PRITIKA AUTO INDUSTRIES LTD

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16th November, 2026

The Manager
Listing Compliance Department
National Stock Exchange of India Ltd
Exchange Plaza, Bandra-Kurla Complex
Bandra (East), Mumbai - 400 051

The Secretary
Listing Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street Mumbai - 400 001

Symbol: PRITIKAUTO **Scrip Code: 539359**

Subject: Transcript of Earnings Conference Call

In compliance with Regulation 30 and 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith transcript of the Earnings Conference Call held on 11th November, 2026. The same is available on the website of the Company at https://www.pritikaautoindustries.com/transcripts-earning-call-11november2026.pdf

Kindly take the above on record.
Thanking You,

Yours faithfully,
For Pritika Auto Industries Limited

Chander Bhan Gupta
Digitally signed by Chander Bhan Gupta
Date: 2026.11.16 16:32:03 +05'30'

C B Gupta
Company Secretary and Compliance Officer

Encl.: a/a

“Pritika Auto Industries Limited

Q2 & H1 FY27 Conference Call”

November 11, 2026

MANAGEMENT: **MR. HARPREET SINGH NIBBER – CHAIRMAN AND MANAGING DIRECTOR – PRITIKA AUTO INDUSTRIES LIMITED**
MR. NARINDER KUMAR TYAGI – DIRECTOR, FINANCE – CHIEF FINANCIAL OFFICER – PRITIKA AUTO INDUSTRIES LIMITED

MODERATOR: **MR. JAY JAIN – ADFACTORS PR**

Moderator: Ladies and gentlemen, good day, and welcome to Q2 and H1 FY27 Conference Call of Pritika Auto Industries Limited.

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

I now hand the conference over to Mr. Jay Jain from Adfactors PR. Thank you, and over to you, sir.

Jay Jain: Thank you, Nazneen. Good morning, everyone, and Happy Diwali. Welcome to the Q2 and H1 FY27 Earnings Conference Call of Pritika Auto Industries Limited. Today from the management side, we have with us Mr. Harpreet Singh Nibber, Chairman and Managing Director; Mr. Narinder Kumar Tyagi, Director, Finance and Chief Financial Officer; and also the Adfactors IR team.

We will begin the call with the opening remarks from the management, after which we shall open the forum for Q&A session. I must remind you that this conference may include forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the management as on the date of this call. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict.

I now hand over the conference to Mr. Harpreet Singh Nibber for his opening remarks. Thank you, and over to you, sir.

Harpreet Singh Nibber: Thank you, Jay. Good morning, everyone. Thank you for joining us today for Pritika Auto Industries Limited's Q2 and H1 Financial Year '27 Earnings Conference Call. First of all, on behalf of the entire Pritika Auto Industries family, I would like to extend my warm wishes to all our investors, analysts and stakeholders on the occasion of Diwali. I wish you and your families a very happy Diwali and a prosperous new year.

I have with me on the call today Mr. Narinder Kumar Tyagi, Director of Finance and CFO; and our Investor Relations team from Adfactors PR.

We have already shared our financial results, investor presentation and media release with you. I hope you have had an opportunity to go through them. I would like to begin with a brief overview of our business and the developments during the quarter.

Pritika Auto Industries has built a strong presence in the manufacturing of machined castings and automotive components over the last 5 decades. Since our inception in 1974, we have steadily expanded our manufacturing capabilities and product portfolio. And today, we are among the leading manufacturers of tractor components in India.

Our manufacturing facilities across Punjab and Himachal Pradesh have a combined installed capacity of 72,000 metric tons per annum. We manufacture a wide range of components, including Axle Housings, Wheel Housings, Hydraulic lift housings, differential carriers, Brake

Housings, Cylinder Blocks and Crank Cases. Our integrated manufacturing capabilities from casting to machining allow us to supply ready-to-use components to some of the leading OEMs in the country.

Coming to our operational performance, we have maintained healthy momentum during the first half of financial year '27. Our production volume for Q2 FY27 stood at 15,665 metric tons compared to 12,881 metric tons in the corresponding quarter last year, registering a growth of approximately 22%.

For the first half, production volumes reached 30,000 metric tons as against 25,267 metric tons in the H1 financial '26, reflecting a growth of nearly 19%. This growth has been supported by healthy demand from our existing customers, better execution of ongoing programs and continued ramp-up of our manufacturing operations.

We have been working towards improving throughput utilization across our facilities while maintaining quality and delivery standards expected by our customers. On the customer front, our relationship with established OEMs continue to remain an important strength of the business. We have built a long-standing association with customers such as Mahindra & Mahindra, Mahindra Swaraj, TAFE, Escorts Kubota, CNH Industrial and other leading manufacturers.

During the quarter, we continue to receive repeat and incremental business from our customers, including Mahindra & Mahindra, Mahindra Swaraj, CNH and Escorts. These relationships have been built over several years and reflect the confidence of our customers -- of the customers who have in our manufacturing capabilities, product quality and execution.

I would also like to highlight an important development on the export front. Our subsidiary, Pritika Engineering Components Limited, has secured a high-value export order of approximately INR12 crores per annum from a prominent precision engineering manufacturer based in Italy.

Under this order, we will manufacture and supply specialized engineering components. This is an encouraging development for us as it demonstrates our ability to meet the requirements of international customers for high-precision components.

Our capabilities in metallurgies, advanced CNC and HMC machining, along with specialized quality processes such as 3D precision scanning have played an important role in supporting this opportunity. We see this arrangement as a step towards building a stronger presence in international supply chain and developing opportunities for repeat business.

Another development worth mentioning is the progress of our earlier announced order from KION USA. We are pleased to inform you that the product has now received customer approval, and regular production is expected to commence in FY27-'28. This is an important milestone in our efforts to strengthen our international customer base.

Alongside these developments, we continue to work on new product opportunities and deeper engagement with existing customers, which we believe will support our growth over the coming

years. On the broader business front, we are also working towards increasing the contribution of exports and expanding our presence in segments beyond our traditional tractor business.

Our manufacturing infrastructure and engineering capabilities provide us with an opportunity to address requirements across commercial vehicles and industrial applications. At present, approximately 7% of our business are contributed from CV segment, and we see an opportunity to gradually increase our presence there. We are also continuing to evaluate opportunities for geographical diversification and new product development while remaining focused on our core customer relationships.

I would also like to share an important development concerning our sustainability and cost efficiency initiatives. In August 2026, Pritika Engineering Components Limited on behalf of Pritika Group signed a memorandum of understanding with Spark Grid Private Limited for supply of solar power at a competitive tariff period for over 25 years. This arrangement is expected to generate savings of approximately INR110 crores for the group over the tenure of the agreement.

Pritika Engineering Components Limited and Meeta Castings Limited are expected to benefit from approximately INR70 crores of these savings, while Pritika Auto Industries Limited is expected to benefit from the balance.

As part of the proposed arrangement, a special purpose vehicle will be established for solar power projects in which Pritika Engineering Components Limited is expected to hold 26% equity stake on behalf of the group, subject to applicable approvals and documentation. We believe this initiative will provide better long-term visibility on energy costs, improve competitiveness and support our broader sustainability objectives.

Looking ahead, our focus remains on building a larger and more efficient manufacturing platform. We continue to work towards our long-term target of achieving installed capacity of 1 lakh metric tons by year 2028. Our approach to expansion will remain disciplined with investment directed towards capacity creation, new product development and improving manufacturing efficiency.

We will also continue to focus on value-added products, export opportunities and increasing our share of business with existing and new customers. From an industry perspective, we remain constructive on the medium- to long-term outlook for the tractor and automotive components industry.

Demand for tractor continues to be supported by agriculture mechanization, government initiatives and underlying rural demand. At the same time, infrastructure development and increasing requirements in the commercial vehicle segment provide opportunities for the broader casting industry. We are conscious of the changes taking place across conventional, electric and hybrid mobility platform, and we believe that our engineering and manufacturing capabilities will allow us to address evolving customer requirements over time.

As we move into second half of financial year '27, our priorities will be to sustain the momentum in the production volumes, improve capacity utilization, strengthen our export business and work towards gradual improvement in margins.

Cost optimization, operational efficiencies and disciplined working capital management will continue to receive management attention. We will also remain selective in pursuing new opportunities with a clear focus on sustainable growth and returns from the investments we've made.

With our established customer relationships, integrated manufacturing capabilities and expanding opportunities in domestic and international markets, we believe Pritika Auto is well positioned to take next step in the growth journey.

With that, I would now like to hand over the call to Mr. Narinder Kumar Tyagi, our CFO, to take you through the financial performance for the quarter and half year ended September 30, 2026. Thank you.

Narinder Kumar Tyagi: Thank you, sir, and a very good day to everyone. Coming to our financial performance for the quarter ended September 30, 2026, on a consolidated basis, the company reported net revenue from operations of INR153.19 crores compared to INR116.45 crores in Q2 FY26, registering a year-on-year growth of 31.55%. This growth was primarily supported by higher production volumes, healthy demand from our key OEM customers and continued execution of existing programs.

EBITDA for the quarter stood at INR 21.21 crores compared to INR18.61 crores in corresponding quarter last year, reflecting a growth of 13.97%. EBITDA margin for Q2 FY27 stood at 13.85% compared to 15.99% in Q2 FY26. While margins continue to be impacted by elevated input costs and the evolving product mix, we have seen an improvement on a sequential basis with EBITDA margin increasing from 13.45% in Q1 FY27 to 13.85% in Q2 FY27.

Profit before tax for the quarter stood at INR 9.55 crores compared to INR8.62 crores in Q2 FY26. Profit after tax increased to INR 7.43 crores as against INR 6.61 crores in corresponding quarter last year, registering a growth of 12.41%. Basic earnings per share for the quarter stood at INR 0.39.

Coming to the half year performance, consolidated net revenue from operations for H1 FY27 stood at INR 298.16 crores compared to INR 231.06 crores in H1 FY26, representing a growth of 29.04%. EBITDA increased by 12.93% to INR 40.72 crores compared to INR 36.05 crores in the corresponding period last year. EBITDA margin stood at 13.66% as against 15.60% in H1 FY26. Profit before tax for the first half was INR17.80 crores compared to INR16.46 crores in the corresponding period last year. Profit after tax increased by 14.52% to INR 14.55 crores compared to INR 12.70 crores in H1 FY26. Basic EPS for half year stood at INR 0.77.

Overall, we have delivered healthy growth in revenue and profitability during the first half of the FY27. Going forward, our focus will remain on cost management, improving operational efficiencies, maintaining financial discipline and ensuring that our investments contribute meaningfully to company's long-term performance.

That's all from my side. We can now open the floor for questions and answers. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Jimit Mehta from Mehta Investments.

Jimit Mehta: Sir, my first question is on the growth potential. So how does the management view the growth potential of the export business over the next 2 to 3 years? And what target contribution from export does the company aim to achieve as a percentage of the overall revenue in the medium term?

Harpreet Singh Nibber: See, exports has a lot of potential, especially in Europe and USA. Now recently, we have got a very good order from Europe, Italy. And it's -- I mean, it's just a first step. And we expect that this INR 12 crores, which is a proposed order for INR12 crores per annum, which we can easily make it -- in next 3 years, it can easily go to around INR40 crores to INR50 crores. That is the potential. That is the size of the inquiry. And that -- I mean, we -- what we expect in next 3 to 5 years, exports should contribute minimum 10% to 15% of our sales.

Jimit Mehta: Okay, sir. My second question will be on the presence in the tractor components. So how is the company progressing with its diversification strategy across the automotive and the industrial applicants? And which segments are expected to emerge as a key contributor to the incremental growth of the company?

Harpreet Singh Nibber: See, at present, we are primarily into tractors. And tractors also, we are now diversifying. We were earlier into small and medium castings. Now, we are diversifying into large castings. So that is one. And other areas which we are trying to diversify is to go into the construction equipment.

We are already going to -- giving to ACE, then we have added -- recently added KION India. And then, we are adding -- there are a few more new customers with which we are under discussion to add construction and material handling equipment to our portfolio.

Jimit Mehta: Okay, sir. So on that on a follow-up question, so what specific initiatives, product offering and the customer acquisition opportunities are you all pursuing to increase the contribution?

Harpreet Singh Nibber: Since recently around 3 years back, we added a new technology, Lost Foam Casting. So that has given us a lot of advantage in large castings and some critical castings, I mean, which are still being imported from China. So recently, last year, we developed -- I mean, rather this year only we developed 1 large casting around 530 kg SG iron casting, which was being imported from China only.

Only China was manufacturing that. So we were the first one in India to develop that casting. And now for the similar components, we have got very good inquiry from other potential customers for those kind of products. So that is -- so LFC was a new technology for us, for India also, for us also, and that has given us a very good advantage over our competitors.

Jimit Mehta: Okay, sir. Understood. One last question from my side. One of our subsidiaries, Pritika Engineering Components secured a significant order from Italian Precision Engineering manufacturer. Could you please throw some light on it?

Harpreet Singh Nibber: See, we were in discussion with this customer for the last almost 7, 8 months. So they had visited us in January. Then, we went and met them in March, then we were in discussion with them. So this is a heavy casting component for application in tractors in Italy. And this initially is, I mean, a small order of INR 12 crores and which has a potential to grow up to INR 40 crores to INR 50 crores in the next 3 years.

Moderator: Next question is from the line of Mrunal Shah, an Individual Investor.

Mrunal Shah: I just have 2 questions. So first question is the company has highlighted various opportunity arising from higher, like say, load capacity for commercial vehicles, infrastructure spending and railway modernization. So how is the company positioned to capitalize on this opportunity? And what is the time line -- expected time line for this segment to contribute to our revenue?

Harpreet Singh Nibber: See for railways, we are -- yes, as far as railways are concerned, we are very seriously working on that last -- for last 1.5 years. So our -- whatever capex was required, it is almost complete. We have -- we are developing 2 or 3 components for railways, which we plan to give for trials to railways. We are going through the RDSO route by say by January or February.

And then after trial and testing, we expect that to give some -- start supplying something from H2 of financial year -- next year from, say, September, October of next year from '27-'28. So that is our target for railways.

For heavy commercial vehicles, we are already supplying to Ashok Leyland. And we are increasing our product portfolio over there and increasing the volume of our existing products also in that. That is our basic target for that.

Mrunal Shah: Okay. Great. And also the company has invested in Lost Foam Casting technology through Meeta Castings. So what advantage does this technology offer in terms of product complexity or customer acquisition or manufacturing efficiency?

Harpreet Singh Nibber: Yes, yes. This casting is -- see, normally, if you -- castings is green sand molding, whatever is being used in India presently for large castings is green sand molding. But this is a different technology. I mean, this is not a new technology.

For globally, it was technology, which was developed in late '70s in Europe for critical castings. But then, '80s and '90s, they developed it, then in '90s, foundries started closing down. Then in '90s, this technology was adopted by China.

And then China mastered this technology, and ours was second foundry with this technology in India. This technology is new to -- as of now, it is new to India. There are very few -- I mean, foundries working on this. And not -- none is at our scale. And we -- and this gives the advantage that you can -- whatever you can -- green sand is a very large capex. So this at a lesser capex, you can produce same quality of castings at a cheaper cost.

Mrunal Shah: And my follow-up question is, are there any opportunity to expand the contribution of the sales to overall business?

Harpreet Singh Nibber: Yes. Not to other -- it is -- this technology is suitable only for critical castings and large castings, not for normal products, not for low-value products.

Moderator: Next question is from the line of Janisha from SK Investments.

Janisha: I had a couple of questions. First is, what is the expected utilization and return profile of the investments being made towards the capacity expansion and manufacturing infra?

Harpreet Singh Nibber: Pardon, I didn't get your question. What is the...

Janisha: Sir, I wanted to know -- am I audible?

Harpreet Singh Nibber: Yes, yes, you're audible.

Janisha: Yes. I just wanted to know the expected capacity utilization and the return profile of the investments that have been made.

Harpreet Singh Nibber: See, capacity utilization, as far as we are concerned today, for our green sand, we are working almost at 90% capacity. And for our LFC, we are yet at 50% capacity. So that is our capacity in green sand. We are making an investment. We are increasing our capacity by 650 tons per month. So that is what our expansion is presently going on. That is roughly we will be -- yes, that is around 7,800 tons to our existing capacity, which will be ready by, say, end of this month.

Janisha: Okay. And Pritika Engineering Components Limited has secured the Italian export order and received product approval from KION USA. So how significant is the subsidiary expected to become in the overall consolidated business?

Harpreet Singh Nibber: See, at present, if we say it is almost -- if we see capacity-wise, it is almost -- I mean, if I say subsidiary, Pritika Engineering is roughly -- at present capacity is roughly 23%, 25% -- 23%. It is -- we are expected to grow -- Engineering should grow to around 30%, 35% in coming 1, 1.5 years.

Janisha: Okay. And lastly, it is on the balance sheet front, like the consolidated net debt-to-equity ratio is at 0.67 in FY26. So with the planned capacity expansion and increasing production requirements, how is it going to be further?

Harpreet Singh Nibber: It will most probably be a combination of debt and equity. Debt position is comfortable, debt-equity will be comfortable. So some -- I mean, major part would be debt only and some part would be equity.

Janisha: So the net debt to equity is expected to increase in future?

Harpreet Singh Nibber: Yes, yes.

Moderator: Next question is from the line of Vikrant from RK Advisory.

Vikrant: So my first question is, sir, our other expenses increased from INR28 crores in Q2 FY26 to roughly around INR34 crores in Q2 FY27. So could management provide a breakdown of the key cost components driving this increase and indicate whether these expenses are expected to moderate in the coming quarters?

Harpreet Singh Nibber: Other expenses, what they have increased is it is in line with the -- percentage-wise, it is okay. I think it is same. It is in line with the increase in sales.

Vikrant: Okay. Got it. And another question is on the interest expense side, that -- but expense -- interest expenses increased to INR6.33 crores in Q2 FY27, which was around INR5.60 crores in Q2 FY26. So what are the key factors contributing to this increase?

Harpreet Singh Nibber: You are saying that interest has increased. But percentage-wise, it is same, Vikrant. Percent wise, it is roughly around the same percentage what it was in the last quarter, and it has -- from 25%, it has reduced. It has reduced as a percentage. Yes, it is in line with the growth only.

Moderator: Next question is from the line of Poonam Jain from Jain Investments.

Poonam Jain: So the company has highlighted its advanced CNC machining infrastructure, radiography and 3D precision scanning capabilities as key differentiators for international customers. So how do these capabilities position Pritika against established global component manufacturers? And what opportunities are being explored to secure similar engagements?

Harpreet Singh Nibber: See, now the facilities what we have, we have a very right mix of Indian and Japanese machines so that we can cater to both the domestic and international markets. And infra wise, we are in line with all the, I mean, established manufacturers or global manufacturers, whatever. We have seen the supplier base of big customers in Italy also, in Germany also. So our infrastructure is almost at par with them. And with the balanced usage of Indian and Japanese machines, we make the manufacturing very, very cost effective for our customers.

And with our, I mean, backward integration for foundry, so we've become a single source for casting and machining, which are very, very less in Europe and USA, both. I mean, there are hardly any manufacturers which have both casting and machining at one place. So for that, that gives us a lot of advantage over -- I mean, our competitors in maybe Europe or U.S.A. And whatever orders we are getting, we are getting because of that only because, one, we are a single source for casting and machining.

Poonam Jain: Okay. Okay. Got it. So my next question is with the KION USA product approval, now we received and regular production is expected to commence in FY27. So what are the next milestones before commercial supplies begin?

Harpreet Singh Nibber: See, next milestone is, I mean, once there is this product, this is new -- this is a new platform for them, so which goes into production next year. And as and when we -- I mean, it is productized, we will get the orders for that. And we hope next 2 to 3 years, this becomes one of our -- KION USA becomes one of our major customers. And it becomes -- also, it becomes a stepping blockers for the U.S. market, which itself is a very huge market for machine castings.

Poonam Jain: Got it. Got it. So then -- and the last question from my side would be that the company continues to receive repeat and incremental business from established OEM customers, including M&M, Swaraj and CNH Industrial. So are these relationships translating into additional product programs or higher wallet share with existing customers?

Harpreet Singh Nibber: Yes, yes, yes. So I mean, we are still in process of developing new components for our existing customers also, whether it is TAFE, whether it is Mahindra, whether it is CNH, whether it is Escorts. So -- I mean, we have very, very strong relations with our customers. I mean, you see with M&M, it is almost 22 years, more than 22 years.

With Escorts, it's almost 50 -- more than 50 years. With TAFE, it is 28 years. So we are having a very, very strong relation with our customers. And -- I mean, they ensure that we grow with them. So that is the basic strength of our company, our long-standing relations with our OE customers.

Moderator: Next question is from the line of Mayuresh Raut with invest4Edu.

Mayuresh Raut: So the company has outlined a target of increasing the installed capacity around 1 lakh metric tons by around 2028, right? So could you please provide an update on the expansion road map, including the proposed phasing and everything?

Harpreet Singh Nibber: See, expansion road map is that we plan -- I mean, another -- we are adding another 8,000 tons -- 7,800 tons immediately, which capacity would be ready by end of this month. So this will take our capacity to 80,000. And we plan to add another 24,000 tons by, say, March 2028. For that, which we are, I mean, in process of acquiring a land. And maybe -- so next year would be the construction period for that. And that is our target. By end of 2028, we should have 1 lakh tons of installed capacity.

Mayuresh Raut: Calendar year 28, right?

Harpreet Singh Nibber: Yes, '28.

Mayuresh Raut: Okay. And sir, as production volumes are scaling up, so what do you -- like what operational efficiency and economy scales are contributing to margin improvement if any specific automation or mechanism or cost optimization initiatives are underway?

Harpreet Singh Nibber: Yes. See, we -- I mean, you know foundry is a labor-intensive industry. So we have now started the mechanization of -- in our foundry also, and fettling was -- is one of the bottleneck areas, and we are procuring some machines for fettling automation.

That is one. Then secondly, in machine shop, we are going for robotics, and gantry, wherever it is possible, wherever it is high volume, we are going from -- we are going for robotics and gantry application to reduce the manpower cost.

Mayuresh Raut: Okay. Okay. And across our 5 manufacturing facilities, are we planning any capacity increase in the existing facility? Or are we going to establish a new manufacturing...

Harpreet Singh Nibber: We are in the process of expanding our facility in Pritika Engineering, which is under expansion and which I told you will be ready by this month end. And then, other than this expansion would be -- will be a greenfield where it will be a new location and new plant.

Moderator: Next question is from the line of Jenil Patel from Aavya Advisors.

Jenil Patel: So my first question is, like, our revenue has grown by around 31% in Q2, but our EBITDA grew by almost 14%. So what are the factors which is responsible for this lower growth rate in EBITDA, sir? And...

Harpreet Singh Nibber: Basically, that is the raw material prices. In Q2, there was a lot of increase in raw material prices, which normally are passed on by next month, next quarter. That was one of the reasons -- that was the reason.

Jenil Patel: Okay. Okay. And our EBITDA margin has also been decreased by almost 200 bps in Q2, if you compare the Y-o-Y basis.

Harpreet Singh Nibber: That is the main reason, raw material prices. Raw material price, there's a lot of volatility in raw material prices. So because...

Jenil Patel: Okay. So what are the major raw materials, sir?

Harpreet Singh Nibber: Our raw material is scrap. Scrap is our -- and pig iron are our major raw materials. Pig iron and scrap are our major raw materials.

Jenil Patel: Okay. And what is the pass-through period, sir? Like how -- like what are the timeline for this cost pass-through?

Harpreet Singh Nibber: This is 1 quarter -- quarter-on-quarter.

Jenil Patel: Okay. Quarter-on-quarter basis.

Harpreet Singh Nibber: Yes, yes.

Jenil Patel: Okay. So next quarter, we can assume like a better EBITDA margin from this?

Harpreet Singh Nibber: Yes, yes, yes.

Jenil Patel: Okay. Any guidance that you wanted to give for Q3, sir?

Harpreet Singh Nibber: Q3 -- I mean, as of now, I mean, normally, Q3 for us is -- for tractor industry for India, and general industry also, is, I mean, lower than Q2 sale wise because all planned maintenance is taken in December and all -- after Diwali, sales of all -- I mean, all productions drop in India whether it is commercial vehicle, whether it is passenger vehicles, 2-wheelers or tractors. So Q3 is normally down, but last year, it was up.

So let us see how the market goes. Another 1 week, 10 days, the numbers will be out for the season. Let us see how things go. But we -- as far as October retail sales are concerned, the

market seems to be good. Market seems to be okay. I mean, it is -- October was as good as last October. So we hope this momentum will continue.

Jenil Patel: Okay. Okay. Okay. And in terms of our revenue trajectory, sir, what is our expectation for our revenue for, let's say, a couple of years, 2 or 3?

Harpreet Singh Nibber: See -- I mean, we project to be -- our target is to grow anything between 15% to 20% year-on-year.

Jenil Patel: 15% to 20%?

Harpreet Singh Nibber: 15% to 20% year-on-year.

Jenil Patel: Okay. And what will be the margin assumption, sir?

Harpreet Singh Nibber: Margin, we -- I mean, number one is our target is to maintain the same healthy margin of roughly 14% to 15% EBITDA. But with LFC coming in, once the LFC is streamlined, it goes around -- above 50%, 60%, then our EBITDA margin should increase slightly.

Jenil Patel: And sir, one thing I have noticed, like our ROE, like ratios is quite fluctuating, like it is not in a one line, like not in an increasing. It keeps on fluctuating. So what are the reasons? Like if you see our ROE, it keeps on fluctuating from 8 to 6, then 8, then 6. So what are the key reasons for this, sir?

Harpreet Singh Nibber: ROE?

Jenil Patel: Yes. ROE -- any ratios like ROA, ROE, so it keep on fluctuating, sir. And our net debt to equity is also increasing, sir. So what are the reasons for this?

Harpreet Singh Nibber: Well, debt to equity is 0.67 only. So it is not increasing -- yes, because whatever growth we are doing -- I mean, last year also, we took debt. So that is one reason for that. And for ROE...

Narinder Kumar Tyagi: See, basic ROE is in line as per last year only, not much fluctuating. But because of the expansion, we are raising capital as well as the debt. So therefore, the mix of debt and equity, it changes on average debt.

Jenil Patel: Okay. Okay, sir. And one last thing on the industry side, sir, how do you see the current industry, which is going on? And like in terms -- keeping in the mind of all the geopolitical issues, which is going on. So how do you see industry going ahead, sir?

Harpreet Singh Nibber: See tractor industry is primarily a domestic industry. I mean, India doesn't export much of the tractors. That industry is domestic. And -- I mean, agriculture is, I mean, mother industry as a mother kind of thing. People have to eat. Farmers have to grow, people have to -- whether it is a war or anything, tractor industry from -- it is slightly insulated from geopolitical kind of thing.

So I mean, normally, sometimes like during Ukraine war or other wars, the tractor industry benefit -- the agriculture industry benefited because -- I mean, the grains became costly, so farmers got a good pricing for export opportunity was there. So -- I mean, this industry is --

I mean, geopolitics, it is isolated, 90% is isolated. It doesn't have major -- geopolitics doesn't have a major effect on tractor industry.

Moderator: Next question is from the line of Manaswini Mukherjee from Oracle Investments.

Manaswini Mukherjee: I had a few questions. The first one being that the company has a diversified product portfolio. We cover Axle housing, differential cases, crank cases, etcetera, etcetera. So are there any plans to introduce higher value or say, more technically complex products that could then help us improve overall realization per ton?

Harpreet Singh Nibber: Yes, yes. We are already in the process of that, like crank cases was -- crank case is one, cylinder block is other. And now, we are moving to high -- I mean, large castings where even the competition is less and value addition is better. Like differential -- I mean, differential carrier, differential housings, those kind of products, transmission cases are there, big transmission cases are there.

So for those products where the value addition is higher, we are moving into large castings where the number of players is less, value addition is higher. I mean, you get better profitability. So we are moving into those product portfolios now. Maintaining our market competitiveness and the market share in small and medium castings. Medium castings, we are slowly and steadily moving into large castings.

Manaswini Mukherjee: Okay. That makes sense. Another question that I had was that our presentation mentioned that approximately 60% of India's tractors are actually manufactured in the region where our company facilities are located. So then how do we take advantage of this geographical benefit? And how does that then translate into logistical efficiency, customer responsiveness?

Harpreet Singh Nibber: I mean, if you see us where we are placed and -- we are now the largest manufacturer of machine castings in North India. We are the largest manufacturer of machine castings in North India. And that is the advantage we are getting. We are getting repeat orders, new orders from all our customers. That is the advantage we are having, and we are taking advantage of that also.

Manaswini Mukherjee: Is there also like a competitive pricing advantage that we get?

Harpreet Singh Nibber: Yes, we do get. I mean, if you see around 5 years back or 10 years back, most of the critical casting used to come from Western region or southern regions. Now, since we have started -- we have diversified into that, so we are getting advantage of that.

Manaswini Mukherjee: Okay. One last question that I had is that the company serves both tractor and commercial vehicle OEMs. So are there any seasonal demand patterns that we should be mindful of while assessing the quarterly performance or product volumes?

Harpreet Singh Nibber: Look seasonal -- I mean, tractor industry, if you see, it is a seasonal industry. I mean, almost the actual sale is for 7, 8 months from say -- from one Navaratri, which are in March and/or April to next this Diwali season. So rest of the season is basically stock building.

And same is for others also. I mean, India, everything revolves around Diwali, whether it is commercial vehicles, whether it is passenger vehicles, 2-wheelers, maximum sale is around festival seasons only. So there seasonality is there, volatility is there, that is part and parcel of the business.

Moderator: That was the last question for today. I now hand the conference over to Mr. Harpreet Singh, sir, for closing comments.

Harpreet Singh Nibber: Thank you, everyone. Before we close, I would like to reiterate that our focus is not just on growing the business, but on building a stronger and more sustainable organization for the years ahead. We have a clear direction for the company, and efforts we are making today are aimed at creating the capabilities and customer relationships that will support that journey.

I would like to thank our employees for their dedication, our customers for continuing to place their confidence in us and all our shareholders and investors for their continued interest and support. Thank you once again for joining us today. We look forward to interacting with you in the coming quarters.

Have a good day. Thank you very much, everyone.

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

Harpreet Singh Nibber: Thank you, Amit and team. Thank you.