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National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G,  
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May 19, 2026  
Sc no.- 71

Dear Sir/Madam,

**Sub: Transcript of the Earnings Discussion/Conference call**

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further to our letter bearing sc no. 62 dated May 5, 2026, we are enclosing herewith the transcript of the earnings/conference call conducted after the meeting of Board of Directors held on May 13, 2026 on the Financial Results of Tata Motors Limited (*formerly TML Commercial Vehicles Limited*) ('the Company') for the fourth quarter and financial year ended March 31, 2026.

The above information is also available on the website of the Company at [www.cv.tatamotors.com](http://www.cv.tatamotors.com).

This is for information of the Exchanges and the Members

Thanking you.

Yours faithfully,  
Tata Motors Limited  
(*formerly TML Commercial Vehicles Limited*)

Sudipto Kumar Das  
Company Secretary

Encl: as above

**TATA MOTORS LIMITED**

Formerly **TML Commercial Vehicles Limited**

Bombay House 24 Homi Mody Street Stock Exchange Mumbai 400001  
Tel 91 22 6665 8282 cv.tatamotors.com CIN L29102MH2024PLC427506

## Tata Motors Limited (Formerly known as TML Commercial Vehicles Ltd)

### Q4 FY26 Earnings Call transcript

#### Management:

- MR. GIRISH WAGH, MD & CEO, TATA MOTORS LIMITED
- MR. G.V. RAMANAN, CFO, TATA MOTORS LIMITED

#### Presentation

##### Sneha Gavankar

Good evening. Welcome to Tata Motors Q4 and Full Year FY26 Results Call. I have with me Mr. Girish Wagh, Managing Director and CEO, G.V. Ramanan, CFO, and the Investor Relations team. We'll first walk you through the results presentation, and this will be followed by Q&A. As a reminder, all participants will be in listen-only mode, and we'll be taking your questions via the Team's platform. The same is already open to you for submitting questions. You may please mention your name and the name of your organization while submitting your questions. And with that, I hand over to Mr. G.V. Ramanan.

##### G.V. Ramanan

Thank you, Sneha. Go to the next slide, please. Before we get into the numbers, a quick word on the presentation format. Demerger being effective from 1st of October 2025, Tata Motors is now a pure play commercial vehicle company, and this is a defining shift that changes how we think is most appropriate to present our financials.

Historically, we reported a CV segment. It was an internal construct that carved out CV operations from within the erstwhile combined entity. That was a practical necessity then. Starting this quarter, we are presenting standalone financials, including joint operations with Tata Cummins as our primary lens. This gives you a cleaner, more complete, and more directly comparable picture of the business going forward.

Operating segment, namely the CV segment comprising TML and its subsidiaries, is now included in the consolidated financial statements.

Go to the next page, please. FY26 is a year of strong execution across product, market and strategic initiatives. Now the key highlights included - We launched 17 new next-generation trucks at the start of Q4, and earlier in the year, around June, we launched the Ace Pro, which is positioned as India's most affordable four-wheel mini truck. In February, we achieved a significant milestone by securing the largest-ever order for 70,000 units of Yodha and Ultra T.7 vehicles for Indonesia. We also secured orders for 5,000 buses from multiple STUs supporting India's mass mobility transformation. Reflecting our focus on operational excellence, Pantnagar plant received the Golden Peacock Award for Quality, and we also won multiple honors at the Apollo CV Awards 2026.

Go to the next page, please. Moving to the major strategic and corporate development during the quarter on the Iveco transaction. Most of the regulatory approvals have been secured, and we are actively pursuing the remaining approvals. We expect the transaction closure by Q2 FY27. The Board has recommended a final dividend of Rs. 4 per share, and this is subject to shareholder approval. This will result in a cash outflow of close to Rs. 1,500 crores.

This transcript has been refined for readability; and does not purport to be a literal representation of the oral record.

Can we go to the next page, please. Let me now take you through the full year financial picture, and I think the headline really does say it. Consistent growth across every metric that matters. Starting with the top line revenue, came in at Rs. 77,000 crores for FY26, up from Rs. 66,000 crores in FY23. Our revenue improved 11% YoY in FY26. The underlining demand trajectory has been firmly upward. While I'm really pleased with the margin story, EBITDA margins have expanded from 7.8% in FY23 to 13.2% in FY26. That's nearly 550 bps of structural improvement over three years. Just not a one-quarter phenomenon. In absolute terms, EBITDA has doubled from Rs. 5,100 crores to Rs. 10,200 crores now. PBT before exceptional items stands at Rs. 8,700 crores and is very robust. We crossed the double-digit EBIT margin for the first time at 11%. This is the result of operating leverage playing out as we scale, combined with cost discipline, improved realisation, that we've maintained across all the business. What I also want to draw your attention to is the chart we're particularly proud of is the bottom left panel on non-cyclical revenue growth. Over the period, non-cyclical CAGR is running at 2.7x the cyclical CAGR. We've been deliberately building this mix, and this is now showing up meaningfully in the numbers. On capital allocation, free cash flow generation was approximately Rs. 9,200 crores in FY26. That's about 12% of revenue, and even after investing Rs. 2,800 crores back into the business, we remain strongly cash generative. Finally, the Auto ROCE stands at 72% is an industry-leading number, when EBIT doubles, capital discipline holds, returns follow. That's the flywheel working as intended.

Next page, please. We saw a strong volume momentum across product lines in FY26. Q4 wholesale reached close to 131.8K units, 25% year-on-year increase. For a full year, total volume stood at 4,28,000 units, registering a 14% increase YoY. Looking at the product lines in Q4 FY26, all of them registered a double-digit growth on a YoY basis in Q4. International business continues its growth trajectory with YoY growth at 17% in Q4 and 54% for the full year FY26, mainly led by the SAARC countries.

Next page, please. This slide represents the summary of standalone financials of Tata Motors, including the joint operations with Tata Cummins. Revenue for Q4 reached Rs. 24,500 crores, marking a 22% YoY increase due to continued quarter-on-quarter ASP improvement driven by pricing discipline and favorable mix. EBITDA margin expanded steadily through the year and exited Q4 at 13.9%, up 130 bps YoY. This is the 11th consecutive quarter of double-digit EBITDA margin delivery. EBIT margin for Q4 stood at 12.1%, with FY26 closing EBIT at double-digit as well another important milestone for the business. All four vehicular business delivered healthy margin and improved unit economics. Non-cyclical business continued to grow at nearly 1.6x the cyclical business supporting the overall profitability for the company. For the full year, profit before tax and exceptional items rose to Rs. 8,700 crores, an increase of Rs. 2,700 crores compared to last year. Cash PAT almost entirely translated into free cash flow. With disciplined working capital management for the full year, free cash flow was Rs. 9,200 crores. It is 12% of revenue. This led to a year-end net cash position of Rs. 7,500 crores as of March 31st, 2026.

Moving over to the Q4 EBIT walk. EBIT margin expanded to 12.1%, up to 20 bps YoY, while PBT before exceptional item increased to approximately Rs. 3,000 crores. Higher volume, mix, price realisation together contributed nearly 250 basis points to EBIT margin improvement. Variable cost impact of 50 bps on account of elevated material cost due to inflation in key commodities, including steel, aluminium, and copper. We also continued to see pressure from precious metals

and certain imported components during the quarter. In terms of other costs, lower depreciation and product development impact contributed positively by Rs. 102 crores. Additional benefit from PLI and incentive benefit was approximately Rs. 25 crores. Overall, despite commodity headwinds, business delivered another quarter of strong structural margin expansion driven by higher volume, better mix, and improved realization.

Moving on to the cash flow now, as mentioned earlier, our free cash flow is growing consistently over the years. Full year FCF for the company stood at Rs. 9200 crores. Performance was driven by strong operating profitability, efficient working capital management, controlled CapEx execution, and lower finance cost. Working capital remained very well controlled with trade receivables at Rs. 376 crores, inventory a burn of Rs. 690 crores. This was largely due to strategic inventory that we built up towards year-end in the context of the ongoing geopolitical development. Payable and acceptance was a release of Rs. 2,057 crores. Let me also take a moment to acknowledge the fact that this FCF is also taking into consideration tax payment which we did not have in the prior years. Our cash conversion cycle best-in-class at negative 31 days. It means the business continues to be self-funding on working capital.

Moving to the investment spending. For FY26, it was approximately Rs. 3,000 crores, and this remained fully aligned with our planned roadmap. Total R&D expenditure amounted to approximately Rs. 1,700 crores. Capital expenditure and other investments totaled to approximately Rs. 1,100 crores. For FY27, we expect investments to remain broadly in a similar range. Our investment spends has been consistent with the guided range of 2% to 4% of revenue, and growth and tech investments have always been prioritized.

Moving on to the consolidated financials, the slide presents a summary of consolidated financial encompassing both automotive and the non-automotive subsidiaries. For Q4, consolidated revenue stood at Rs. 26,100 crores, and EBITDA margin for the quarter came in at 13.1% while PBT before exceptional item was Rs. 2,400 crores. On a full year basis as well, consolidated performance remained very strong. Revenue for FY26 reached approximately Rs. 84,000 crores, and the EBITDA margin continued to improve steadily through the year, closing at 12.3%. Consolidated free cash flow in Q4 was particularly strong at approximately Rs. 8,000 crores. This also included advance receipts related to Indonesia order. As a result, strong operating performance, disciplined cash management, year-end consolidated net cash improved significantly to approximately Rs. 13,700 crores, and this was Rs. 4,000 crores in FY25.

With that for business update, I'll now hand this over to Girish. Over to you, Girish.

### **Girish Wagh**

Thank you, Ramanan. So, let's begin with the market share. I think the market share has been trending upward, and Q4 VAHAN market share improved sequentially with measurable gains in buses and vans, that is, CV Passenger and SCV Pickup. Heavy Commercial vehicles continue to consolidate its position, and in fact, in HCVs, we posted our highest offtake market share in a decade. So, I think overall the market share story has been strong in Q4 for the year gone by.

Next. On the fleet indicators and transporter profitability. Fleet utilization actually held at healthy levels through the year. This is based on our Fleet Edge data tracking almost a million vehicles, and this indicates a sustained freight activity. Transporter profitability remained

resilient, which continues to support new vehicle purchases. Diesel is the single largest operating cost for a transporter and therefore is a key monitorable as we enter FY27.

Going ahead, as I have said, H1 was muted, weighed down mainly by Operation Sindoor-related sentiment and an early monsoon onset that compressed activity across some of the market. But H2 staged a clear recovery driven by the GST 2.0-led consumption demand, and Q4 was clearly the standout quarter of the year. As we see, the demand fundamentals actually remain intact. As far as volume is concerned, the offtake TIV grew 19% YoY in Q4 while Tata Motors volumes outpaced the industry at 25% YoY growth. For FY26, the TIV growth was 12.5%, and it marked the highest ever annual volume, whereas Tata Motors grew 11.6% YoY.

The freight index edged up quarter-on-quarter through Q4 on the back of firm consumption which softened a bit in March and April. E-way bill generation grew 15% on a YoY basis in Q4 and, in fact, accelerated to 19% YoY growth in March 2026. April 2026 continued in positive territory at a 12% YoY growth, which, in our view, is a reliable proxy for the underlying freight activity. Diesel sales rose 8% YoY to 8.7 million tons in March, reflecting strong commercial activity. April was at around 8.3 million tons, which is 0.25% YoY growth. FASTag transaction volumes remained flat in both March and April.

On the supply side, we did see for international business vessel transit delays, which were then proactively managed and exposure to affected trans-shipment hubs like Dubai/Doha has been contained. We undertook a structured review of more than 130 Tier 1 suppliers for energy dependence, especially LPG, and their supply chain resilience. We completed this exercise and have taken quite a few actions to improve the supply chain resilience. The export plans for the Middle East and North Africa region have been recalibrated in response to the evolving Middle East situation, and it will be prudent to say that the sentiment remains cautious and is being monitored very closely.

Coming to the businesses in Trucks, we strengthened our product offerings with the launch of the Azura range in ILMCV, and of course, in HCV, we launched a few of new trucks with higher payload and higher fuel efficiency. Now our entire truck range actually meets the stringent European safety standards on all the cabins. In buses, we enter FY27 with a solid government order book providing near-term volume visibility. In SCV Pickup, we broadened our lineup with Ace LNT and Intra EV launches, and this helped therefore to improve the volume growth in Q4. In the Parts and Service business, we are able to sustain the higher growth trajectory, and in fact, I must mention that for the diesel exhaust fluid, which needs technical grade urea, there was a significant support from the government to ensure that sufficient quantity is made available and vehicles keep running in an uninterrupted manner. In Smart City, we now have more than 3,815 cumulative e-buses deployed with almost 59 crore kilometers under the belt, and we continue to deliver more than 96% uptime. In the Fleet Edge business, subscription renewals almost doubled from Q1 to Q4 with launch of new value propositions during the year.

On the sustainability side, very happy to report that we had the highest ever EV retails in Q4 since the FAME incentives have been discontinued. This is also, on the back of the new products that we have launched, including Intra EV. In Trucks, we signed an agreement with BillionE Mobility and initiated the deliveries of the 55-ton electric tractor, and we work closely with the

customers to actually deploy these vehicles in their duty cycles. We also signed an MOU with the V.O.C port in Tamil Nadu for supplying and doing trials of 40 H2-ICE trucks. We have additionally received orders for around 250 electric buses.

Going ahead in Q1 for trucks, the priority is to drive growth through the Model Year '26 portfolio, as also the higher payload variants and the increasing battery electric vehicle portfolio. In buses, the focus is on rebuilding market share on a profitable basis while converting the government tender pipeline into supplies. For small commercial vehicles the objective is to sustain the volume momentum from Ace Pro, Ace, and Intra and build on the market share gains achieved in the latter half of FY26. For Parts and Services, the goal is to step up the growth to portfolio broadening and a fully digitalised demand and supply chain.

We are cautiously looking at near-term headwinds, especially the commodity headwinds, which I already see a few questions being asked about and a subdued sentiment in Middle East and North Africa. Needless to add, I think diesel prices will remain a very, very key monitorable. But I think despite all this external noise, actually the freight availability and the demand fundamentals remain robust, and with our refreshed product portfolio, I think we are placed well to manage this particular external headwind that we are seeing.

So that's the summary from our side. We get into question and answers now.

## Questions And Answers

### Sneha Gavankar

The first question is from Kapil from Nomura. What is the growth outlook for MHCVs, LCVs in FY27? And how much risk do you see to this from fuel price hikes? And do you think it will be a more back-ended H2 FY27 growth? Okay, and then maybe I'll take the next question.

### Girish Wagh

So, Kapil on the growth outlook. See, the April volumes have also been good for the industry, and in fact, we have seen a healthy double-digit growth in April. We have now been through almost half of May, and actually, the momentum, as I said, the underlying demand fundamentals are still there. As I said, I think we are monitoring all the external factors, especially the diesel prices, which will have a significant impact on how the market pans out because diesel will have at least 30% to 50% impact on the total cost of ownership. And I think at this point of time, I would say that we will have to take quarter-by-quarter rather than projecting for the whole year with the kind of event that we are challenged with. And I would say, therefore, that despite this, we should see a single-digit growth, if not more, in Q1. I think that's what I would like to say at this juncture with regard to the growth outlook, and as we get in touch again, probably we will be more wiser, or this event would have been become more clearer for us to give a longer term visibility

**Sneha Gavankar**

The next question from Kapil itself, but a lot of other people have also asked the same question, is around commodity cost pressures. So, how much of it is expected in Q1? How much of it is getting passed on? And what will the competitive intensity be like, and the impact on margins? What will be the drivers for margins from here?

**Girish Wagh**

Okay. So, I think the commodity headwinds are certainly serious, and we've already seen around 100 basis point impact in Q4. Beyond the impact in Q4, we have also seen significantly higher impact being seen in Q1, which is the quarter that we are in now. Now to address this, we have taken a 2% price increase in the month of April, but we have decided to not pass on the entire commodity increases and we will work on the cost levers because we don't want to impact the demand momentum by passing on the entire commodity increases. So we will work on the cost side, expense side to manage the financials.

As far as margin drivers are concerned, Kapil and since a few others have asked this question, I would say clearly it will remain the same whether these commodity headwinds are there or not, which is about going on improving the value proposition for the customer. And the second one is I think keep managing the costs, expenses, and the expenditure which is controllable and, in our hand, I think that's what I would say as far as margins are concerned.

**Sneha Gavankar**

Sir, next question from Nishit of Axis. When will we start executing the orders of 70,000 units to Indonesia? And will the entire order get delivered in FY27 itself?

**Girish Wagh**

So we have progressed well on the Indonesia order. I'm pleased to tell you that we already have the product homologated in Indonesia, and our first shipment is already on the seas. And we will actually ramp up the supplies quite rapidly. I think we will probably talk about it as we go ahead and meet again quarters ahead in terms of what is going to be the actual delivery timeline. But of course, we are trying to ramp up the deliveries pretty fast.

**Sneha Gavankar**

Thank you. So Ramanan, maybe this one coming your way. What are the key reasons for delay in closure of the Iveco deal? Earlier, we were expecting closure by April/May. And how are you looking at the acquisition of a 6-7% stake in Iveco by an activist hedge fund from the market? How can this impact our deal closure or deal value?

**G.V. Ramanan**

Yeah, so I think good question, Nishit. As you know, Iveco has a strong global footprint, right? And getting approvals from various regulators is time-consuming. But despite that, I think we have received almost all the approvals, barring the last two financial regulatory approvals which are for France and Spain. We are working towards closing this at the earliest, and we expect this to kind of spill into Q2, and that's where our timeline for deal closure is going to be Q2.

On the second part of the question, on the investor, I think we are confident that the Iveco

investor would see value in our offer and would support the deal.

**Sneha Gavankar**

Thank you. Next question is from Pramod Amthe, InCred. ASPs have been dropping YoY. Is it because of discounting trends or is it because of change in product mix.

**Girish Wagh**

So, Pramod, I'm happy that you asked this question because actually we had also engaged offline with some of you to explain this. So, actually see the ASPs are not reducing. Segment by segment actually, the ASPs are increasing, and in fact, in trucks, there is a healthy increase in ASPs on a YoY basis. The key reason for this drop wherein if you divide the revenue or the turnover with the number of vehicles sold is essentially due to the increase in number of vans in the volumes, and compared to last year, we hardly have any electric buses being sold this year. This alone is one very important reason for the change that one has seen in terms of the ASPs.

And as we go ahead, when we have electric buses coming back into the volumes and also have electric vehicles sold in some of the other product lines, actually, we will see a positive impact on the ASPs.

**Sneha Gavankar**

From Pramod itself. A couple of other questions. Can you talk about segment-wise drivers and challenges for FY27? And in SCVs, with the new launches of EVs and LNT has the cost economics turned favorable to ease the onslaught of three wheelers?

**Girish Wagh**

So, I think, let me first answer the second question because it is a really good question. So, as a part of this quarterly connect, I have engaged with most of the financiers, both Banks and NBFCs, and invariably, I have heard about improvement in the asset quality for all of them in SCV Pickup. And the answer to your question is actually yes. Where in you've asked whether, with the launch of new LNT etc. whether the cost economics have turned favorable. Yes, I think at least the asset quality for these vehicles has improved significantly for the financiers.

With launches of new EV, yes, I think the operating economics are becoming quite favorable with two products, especially one is Ace Pro and second is the Intra, and therefore we are seeing a good pull for these vehicles. Now, your question about segment-wise drivers and challenges for FY27. See, I would suggest that we actually go quarter-by-quarter, which is what I answered to Kapil also, and frankly, at this juncture, we don't see any drop in freight availability. The real challenge, in our view, the first immediate challenge is going to be what happens to the diesel prices, and that's something that we need to monitor. I think the freight availability probably continues to be there across all the segments.

**Sneha Gavankar**

Yeah. I think most of the ones which Raghu has said have been covered. But I've got a question separately on email, so maybe I'll read that out. This is from Gunjan, BofA. Can you talk about truck operator sentiment on ground more recently? What does your experience of past fuel price increases tell you about the industry cycle? What variables matter more from a cycle perspective? Does replacement cycles still play out given the aging of trucks?

**Girish Wagh**

Okay, so actually Gunjan, we have stopped doing that sentiment study, which I used to report every quarter. We are actually revisiting the entire methodology to make it more relevant to the current market conditions, and probably once we restart, we will come back on that. But if I were to put together some anecdotes and therefore tell you, I think amongst the fleet owners, diesel prices and how they pan out is actually one of the big question mark. And due to that, I think at times the customers are postponing their purchase decision making, maybe closer towards the month end. But this is something which I think the fleet owners, the customers are going through largely on the heavy side. As you go down towards smaller vehicles, I think the uncertainty is lower is what I would say, which also probably indicates freight availability as we go down. And in fact we have also seen for the whole of last year, SCV pickup, and ILMCV; ILMCV is 5 tons to 19 tons have actually showed the highest growth rates, and we continue to see that even in this particular quarter. So I think that's what I can answer right now in terms of sentiment, Gunjan. What was the second question?

**Sneha Gavankar**

Does replacement cycle still play out given the aging of trucks?

**Girish Wagh**

Yeah, I think I've been saying this for, true replacement being happening on ground. That means a truck being taken out from the system and then replaced by a new truck. I should see good number of trucks coming to our scrappage centers, but actually that still doesn't happen. Yes, it may be true that we are not available at all the locations, but we are already there at 11 locations. I think the inflow continues to be low, and therefore, in my view, the fleet owners do replace the trucks after four to six years, after the warranty period is over.

But I think it changes hands, and then it continues to remain in usage for smaller duty cycles, lower distances, lighter loads, or whatever. But I think some of these trucks continue to be there. But if I were to answer your question only for the large fleet owners who replace their vehicles after four to six years, I think we have been working on that data. I would say that at least probably 40% of the volume was related to these large fleet owners replacing their trucks with new ones.

**Sneha Gavankar**

So just I believe we are having a technical glitch, and people are not able to post the questions online. So I'm getting them via email. So I'll be reading out as they come.

**Girish Wagh**

Yeah

**Sneha Gavankar**

So the next question, again from Gunjan. Does the mid-teens EBITDA margin guide hold despite cost headwinds?

**Girish Wagh**

So Gunjan, whatever I answered to Kapil and then Pramod holds good. I think at this juncture we will have to go really quarter by quarter. And let me tell you, I think the commodity inflation which has happened, including rupee devaluation, is quite severe, and we are trying to fight it

out. And as I said, obviously we are not passed on the whole increases. It's out of question because we don't want to completely destroy or disturb the demand growth momentum. But we have increased our cost-side efforts, and our endeavor will be to continue delivering good margins.

**G.V. Ramanan**

And if I may just add in just a correction, Gunjan. Our guidance was teens and not mid-teens.

**Girish Wagh**

Next

**Sneha Gavankar**

Yeah. So, international growth guidance, given the uncertainty in neighboring markets.

**Girish Wagh**

I think I did answer this question in response to question from Pramod. But just to recap, I think we do see some pressure in Sri Lanka, especially because of reduced availability of fuel, the prices going up. We do see some impact in Middle East because, of course, the war is happening there. So we have had no shipments to Middle East in the last two months. We're trying to find out alternate routes or logistics to ensure that the vehicles can reach there. So that's what I see the impact right now. But we are trying to recover this through increase in volumes in other markets. And here the Indonesia order is also coming to our rescue. So, I would say that even on international market we will have to take it, a more quarter-by-quarter approach in view of the uncertainties.

**Sneha Gavankar**

Okay. I think we've now resolved the glitch. So, you can please post your questions on the chat itself. But in the meanwhile, while that comes, Ramanan sir, a question for you. Is there any clarity on the financing structure for Iveco?

**G.V. Ramanan**

I think as we had shared earlier, our initial plan for financing is going to be through a bridge loan and subsequent refinancing at this point of time, all options are open. So we've kept both equity and debt still open. And I think closer to date we will finalise the percentage of equity or debt.

**Sneha Gavankar**

Okay.

**Girish Wagh**

Sneha, there is a question from Raghu which we have missed. I mean, quite a few of his questions we have answered. But there is one question I will take, I mean, two questions he has asked. Can you please share Iveco FY26 financials, including defense if possible? So no, and I mean in fact they have already released their results in the last week. So, you can have a look at those.

You have asked a question on what is supporting market share in tractor trailers, buses, and LCVs in the recent times? So I think very clearly the new product launches and therefore the product superiority is clearly one of the reasons that is supporting this. I think the new products

that we've launched, whether it is higher payload, higher fuel efficiency, are clearly or the Azura range. I think these are the ones which are driving higher traction. I must also say that our strategy at micro-segmental level actions is also helping. Micro-segmental level will be for geography and a particular end-use segment. We are having differing strategy and also prioritizing amongst those micro segments. So that's something which is helping us.

I must also add that with the customer success centers now deployed across the country at more than 100 dealers, I think our service delivery has improved quite significantly, and a lot of proactive inputs we are being able to give it to the customers to improve the functioning, uptime, and even sometimes the fuel efficiency delivery on the vehicles. I would say that all these things put together has helped us to improve the market share.

**Girish Wagh**

There is a question from Tom, Ramanan

**G.V. Ramanan**

I can take that

**Sneha Gavankar**

Yeah. So, the question is regarding the balance Iveco approvals. Can you confirm whether the foreign investment approval in France and change of ownership approval from the Bank of Spain is remaining?

**G.V. Ramanan**

Tom, with respect to your question, just to clarify, and as I had shared with the earlier question too. All approvals have been secured. What is pending is only the finance regulatory approval, which is from France and Spain. All FDI approvals have already been received.

**Sneha Gavankar**

Thank you. Yeah. So, there's a clarificatory question from Aditya.

**Girish Wagh**

So, Aditya, I think arithmetically you may be right, but I think the message that I wanted to convey was with this kind of uncertainty, it's very difficult to give a very specific number. But still, I think sticking the neck out saying that we will certainly have a single-digit growth in Q1, which is quite good.

Coming to Kapil, your question is about what the growth outlook for EVs for LCVs and buses is, and about Intra. Yes, I think Intra EV has got price positioned very, very well and is at a very good spot, and therefore there is quite a bit of a demand which we have seen for Intra EV.

Regarding your point about supply challenges. So, Kapil, this is just the second month of production since we started and we have a plan to ramp it up gradually as we go ahead, and we are sure that we will be able to meet the demand.

In terms of EV penetration that we can expect in LCVs. I will say that Kapil, for the whole of last year, our penetration in SCV pickup of EVs was around 4%, but if you look at towards the end of the year, especially last one or two months, this penetration has actually picked up to around

7%. So, we do expect penetration to be in this higher single-digit zone.

**Sneha Gavankar**

Next question from Nishit. In H2 FY26, MHCV demand panned out way too strong compared to expectations. Any color, what drove the same? Whether this was addition of capacity by fleet operators or replacement demand? And how much of was the role of stronger than expected pent up demand in tippers? And does the strong growth in H2 make you cautious on FY27 demand apart from the other near-term concerns, or do you think there are more growth drivers?

**Girish Wagh**

So I think H2 FY26 growth was clearly driven by increase in consumption. I think that was very important driver and that led to higher freight being made available, and that was translated into new purchases. Now those new purchases could be either to add capacity or for replacement both. I mean, I also answered Gunjan's question on what could be the likely replacement by the fleet owners.

So that's where we are, and I think see separately you guys only have asked a question that M&HCV or HCV volumes are still lower than FY19 peak in volume terms. Then I answer that in tonnage terms we are higher. So frankly still there is a headroom. If and I've been saying, I mean generally one algorithm or one equation correlation seems to be emerging that if the GDP growth is somewhere around X, then closer to that is also the CAGR in road freight BTKM, and as road freight keeps on increasing, we will see addition of capacity even in M&HCV.

As far as tippers are concerned, I must say that post rainy season, i.e., September, there has been a significant uptick even in tippers, which is because I think the infrastructure activity also picked up. So that's something that we have seen. We are still seeing good demand, good pull for the tippers, but of course, we will now shortly be entering into the rainy season, which is typically a very low demand season for tippers. And maybe after that, we'll be in a position to then give better visibility of what's likely to happen in H2.

**Sneha Gavankar**

Some questions that we've got by email. Can you tell us a little bit more about what's happening in the EV bus market? Why were we not participating?

**Girish Wagh**

Yeah. So, see in the electric bus tenders we have participated in the last two CESL tenders and I think in the first one out of those we were close to L2 in one of the sub part of that entire tender and the second tender I think the tender has just got opened yesterday. I think across VC, two things; one is the government has addressed our requirement of payment security mechanism and also asset light model which is there. But in our view and with more than 50 crore kilometers under the belt, more than 3,400 buses, I think the current set of quotes which are coming are, in our view, unsustainable. So, we are therefore going in a very prudent manner in this particular business.

But let me add I think we have been also pretty active on promoting electric bus travel now in corporates especially for employee travel. We are also engaging with some customers for other

applications; Intracity, Intercity, mostly Intercity, sorry and this we believe will also start bringing some volume to us. So that's where we are in terms of electric buses.

**Sneha Gavankar**

Thank you. Ramanan, a couple of questions coming your way. This one's from Aryn, JP Morgan. Historically, we have seen very large working capital inflow in 4Q, which leads to a disproportionate increase in FCF. This time, the seasonality seems to be weaker in this regard. Anything to call out here? And the second question is on the CapEx guidance for FY27, whether there are any specific areas of investment that we are looking at.

**G.V. Ramanan**

I think a good question on cash. Aryn, as you are aware, CV business is very cyclical in nature. Historically, we have experienced working capital burn quarter-on-quarter, with Q4 being an exception. But I think FY26, with our sustained focus on disciplined working capital management, the large sinks historically concentrated in Q4 have been more evenly managed through the year, resulting in a more stable, predictable, and consistent cash flow. So, on a YTD basis post Q2, we've been consistently positive, which was not how it was historically.

Coming to your question on CapEx. I think for the last couple of years we've been giving guidance on CapEx of 2% to 4% of revenue, and we've been very consistent in meeting that. In FY26 also, we are well within the guidance. And despite this gap, I think our focus on investment in priority areas, new technology has always been prioritised. So, we expect FY27 also our guidance would remain similar, 2% to 4% of revenue.

**Sneha Gavankar**

Yeah. I don't think we have any other questions on the call. I think with that we can conclude the call. Thank you very much for joining in, and for any other questions, happy to connect offline. Thank you so much.