Uno Minda Limited

UNO MINDA
DRIVING THE NEW

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Date: August 10, 2026

National Stock Exchange of India Ltd. Listing Deptt., Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	**BSE Ltd.** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
NSE Symbol: UNOMINDA	**BSE Scrip: 532539**

Sub: - Transcript of the Earnings Call held on Tuesday, August 04, 2026 on the Financial Results (Standalone and Consolidated) for the Quarter ended June 30, 2026

Dear Sirs,

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Call held on Tuesday, August 04, 2026 on the Financial Results (Standalone and Consolidated) for the Quarter ended June 30, 2026.

A copy of the said transcript is also uploaded on the website of the Company at:

https://www.unominda.com/investor/analyst-call-transcripts

Thanking you.

Yours faithfully,
For Uno Minda Limited

UNO MINDA LIMITED

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Uno Minda Limited

Q1 FY27 Earnings Conference Call

August 04, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 4th August 2026 will prevail

Management:

Mr. Sunil Bohra
Group Chief Financial Officer

Mr. Ankur Modi
Head, Corporate Finance and Communication

Moderator: Ladies and gentlemen, good day, and welcome to the Q1 FY27 Earnings Conference Call of Uno Minda Limited. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on the date of this call. These statements do not guarantee the future performance of the company and may involve risks and uncertainties that are difficult to predict.

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

I now hand the conference over to Mr. Sunil Bohra, Group CFO. Thank you, and over to you, sir.

Sunil Bohra: Thanks, Aleric. Good evening, everyone, and a warm welcome to all the participants. On the earnings call today, I am joined by my colleague, Ankur Modi. We have uploaded our financial results and investor presentation for Q1 FY27 on the stock exchanges and our company's website. We hope everybody had an opportunity to go through the same.

I will begin with a brief overview of the macroeconomic environment, followed by the current trends in the automotive industry and then our financial and operational performance for the quarter ended June 2026, post that, we will open the floor for Q&A.

Talking about the global economy and current landscape, the global economy so far in 2026 has been navigating a complex and uneven landscape. Global GDP is projected in the range of 2.5% to 3% range, resilient, but below historical averages as the world contents with persistent geopolitical tensions, elevated trade and policy uncertainty and energy price pressures that continue to fuel inflationary headwinds.

Two powerful forces are shaping the global outlook, and they are pulling in opposite directions. On one side, the conflict in the Middle East is acting as a negative supply shock disrupting energy markets, elevating freight costs and injecting significant uncertainty into global trade flows.

On the other, the world is experiencing an extraordinary positive technology wave driven by the accelerating deployment of AI and the broader digital transformation of industries. The net impact of these 2 forces varies significantly across countries, depending on the energy dependence, geopolitical exposure and position in the global technology value chain.

Simultaneously, the restructuring of global supply chains driven by economic security concerns and geopolitical fragmentation is redrawing international trade patterns, creating both meaningful opportunities and challenges for businesses that are prepared to move with agility.

India in this context stands out.

Having closed FY26 with robust GDP growth of 7.7%, India enters the current fiscal year with strong foundational momentum. The external environment has introduced some moderation and

GDP growth for the current year is projected in 6.5% to 6.9% range. Yet even at this pace, India remains firmly among world's fastest-growing major economies, supported by resilient domestic consumption, a thriving services export sector and sustained government capital expenditure that continues to catalyze private investment.

Looking further ahead, the trajectory becomes even more promising. Anticipated trade agreements with the U.S., U.K. and EU are expected to significantly enhance trade flows, attract long-term private investment and strengthen India's structural growth prospects in ways that extend well beyond any single fiscal year. For Indian manufacturers with capabilities, the scale and the technology credentials to compete globally, this is a moment of genuine and historic opportunity.

Moving to automotive industry overview for the first quarter of FY27, Indian automotive industry entered Q1 with powerful momentum, delivering one of its strongest quarterly performances in recent memory. Total automotive production reached a record 96.9 lakh units, a growth of 22% year-on-year, reflecting healthy domestic demand, improving exports and resilient consumption across both rural and urban markets.While elevated commodity prices and global supply chain disruptions created some input cost pressure, these headwinds have begun to moderate with OEMs partially offsetting the impact through calibrated pricing actions.

Export performance was equally strong. Total vehicle exports rose nearly to 20 lakhs units during the quarter with robust demand from Latin America, Europe and Japan driving growth in two-wheelers and utility vehicles, demonstrating a broad-based recovery in global competitiveness of Indian automotive manufacturing.

During the quarter, 14.5 lakhs passenger vehicles were produced, up 17% year-on-year. The electrification, premiumization and SUV-fication of the Indian market continues unabated. Electric passenger vehicle registration grew an impressive 54% year-on-year to 84,000 units with EV penetration reaching 6.8%, a meaningful inflection supported by a widening product portfolio and accelerating consumer acceptance.

Two-wheelers posted production of 72.5 lakhs units, up 23% with scooters leading at 32% growth versus 18% for motorcycles. Exports reached a record high of 15.5 lakhs units, up 37%, driven by strong demand from Latin America, South Asia and Africa. In a landmark milestone for the segment, Electric two-wheeler registrations crossed 5 lakhs units for the first time in a single quarter, a clear signal that mass EV adoption in two-wheelers has moved from aspiration to reality.

CVs produced 2.9 lakhs units, up 15%, backed by continued replacement demand and strong activity in the mining and cement sectors. CV exports grew 43% to approximately 3.3 lakhs units, the highest Q1 exports ever recorded for the segment. Looking ahead, following this period of strong volume expansion, the market is expected to transition towards more stable technology-led growth driven by continued EV adoption, supply chain localization and the premiumization of the vehicle mix.

The sector's improving fundamentals, balanced demand environment and accelerating technology transition position it well for sustained long-term growth. And for a company like Uno Minda with a powertrain agnostic portfolio and growing systems capabilities, this environment presents an exceptionally compelling opportunity.

Moving on to financial and operational performance for the quarter. You may refer to Slide number 7 and 8. We reported another strong quarter where we have continued to scale new heights, once again surpassing our previous peaks to achieve our highest ever quarterly revenue.

Our consolidated revenue from operations for Q1 FY27 stood at INR 5,557 crores, representing a robust 26% year-on-year growth as against INR4,420 crores, excluding prior period income of INR 69 crores in Q1 FY26. This growth was broad-based and high quality, driven by value-added features and volume expansion across our core product offerings, including switches, lighting, alloy wheel, seating and our rapidly scaling EV systems and alternative fuel divisions.

On the profitability front, EBITDA excluding exceptional income in the previous year grew by 21% year-on-year to INR572 crores with EBITDA margins of 10.3%. Three factors weighed on the margins this quarter.

First, commodity and gas price inflation created input cost pressures that could only be partially recovered during the quarter through price adjustments.

Second, even as the commodity price increases are systematically recovered over time, pass-throughs occur on an absolute cost basis without any markup, resulting in mathematical margin dilution. In our case, the impact was approx 40 basis points due to this margin dilution.

Third, minimum wage across multiple manufacturing states, increasing the employee costs.

Importantly, a large portion of these headwinds were offset by operational efficiencies and operating leverage. We remain confident in our annual EBITDA margin guidance of 11% plus/minus 50 basis points with a bias towards the higher end.

Depreciation increased by INR17 crores to INR177 crores, reflecting the capitalization of new facilities, including our 2-wheel alloy wheel expansion at Supa, our new plant in Indonesia and Phase 1 of our Kharkhoda 4-wheel alloy wheel facility.

Finance costs remain tightly controlled, rising only INR2 crores to INR46 crores as majority of our expansion program continues to be funded through healthy internal accruals, a reflection of strong cash generation. The share of profit from associates and JVs remained stable at INR48 crores from INR47 crores in the prior year. The profitability of some of these entities was impacted by commodity pricing pressure, which is expected to ease with recoveries in subsequent quarters.

PAT attributable to shareholders grew 24% to INR296 crores compared to normalized PAT of INR239 crores in Q1 FY26.

Coming to business-wide segment performance, starting with switches, you can refer to Slide number 11. Our switching system vertical, the largest vertical in the Uno Minda portfolio delivered another strong quarter. Revenue reached INR1,335 crores, up 20% year-on-year, contributing 24% to consolidated group turnover.

Growth was driven across both two-wheeler and four-wheeler switch business. In two-wheeler switches, sustained domestic volume growth was complemented by consistent export upward growth trajectory, reflecting the global recognition of our quality and technology standards.

Our 4-wheeler switch business under Uno Mindarika continued to outperform the industry, growing 24% to INR525 crores.The transition of our Manesar facility to expanded Farukhnagar plant is progressing well with completion expected in second half of the fiscal year.

The Lighting System vertical reported revenues of INR1,153 crores, up 14% year-on-year, contributing approximately 21% to consolidated revenues. The two-wheeler lighting portfolio anchored growth supported by sustained market share gains and rising EV penetration where Uno Minda remains a leading supplier to multiple electric two-wheeler OEMs.

Looking ahead, we expect meaningful market share gains over the next few years, supported by the significant new order of approximately INR450 crores of annual peak value announced last quarter, equivalent to nearly 25% of the current two-wheeler lighting revenues. I'm also pleased to share 2 new strategic wins this quarter.

First, we received a business nomination from a global OEM for domestic 4-wheel lighting supply in India, a strategic entry into a new customer that opens up the door to incremental customer share and cross-selling opportunities. Second, interior ambient lighting is gaining commercial traction with positive customer decisions that open an entirely new avenue of growth for our lighting portfolio.

In Indonesia, following commissioning of our new 4-wheel lighting plant, we have already secured a second customer order with SOP expected in Q2 FY28, validating our international manufacturing strategy. The transition of our existing plant to new facility is expected to be completed by end of FY27. The consolidation of multiple 2-wheeler lighting facilities in North India to Kharkhoda is expected to start in H2 FY27, bringing automation benefits, cost efficiencies and capacity to win both domestic and export programs.

Moving to casting business. The casting vertical was our fastest-growing vertical this quarter. Revenue reached INR1,090 crores, up 32% year-on-year, which also includes higher base raw material prices. The casting material has contributed approximately 20% to consolidated revenues, three subsegments drove this performance.

Passenger vehicle alloy wheel business revenue grew to INR56 crores, supported by ramp-up of recently commissioned Phase 1 at Kharkhoda. We had seen some temporary moderation in alloy wheel in the last few quarters. However, we are seeing early signs of penetration inching up again. Our new 60,000 line at Kharkhoda expected to be fully ramped up from Q2 FY27. We also expect another 30,000 line at Kharkhoda commission in second half of current fiscal, which will support the growth.

Two-wheeler alloy wheel grew to INR284 crores. This business will receive significant boost with the commissioning of Bawal plant, where 4 of the plant 6 production lines are expected to go live in H2 FY27, adding approximately 1 million units of annual capacity. This will also mark our entry into HPDC alloy wheel manufacturing.

Aluminum die casting delivered exceptional 66% growth to INR248 crores, driven by capacity enhancement at both our and Bawal and Hosur facilities. The structural growth drivers for this business, lighting, EV platform requirements and domestic content mandates remain firmly intact. Near-term headwinds for this vertical seem to be receding and is expected to return for another upturn.

The structural growth drivers for alloy wheel remains intact, supported by industry volume expansion and expected gradual but consistent increase in alloy wheel penetration across vehicle segment.

Moving to seating business. The seating system vertical continued its strong upward trajectory. Revenue reached INR408 crores, up 28% year-on-year, contributing approximately 7% to consolidated revenues.

The quarter's performance reflected strong growth across our customer base and importantly, a significant acceleration in international revenues. Exports reached INR72 crores this quarter, growing consistently quarter-after-quarter and will continue to be a major growth driver, supported by the landmark export orders of approximately INR390 crores of annual peak value from 3 new customers across Europe and North America communicated in last quarter.

During the quarter, we also announced entry into the 4-wheel passenger vehicle seating systems segment. One of the highest value product categories in the automotive supply chain. To support this new product line, the company's Board of Directors had approved the setting up of state-of-the-art greenfield manufacturing facility in Chhatrapati, Sambhajinagar with a proposed investment of approximately INR320 crores.

The facility is expected to commence operations by Q2 FY28, and we have already secured business from an anchor customer. It is a strategic lead that substantially increases our per vehicle value potential and deepens our footprint in a segment that is central to the premium vehicle experience.

Moving to the next segment. The newly constituted green mobility vertical achieved a robust 78% year-on-year revenue growth in Q1 FY27, reaching INR542 crores and contributing 10% to the company's total consolidated revenues. Within this segment, alternate fuels led the quarter with INR184 crores, followed by Uno Minda EV System at INR186 crores, reflecting strong adoption trends across the electric mobility ecosystem. Uno Minda Automation contributing INR123 crores, while EV business in controller division contributed INR37 crores.

As the new three-wheeler charger programs are now being executed through the EV system division as against controller division hence it is prudent to look at aggregate revenues of Uno Minda EV Systems and EV Business in controller for like-to-like comparison.

The said aggregate revenues increased to INR218 crores, registering a growth of 24% as against INR176 crores in corresponding quarter. This growth was driven by both vehicle segment, which is two-wheeler and three-wheeler. The three-wheeler EV charger business was supported by new three-wheeler charger programs. The increasing penetration of electric three-wheeler reaching more than 60% has been supporting this growth.

The two-wheeler EV business growth was contributed by multiple drivers.First, SOP of a new program for DCDC converter, electric motors as well as RCD cable through their share in revenues remain relatively smaller than EV charger, which has been our mainstay.

EV charger contributed to growth through higher volumes and increased penetration with existing customers and higher share with newly added customer. We have also commenced supplies of charger to a new incumbent OEM. The rising penetration of e-two-wheeler has been driving growth.

During the quarter, we had received Press Note 3 approval for our proposed JV with Inovance. However, as was advised earlier, the joint venture will also require approval in their host country China. There have been recent regulatory changes in China, tightening the norms for such technology partnership. Inovance is reviewing the revised guidelines and seeking clarifications for next steps.

Moving to the other segment. The reconfigured other portfolio continues to reflect steady operational performance. The vertical reported revenues of INR1,029 crores, registering a robust 21% year-on-year growth and contributing approximately 19% to company's consolidated top line.

Contribution during the quarter remained distributed across remaining core and aftermarket verticals within the portfolio. Sensors and ADAS generated INR250 crores followed by Acoustics at INR225 crores. Blow moulding products and the non-EV controller business accounted for INR125 crores and INR80 crores, respectively. The remaining revenues were driven by the aftermarket segment, including batteries along with external sales from Uno Minda Katolec and European Engineering Services providing additional stability to the portfolio.

Construction of the sunroof manufacturing facility is progressing as planned, with commissioning expected by the end of FY27. Ahead of commission of our first plant, we are pleased to inform of having added a new OEM customer for panoramic sunroof with an INR130 crores of annual peak order value. We have also secured order for electric roller shades for INR40 crores. Together with these orders, our total sunroof order book have crossed INR500 crores.

Moving to the aftermarket and industrial revenues, you can refer to Slide 13. For the quarter ended June 2026, the after-market reported revenues of INR336 crores, contributing approximately 6% of consolidated revenues. In addition, sales to the OEM spare part division, which is considered as part of segment revenues, stood at INR254 crores. Combined the aftermarket and SPD channels generated revenues of INR590 crores, representing 11% of our consolidated revenues.

International business contributed around 10% of total revenues during Q1 FY27. This performance was driven by improved export traction, particularly in the two-wheeler switching and seating segments. Exports from India stood at approximately INR228 crores during the quarter, as against INR141 crores in the corresponding quarter.

Looking ahead, we remain constructive on the outlook for the automotive industry and continue to expect healthy growth during the remainder of FY27. At Uno Minda, our growth strategy remains unchanged. We expect to continue our outperformance as compared with industry volumes, through market share gains, increasing content per vehicle, rapid localisation of advanced technologies, expansion into new product categories, and continued investments in capacity and R&D.

We are also encouraged by the strong order pipeline across several emerging technology platforms, including EV powertrain systems, lighting, seating, sunroofs, infotainment, and advanced electronics. These platforms provide excellent long-term visibility and reinforce our confidence in sustainable growth. With this, I would like to now open up the floor for questions.

Moderator: Thank you. We will now begin the question-and-answer session. The first question comes from the line of Chandramouli Muthiah with Goldman Sachs. Please go ahead.

Chandramouli Muthiah: Hi, good evening and thank you for taking my questions. My first question is just around the seating segment. It's a wide space for the company, new area of business. So, I just wanted to understand if you could give us some details around the competitive landscape, which four-wheeler segments you look to participate in. Is it more SUVs or are you looking at small cars as well? Are you looking at CVs as well? And also, some colour around the market size and the opportunity size, the way it looks from your vantage point.

The second question is just around, I think your comments around focus on continuing to outperform the industry in terms of growth. I think the back half of the year, the industry will possibly be up against a high base, but looks like there are about seven plants that you're on-boarding in FY27, some in the first half, some in the back half.

So, I just want to understand in the back half this year when the base is high, are there some additional products that launch or will you have some Inovance products also that start SOP, which will help the outperformance versus industry? I think you did mention that you still have to wait for the Chinese regulations to clear the Inovance technology licensing. So, is that going to hold up any Inovance product SOP in the back half, which was earlier expected?

And third question is just around the green mobility segment. So, now it looks like the green mobility segment is almost half the size of your core segments in lighting and switches and alloy wheels. So, is it at a critical scale where you think it's getting closer to profitability of the corporate average?

I just want to understand that. And if you could give us some colour on capex for this year and next year, now that we have renewed capex plans to drive the growth. I'll just pause there. Thank you.

Sunil Bohra: Thanks, Chandru. So, a lot of questions. Let me start on the same sequence. So, first of all, starting with seating. So, it is on competitive landscape. I think we all know that this business has been something we have been looking for past almost four to five years since we formed this JV with TACHI-S. The landscape remains very, very highly competitive.

Currently, we have been able to get into one business nomination for starting with one model, we are already talking of some second model and so on. But in terms of vehicles and the categories, I will not be able to share much information as of now because these models are also the new models which will get launched. So, we can't share any such information until the vehicle gets launched.

In terms of opportunity size, yes, it is very big. And as you all know, the seating as a product has consistently been adding a lot of value. It's going as to almost like INR30,000, INR40,000 kind of a kit value per car. So, the opportunity is growing by the day. And as I also mentioned, this will be one of the largest kit value product in the group, maybe even bigger than the alloy wheel segment in terms of kit value per car.

In terms of second half, there are, as you rightly mentioned, there are multiple plants which are coming on stream, some of which are like the phase 2 of Kharkhoda or the two-wheeler alloy wheel. So, somewhere it is a purely incremental business which was non-existent. So, definitely that will add a lot of what we call delta in terms of industry growth. But there are some businesses which will support the growth, as I said.

So, for example, the alloy wheel four-wheeler plant, when it gets commissioned, it will support the increased demand or increased application, which as I also mentioned, we are currently seeing that shift again in terms of increased application of alloy wheel versus steel wheel. The trend is now again moving favorably as we move forward, which is the indication we are getting from our customers.

So, there is a mix of both. There are certain businesses like say in the Mindarika, which is moving to Farrukhnagar from Manesar, it is going into a larger plant. So, there might not be immediate delta in terms of just shifting to a bigger plant, but obviously it will enable the growth as we move forward.

So, and similarly, there are other products like, as we mentioned, Sunroof and all, which will gradually come on stream as we move forward. In terms of Inovance, as of now, there is no holdup. Our plant construction goes on as scheduled and even the supplies to our customers. And the endeavor is that we have to ensure that the business goes uninterrupted. And that's where both the partners are completely aligned in terms of making sure that we continue to secure business and the customer supplies should remain un-impacted.

So, as of now, there is no holdup. In fact, both our plants work is going on. The first plant at Khed City, the work is going on as scheduled. And the plant, which we have to construct on CSN, that is already on the drawing board and will be hitting the ground in the next couple of months.

In terms of green mobility, yes, you are right. And that was the key reason why we carved it out last year to show separately, because there was a lot of businesses which are actually going as part of others. So, they are not getting that clear visibility as well. And that is the whole reason we have combined and shared. So, there are certain businesses which are actually maybe doing better than the group profitability.

Certain businesses that just started, obviously, they are lower than group profitability. But as we have said, our endeavor always has been in the third full of production, they should achieve our target profitability. So, businesses which are new, obviously, we won't expect to achieve that much profitability once you start. So, that obviously will be a journey we have to go through.

In terms of capex plan, it remains the same, what we have shared in the last call of around INR1,750 crores for the current fiscal year. For next year, obviously, we will give our in annual guidance. But if you see our total project capex, and if you go to that, there is a slide on project total announced, which is almost INR3,800 crores in pipeline of which INR1,400 is already spent till date.

So, going at the current pace, so the delta of INR2000 crores, obviously, is going to get spent over next 18 months to 24 months or so. So, we are very, very comfortably placed in terms of the capex cycle as well.

Chandramouli Muthiah: Got it. That's helpful. Thank you very much and all the best.

Sunil Bohra: Thanks, Chandru.

Moderator: The next question comes from the line of Raghunandan NL with Nuvama Research. Please go ahead.

Raghunandhan NL: Congratulations sir, on numbers, especially Q-o-Q revenue improvement despite the drop in the PV production Q-o-Q. First question, within the green mobility business, based on the capacity and the order book, how do you see the ramp-up for electric two-wheeler and four-wheeler business? And specifically, if you can talk a bit more on the traction motor and e-drive, how do you see that ramp-up happening this year and next year?

Apart from that, the other question I had was, on margin, how do you see the recovery towards 11%, considering the price hikes from customers on commodity and wage inflation? Given the minimum wage hike impact, by when do you expect customers to compensate, would you be able to pass on 80%, 90% of impact to customers?

Lastly, one clarification. On depreciation, there is a Q-o-Q drop. There is seasonality that always happens that Q1 is lower than Q4. Can you explain why that is the case? Thank you.

Sunil Bohra: Yes. So thanks Raghu, thanks for the compliments. In terms of green mobility, you asked how do you see the ramp-up of e-two wheeler and e-four wheeler busines. We won't comment on the sales because the volumes are not in our hand. So as the volume grows, we are gearing up to make sure that we are able to meet the supplies.

The growth has been definitely more than at least we have expected internally when we have started the year in terms of our budgeting cycle, which is a very, very good position to be in, teams are working to see that we meet all our customer demands and build capacities on a much faster pace and capture or capitalize on the opportunity which market is growing up.

In terms of traction motor, as I mentioned, as of now, it's a very small business. It's already started. There are 2 OEMs whom we are supplying. The volumes are not that meaningful, honestly. In terms of margin recovery, as I said, we normally always give the annual guidance and Q1 tends to be lower.

This time, it has been impacted also because of the high commodity prices. And as I mentioned, the commodity price even assuming 100% has passed through that itself has diluted by almost 40 basis points.

If these prices remain that impact is going to be there for the rest of the year. But despite that, we are holding on to our mining margin guidance, and we have been able to take a lot of actions in terms of the automation or in terms of efficiencies, in terms of productivity, and we have been able to absorb a large part of the wage increase as well. And for commodity also, as the cycle goes on, on a quarterly, half yearly basis, the price anyway gets adjusted.

In fact, we have a customer who has also given in 1 or 2 of the commodities in the monthly sort of price, which we have also mentioned in terms of our last call. So that's a very good thing. Customers has been also conscious of this fact. And we have also seen some of the customers already announced some sort of price hikes to absorb these kind of cost increases.

In terms of depreciation, quarter-on-quarter drop Q1 to Q4 largely happens because in our casting business, which is a capital-intensive business, there is a WDV method of depreciation. So once the new starts, you start with a lower base. So that is one of the reasons why your depreciation in Q1 normally is lower in that business from Q4 to Q1. So I hope I have answered all of your questions, Raghu.

Raghunandhan N. L.: Yes, sir. Thank you very much. Wishing all the best.

Sunil Bohra: Thank you.

Moderator: The next question comes from the line of Mumuksh Mandlesha with Anand Rathi Institution Equities.

Mumuksh Mandlesha: Sir, just on the four-wheeler INR3.2 billion capex, how much revenue potential the plant can generate? Secondly, on the seating side with this order and also export order, just indicate how the time lines will be there in terms of ramp-up of those orders?

And similarly on the sunroof side also with the INR500 crores order, if you can help understand how the ramp in FY29, FY30? And finally, sir, on the JV side, this quarter was flat on Y-o-Y basis. Is it largely driven by the commodity side? If you can help understand what happen in the Q1 JV numbers. Yes. That’s all from my side.

Sunil Bohra: Thanks Mumuksh, and thanks for the compliment. On four-wheel seating business, the INR3.2 billion capex, we can do revenue of more than 2x as we speak. And I'm sure as we move forward, once we do capex, on incremental capex further, the potential is normally more. But to answer to your point, it is more than 2x at this stage.

Export order in terms of the time lines. So the part of the export orders, it's a 2-year cycle. So you will see impact coming in from end of FY28 and the large part will come fully in FY 29.

Same will be in the sunroof business also. So the business will start from it, as I said, end of FY27, is somewhere in March, April of FY27 and you will have a ramp-up phase for that year and then realize full sale from '28, '29 onwards. In terms of JV profitability being flat, your point is right. It is actually a commodity impact, which we could not recover in the quarter. So obviously, once this price gets adjusted as for next quarter, we should be able to start bridging that gap from Q2 onwards.

Mumuksh Mandlesha: Got it, sir, Thank you so much for the opportunity.

Moderator: The next question comes from the line of Siddhartha Bera with Nomura Holdings.

Siddhartha Bera: Sir, first question is on this OE tie-up for the lighting segment for four-wheelers. Some assessments are how big can this opportunity be maybe in a few years in terms of revenue potential? And do you need to invest further for catering to this OE?

Second question is on the exports. So exports, we have seen that has started going well. If you can highlight what has been the number for last year or last Q1 or Q4 for the total exports? And in the medium term, where do you see the exports potential in terms of segments where can we reach?

And lastly, sir, on the cost side now given that you mentioned that a couple of customers have started giving monthly price hikes. Does that mean that because last three consecutive quarters we have seen the gross margins going down? So does that lead to some normalization in the gross margins at a faster pace. That will be all, sir.

Sunil Bohra: Thanks, and thanks for the complements. In terms of OE, this light, four-wheeler tie-up is a new customer. Definitely is a global customer, and this is an entry. And we are working with them proactively in terms of seeing possibility if we can sort of build on that. But good news is as of now, it's an entry with decent volumes, order value. Opportunity can obviously be very big even within India itself. And then if everything goes fine in future, maybe there may be possibility of exports, We are not betting on that as of now. But locally itself, there is a large opportunity.

Do we need to invest on this for this trend? Do we need to invest on this for this current business, what you have received? As of now, we don't because the plant which we have set up in Khed city, there might be the investment only to the extent of lines and tools etc, but nothing in terms of large capex might be required at this stage.

Exports has been growing well, yes, thanks. So last Q1, our export was physically from India was INR141 crores. And this quarter it was INR228 crores, so almost like 50%, 60% increase.

Where do we see exports moving forward as you also highlighted some of the new business which we have secured, specifically almost INR 400 crores of new business plus some new business in switches and labs.Definitely, our endeavour is to grow significantly from where we are today.

And gross margin, as I also mentioned initially is that while on one hand, assuming that we recover full commodity price, the increase this quarter itself is like diluting 0.4% of the gross margin.

And some of the new business which we are adding on the electronic side, there the gross margin obviously is lower. So that also plays a part in terms of gross margin. But in terms of profitability, because there you have better asset turn, it does not impact much on the EBITDA side or the ROCE side so while we might see some small movement here and there for GRM, ideally, that should offset at EBITDA margin level.

Moderator: The next question comes from the line of Rishi Vora with Kotak Securities.

Rishi Vora: Just on the China JV, the comment which you made, can you just elaborate on what is the current status? So are we able to import the e-Axle today? So is there a restriction over there or there are no restrictions? And in the future, how do you think this pan out? And in a worst case, because in some of the battery technologies, Chinese government has restricted. So if they do restrict then what would be our strategy in kind of increasing our presence on the four-wheeler EV business?

Sunil Bohra: Sure. So Rishi, in terms of any restriction for e-Axle, as of now, there is no restriction, and we don't see possibility of any restriction on import of eAxle as of now. And you shared in terms of somebody else facing technology challenges, etc, etc. Obviously, one can't rule it out. But as I said, we are currently in discussion with our partner, they are also in discussion with the local stakeholders.

The whole endeavour is to ensure that whatever investment we have done, we are able to utilize that investment and we are able to gradually localize the product as we have laid out original which they remain pretty confident that they should be able to find a solution to this problem. But as I said, this is just early days. Hopefully, in next quarter or so, we should have some better clarity.

Rishi Vora: So in terms capex for this in Aurangabad, Sambhaji Nagar, there is no change, right? So that remains on track?

Sunil Bohra: Yes. As of now, we are going ahead with that. if you remember, there's also another product, which is DHT and that we said is in collaboration with one of the customers as well. So that also sort of is going on as planned.

Rishi Vora: Understood. Thank you.

Moderator: The next question comes from the line of Jyoti Singh with Haitong.

Jyoti Singh: Sir, I wanted to understand on the casting side that improved from 18% to 20%. So with near term, any headwind that we are seeing and traditionally, it's a lower margin business. So that will again a more capital-intensive segment. As casting scale further with the CSN alloy wheel plant, so what is the going forward margin we are expecting from this segment?

And another on the employee cost side that has 15% year-on-year against 26% on the revenue growth side. So this is going to sustainable near term? Or does the new capacity coming will be seeing the step of hiring and that we should model in?

Sunil Bohra: Thanks Jyoti. Let me answer one by one. So casting, you said headwind. Actually, there is a tailwind in terms of application ratio we are expecting. So casting as a business in terms of alloy wheel, etc should actually grow more than what the industry growth is because sheer application will increase and on top of it, we are looking at bigger size alloy wheels, etc, etc.

And in terms of margin also, they are not margin dilutive. Actually, it's a better margin versus company average because of higher capital cost and to achieve our ROCE targets, obviously, we need to make sure that the margins are there, which can take us to those targets.

In terms of employee cost, whether that will increase with new capacity, and when you have new capacity you will have more sales .and new sales when you have, then obviously, you will have new plants, you will have new people to run those plants. So obviously, in terms of absolute numbers, the cost definitely will go up because if you're setting new plant, you will need people to run those plants. But as a percentage of revenue, we don't expect it to push it upwards.

Jyoti Singh: Okay. Great, sir. And sir, another on the, like you already explained on the export side as well. But currently, it's 11% of revenue mix. So what's the medium-term target that we are targeting for the export side?

Sunil Bohra: No, our target obviously has been to consistently take this percentage higher and higher. But good thing is that our domestic market is growing significantly. And domestic market is growing like 20%, 25%, 30%, then we do expect export market to do at least that much to maintain the share in the pie, right?

So export has to outgrow the domestic growth, then only the percentage will increase. So our target absolutely is to double and triple the export in terms of absolute numbers. But in terms of percentage, it all also depends on how much domestic growth market is giving us.

Moderator: The next question comes from the line of Mukesh Saraf with Avendus spark.

Mukesh Saraf: Good evening, and thank you for the opportunity. A lot of my questions were answered. But just on the seating business, I think you also kind of alluded that you've been trying to get into the four-wheeler seating business now for the last, say, 3, 4 years after the acquisition of Harita.

So just trying to understand, are we now like at some inflection point here that we are setting up a plant just for this four-wheeler seating business. So how do we look at this business over the next 3 years? Is there something unique that you're offering now in terms of technology or safety or any of these aspects that you can comment on?

Sunil Bohra: Yes. Anything else, Mukesh?

Mukesh Saraf: Second question is just on some numbers that you usually provide. If you could break up the alloy wheels into two-wheelers, four-wheelers as well as if you can give the Westport revenue within Green Mobility and the sensors revenue within others.

Sunil Bohra: I think I gave that problem...

Mukesh Saraf: Sure. I think I missed that, sorry.

Sunil Bohra: No, no worries. In terms of seating business, Mukesh, yes, we are very optimistic on the seating business because while we know India market, there have been multiple players, and we have to fight against them to win business. But I'm sure you also appreciate one of the partner which we have for seating business is a globally renowned partner, Tachi-S who is having 60 plants globally. And the kind of technology they have is state of the-art.

So we do expect that once we are able to settle down in this business, we should be able to get into more and more customers, and that has been our philosophy in all the businesses you see, right? We just saw that sunroof business even before starting, we got second customers, same in some other business as well.

We are pretty positive on this seating business. In fact, very excited that eventually, finally, we could get into, we could break into full seating. And this actually can grow multifold as we move forward. But obviously, a lot of it we need to work on and to see that we provide not only better prices, but better features at better prices and which we believe we are very well placed in terms of providing those competencies.

In terms of the alloy wheel four-wheeler revenue is for the quarter is INR566 crores, two-wheeler is INR284 crores and Westport is INR184 crores. You asked for sensors also, sensors and ADAS. I said sensors and ADAS is INR250 crores.

Mukesh Saraf: Great. Thank you so much for this.

Moderator: Ladies and gentlemen, we will take that as the last question for today. I would now like to hand the conference over to the management for the closing remarks.

Sunil Bohra: I would like to thank everyone for joining the call. I hope we have been able to respond to most of your queries adequately. For any further information, we request you to please do get in touch with us directly. Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Uno Minda, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.