailly Jain from Dolat Capital. Thank you and over to you, ma'am.

Shailly Jain: Thanks, Steve. Good morning, everyone. On behalf of Dolat Capital, I welcome you all in third quarter and nine months FY25 Conference Call of Sandhar Technologies.

From the Management side, we have with us Mr. Jayant Davar – Chairman, Managing Director and CEO and Mr. Yashpal Jain – Chief Financial Officer and Company Secretary of the Company.

We thank the Management for providing us with the opportunity to host the call. Now I will hand over the call to the Management for their Opening Remarks followed by the question-and-answer session. Over to you, Jayant sir.

Jayant Davar: Thank you. Very good morning, ladies and gentlemen. I welcome you all to the Quarter 3 and nine months earning con call of Sandhar Technologies Limited.

Talking from a broad conceptual point of India:

India had initially projected a growth rate of 6.5% to 7% for FY24-25. I think it's now been devised to 6.4% for the year ending March '25. It is the slowest in 4 years and below the lower end of government's initial projection. This obviously has come in also because of the weaker manufacturing sector and slower corporate investments. Last month of course, the Reserve Bank of India lowered its growth forecast for the year ending March, 2025 to 6.6% from its earlier forecast of 7.2% after India reported lower than expected growth of 5.4% in July to September quarter. The forecast by the National Statistics Office follows several disappointing economic indicators in the second half of 2024 including low growth, high inflation, anemic capital flows and record trade gap. That casts doubt on the robustness of the country's growth. Manufacturing, which accounts for about 17% of GDP is projected to expand at 5.3% year-on-year in '24-25 compared to 9.9% a year ago.

Let me bring you to some good news which is Sandhar's performance:

Despite all the above, Sandhar's total income growth of 9.27% in Quarter 3, where most of our peers actually could not grow and 10.34% compared to last nine months at a consolidated level have been pleasant. We anticipate that we will sustain and grow this momentum even further, of course subject to geopolitical conditions, market demand and so on and so forth.

In terms of consolidated EBITDA:

We registered a growth of 0.5% which is 500 basis points improvement in the margins to 10.34% compared to nine months of the last year. Last year it was 10.1% compared to 9.6% in the nine months of Financial Year 2024. In the two-wheeler segment the industry recorded growth of 13%. Sandhar outperformed with 17.58% increase on a nine-month year-on-year basis. In the four-wheeler segment the industry grew by 2.72% where Sandhar did see a decline. In the OHV segment the industry grew by 5.3% but Sandhar grew at 6.9% on a nine month year-on-year basis.

In terms of joint ventures:

You would be very happy to know, and I am very pleased to share that all of our joint ventures are experiencing strong growth and consistently improving performance. Further pleased to share that all our joint ventures are PAT positive in Quarter 3 and nine months of Financial Year 2025. This success has been driven by focused cost control, localization efforts, enhanced business synergies. We remain confident that the growth trajectory will continue.

Collectively our joint ventures have recorded a total income of 270 crores with an average EBITDA of 12.5%. The list is already I think been shared with you in the presentation. The drag for Sandhar has been the overseas business in Quarter 3 as well as nine months and the operations sustained losses marked by low demand and slowdown in Europe. We are closely watching the situation over there and as we look at, it the preliminary indicators are that volume should see growth in Financial Year 2026.

The Company's expansion projects in Pune for cabins and fabrication and die casting are expected to commence for commercial production by end of March 2025. In EVs the Company has started commercial production of battery chargers and is getting positive response from the market. The customer base is also gradually increasing with more and more customers that are being added.

On CSR:

Over the years we've dedicated ourselves to sustainable business practices that tackle economic, environmental and social challenges. Our efforts go beyond mere business concerns, creating positive effects on the communities we serve. Our CSR activities focus on key areas through healthcare which is through the Sandhar Healthcare Center which is in Village Begumpur

Khatola Gurugram. We do education for girl child largely in 'Sandhar Ki Beti' and the Sandhar Centre of Learning at Devli Sangam Vihar:

We have skilling and vocational training done through 'Swabhiman Program'. Senior care through 'Adopt a Gram' program and for environment we go green through Peenya Industrial Park Bangalore. We are looking to focus on diversity and creating equal opportunities for gender neutrality.

As we go forward our focus areas will be towards ESG and SGD which is Sustainable Development Goals to attain carbon neutrality in the coming years. We continuously work on the diversification of our product portfolio, expanding customer base and increasing content per vehicle. We are focused on improving both the return on capital employed and return on investment. We are consolidating operations, and the idea is to generate more free cash flows and deleveraging of the balance sheet.

With those initial comments, I am happy with me today is Mr. Yashpal Jain, the CFO of the Company, we would be very happy to take your questions on anything that you might have. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press '*' and '1' on their touchtone telephone. If you wish to withdraw yourself from the question queue you may press '*' and '2'. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Aditya Kondawar from Complete Circle. Please go ahead.

Aditya Kondawar: Hi sir, just wanted to ask you about the debt situation. Are we on track as per the last con-call's guidance on reduction of debt?

Yashpal Jain: Aditya, we are at a net debt of 673 crores and if you remember last time as we said that we will be finishing up some projects especially the two ones which are going in Pune, so there can be intermittent ups and downs in the debts. But we are on the track because there have been some outflows on account of capital payments for finishing up these projects and remaining payments will be done in Quarter 4. So as far as our regular operations are concerned, I think we are in the sustainable level and we are continuing at a net debt of below 700 crores.

Aditya Kondawar: Got it sir. Thank you. And the second question was that any further enquiries or updates on the smart lock side of the business, any new enquiries or any new customer conversation that we are having?

Yashpal Jain: Team is consistently in follow ups with the OEMs because the product has already been developed. Now it's all the adoption and by the OEs. So, we are waiting for some good news.

Jayant Davar: Very happy to announce that we have already started production and supplies to two of the biggest names. As we speak now traction is being built with some other customers and the existing supplies that have started will pick up much larger volumes in these coming months.

Aditya Kondawar: Thank you sir. Helpful. All the best.

Moderator: Thank you. Before we take the next question, we would like to remind participants that you may press '*' and '1' to ask a question. The next question is from the line of Siddharth, an individual investor. Please go ahead.

Siddharth: Hi sir. Thank you for the opportunity. Couple of questions. The first one being I think around a year or so back you had guided clearly that you see a (+25%) sort of a growth for a 3 to 5 year period. The last few quarters to our understanding, should we take it as an exception, and nothing changes structurally on that guidance? So that's my first question. The second is there is a lot of media news around tariffs and how it's going to impact the auto ancillary thing. So, if you can take a couple of minutes and sort of let us know if at all it plays out, how would it impact us in any which way? Thank you.

Jayant Davar: Okay, well, thank you for that question. Very interesting question and suffice to say that whatever guidances we had given in the past or forecast we had given in the past, keeping the economic condition of the country and how the growth is in geopolitical situations aside, we continue to build our pipelines towards the kind of growth that we had declared in the past. I don't see any reason why, if you've seen a little lower growth in the last quarter or in the nine months gone by, yes, it is an exception, and I do believe that this should accelerate quite rapidly as we go forward. So that's the answer to question one. What was your second question, sorry?

Siddharth: It was more around the tariffs in US. How would it impact us if at all it plays out?

Jayant Davar: Well, the direct tariff thing that would have affected us was Mexico because we have a plant in Mexico and a lot of our supplies go to North America while on a like to like basis because most of our supplies go to companies like Bosch and TRW who are located within Mexico. So, it is not as if we would have a direct impact. But in case those people have an impact selling into the US, we would obviously be affected. At this point of time while we have spoken to our immediate customers, they seem to be quite positive that there is likely to be no impact. However, we will have to wait and see as to how in case there is any impact, how much it is going to be and how we will have to take it or mitigate it in the future.

Siddharth: Sure, sir. Thank you so much. Very helpful. Thank you.

Moderator: Participants who wish to ask a question may press '*' and '1'. The next question is from the line of Jay Betai from Dolat Capital. Please go ahead.

Jay Betai: Hello, sir. Good morning and thanks for the opportunity. Sir, my first question would be what are your thoughts on demand revival on the export side?

Jayant Davar: On the export side?

Jay Betai: Yes, sir.

Jayant Davar: Well, I do believe that our customers are looking to buy more from India. This continues in the overall policy of most multinational companies looking at China Plus One. India falls into that sweet spot and I see no reason why exports from India will not grow. However, having said that, you know that the demand right now in Europe is weak. So, it's not as if we are losing market share in exports. In fact, we are gaining market share. The only thing is, because the overall demand is down, there is an impact on India, not so much on Sandhar because Sandhar largely, as you are aware, supplies within Europe from Europe. So, from a foreign exchange perspective, we are not affected. But from a local demand perspective, I do see that there is and I already mentioned that our overseas business has been a drag with some losses in the nine months and in the quarter. We are now being told that there are green shoots being seen and the future looks a little better.

Jay Betai: Okay, sure. So, a follow up question on that. So, what would be your order book on the overseas side and expected order book from the overseas?

Jayant Davar: I didn't get that question. Can you repeat that question, Jay?

Jay Betai: So, what would be your order book coming into FY26? What are the order book expectations or any new order is there?

Jayant Davar: Jay basically what is happening is we were using, if you remember we had set up a plant in Romania and the Romanian plant could not build up and got delayed on account of the Ukraine war. It has now stabilized, and we do expect that we will have a much larger percentage manufacturing capability being consumed in the coming year. We are very bullish on the next year, and we do feel that the loss that we have had in this current year will not continue into the next year and we will be back in profits.

Jay Betai: Okay. I have just one bookkeeping question. Out of 700 crores of debt you mentioned previously, could you quantify what would be the debt in your JV?

Yashpal Jain: This does not include the JV debt. Because JVs are not consolidated as per the Ind-AS. So, this is the debt at the consol level with the subsidiaries and the standalone Company. JV debt is a separate which is not accounted in our books. But I can tell you the amount it is barely around 8.5 crores as of December in two of the JVs combined together.

Jayant Davar: Yashpal ji, we also want to break it up and give it to them in terms of our foreign exchange rate and here.

Yashpal Jain: Yes, sure. So out of a gross debt of 708, 284 pertains to standalone, 100 for Indian subsidiaries and 324 for overseas subsidiary and the cash balance of 35 crores to make it a net debt stands at India level now.

Jay Betai: Okay, thanks a lot. I will fall back in the queue.

Moderator: Thank you. The next question is from the line of Saket Kapoor from Kapoor and Co. Please go ahead.

Saket Kapoor: Thank you sir. Sir, as you alluded in your opening remark that the path ahead would be the improvement in the EBITDA margin and the deleveraging exercise. So, if you could just give some more color on what steps would be towards deleveraging and what are we eyeing in terms of lowering the net debt levels from the current and what have been the nine-month CAPEX that we have done?

Jayant Davar: Yashpal ji, can you give the numbers?

Yashpal Jain: Yes, sure. So basically, in nine months we have done a CAPEX of around 173 crores to finish up the regular CAPEX as well as our ongoing projection. So, this is the CAPEX count for nine months. As far as the deleveraging of the balance sheet is concerned as we said in our opening remarks that this year, we will be finishing up some projects. So as far as the debt is concerned, it is within a estimated figures. But yes, Quarter 4 there might be some increase in the debt to repay our commitments to finish up the project. But next year yes, we will be generating the cash flows which will be used to repay this borrowing that will be taking the current financial year. So, I think on an average basis 100 crores would be your repayment in terms of the, I would say terms and conditions of the term loans which we have secured from various lenders.

Saket Kapoor: Okay. So, on peak debt of whatever we will be hitting for Q4 there will be a reduction of 100 crores for the next financial year. This should be the idea.

Yashpal Jain: Around 100 crores is the normal payments that has been made, I mean projected as per our own estimate. If we generate further surplus than what we had invested then we can pay more also.

Saket Kapoor: Okay, and sir, earlier call you did guide about EBITDA margin increasing or inching up to 11.5% mark for the next financial year, that is ‘25-26. Correct me there sir and top line of 4,500 crores on a consol level. So, does taking into account our Q3 number, does that trajectory holds through currently or would you like to revise it?

Yashpal Jain: Here I would like to little bit correct you because EBITDA margin that we have projected for this year was 50 point basis improvement which is something around 10.45% of upper cap. For next year another 50-point basis we have put up the improvement. So that was around 10.95%. 11.5% for FY 25-26 we haven't projected, and I remember that we have not shared on the call also. But as we see that 11% is a healthy margin looking to a diversified business and the various syndromes that we are facing in the industry as well as the global scenario. So as far as turnover is concerned, 4,500 crores. I think there is no reason that we should not achieve it. We can achieve it in FY25-26 subject to the things moving in the right direction. As far as EBITDA is concerned, we haven't projected 11.5%. For next year we have capped a correction of 50-point basis from 10.45. That was the upper range for this financial year. So that was around 10.95 that we have projected, that we will be between 10.50 to 10.95 in FY25-26.

Saket Kapoor: And there was some new lines which were to be on stream for January '25. So, are we done with that and that will be contributing towards Q4?

Yashpal Jain: Yes, lines are ready, but I think the volumes will be coming in the Quarter 1 of FY25-26 because some testings are going on from the customer side. So, there is a little bit delays on the customer side. But from our side we are ready with the line. So, I think the volumes will hit in the Q1 of FY26.

Saket Kapoor: Okay. And lastly sir, on the overseas subsidiaries losses, can you give the absolute number for this quarter and for the nine months, how has the net been from the overseas subsidiaries the contribution?

Yashpal Jain: At the EBIT level for overseas subsidiaries combined together we have sustained a loss of 17.35 crores and for Quarter 3 at a consol level it is 10.78 crores.

Saket Kapoor: Okay. And taking into the account the current environment, this should be the continuity for Q4 also sir?

Yashpal Jain: Q4 also we had discussions with the overseas team. They are seeing that the volumes are rebounding back up. So, I think there should be an improvement in the numbers once the Q4 numbers are in front of us. So, the losses should reduce. But let's see how Q4 behaves and how's the volume depending on what is the policy the US adopts in the coming period of time.

Saket Kapoor: Small point to conclude the way the nine-month growth numbers are, so we should be looking to end the year on the same page in terms of the revenue trajectory for the current financial year? We are already halfway through the quarter.

Yashpal Jain: We should do around 4000 crores of revenue for this current financial year that we are projecting.

Saket Kapoor: Okay. And margins should improve for Q4 or it will be the same trajectory as Q3 as well.

Yashpal Jain: It should be an improvement in margins in Q4 because if you see for this quarter, the major drag has been because of overseas business in terms of revenue in terms of profitability. As far as

Indian operations are, we take into account they have shown a very improvement in terms of margins also and turnover also. So, 4th Quarter, even if you achieve a muted growth in overseas, I think the margin should be better compared to Q3.

Saket Kapoor: And sir, two points on firstly on the RM also, what are the key constituents for RM? And sir I think earlier in the call, last time also you mentioned about, we are creating presence in some of the products which are in nascent stage and that the market will grow. I think you were referring to the EV space. So, in terms of the breakthrough and the EV ecosystem currently, what we are hearing from Europe and other economies in terms of EV adoption is also taking a backseat in hybrid gaming. So how are you seeing the framework for EV space?

Yashpal Jain: Want to answer this question?

Jayant Davar: All right. Okay. Where EVs are concerned, while there is a little bit of a slowdown in the EV space, the fortunate thing for us is because we have a completely localized solution. The dependence on China being brought down. We are getting traction more than some of the others and therefore we do see an improvement in our traction towards more growth in the EV sector. However, EV has always been a question mark, will remain a question mark. Today you are listening to a lot of things where they say that hydrogen may be the fuel of the future. We will have to wait and see. I understand companies like BMW have stopped working on battery technologies for the future and they are concentrating on hydrogen. So, we will have to wait and see. But for us, the investment that we have made in EV space, which is largely for two wheelers in the form of battery chargers and motor controllers, we have traction, and you will see growth there on a regular basis.

Saket Kapoor: And lastly sir, in your presentation, if we can provide this debt number breakup also which just Yashpal sir answered to the previous participants.

Jayant Davar: Sure, we can do that. If you want, we can repeat it again including what is working capital term loan. But in the presentation, yes, sure Yashpal ji will be happy to give you those details.

Yashpal Jain: You want a breakup of the debt?

Saket Kapoor: You gave sir, you gave. I have noted it down. Only one more suggestion was there sir. If we can arrange this conference call for the investors and the analyst community in the second half of the day, I think so we can have better participation than the very early morning hours of 10 AM. It's a basic suggestion I have. Since now we are at the fag-end of the Earning Call. We have ample space slot if the management can suffice with that requested at 4 PM or so.

Yashpal Jain: Yes, we will explore that. We will explore with our research agency as well as the Chorus Team also how that works out.

Saket Kapoor: Thank you sir. Thank you and all the best.

Yashpal Jain: Thank you.

Moderator: Thank you, ladies and gentlemen. If you wish to ask the management questions you may press '*' and '1'. The next question is on the line of Jyoti Singh from Arihant Capital Markets. Please go ahead.

Jyoti Singh: Thank you for the opportunity, sir. My question is on the sheet metal side as earlier last Q2 we have seen the double growth in this segment. So going forward what are expectations and earlier were the current utilization around 55% to 82%. So, what's the current utilization and any additional CAPEX on that side?

Jayant Davar: Yashpal ji, you want to come in with whatever ….?

Yashpal Jain: Yes. So, like in sheet metal as you can see that we've been running so we set up new facilities over a period of last four years we have set up four new manufacturing facilities in sheet metal and the customer response has been good. This time also in three months previously Quarter 3 the share is 15%, sheet metal is 14%. As of now we are in the process of developing some new more products because there has been some slowdown from the customer side in some of the models. So, on a continuous basis we see a growth of sheet metal and it's operating presently at 80%-85% in between capacity consumption and there is a major project coming up in sheet metal which requires a heavy CAPEX. It's a routine project like adding one or two machines or adding or two facilities. I mean not facilities within the set of plant and assets. That is how. But we are not expecting any major inorganic CAPEX to be pumped into sheet metal business.

Jayant Davar: Yes, we need to optimize the facilities that have already been put into place. And as Yashpal ji said, all we will need probably is some balancing equipment which will open up the capacity even furthermore for utilization as we go forward. The traction is good, the growth is good and the double-digit growth that you are looking at in the sheet metal business so far, we will continue as we go forward.

Moderator: Ms. Jyoti, does that answer your question?

Jyoti Singh: Yes. So, I am asking another question on the product pipeline side. So, if you can explain like last quarter, you mentioned multiple parts were under development and that come in 2026. So if you can comment on that side.

Jayant Davar: Yashpal ji, you have a list of the sheet metal parts coming in, right? Only sheet metal parts Jyoti or all parts.

Jyoti Singh: Sheet metal side, sir.

Yashpal Jain: So actually, the list is very lengthy. But nutshell, I can say that parts are under development and more parts around 18 to 20 new parts will be added in the pipeline to our business. And some of them would be in this quarter, I mean Quarter 4 and remaining will be in Q1 of FY26. Just to point out here that the development of part is consistent to the business. It is a continuous process as and when the customer asks us. So, 18 to 20 new parts will be added over a period of next to 3-4 months and that will be added up in a turnover in the coming period of time. And that keeps on going. It's not that the activity is stopped at some point of time, it is a regular activity.

Jayant Davar: But if you want a little more details, I can only add that a large part of it has to do with bodies, frames and so on and so forth. They are large parts which are being fabricated.

Jyoti Singh: Thank you, sir. And so just last question, on the overall industry basis, because most of the auto ancillary companies, they are facing issue to not getting more order and issue on the European and US side. So, when we are expecting and seeing the recovery on that side?

Jayant Davar: Well, right now Jyoti would be happy to know we don't have a shortage of orders per se. Yes, the industry slowed down a little bit. But despite the industry slowing down, we are outperforming the market on account of the addition in our wallet share of new components that are being given to us. We are very hopeful that this trend will continue. We are seeing that the industry itself is also picking up. So, if the industry picks up, Quarter 3 was not a good quarter for the industry. But despite that we seem to have done well. We will continue our outperformance and that is our plan and that is what seems to be on the table as we said today.

Jyoti Singh: Okay sir, if I can squeeze one more question on the Hyundai side, what's the update on that, that we started schedule on March and originally the numbers?

Jayant Davar: So, Hyundai, the mirrors are ready. They are now being tested as we speak. That project was a little delayed by Hyundai because this was import substitution completely. It has now been agreed that the products that we have supplied are being tested right now in Korea as also in the endurance test in India. So, this whole project got delayed. And I understand now the SOPs now begin somewhere in the month of July or August. That is when the full-fledged thing will get converted into our products being supplied locally.

Jyoti Singh: Okay, thank you so much, sir.

Moderator: Thank you. Participants who wish to ask a question may press '*' and '1'. The next question is from the line of Bhaskar Shekhar, an individual investor. Please go ahead.

Bhaskar Shekhar: Hello sir. Thank you for giving me this opportunity. I would want to ask how much of margin improvement can be seen on account of the smart lock production? I guess in the last con call you spoke about the smart locks are going to be manufactured from the month of Jan. My question is, has the supply started for that bit? And also, are we going to see good improvement in margins because of this part?

Jayant Davar: Yes. So, the quick answer is yes. We started our supplies to Suzuki motorcycle for example, that started but the volumes were low. These are now being ramped up to a level of almost 20,000 a month, which should happen as we speak starting from March and for the next year the volumes look very-very healthy. In terms of the margins of the business, yes, the margins are higher both in terms of percentage. But because the product value itself is about 10X higher than the regular locks that we do, we expect the volume of profit will be much higher. Does that answer your question, sir?

Bhaskar Shekhar: This is going to reflect in the Q4 results?

Jayant Davar: Some part of it, small part will, but most of it will reflect in the next year from first quarters of next financial year.

Bhaskar Shekhar: Okay, sir got it. Thank you, sir.

Moderator: Thank you. The next question is from the line of Shailly Jain from Dolat Capital. Please go ahead.

Shailly Jain: Hi sir. Thank you for the opportunity. So, the tax rate was a little higher for this quarter. So, what kind of tax rate are we looking for the whole year in FY26?

Yashpal Jain: On taxation you are asking?

Shailly Jain: Yes.

Yashpal Jain: So, the taxation rates remain 25.17% and 27% it goes because there is a deferred tax impact also or the government rates, we are subject to 25.17 whatever comes the with the Cess also. So, sometimes the swing comes up on account of because what happens we have to create deferred tax liability as per the standards. Shailly, the standard rate of taxation is 25% for our Company, right. And the changes in the tax rates many times happens because of the changes in the overseas because we are consolidating along with the overseas accounts. But on an overall basis it remains to be 25% for us. And there is always an impact of deferred tax. So sometime which increases the tax content, sometimes which decreases the tax content. This is a change. Otherwise, the standard rate remains the same.

Shailly Jain: Yes, thank you sir. And one more question was there. Could you please run me throughout your JV's performance how Sandhar Amkin, how Sandhar Whetron are doing and what sort of revenue did they do for this quarter?

Yashpal Jain: Yes, sure. So, like I can give you a revenue for Quarter 3 also and if you want nine months, I can provide nine months figures also. Well, Sandhar Amkin is back into the profits consistently from last couple of quarters. And as far as another entity, Winnercom you have asked?

Shailly Jain: Yes, Whetron and Winnercom.

Yashpal Jain: Winnercom is again in profits. So, if you ask me for Quarter 3, like Sandhar Amkin has done a profit of 95 lakhs, Winnercom has done 75 lakhs and this other Company, Hanshin it has done a profit of 1.69 crores. And for nine months the profit of Sandhar Amkin has been 3.29 crores, Winnercom has been 2.22 crores and Sandhar Hanshin has been 3.31 crores. So, in terms of turnover also like Sandara Amkin has done a turnover of 52 crores, Winnercom is 45 crores and 22 crores has been Sandhar Hanshin.

Shailly Jain: Thank you sir. And how are we doing on our vision and locking system?

Yashpal Jain: Which one? Can you repeat the question?

Shailly Jain: How are we doing in our locking system and vision system?

Yashpal Jain: Yes, locking and vision system is going good as usual. We have around 25% of revenue contribution from locking and vision combined together and they are at better margins in this year compared to the last year except the four wheelers where we are facing some down volumes from Honda side, two-wheeler is doing better.

Shailly Jain: So how are we planning to like revise this for four wheelers? Is this trend going to be on a similar side or do you think this trend needs to be changed?

Jayant Davar: There are new models coming in and those new models are going to be launched, and we are very hopeful that this thing will change. You are also aware of the Hyundai business which we spoke about in the previous question. With all these new businesses being added, which are better margin businesses, we will see a reversal in the next year in the four wheeler business.

Shailly Jain: Yes, sir. Thank you. That sums up my question.

Yashpal Jain: Thank you.

Moderator: Thank you. The next question is from the line of Pritesh Chheda from Lucky Investments. Please go ahead.

Pritesh Chheda: Sir, the south based two-wheeler OE, what is it as a percentage of your sales?

Jayant Davar: When you say south base, are we talking about TVS, are we talking about Royal Enfield, are we talking about Honda?

Pritesh Chheda: TVS.

Jayant Davar: TVS, I think in all our businesses put together, including the new sheet metal business which has also been added, I think we are close to about 30%. What is the number, Yashpal ji?

Yashpal Jain: 32%, sir.

Pritesh Chheda: And what was the growth in nine months for this OE for us?

Jayant Davar: Year to year.

Yashpal Jain: So nine months or year-on-year you want to say?

Pritesh Chheda: Yes, nine months this year versus nine months last year.

Yashpal Jain: So, this year it is 33% of our revenue. Last year it was 30% of our revenue.

Pritesh Chheda: So, which means 110, so that OE has grown 20% for you.

Jayant Davar: Yes.

Pritesh Chheda: And the sheet metal, what is the total investment that you had done in sheet metal?

Yashpal Jain: Sheet metal total investment, you want combined total business including north?

Pritesh Chheda: Yes, whatever plants you have put for sheet metal in the recent last…

Yashpal Jain: New plants?

Pritesh Chheda: Yes.

Yashpal Jain: We have put up four plans in recent times in last 3 years in sheet metals and the total investment is close to 285 to 290 crores in between.

Jayant Davar: Could you hear it? The total investment has been between 280 to 290 crores in the sheet metal business in the last 3 years.

Pritesh Chheda: Sir, I couldn't hear it.

Jayant Davar: The total Investment sir is 280 to 290 crores in the sheet metal business, in the new plants that have been set up in the last 3 years.

Pritesh Chheda: Okay. And the asset turns on this was?

Jayant Davar: What is the revenue Yashpal ji out of this so far?

Yashpal Jain: So the asset turn is close to 2.5x as of now.

Jayant Davar: 2.5x.

Moderator: Sorry to interrupt, sir. The participant has been disconnected.

Yashpal Jain: Okay. You can take up a new participant in the meantime.

Moderator: Yes, actually there are no further participants. I now hand the conference over to the management for closing comments.

Jayant Davar: Sure. All right. In that case, let me thank all the participants who joined us this morning. We will also keep into consideration the request that this be done in the afternoon. We will see in case that is possible today keeping all the aligned parties in check. We do like Yashpal ji said, the forecast for this quarter seems to be better than what it was last year. We are also quite confident of achieving what we had set out to achieve in terms of our business plan at the end of this financial year. Once again, I want to thank Dolat Capital and everyone who put this call together. We as a Company are open to taking your questions even individually whenever you want any more information, and we will revert to you in the shortest period of time. With that, I want to thank you all once again and all the best.

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