



“Mother'son Sumi Wiring India Limited
Q3 FY '26 Results Conference Call”

January 30, 2026



MR. VIVEK CHAAND SEHGAL

CHAIRMAN,
MOTHERSON SUMI WIRING INDIA LIMITED (MSWIL)

MR. LAKSH VAAMAN SEHGAL

DIRECTOR,
MOTHERSON SUMI WIRING INDIA LIMITED (MSWIL)

MR. ANURAG GAHLOT

COO AND WHOLE-TIME DIRECTOR,
MOTHERSON SUMI WIRING INDIA LIMITED (MSWIL)

MR. GULSHAN

CFO,
MOTHERSON SUMI WIRING INDIA LIMITED (MSWIL)

MR. PANKAJ MITAL

WHOLE-TIME DIRECTOR AND PRESIDENT,
SAMVARDHANA MOTHERSON INTERNATIONAL LIMITED (SAMIL)

Moderator: Ladies and gentlemen, good day, and welcome to the Q3 FY '26 Results Conference Call, hosted by Motherson Sumi Wiring India Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. V.C. Sehgal from Motherson Sumi Wiring India Limited. Thank you, and over to you, Mr. Sehgal.

Vivek Chaand Sehgal: Thank you. Good evening, ladies and gentlemen, and thank you for joining us today. I'd like to introduce the people on the call, we have Pankaj Mital. We have Anurag Gahlot. We have Gulshan Pahuja. We have Laksh Vaaman Sehgal and myself on the call.

I warmly welcome you to the Motherson Sumi Wiring India results call for the third quarter FY '26. I appreciate your continued interest and confidence in MSWIL. The quarter has been marked by a mixed operating environment, while the Indian automotive industry demonstrated a very healthy growth, we also witnessed sustained upward pressure on commodity prices, particularly copper.

Against this backdrop, I am pleased to share that MSWIL has delivered a strong resilient performance reflecting the robustness of our business model and the disciplined execution of our teams. During the quarter 3 financial year '26, MSWIL reported a healthy year-on-year growth in revenues, EBITDA and profitability.

And with both reported and ex greenfield operations showing steady progress. Our greenfield investments are strategic and position MSWIL well to support the future growth across ICE, EV, and hybrid platforms. The increased contribution from these facilities will further strengthen our scale and competitiveness over the medium to long term.

I'm also pleased to highlight that MSWIL will continue to maintain a debt-free status supported by a strong cash flow generation and prudent capital management. Our performance remains on deepening customer relationships, increasing content per car and supporting OEMs as they transition over to powertrain technologies.

With that, I now hand it over to Pankaj, Anurag and Gulshan, who will be happy to address any questions that you may have. Thank you and over to you.

Moderator: First question is from Gunjan from Bank of America.

- Gunjan:** My first question is on the copper inflation that has affected the margins in this quarter. Can you just refresh as to what is the overall exposure in terms of copper, how big it is in terms of either RM or net sales? And what is the typical contractual agreement with the customer OEMs in terms of pass-through?
- Vivek Chaand Sehgal:** Pankaj and Anurag, either of you can.
- Anurag Gahlot:** So this copper has given a total impact of approximately around 1.9% to 2% at this moment. And we have back-to-back arrangement contract with the customer for these arrangements that it will be by a quarter lag or in some cases, a 6 months lag.
- Vivek Chaand Sehgal:** I hope that answers your question, Gunjan? Because the money will come before the end of the financial year, but it only affects the time lag.
- Gunjan:** Got it. Just a follow-up. I mean, you quantified the impact in this quarter, but the commodities continue to go up, right? I mean, copper has continued to go up. So, is it fair to say that there is a similar sort of impact, which we can see in quarter 4 as well? And I'm just trying to understand how much of the inflation is already factored in this quarter and how much more to go. A little bit more colour on that?
- Vivek Chaand Sehgal:** Anurag?
- Gulshan:** So when the copper price will be an upward trend, there is an impact which is there on the temporal basis, but we have a pass-through arrangement with our customers. So, whenever it gets increases, always get compensated. So, in terms of inflationary, we don't have a control on the increasing copper prices.
- But having said so, whenever it is on an increasing trend, our discussions with the customer getting progressing at a fast pace also that there should be a minimum impact, which needs to be the same. But there are certain customers where we're getting adjusted on a quarterly or a half yearly basis. So, lag will remain, but we will but the discussions with the customer, how to minimize that so that we can consider the inflationary, which is going right now as per the current market scenario.
- Gunjan:** Got it. And my second question is on this the new plant, the new start-up plants, which you had all these programmes, which you've spelled out in one of the slides that there's been some delays on the programmes and some of them are, I think, EV programmes. Can you give some colour on when do we expect those programmes to come on stream? And how should we think about the utilization ramp-up of the new plant?
- Anurag Gahlot:** I can tell you that for the EV powertrain, if you can see that in one of the projects of EV, that is the volumes are gearing up right now in Q4. And the other location is in Pune, where the EV powertrain one model is launched in the earlier year.

And this is again, the volumes are still ramping up on to those as suggested by the customer in their RFQs. But we have to watch it carefully and because as the they are not going to ramp up as the volume has been suggested in the first place. But slowly, we are seeing that there is an improvement in that.

Moderator: The next question is from Siddhartha Bera from Nomura.

Siddhartha Bera: Sir, first question on the growth side. So in the last few quarters, with the industry growing at 4% to 5%, we have been growing at close to mid-teens. But now with the industry growth picking up meaningfully, and given the copper price, which also sort of benefits your revenues as it is a pass-through, is there anything else which is sort of maybe dragging down the growth to some extent, given the strong industry momentum, if you can sort of talk about something there?

Vivek Chaand Sehgal: I think this particular thing refers to just a time lag really, the second quarter, third quarter in second quarter, we had the Diwali and all these other particular thing and the announcement by the government. But I'll let Anurag answer that question or Pankaj to help it if necessary.

Pankaj Mital: So, I would say that there is nothing else which we can think of, but the newer models getting launched, the volumes have come up, of course, with the reduction in VAT. And therefore, we see higher revenues as well. And the entire impact of copper, as my colleagues already explained, has not been factored in the revenue, but it is in the cost.

Siddhartha Bera: Understood. Understood. And second question is, sir, on these greenfield plants again, I think if I look at the revenue ramp-up, they are probably reaching maybe close to the 50% utilization levels. And the EBITDA losses also haven't gone down meaningfully. So when should we expect probably an EBITDA breakeven at what utilization level do you think we can achieve the breakeven at the EBITDA level at least?

Pankaj Mital: So, as the volumes of the customers are ramping up, I think we have also mentioned in our presentation that in some cases, the ramp-up has been slower than expected. In some cases, it had been deferred. So, we believe that in the coming quarters, step by step, it will continue to improve.

Already, the performance is improving as the volumes have kicked in. And before the start, we have to put all the costs. So, we try to build that up, and they will continue to taper down. And in the next, I think, 2 to 3 quarters, we should see these ramp-ups reaching the right levels or so.

Siddhartha Bera: Got it. Sir, last question is on the cost impact, which you highlighted of about close to 200 bps in the quarter. So, if you look at the ex-greenfield margins, which are at 11.3%, that also will be impacted by this copper. Is it the right assumption?

- Gulshan:** Yes. Yes, it's the right assumption because copper is all across.
- Siddhartha Bera:** Okay. Okay. So even there as well, we should see improvement as these get passed on to the customers over the period?
- Gulshan:** Right.
- Vivek Chaand Sehgal:** Actually, I don't think anybody in this particular thing can in the kind of scenario, you have the rupee devaluation also and you have the price increases also. So definitely, it's we've not seen anywhere resistance from the customer. They are very much helpful to make sure that we are maintaining this particular facility. Right, Pankaj?
- Pankaj Mital:** That's right. So, it has always been its contractual understanding between us and the customers for this.
- Siddhartha Bera:** Got it. Sir, lastly, on the capex side, if you can just highlight what is the capex plan for this year and next year, if possible?
- Vivek Chaand Sehgal:** Go ahead. Go ahead, Gulshan.
- Gulshan:** So for this year, we projected a capex of INR 220 crores. So out of that, INR 150 crores have already been incurred, and we are expected to go as per the plan in the remaining period of this year. For the next year, we are populating the budgets.
- Our discussions with the customers are ongoing, how the plans would be placed. So basis that, we would be able to finalize that. So probably in the next quarter or so, we would be able to give a clarity on the numbers for that part.
- Moderator:** The next question is from Rahul Kumar from Nuvama Wealth Management.
- Raghu:** Yes. Raghu here from Nuvama. Congratulations for the strong revenue performance. Sir, my question was on the ramp-up of the Greenfields. You have indicated in the presentation also that Gujarat plant is ramping up in Q4, even the Kharkhoda plant ramp-up is continuing.
- So, going forward, over the next 6 to 9 months, do you expect the plants to reach optimal utilization? And once they reach that kind of utilization, would you expect the margins for Greenfields to be closer to the blended margins?
- Vivek Chaand Sehgal:** Thanks, Rahul.
- Raghu:** Raghu here, sir.
- Anurag Gahlot:** Yes. Obviously, as you have seen in the presentation also that one of the locations in this Greenfield is already reaching to around 80% of the utilization. And Gujarat one is also

going to happen as the volumes are going to ramp up and the new launch, which is happening in this quarter as well as in the Pune location, obviously, their volume has gone down by that one of the customers.

I think for the other 2 locations for Gujarat and Kharkhoda, yes, in the coming time, this will reach to the optimum utilization. But for Pune, we will be filling with to the new businesses also. So, I think another 2 to 3 quarters, you will see that they will be reaching to the optimal utilization. And thus, as you asked for the margins also, that will also get improved over a period of time.

Raghu: And given that several new models are being launched by OEMs and industry growth is also healthy, do you see the need for more facilities coming up in the subsequent quarters?

Anurag Gahlot: Absolutely. I don't know next quarter or next year. But whenever any plant in Motherson reaches close to 80% utilization, we are already in the look for land, building and new facility. We always do that every year. That's the reason why we are far ahead of the competition and always in sync with what the customer wants or expects.

Raghu: Good to hear that, sir. And with relation to the top three customers, which you're serving from the three Greenfields, would you be supplying both the high voltage as well as low-voltage harness for their EVs?

Vivek Chaand Sehgal: Anurag, this is a loaded question. Let's see if you can help us.

Anurag Gahlot: Yes. If you can see the presentation also, we have also mentioned that the powertrain, we are going to supply to in the Gujarat. We are in the EV and ICE both. Kharkhoda is only ICE. But again, the Pune is having EV and ICE both. So powertrain is not an issue for us. We are engine-agnostic organization, and we can do any of the business.

Raghu: Got it, sir. Given that EV share has reached 6% in Q3 and last quarter also, it was broadly in similar range at 7%. And given that EV share keeps increasing, would you have similar level of localization and profitability for high voltage versus low voltage?

Vivek Chaand Sehgal: Absolutely. We have a lot of inputs from Sumitomo San and even Motherson in its own capacity to localize. And all those investments are being done by SAMIL, and the suppliers and also Sumitomo San and companies from MSWIL. So, I think they're all based on what the customer wants, and we do that. But Anurag, do you want to add something or Pankaj?

Pankaj Mital: What you said is right. The localization level is increasing with the new models. And of course, when you ask about the profitability, then it has no specifics on a particular type of product.

Moderator: Next question is from Shubham Harne from Purnartha Investment Advisers.

- Shubham Harne:** Yes. I just wanted to ask how much percentage of copper impact if copper increases by 10%, then the whole 10% is passed on to customer or there is some impact which we take in our books?
- Vivek Chaand Sehgal:** Anurag? It depends on the customer, but Anurag will give you an answer.
- Pankaj Mital:** It's whether it goes up or down, it's a very transparent mechanism of complete pass-through.
- Shubham Harne:** Okay. You mean if it's complete pass-through, okay.
- Moderator:** Next question is from Mumuksh Mandlesha from Anand Rathi Institutional Equities.
- Mumuksh Mandlesha:** Sorry, I joined a little late, sir. But anything, sir, on the Labour Code impact for this quarter? And incrementally, how much could be the impact, sir?
- Vivek Chaand Sehgal:** Anurag? Gulshan?
- Gulshan:** So, for this quarter, the impact is not that significant. This is the information currently available and the draft rules came in place. Of course, there has to be a development which needs to be seen in the as it progresses further because state rules and the central rules need yet to be notified. So far, whatever the understanding of best understanding we have, the impact has been ascertain and that impact has come out to be insignificant for the current quarter and the 9 months.
- Mumuksh Mandlesha:** Got it, sir. Sir, second on the this last few quarters, growth has been very strong. Just want to understand if you can give some flavour how are some of the segments like PVs, 2-wheelers, CVs have done, sir, in few quarters.
- Vivek Chaand Sehgal:** Sure. Anurag?
- Anurag Gahlot:** So I can tell you the PV industry on year-on-year has grown by 19%, sequential basis around 6% and the 9 months, if you see compared to the last year, it was 9%. In 2-wheeler, year-on-year is 15%, quarter-on-quarter it has gone declined by 2%, whereas 9 months is around 9%. CV industry year-on-year is 18%, quarter-on-quarter 10%, and 9 months is 10%. So everything remain positive.
- Mumuksh Mandlesha:** Yes, just on our side, how we have paid, sir, in each of the segments, sir?
- Anurag Gahlot:** See, we are giving only the overall basis, that's what we have grown by 25% year-on-year basis. And we don't go into the segment-wise specifically. But as we are supplying to all the OEMs in the country, so you can understand that this 25% is coming from all these categories.
- Moderator:** The next question is from Prateek Bhandari from AART Ventures.

- Prateek Bhandari:** Just if you can repeat the numbers for the CV industry, you mentioned as to how that has grown. If you just can repeat the numbers?
- Anurag Gahlot:** Yes. The CV industry year-on-year is around 18%. I'm talking about these manufacturing production of commercial vehicle.
- Prateek Bhandari:** Right, right.
- Anurag Gahlot:** And quarter-on-quarter is 10% and 9 months is around 10%.
- Moderator:** Well, as there are no further questions, I'd like to hand the conference over to Mr. V.C. Sehgal for closing comments.
- Vivek Chaand Sehgal:** Thank you. Thank you all very much for attending this MSWIL's third quarter numbers. I think the teams have done a phenomenal job, multiple plants everywhere, they have made sure that they have not lost vehicles. They are absolutely in sync with what the customer wants.
- Board congratulated all the team members and said, phenomenal job done. In spite of whatever the headwinds, we still did phenomenally well. So, thank you all very much for attending and wish you all a happy weekend up in front of you. Thank you. Bye-bye.
- Moderator:** Thank you very much. On behalf of Motherson Sumi Wiring India Limited that concludes this conference. Thank you for joining us. Ladies and gentlemen, you may now disconnect your lines.

Safe Harbour: The transcript for the Investors' Call has been made for purposes of compliances under SEBI (Listing and Disclosure Requirements) Regulations, 2015 For the transcript, best efforts have been made, while editing translated version of voice file for grammatical, punctuation formatting etc., that it should not result any edit to the content or discussion. The audio recording of transcript is available at website of the company, viz., www.mswil.motherson.com. This discussion contains based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, are reasonable and can may include forward-looking statements. Forward-looking statements involve known and unknown risks, contingencies, uncertainties, market conditions and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance, or achievements expressed or implied by such forward-looking statements. The Company disclaims any obligation or liability to any person for any loss or damage caused by errors or omissions, whether arising from negligence, accident, or any other cause. Readers of this document should each make their own evaluation and assessment of the Company and of the relevance and adequacy of the information and should make such other investigations as they deem necessary.