LIGHT UP THE WORLD

FIEM INDUSTRIES LIMITED

R&D-Electronics, Innovation Centre & Corporate Office
2nd Floor, Tower A, Plot No. 243, SP Infocity, Udyog Vihar Phase-1, Gurugram, Haryana - 122016 (INDIA)
Tel. : +91-124-4792550/51/52/53/54 **E-mail :** corporate@fiemindustries.com

November 17, 2026

The Manager, **Dept. of Corporate Services** **B S E Limited** **25th Floor, P. J. Towers, Dalal Street,** **Fort, Mumbai - 400 001** **[BSE Code: 532768]**	**The Manager,** **Listing Department,** **National Stock Exchange of India Ltd.** **Exchange Plaza, Bandra Kurla Complex** **Bandra (East), Mumbai -400051** **[NSE Symbol: FIEMIND]**

Dear Sir,

Sub: **Q2FY27 Earning Call: Transcript.**
Ref: **Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred herein as Listing Regulations).**

An Earning Call was held on November 13, 2026, to discuss Operational and Financial performance of the Company for Q2FY27. Pursuant to Regulation 46(2)(oa) of the Listing Regulations, the copy of Transcript of above Earning Call has been made available on the website of the Company under Investors section.

The web link of the above Transcript is as under:

Link: https://fiemindustries.com/analyst-meet-audio-recording-written-transcript/

Pursuant to Regulation 30(6) read with Schedule III [Part A, Para A, sub-para 15] of the Listing Regulations, copy of the Transcript is also being submitted herewith.

This is for your information and records please.

Yours faithfully
For Fiem Industries Limited

Arvind Kumar Chauhan
Digitally signed by Arvind Kumar Chauhan
Date: 2026.11.17 17:27:46 +05'30'

Arvind K. Chauhan
Company Secretary

Encls: A/a

“Fiem Industries Limited

Q2 FY27 Earnings Conference Call”

November 13, 2026

COMPANY MANAGEMENT

- MR. J.K. JAIN– EXECUTIVE CHAIRMAN
- MR. RAJESH SHARMA– JMD
- MR. ARVIND CHAUHAN– CS
- MR. RAHUL JAIN- MD
- MS. AANCHAL JAIN - JMD
- MR. O.P. GUPTA– CFO
- OTHER FINANCE TEAM MEMBERS

HOSTED BY

MR. SAHIL SANGHVI – MONARCH NETWORTH CAPITAL

Moderator: Ladies and gentlemen, good day and welcome to Fiem Industries Limited Q2 FY27 Earnings Conference Call. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sahil Sanghvi from Monarch Networth Capital. Thank you, and over to you, sir.

Sahil Sanghvi: Thanks, Avraj. Good evening, everyone, and welcome to Fiem Industries Limited Q2 FY27 earnings conference call. Just a standard disclaimer, this conference call may contain forward-looking statements about the company, which are based on beliefs, opinions, and expectations of the company as on date of this call. The statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

Also, we would like to start the call with the initial comments about the result and future outlook of the company, and then we will open the floor for question-and-answers. I will now hand over the call to Mr. J.K. Jain, the Executive Chairman of the company. Over to you, sir.

J.K. Jain: Thank you. Good afternoon and welcome to the Q2 FY27 earning call of Fiem Industries Limited. Joining me on today's call are Rahul Jain, Managing Director, Aanchal Jain, Joint Managing Director, Rajesh Sharma, Joint Managing Director, Arvind Chauhan, Company Secretary, O.P. Gupta, CFO, and other members of the finance team. Our investor presentation and the results are now available on our website and the stock exchange. We trust you have reviewed the same.

I would like to start with the macroeconomic environment that we operated in. The conflict in West Asia continued, impacting energy, freight, and commodity prices. This kept the global environment uncertain, supply chain remained stretched, and manufacturing across the sector saw the cost go up. The auto industry was no exception, with impact on plastics and electronic components. A weaker rupee added to the cost of imported parts.

Against this backdrop, demand in India has stayed healthy in both urban and rural markets. Turning to the two-wheeler industry, which has another strong quarter. Production was 8.09 million units. This is 16.5% higher than the last year and about 11% higher than the first quarter.

Scooter sales grew nearly 28%, while electric two-wheeler grew by more than 80%. As of September, about one in every nine two-wheeler sold was electric.

In this environment, Fiem delivered its best quarter ever. Sales grew 31% over the last year to INR932 crores. EBITDA grew to INR131 crores, and profit after tax grew 32% to INR84 crores. Let me update you on our customers. With the TVS, our business grew by nearly 50%, driven by LED lighting and model. In the recent months, TVS has refreshed the Radeon and Jupiter 110, both with Fiem lighting.

Radeon now comes with all-LED lighting, which shows LED moving into the commuter segment. With Honda, our business grew 20%, and this is faster than Honda's own production

growth of about 15%. Honda has launched two new premium models, the Rebel 300 and ADV 160 adventure scooter.

We supply the headlamp, blinker, and license lamp for the Rebel and the rear combination lamp for the ADV 160. With Hero, our business has almost doubled over the last year. Hero has also unveiled the VIDA UBX, its first electric motorcycle at EICMA Milan show for the domestic global market.

That brings me to the electric vehicle. Our sales to electric vehicle maker doubled over the last year. Supplies to Ather, which has just begun last quarter, has scaled up, and River and Simple Energy has also ramped up. To support this growth, we have stepped up investment.

We have invested INR90 crores in the first half, more than double the same period last year. We are adding capacity in South India at Hosur and Mysore, both plants close to our customers' plants. We will continue to invest ahead of demand.

Let me close with how we see the road ahead. The first half of the year has produced a strong result, with the growth well ahead of the industry. With the new model coming across our customers and the investment we are making, we continue to be optimistic about our growth.

With this, I now hand over to Mr. O.P. Gupta and the finance team to take you through the detailed financial performance. Thank you.

O.P. Gupta: Thank you, sir. Good afternoon to everyone. First, I will present the quarter two numbers for FY27 in comparison to the corresponding quarter of previous financial year. Sales for the quarter were INR931.78 crores against INR711.42 crores in the corresponding quarter of previous year.

This is an increase of 30.97% and highest quarterly sales in the company's history. EBITDA was INR131.07 crores against INR99.1 crores, an increase of 32.25%. The EBITDA margin improved to 14.07% from 13.93%. Profit after tax was INR84.17 crores against INR63.78 crores, an increase of 31.97%.

Now, I will present the number for the first half of FY27 in comparison to first half of previous financial year. Sales for the first half were INR1,701.68 crores against INR1,363.49 crores, an increase of 25.08%. EBITDA was INR235.13 crores against INR186.46 crores, an increase of 26.1%. The EBITDA margin was 13.82% against 13.71%. Profit after tax was INR149.36 crores against INR119.84 crores, an increase of 24.63%.

Now, I would like to provide update on capex and cash balances. Capex was INR49.73 crores in Q2 and INR90.88 crores in first half against INR37.81 crores in the first half of previous year. Cash and cash equivalent were INR163.42 crores as on 30th September 2026 after payment of dividend of INR105.28 crores during this quarter.

With this, I end the financial brief. The floor is open for question-and-answer.

Moderator: Thank you very much. Thank you. We will now begin the question-and-answer session. The first question is from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.

Anubhav Mukherjee: Am I audible?

Management: Yes, please.

Anubhav Mukherjee: Yeah. Congrats on a great set of numbers. My first question is that, sir, your EBITDA margins have improved sequentially and both year-on-year, but your gross margin is down sequentially 169 basis points. Are we expecting some price escalation from our OEM customers in the coming quarter? Do we expect any particular timeline by which we see gross margins normalizing?

Management: As I said, EBITDA level, we have sequentially grown from 13.5% to 14%, while it was last year around 13.9%-14.1%, marginal increase. You would appreciate that it's been a cost escalation environment, but we've been able to sort of manage some of those costs. Our material cost has actually improved. If you see quarter-over-quarter, it has gone up from 62%-odd to 63.7%. That's a significant increase.

However, we've been able to handle our other expenses and operating leverage has kicked in, which has resulted in us being able to manage our EBITDA margin at an overall level of around 14%. I think cost escalations are part and parcel. That happens on a continuous basis. Overall, we are quite delighted that in this tough environment, we've been able to manage at 14%-odd, and which is the guidance that we had for the full year.

Anubhav Mukherjee: Thanks. Small follow-up. We see EBITDA margins sustaining at this 14% kind of levels going forward also?

Management: We're trying our best because somewhere we are not able to get those costs, but we are able to manage our operating expenditure. Yes, 14% is what our guidance.

Anubhav Mukherjee: Great. Sir, you also mentioned that our revenue growth from TVS has been substantially higher than its own sales volume growth, both in Q2 and H1. You mentioned higher LED sales. Sir, going forward, do you see this type of outperformance sustaining in the coming quarters?

Management: Yes. I think this is, again, a great question. There are quarters where sometimes the product mix significantly helped. TVS has, of course, grown spectacularly in terms of their own volume growth of 27%. But we've grown faster because of our product mix, because there were some models which have relatively outperformed where we are there.

Also, the LED content has gone up of our share with TVS. LED has grown. I think these are, and then when we look at our portfolio, this is overall package. Sometimes one model goes up, sometimes one LED cycle comes.

So, our overall guidance, whether with TVS or with others, always remains that we need to be able to outperform them over a longer period of time, not over quarter to quarter. I think we are quite delighted with this performance, and we'll continue to work with them for their business.

Anubhav Mukherjee: Got that. For Ather, I think they are launching multiple variants of Konarc S and Z. Are we the sole auto lighting supplier for all of the variants?

Management: Yeah, for Konarc, all models, all variants, we are the sole supplier for all the lamps which is being used by them in their vehicles.

Anubhav Mukherjee: Got that. I have a pointed question. Pardon me for asking it, but your listed competitor, Lumax Industries, in their Q2 earnings call mentioned that they had won significant new orders in upcoming models of HMSI. They also hinted that they are gaining market share from your company. Would you like to comment on this, and how do you see your share of business in HMSI going forward here?

Management: See, you have heard already in our Chairman speech wherein we did 20% growth with respect to year-on-year, with respect to the last quarter to this quarter. Similarly, we have already launched two products with their new models, which is of Rebel 300 as well as the ADV adventure vehicle.

So, we are there, but of course, there are few model change from conventional to LED, wherein we are not participating in that model. Those models will be launched sometime in second or third quarter of next year, and during that time, we will discuss again, obviously.

Anubhav Mukherjee: Okay. I will get back in a bit. Thanks.

Management: Thank you.

Moderator: Thank you. The next question is from the line of Viraj Kacharia from SiMPL. Please go ahead.

Viraj Kacharia: Yeah. Thanks for the opportunity. Just couple of questions. First, on the TVS, correct me, what he said is the reason for outperform is for the select models which we are there with TVS, those doing exceptionally well. There is no element of new models when scaling up from the TVS business. Would that be right?

Management: Actually, it is a combination. First is that there are some premium models which have done well. Second is that the LED, some of the models have crossed over to LED, and that is higher content per vehicle. That also has helped. There have been some new models which we have highlighted. It is a combination, there is not one. But the big part is that the content has gone up in some of these.

Viraj Kacharia: Okay. Second question was on the HMSI, which you just talked about. I think what you just alluded is there are two, three model wins in the EV space, which we have backed and which should start materializing sometime next year.

Management: Right.

Viraj Kacharia: Okay. Sir, just one more question. If you look at the others category, that has seen a very good growth for us accrual. Is it predominantly Ather or is it predominantly Hero models? Any color you can give what is driving growth in that segment others for us, you know?

Management: For others, except our top five customers, we categorize every other customer in others that include the Ather as of now, the Ola, and every other customer. Look, so many EV OEMs are also in this category.

Viraj Kacharia: Okay. The larger part of the full effect of the Ather Konarc business is, it is already reflecting in Q2, or we should start seeing that in Q3?

Management: No, this is already started, and their volume, whatever is being predicted by them is being good, and those are in ramp-up, and volume should be definitely good in coming weeks also, coming quarters too.

Viraj Kacharia: Okay. Last question. You know, you used to share this order pipeline, the RFPs, both in the two-wheeler and four-wheeler business. Any color you can give on both the businesses?

Management: We have got more than 100 models wherein we are working with all the two-wheeler companies that to be launched by '27-'28 and '28-'29, in the next two years. Those are almost INR800 crores-INR900 crores of additional business.

Viraj Kacharia: On the four-wheeler side?

Management: Four-wheeler side, we are working, but of course, as we have already communicated during last call also, it is slow. We are slowly and gradually penetrating in that four-wheeler market also.

Viraj Kacharia: Thank you. Good luck.

Management: Thank you.

Moderator: Thank you. The next question is from the line of Kartik Naik from Vimson Group. Please go ahead.

Kartik Naik: Hello. Thank you for the opportunity. Am I audible?

Moderator: Yes, Mr. Naik, please go ahead.

Kartik Naik: I wanted to understand, what kind of traction are we seeing on the four-wheeler business? If you could speak about the order book or the pipeline, that would be very helpful?

Management: Yes. Mr. Naik, we are already updating each and every quarter that the four-wheeler business is, of course, we have entered recently in last one and a half year, and we are slowly and gradually working on the projects which will be launched quarter by quarter. We see something plus in next year, wherein our four, five products, which will be together with our two or three customers, will launch. That will give some better output of four-wheeler line.

Kartik Naik: Okay. On the revenue growth for the entire fiscal, we are guided for 15%-20% kind of growth, and H1 we have delivered around 25%. Are we sticking to 15%-20% guidance?

Management: I think we would like to stick to the top end. Maybe we would like to do better, but I think our general, maybe from a guidance perspective, we could guide more towards 20% and above.

Kartik Naik: Yeah, those were my questions. Thank you.

Moderator: Thank you. The next question is from the line of Chetan Raghuvanshi from Aveksat Financial Advisory. Please go ahead.

Chetan Raghuvanshi: Congratulations on a strong quarter. My question has already been answered, so thank you.

Moderator: Thank you. The next question is from the line of Piyush Jain from [Nivriti Wealth 0:20:22]. Please go ahead.

Piyush Jain: Hello? Am I audible?

Moderator: Yes, Mr. Jain, please go ahead.

Piyush Jain: Sir, congratulations on good set of numbers. Sir, I only have one thing which is not related to quarterly numbers and all. Do we see any acquisition or any other product category where we are trying or thinking towards that? Because earlier there was some business development work there with Gogoro, which last few quarters back called off something.

Just want to know, are we -- because in lot of other auto ancillary companies in your segment or competitor or other, many of companies have either bought into some other verticals or other product segments or category or something. Anything on the card or we are evaluating something?

Management: On the product segments, we have updated that we continue to be on the lookout. However, our focus has always been on different markets adjacent to what we do, to our OEM and to our product line. We do not want to venture into completely new area. In the past, as you rightly mentioned, we did try Gogoro, and there were some challenges around it.

But there are several new products that we are expecting, and we continue to look at them, do a lot of R&D work around it. But when it comes to a fruition, when we can give you some specific numbers, we will come back to you.

Piyush Jain: Okay. The next question is, anything on the four-wheeler side? Because last quarter also, we have said that this has been delayed for next year. But since this, the departure of MD also, what is our planning and strategy towards the four-wheeler side?

Management: See, we have already communicated, the four-wheeler is, of course, traction is there. We are working with the four-wheeler OEM customers. There are projects which are under development. There are projects which is under RFP stage, which will take some time to be in the market.

Management: Yeah. But having said that, I think as a percentage of our sales, it is still relatively small. And we do see that number remaining there for the next 12 months. If we make some major breakthrough, we continue to work there. If we make some major breakthrough, we will let you know. But as of now, as a percentage of our overall revenue, it is not significant.

Piyush Jain: Okay. Thank you. All the best.

Management: Thank you.

Moderator: Thank you. The next question is from the line of CA Vansh from Serene Alpha. Please go ahead.

Vansh: Hello, sir. Am I audible?

Management: Yes, please.

Vansh: Hello. Thanks for the opportunity. Sir, my first question is on this potential weakness in the demand for the two-wheelers. Are we confident of achieving revenue growth of 25% in FY27, having said this weakness in the market?

Management: I think we have had one of the strongest H1 ever in terms of the way two-wheeler demand has looked, and we continue to be quite optimistic of the overall growth. We have guided for 15%-20% growth always. We think we should be able to hit the top end of it. Overall, we do not see any roadblocks to the overall industry.

Vansh: Okay. You don't see any demand weakness due to monsoon or something like that?

Management: No, we are not seeing that.

Vansh: Okay. And sir, my second question is on FY28 outlook. Considering we are entering four-wheeler segment and this because of higher base in FY27, what are the reasonable expectations for FY28? Is it same to same or you see any…

Management: 15%-20% growth is what we want to guide for the next year. As we step into the next year, we will also see how the demand environment is looking. Overall, we feel optimistic about a 15%-20% growth.

CA Vansh: Okay. Got it. Thanks for answering the questions.

Moderator: Thank you. The next question is from the line of Arun Agarwal from Kotak Securities. Please go ahead.

Arun Agarwal: Yeah, thanks for the opportunity. Sir, my question is on this balance. We have seen a pretty sharp increase on the trade receivables front at September quarter. Any specific comment you would like to add on that part?

Management: For this receivable, there is slight increase, which is, as you know, because of the higher sales. Though the realization period remains same. This will be normalized in the next quarter.

Arun Agarwal: Okay. Got it. The other is on the capex part. I think last quarter you talked about doing a capex of INR100 odd crores for the entire year. Now, first half we have already done INR90 crores. Does this number sort of stand and we will have a very muted capex? We have already do the capex, we'll have some more in second half as well?

Management: No, actually, we've had some very demand projections coming in. We have upped our capex target. We are likely, as you rightly said, we've done INR90 odd crores. We could additionally do INR50 crores, INR60 crores this quarter, in the next H2. That should take our capex guidance to close to INR150 crores for the current financial year.

Even going forward, we believe that that kind of number can come through for the next year as well, because we are in the process of putting up capacity, especially in South India, where there's a significant customer traction across our existing customer, new customer. There is a requirement to set up new capacity lines and so on. We have already made some moves there. capex, we are trending upwards in line with the overall demand that we see.

Arun Agarwal: Sure, sir. Sir, just to clarify, we talked about that we should be this year doing 20% plus number, you said, or you talked about doing the upper range of the 15%-20% range?

Management: We stick to 15%-20%. At the top end of our range, it is 20%.

Arun Agarwal: Okay. Okay. Thank you. That is it from my side.

Moderator: Thank you. The next question is from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.

Anubhav Mukherjee: Thanks for the follow-on opportunity. Sir, Yamaha, we have seen good growth from Yamaha this quarter, both sequentially and year-on-year. Can you provide some details on what is driving this and is it sustainable?

Management: See, the Yamaha, we had given similar, like in last quarter also, this similarly we have. It is being increased because domestic and global market both are doing good, and we are present in all the models as of now.

Management: They have several new models they have launched.

Management: Several new models also launched and there are several new models which are under development.

Management: Right. I think they've grown 24%-odd.

Management: This is a strong growth. I think that will continue.

Anubhav Mukherjee: Great. Sir, just a small another question. Piaggio has declared a plan to enter into mass market two-wheelers in India. Is that very premature or are we in some kind of development work for them? Some details would be useful?

Management: Yeah. We are working with Piaggio very closely for their domestic as well as export model. The model which is being already announced by the management are together with us, and it is under progress right now. Hope by 2027 end, these all models will be launched. So complete set of lightings are with us only.

Anubhav Mukherjee: Great. Sir, for Hero, apart from Vida, any other new model launches? We are in some details. Yeah. Be helpful?

Management: There are several models. Nine to 8 models are under progress right now, which will be launched by end of this year, or several models will be launched in the coming years too, other than Vida.

Anubhav Mukherjee: Okay. We are the suppliers.

Management: We are the supplier for those all models.

Anubhav Mukherjee: Yeah. Okay. Sir, I will get back in the queue.

Management: Thank you.

Moderator: Thank you. The next question is from the line of Nishant Shah from Moneybee. Please go ahead.

Nishant Shah: Am I audible?

Management: Yes, please.

Nishant Shah: Yeah. Hi. Congratulations on the great set of numbers, sir. Just wanted to ask one question. We already know that we are entering the four-wheeler segment. I just want to understand, with respect to the two-wheelers, where do we see the growth drivers from? Is it the EV segment that we are trying to segue into? Is it more exports? Is it a higher wallet share from current OEM customers? How do you see the two-wheeler segment scale along with the four-wheeler segment?

Management: We are the leaders in two-wheeler industry. We have the highest market share overall in the industry, and we work with everyone across the board, including a number of new EVs that have come. For us, I think our focus is on product development, on R&D, on how to work faster. The industry by itself is growing well. Electric scooters are driving the market, and overall EV is the trend, and we are present there as well.

I think from a growth perspective, there is no one lever. All of these put together, be it ICE, be it EV, be it the TVS or Hondas or others, I think our plan, our value is how do we move fast and how do we get new products to the market fast. Overall, we don't see any roadblocks to overall two-wheeler industry growth and hence our growth over the next medium to long term.

Nishant Shah: Right, sir. Also wanted to understand for four-wheelers, now I understand that usually realization would be better per vehicle compared to two-wheelers because there are more units going into a four-wheeler vehicle.

But is it just the realization or also do we see a benefit in margins when it comes to four-wheelers? With four-wheelers, we have a bigger chunk moving forward in the future. Do we see an improvement in margins from, say, 13%-14% to a 15%-16%?

Management: No. I think there is no differentiation in margin, but it's too early to comment on margin because we don't have a significant share right now. I think over the next three years, first we have to build a substantially large business, and then we can talk about a blended margin. But to our mind, I don't think the four-wheeler margin or two-wheeler margin is different. I think it's a competitive industry, and margins are similar in both.

Nishant Shah: Right, sir. My last question is, with respect to your new capacity that you are adding, where your capex also is going to around INR150 crores a year, what exactly are you intending to use the capacity for? Can you throw a little light on that?

Management: The capacity, what we are announcing based on the customer's requirement, it includes the injection moldings, it includes the metalizing plants, and the substantial whatever other required metalized or items which is being needed for the production of these extended requirement of capacity from the customers.

Nishant Shah: Understood, sir. Thank you so much for your time. Thank you.

Moderator: Thank you. The next question is from the line of Hiten Boricha from Sequent Investments. Please go ahead.

Hiten Boricha: Yeah. Hello. Can you hear me?

Management: Yes, please.

Hiten Boricha: Hello. Yeah. Sir, I have a couple of questions. First question is on the growth. We have did a very good job in growing our revenue at 30% this quarter. My question is, post-GST, we have been growing roughly around 17%, 18% in last five, six quarters. This quarter, we have done 31%-odd in this quarter. Any one-time order in this quarter, sir?

Management: No, there is no one-time order. I think generally, our growth is a function of our OEM growth. If you look at your end result in terms of how the industry has grown, how our consequence has grown, we will sort of mirror some of it. I think generally industry has done well, and most of our customers have done extremely well, which is why we have grown.

Hiten Boricha: Okay. And sir, my second question is on the capacity utilization. What is the utilization as of now, as of Q2?

Management: We have actually, as I said, invested ahead. We are trying to invest ahead of our growth, and our current is between 75% and 80%. This is after taking into account the new capex that we are doing. This is why we are investing further, as we said, over the next H2 as well as for next year, to ensure that we are fully capacitated to take care of the demand that we see ahead from our customers. As a number, it is more closer to 80% right now.

Hiten Boricha: 80%. And sir, we are spending INR150 odd crores this year as well as next year. What is the asset turn for this? Is it same?

Management: It is almost 3x as of now.

Hiten Boricha: Okay. Okay. My final question is on the content per vehicle. Do we have any trend what was the content per vehicle, like last three, four years back and maybe today, and how has it changed post this EV era?

Management: There is, I think, at a generic level, the trend is obviously upward, driven by LED, driven by EV, driven by premiumization. But specifically, there is no number that we can give because it is so

varied, from very low-end models to very high-end models. There are some export models which are very extreme. If you take an average, it kind of does not give you much. But I think the whole trend is towards higher content, driven by both LED and EV.

Hiten Boricha: Understood. I will get back in with you. Thank you.

Moderator: Thank you. The next question is from the line of Darshan Shah from Multi-Act PMS. Please go ahead.

Darshan Shah: Thank you for the opportunity. My question was on HMSI. You mentioned that there could be some potential loss of business a couple of quarters hence. What are those models and how much are they contributing to our revenue currently? Can you quantify that?

Management: It is very difficult to identify any model because pre-launch we cannot disclose. What all models are being under progress or might be it is launched, like Rebel 300 is already launched, ADV 150 is already launched, and it is totally dependent on the customer volume, what volume they will be put inside the market and what capacity they can increase with the market is totally dependent on that.

Darshan Shah: Okay. No, sir, I was asking about the potential loss that will be happening, you mentioned in the opening, in the first question. If not model-specific, can you just quantify how much are those contributing to our revenues right now?

Management: It is totally dependent on the volumes of next year, because we cannot predict as of now the customer volume. But we know that there are one or two projects which is already being We have not participated on those models. It is totally dependent on the customers how much volume is doing growth in the market.

Darshan Shah: Okay. My second question, sir, was on Yamaha exports. We had seen large Yamaha exports in June 2025, like almost one year ago. Is there any visibility over next six months based on customer discussion that those exports can come back in the next six months?

Management: Yeah, we are working for next four, five models, which is directly being export to other countries like Japan and Europe, and those will be launched during coming year. We hope we can track to the same position wherein 2025 we did.

Darshan Shah: Okay. Sir, last question was on Hero. You said you are working on nine, 10 models. In FY28, that is next year, can we expect Hero to contribute mid to high single digit to our revenues?

Management: We are very hopeful and we are definitely doing much better what we did in last year. There are nine to 10 projects which are, as of now, which will be launched during next year. This totally will depend on the volume mix, what volume they will get from the market. But we are very much bullish about overall market of Hero in coming years.

Darshan Shah: Okay. Sure. Thank you.

Management: Thank you very much.

Moderator: Thank you. The next question is from the line of Khush Nahar from Electrum PMS. Please go ahead.

Khush Nahar: Yeah, thank you for the opportunity. My question is more on the new products that you are working on, which is the light control modules, focus lighting, projection lighting, etc. So any update on that in terms of customer approvals or sampling stage, etc.?

Management: There are few products which are already under development. There are few products which are under POC, which is recently been presented by us in DVN also. And we are very closely working those customers to convert those POC to the mass production product.

Khush Nahar: In terms of revenues, we can expect something coming in from next year or when does…

Management: As of now, it's very difficult because it is totally depend on the customer acceptance, what all contents out of these POCs will be accepted by them. And based on that only volume and value can be calculated.

Khush Nahar: Okay, sir. Thank you.

Moderator: Thank you. The next question is again from the line of Khush Nahar from Electrum PMS. Please go ahead.

Khush Nahar: Sir, just, thank you for the follow-up. On the other expenses side, are there any one-offs or is this the run rate that we expect? Because I believe Q1 also you were flat in terms of growth of other expenses, and this quarter also it has grown by only 8%, 9%.

Management: I think operating leverage is kicking in as far as other expenses concern. It will not go in proportion to the sales growth, which is why you see that number. It does depend on the operating leverage. It is not going to increase in the same proportion going forward as well.

Khush Nahar: Okay. All right. Thank you.

Moderator: Thank you. The next question is from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.

Anubhav Mukherjee: Thanks, sir, for this opportunity. Is there any update on business win or new business from any international OEMs? Or like we were doing some prototype development for Mercedes. Is there any further update to that?

Management: As of now, no, because those all models, whatever is being developed for Mercedes and others, are under evaluation and testing. Once this testing and evaluation will be done, further progress will be received from the customers and work out on that.

Anubhav Mukherjee: Okay. That is all from my side.

Management: Thank you.

Moderator: Thank you. The next question is from the line of Ashutosh Tiwari from Equirus. Please go ahead.

Ashutosh Tiwari: Yeah. Hi, sir. Congratulations on very good set of numbers. Just two questions. One, on the Hero side, the model that you are talking about, upcoming launches next year, will any of these are existing models or all are new models over there?

Management: There are few models which are existing, wherein we are working at the second source, and other models are all of new.

Ashutosh Tiwari: Are these high-volume models or total of Hero or is it any idea around?

Management: High-volume models.

Ashutosh Tiwari: High-volume models. Okay. Second thing, on the cost pass through, we will get some in the upcoming quarters, right? In Q3, Q4, and all?

Management: Yeah. I mean, that keeps happening on a sequential quarter level. So we would have got something from previous quarter and all. So normalized, we believe this is the margin that we should be able to get to.

Ashutosh Tiwari: No, no. I think, see, this quarter, obviously, we have some benefit of operating leverage as well playing out while there was some gross margin pressure. So, I mean, next quarter, some pass-through can come so that we can maintain margins in the same range. Is that correct?

Management: Correct. That is correct.

Ashutosh Tiwari: Okay.

Management: Which is why at an overall level, we believe that is the broad level. You are right.

Ashutosh Tiwari: Okay. Okay. Thanks a lot and all the best. I think we have been delivering consistently over the last so many years, very good growth as well as margin performance. Thanks a lot for that.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to the management for closing comments.

J.K. Jain: I would like to thank everyone for participation in today's conference call. I hope that we have adequately addressed all your queries. If you have any further question, please don't hesitate to call or contact us. Thank you and have a good evening.

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

Note: There has been minor disturbance in audio during the call. For sake of clarity, transcript has been corrected as per audio, post receipt of transcript from Chorus Call.