

November 21, 2025

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Scrip Code: 543689	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051 Symbol: UNIPARTS
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Subject: Regulation 30: Transcript of Earnings Call pertaining to the Unaudited Financial Results for the quarter and half year ended September 30, 2025

Dear Sir/Madam,

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed transcript of earnings call on the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2025, which was held on Monday, November 17, 2025.

The same is also being uploaded on website of the Company at https://www.unipartsgroup.com/home/quarterly_financial_results.

You are requested to take the above on record.

Thanking You,

Yours faithfully,

For Uniparts India Limited

Jatin Mahajan
Head Legal, Company Secretary and Compliance Officer

Encl: As above



"Uniparts India Limited Q2 & H1 FY26 Earnings Conference Call"

November 17, 2025



MANAGEMENT: MR. GURDEEP SONI – CHAIRMAN & MANAGING DIRECTOR, UNIPARTS INDIA LIMITED
MS. TANUSHREE BAGRODIA – WHOLE TIME DIRECTOR & GROUP CHIEF OPERATING OFFICER, UNIPARTS INDIA LIMITED
MR. ROHIT MAHESHWARI – GROUP CHIEF FINANCIAL OFFICER, UNIPARTS INDIA LIMITED
MR. HIMANSHU SHARMA – DEPUTY GENERAL MANAGER, UNIPARTS INDIA LIMITED

MODERATOR: MS. MONALI JAIN – GO INDIA ADVISORS



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Moderator: Ladies and Gentlemen, Good Day and Welcome to Uniparts India Limited Q2 & H1 FY26 Earnings Conference Call hosted by Go India Advisors.

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 this conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Monali Jain from Go India Advisors. Thank you and over to you, ma'am.

Monali Jain: Thank you, Amzad. Good evening, everyone and welcome to Q2 & H1 FY26 Earnings Call of Uniparts India Limited.

We have on the call Mr. Gurdeep Soni -- Chairman and Managing Director; Ms. Tanushree Bagrodia -- Whole Time Director & Group Chief Operating Officer; Mr. Rohit Maheshwari -- Group Chief Financial Officer; and Mr. Himanshu Sharma -- Deputy General Manager.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risk that company faces.

I will now request “Mr. Soni to take us through the Financials and the Business Updates, subsequent to which we can open the floor for “Questions and Answers.” Thank you and over to you, sir.

Gurdeep Soni: Thanks a lot, Monali. Good evening, everyone. I welcome you all to the Q2 FY26 Earnings Call of Uniparts India Limited.

The global off-highway market after a prolonged period of softness is showing early signs of stabilization, particularly within the construction equipment segment. Uniparts Q2 performance remains consistent with Q1, delivering a 14% year-on-year growth. This is in line with the guidance we shared in the earlier calls and reinforces our confidence in achieving double-digit growth for FY26.

Our operations remain stable through the quarter, despite the untimely and severe flood in North India, which is a testament to the resilience and agility of our team and the robustness of our operational processes.



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Our dual-shore manufacturing model continues to offer customers flexibility and risk diversification, thus strengthening our position as a strategic supplier. This model has also enabled us to effectively mitigate tariff-related challenges for our customers in USA. As we navigate an evolving global environment, our teams continue to grow stronger, more agile, and better equipped to manage volatility and deliver consistent performance.

Let me give you an “Industry Overview of our Business”:

The off-highway equipment market appears to be stabilizing, with encouraging signs seen specifically in the construction equipment segment.

The agriculture industry is seeing differentiated performances across segments and across geographies.

Let us start with “Large Agriculture.” The North America large agriculture market continues to be soft with a forecast continuing to be a high double-digit degrowth. This is largely driven by continued subdued commodity prices, high input costs, and still high second-hand inventory.

The European large agriculture market is faring much better, driven by lowering input prices, and with some markets showing an improving momentum of agricultural exports. Uniparts growth in this segment is supported by new business awards from our European customers.

Talking about the “Small Agriculture,” while still soft, the North American small Ag market is better than the large Ag market, expecting to degrow between 5% and 10% with the compact equipment segment showing momentum.

However, in Europe, the small Ag demand is showing better outlook than the North American markets. And in India, of course, the good monsoon, the high tractor utilization, and the recent GST rate cuts are expected to generate anything between 4% to 7% growth in tractor volumes in this current financial year. With strong domestic footprint and growing export market, Uniparts is well-positioned to capture mid-teen growth in this segment.

Coming to the “Construction Side”:

The increasing spend on building AI infrastructure is aiding construction industry growth in North America markets, leading to improved end-customer demand.

In Europe as well, the government spends are encouraging the demand of construction equipment, especially with the focus on developing green power.



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Uniparts continues to grow ahead of the market supported by strengthening customer relationships and new business wins in both Europe and North America.

And finally, about the “Aftermarket,” this segment continues to be an important business driver for Uniparts, and we expect to grow in single digit in this segment year-on-year.

Let me talk about “Some Operational Updates and Strategic Outlook”:

Uniparts remains focused on deepening customer partnership and expanding our footprint in the large agricultural and construction equipment segments. In fact, our new business award pipeline continues to be robust at around Rs.200 crores.

In addition, the Mexico warehouse become operationally ready in October 2025, in line with our planned schedule, ensuring we continue to meet customer delivery timelines seamlessly.

A brief about our “Financial Performance.” In quarter two, our EBITDA margin expanded to 22.6%.

Cash flows remain robust, and the company continues to be net debt-free with a net cash balance of Rs.226 crores as on September 30th, 2025.

In fact, the board had approved and paid an interim dividend of Rs.37.7 crores for the quarter FY26. In fact, in addition, there was a special dividend of Rs.22.50 per share amounting to Rs.101.55 crores approved and paid in October 2025 as well.

With that, I will hand over to “Rohit Maheshwari to Present the Detailed Financial Performance for the Quarter.” Rohit, over to you please.

Rohit Maheshwari:

Thank you, sir. Good evening, everybody. Here are the Financial and Business Highlights for the Quarter ending September 30th, 2025. Quarter 2 total revenue was Rs.283 crores, reflecting 1.3% quarter-on-quarter increase and 14.6% year-on-year growth.

Quarter 2 EBITDA stood at Rs.63.9 crores, up 11% from Q1 FY26 and 53% year-on-year.

Operating cash flow generation for Q2 was Rs.34 crores.

The net working capital, comprising of big three elements of inventory, accounts receivable and accounts payable, as number of days of TTM revenue from operations stood at 155 days as on September 30th, 2025.



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Uniparts remains a net debt-free company with a group net cash position approximately of INR226 crores at the end of September 30th, 2025.

CAPEX outflow during the quarter was approximately Rs.6 crores.

New business awards over the past 12 months total approximately INR200 crores in the annualized potential value.

Key monitorables include global economic slowdown, geopolitical uncertainties, evolving trade tariff, persistent inflation and elevated interest rates.

With this summary, I would like to hand over the conference back to the moderator for question-and-answer session. Thanks very much.

Moderator: We will now begin the question-and-answer session. The first question is from the line of Viraj from SIMPL. Please go ahead.

Viraj: Hi, thank you for the opportunity and congratulations on good set of numbers. Just a couple of questions. First is, if you look at the current quarter, our gross margin has been one of the highest ever in our own history. Just trying to understand what drove such high gross margin for us? Was there any element of FX gain or any other element? Similarly, there is a slight increase in OPEX cost as well. If you can just give some perspective? That is the first question.

Tanushree Bagrodia: Hi, Viraj. Tanushree Bagrodia here. Viraj, you asked a question on our gross margins and on our overall other expenses, right? If you look at our material cost as a percentage of revenue, typically, it is in the range of about 35% to 37%. And this has eased to about 32.5% in the first half and in the Quarter 2, it was about 30.5%. This is largely due to the rupee depreciation, which has improved inventory valuations across our US and European businesses.

Viraj: Can you specify the quantum?

Tanushree Bagrodia: So, if you look at this, a large part of it is coming because the rupee depreciated about Rs.3 against the dollar and the euro both. So, about 85% to 90% of the impact that you are seeing on material cost is because of the FX movement. And to a smaller extent, there is an impact of product mix and of tariffs as well.

Viraj: Can you quantify both the parts, the impact in Q2, both of the gross level and also the other expenses?



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- Tanushree Bagrodia:** So, on the gross margin, like I said, 85% to 90% of the impact is due to FX, and the balance is a mix of product mix and of tariff. Now, coming to your question on the operating expenses, you would see some higher cost on employee cost, which is largely driven by actuarial valuations. And the next impact that you see is on other expenses and those other expenses are largely up because of one-time expenses.
- Viraj:** Okay. So, if we were to kind of read out the impact both at the gross level, which is positive and the other expenses of employee cost, then what should be a normalized operating profit should be for us in this quarter?
- Tanushree Bagrodia:** So, Viraj, what we have always maintained is that with the market picking up, we are back to looking at the 18% EBITDA level. And I think after normalizing for all the gross margin and the fixed cost impact, right, we are well in the range of 18% EBITDA margin.
- Viraj:** Okay. Second question is, if you can just give some color in terms of our performance when it comes to large Ag, small Ag, and construction? And a related question is, if I look at the aftermarket business, if I look at the last two quarters, we have seen subdued sales, maybe minor decline or kind of flattish kind of sales, so, what is happening there, because I think we were looking at ramping up the supply to large US retailers. So, any color you can give on both the parts.
- Tanushree Bagrodia:** Okay. So, let us start with where the markets are and where we are performing in terms of the market, right? So, as our M.D. also mentioned in his opening address, the North American large Ag market continues to see soft crop prices and higher fertilizer costs. And hence, the large Ag segment continues to be weak. However, the recent agreement that has been achieved between US and China on the soybeans purchasing by China is going to be beneficial for US farmers. The Fed rate cut has come in October and that should be beneficial for farmers as well. Secondly, we also see while the inventory levels are high, the inventory levels in large Ag also are consistently reducing. These factors indicate that the large Ag market still has some pain to go through, but it is potentially bottoming out. And in this backdrop, our business in North American large Ag market is flat, right? In the European large Ag market, the input prices have stabilized and the southern European farm output exports are looking up. The European agricultural market seems to be coming out of the trough this year. And this region is definitely faring better than the North American market. And Europe is currently driving Uniparts growth in the large Ag segment, which is fueled by the new business waves that we spoke about in our earlier investor calls. And with the improving market sentiment, we are getting an additional uplift. Then when we talk about the small Ag segment, I think the Asian market, which is largely a small Ag market, has been performing relatively well. And, we have actually won new business and this is also driving growth in the Asian market. Now in India, monsoon, steady farmer demand and the GST rate cut is driving tractor sales. And I think here also

we are outperforming the market, a), because we have a dominant position, b), we have also seen that the GST rate cut has provided some impetus to this market. In the European small Ag market, this segment has clearly bottomed out and we are leveraging this upturn and securing new business and again outperforming the market. So, I think that overall gives you a color on how we are performing in the small Ag segment. Needless to say that our very strong leadership and dominant position in this market is helping us outperform every geography in this particular segment. Then when we come to construction segment, this segment is showing green shoots across the US and Europe. In US, as Chairman mentioned, it is driven by the spend on AI infrastructure. In Europe, it is by green energy focus. But clearly this is a segment which is driving growth for us both on new business wins that we are executing currently and the businesses that we had won in the recent past having done exceedingly well for our customers. So, this segment also remains extremely strong for us. On the aftermarket side, we definitely have not de-grown. We have seen growth. It is just that the growth is less compared to what we saw in the previous year. Again, let us look at aftermarket in two buckets, Europe versus the US. I think in Europe, our aftermarket customers are sitting on higher inventory and hence their buying from us has been lower and hence the growth is a little subdued. In the US, while the OEMs have seen zero impact of tariff, the aftermarket has seen some impact of tariff and hence there has been some slowdown in growth. Having said that, on 31st of October, there was a new notification from the US government which came out that certain HSN codes which come under tractor parts will now be subject to 25% duty. So, these were initially falling under the 50% duty because of 25% duty and 25% Russian oil tariff. Now, this is flat 25% duty and it is exempt from Russian oil tariffs. With this new ruling coming in, we are seeing some green shoots in the US aftermarket already. So, I think that is some color on the aftermarket for you.

Viraj: Can you give mix in terms of channel, say warehousing, direct export, local production, both for Q2 and H2?

Tanushree Bagrodia: So, I think it remains pretty much the same where our sales from warehouses remain the highest at about 50% and our direct exports is about 25% and the balance 25% is made to local sales.

Viraj: Okay, I will come back in queue. Thank you.

Moderator: The next question is from the line of Prolin Nandu from Edelweiss Public Alternatives. Please go ahead.

Prolin Nandu: Yes, hi team. Thank you for giving me the opportunity. A few questions from my end. Firstly, you sounded like slightly more positive on construction equipment side than the agri side, right? So, just to understand, let us say, in your order book or maybe FY26 revenue, how should the mix look like between construction equipment, large Ag, small Ag and aftermarket?



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- Tanushree Bagrodia:** Prolin, thank you for that question. I think before I go on to what our order books are looking like, I think we have been maintaining that the construction industry has seen a sooner revival than the Ag industry. I think what is a clear indication within the Ag is that even the North American small Ag market, probably the bottom is behind us. And in the case of the large Ag industry, now we are seeing that the potential bottoming out should reach soon. The European Ag industry is definitely seeing green shoots. So, I think that trajectory is now becoming more and more clear as we have gone by one more quarter. What we are seeing is that our construction business is roughly I would say about 40% to 45% of the total business that we have, right, while the large Ag is roughly about, I would say anywhere between 17% and 20%, and the small Ag business obviously is larger, right, with about 25%.
- Prolin Nandu:** Okay. So, just to summarize, right, if I were to probably think about this traffic lighting kind of a system, so what you are saying is that construction element is surely green, small equipment is more like an amber and there is still some reds on the large Ag side, is that a fair summary?
- Tanushree Bagrodia:** Again, I am going to temper it by saying that large Ag in the North American region is red, I would say small Ag plus the European large Ag is an amber and construction is green. And India and Asia Ag, which is the small Ag, is all green as well.
- Prolin Nandu:** Okay. That is very helpful. My second question was on the inventory adjustment, right, which explains 80%-85% of the gross margin expansion. Now, this is only on inventory, right? How do we pass on the depreciation of currency to our end customers in terms of pricing? And I tell you where I am coming from, right? Some of the channel checks that we have done, right, what we understand is that in terms of pricing, when the raw material inflation goes up, we are quite quick to pass on the same hikes to our customers. Maybe while declining, we are slightly late in a way. So, we probably maybe lose out on wallet share or lose out on some of the customers. So, has there been any such instance in the past where we have lost out on a customer or lost out on wallet share because our pricing was slightly on a higher side? And how do we factor in all these factors, right, currency movement as well as the raw material movement, and how do we pass it on to our customers?
- Tanushree Bagrodia:** So, Prolin, if you look at our customer contracts, our customer contracts are fairly clear. Our customer contracts talk about raw material, inflation and about FX. There are bands at which there is a clear decision point saying if the raw material goes up or down, how is the passing on going to happen. On the FX side, I think one thing that we need to understand is that FX is not looked at in isolation because FX also comes hand-in-hand with inflation, right, because if the rupee depreciates, there is also an inflation in India which is there. So, we always go to the customer with a transparent contract which looks at what we need to do for raw material and then in combination with FX and inflation. So, for us, these pass-throughs are transparent, are done timely, and contract-to-contract, it depends

what the frequency at which the reviews will happen and when we do the pass-on. As a supplier to our customers, we are actually a strategic partner. And what that means is that we have a seat at the table when any of these discussions come up to engage in open, detailed conversations and then find a solution which is balanced and contractually agreed to by both parties. Now, that is also the reason that we have been able to pass on all tariffs impact with P&L neutrality and not losing any business. So, I would like to say that any pricing discussion that happens, happens timely, contractually and given the strategic nature of our relationship. We do this in such a way that we are not losing wallet share or business with the customer. In fact, even post-tariff, we have not seen a reduction in RFQs also.

Prolin Nandu:

No, that is very encouraging to hear. I will just push one last question, right, and that's on inorganic growth or acquisition. What is our plan there, given that the payout has been very high on the dividend side, is that plan temporarily off the table or are we still evaluating to do something on the inorganic side? That is it, Tanushree. Thank you so much for answering my questions.

Tanushree Bagrodia:

So, Prolin, global inorganic growth remains a core part of our strategy and at all points in time, we have maintained that and we will continue to maintain that. We continue to focus on these areas around our key platforms of fabrication, hydraulics and PTOs, right? These are the areas in which we see strong potential for value creation and strategic alignment. I think the decision to declare the special interim dividend was because while we are evaluating potential inorganic growth opportunities, the board believes that distributing surplus cash to shareholders was a prudent use of the capital. At the same time, it reflects our commitment to disciplined capital allocation. As the profitability of the company is improving and it is indicated by our half-yearly results, you can see our EBITDA, and you can also see that we continue to generate strong cash flows. We are very confident that this interim dividend that we have paid out will slowly come back to our coffers and hence it was more prudent to deliver value to shareholders at this point in time. Also, because we are a net-cash company, we remain debt-free and any opportunity that also materializes, I do not think we are constrained in making an acquisition at this point in time.

Prolin Nandu:

Great. Thank you so much.

Moderator:

The next question is from the line of Rishabh Shah from BugleRock PMS. Please go ahead.

Rishabh Shah:

Thanks for the opportunity. My question is, in one of the calls, you had mentioned that South America is an undiscovered market for you and an opportunity is coming up. So, are we taking any efforts to increase our business in that particular region?

Tanushree Bagrodia:

Rishabh, your voice is not clear at all. We cannot understand your question.



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- Rishabh Shah:** So, in one of the calls, you had mentioned that South America is an undiscovered region for you and an upcoming opportunity. So, any update on that front -- are we taking any steps to increase our business in that region?
- Tanushree Bagrodia:** So, Rishabh, North America has historically been more than 50% of our total revenue. In H1 '25, it was 55% of our turnover and in H1 '26, it is -
- Rishabh Shah:** No, ma'am. South America, not the North America.
- Tanushree Bagrodia:** South America? So, if you look at our strategic intent, we have always said that our strategic intent is to have 40% of our business from North America, 30% from the US, about 25% from Asia, and 5% from rest of the world. So, clearly, we have been focusing on growing our business in Asia and Europe. And to that extent, first half of 2025, Europe was 23% of our turnover, and this time, it is 25%. So, we are seeing a clear growth in the European contribution in a growing top line that we have. And Japan was at 5%, H1 '25 and in H1 '26, it is at 6%. So, you can also see the Asian element growing, right? I think South America, for us, comes in the rest of the world, which is a smaller bucket for us. So, we are going to focus on the larger markets first.
- Rishabh Shah:** My next question is, when we talk about 3PL, PMP, what has been our market share, let us say, now versus four to five years back? And how has it improved over the years, as you say, we have a dominant market share in this case?
- Tanushree Bagrodia:** I think we continue to enjoy a double-digit market share in the small Ag market. What is it currently? At the moment, we have not done a market review in the last three months, so that I would not be able to tell you. But in the recent past, when we have done it, we were at a double-digit market share in the 3PL business. And in the PMP, we are in single high digit. That is the market share that we have. Now, I think the way we look at this is that in the large Ag market in Europe, we continue to win new business, and we continue to solidify our position, even in the small Ag segment, be it North America, be it Europe, be it Asia, we are winning new business... and this is despite the markets being weak, right? So, our position, if at all, is staying where it is, it is not improving. And similarly, in the construction industry, actually, we have just been growing tremendously, right, we have been growing with the multiple customers, both in the U.S. and in Europe. And there also, our position is only getting solidifying despite North America facing tariff. Because bear in mind that what has made people really sit up during the tariffs in North America is saying, Oh! Here is Uniparts, not only are they a best country manufacturer, but they also have dual shoring. And now, with our Mexico warehouse becoming operationally ready, we can give them so many tools in the kitty to be able to mitigate tariff impact. So, I think our market share is only solidifying.



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Rishabh Shah: Okay, fine. Thank you.

Moderator: The next question is from the line of Dheeraj Kumar from AlphaSqr. Please go ahead.

Dheeraj Kumar: Ma'am, thanks for the opportunity. I have a couple of questions. The first question being, so if you see our historical earnings, right, I think the peak earnings was somewhere in 2023, where we did about Rs.45 to Rs.50 right? So, when do you anticipate, right, based on the current visibility of all the different industries you are currently catering to, when do you anticipate we can get back to such a level?

Tanushree Bagrodia: So, if you look at how we have been indicating FY26, we have been saying FY26 should be in the mid-teens growth. And if the trajectory of the market continues to be where it is, I think FY27 or mid-FY28 is where we definitely should be where we were with the peak revenues.

Dheeraj Kumar: Got it. Got it. That is helpful, ma'am. And secondly, I just wanted to understand, because if you see in India, right, most of the precision engineering players have taken different routes, right, I mean, one being different in aerospace or some of the sectors where there are tailwinds, right, be it mining or be it energy, etc., right? Why are we actually restricting ourselves with the industries which are extremely, I would say, they are not growing or they are probably de-growing because of the multiple reasons, right, do we have any plans, because we have the capability of doing precision parts, why are we not thinking about the mining or say some other areas? Might be a naive question, but I just wanted to understand what is the hunger for the management, because beyond Rs.1,500 crores, I mean, we are not able to understand how the company can really get to the next leg and unlock the shareholder value?

Tanushree Bagrodia: So, there are multiple layers to your question. So, let me peel the onion one-by-one, right? I think just to say Rs.1,500 crores, because that is the revenue we achieved in 2023 is a little bit of a misnomer. I think we can actually achieve that growth just with existing customers and existing projects in the timeframe that I mentioned. We are constantly looking at organic, inorganic growth and inorganic opportunities. We have the wherewithal to do it, and that will definitely add more value to the shareholders. And the reason why we keep putting on so much effort on this inorganic opportunity is because we just do not want to do an acquisition for the sake of acquisition. We actually want to do an acquisition, which truly unlocks value for the shareholders and is ROE and ROCE-accretive, right, and hence, it is taking us time. I think the third element is today, do we supply to other off-highway segments other than agriculture and construction? Absolutely. We do supply to oil and gas. Some of our precision machine parts go into oil and gas. They also go into industrial machinery. It is just that we do not track them separately. I think what also is not appreciated is that when we say construction, construction for us is not just infrastructure and building. It encompasses

mining, metals, it also encompasses what we talk about infrastructure for AI. So, I must tell you that one of the new models that we have won is actually for a customer that is going into their segment, which is then helping the development of the AI infrastructure. Now, for us, there is a huge amount of untapped potential within our customers to take care of some of the segments that you have spoken about. And that is where we are putting our effort. We are expanding into other segments where our capabilities can extend. And then the third one is the inorganic opportunity. So, that is the way we look at growth.

Dheeraj Kumar: Got it. Got it. Thanks. Because you highlighted that this gross margin might not be sustainable, I mean, it might go to the normalized level, so, you anticipate H2 would be again we would see an EBITDA margin of 18%-19%, rather 21%, which we have seen in H1, am I right?

Tanushree Bagrodia: So, Dheeraj, again, when you look at H1, again, the gross margin, you are right, is impacted by this material cost. But as you would also see that the deleveraging is playing out in our benefit, right? So, once we normalize for the impact that we have had, we are close to coming to the 20% levels of EBITDA that we have said we would always be trending towards.

Dheeraj Kumar: Yes, I think that is helpful, ma'am. Thanks a lot. I will come back in queue.

Moderator: The next question is from the line of Saurabh Das from GreenEdge Wealth. Please go ahead.

Saurabh Das: Yes, hi. Thanks for the opportunity. I know that we have discussed at length on the margin, but just wanted to again check with you that you did mention that 18% is what you are essentially targeting in the near-term with 20% as an aspiration, while the first half is extremely strong. Do we see that normalization likely to happen in the second half itself, or it will gradually trend towards the 18%, 19% levels?

Tanushree Bagrodia: So, Saurabh, what we are trying to explain is that the gross margin impact that we are seeing is due to the rupee depreciation. If the rupee depreciation continues, the gross margin will continue to benefit. When we normalize for the margin, for the rupee depreciation, we are looking at the range of 18% to 20% margins. I think what we are saying, it is not that we are targeting 18%. Our target has always been 20% because that is the normal EBITDA level at which we believe we operate in healthy markets and healthy cycle conditions, right? And I think over a cycle, that is what we will land up doing. It is just that at the moment, giving full clarity and saying, if we were to normalize everything, we would be in the range of about 18%, 19%.

Saurabh Das: Thank you. Thank you so much. And my next question is that when you gave the broader color on your end segments, the kind of growth, it kind of comes to either slightly negative to slightly positive

between minus two to plus five sort of end market growth while we are targeting mid-teen. So, effectively, we are maintaining a spread of almost 7% to 10% over our end markets. So, is that understanding broadly correct I can look at it from a next two, three-year perspective?

Tanushree Bagrodia:

So, Saurabh, I think a couple of things to understand, right? And I am going to reiterate this. The segment which is rightly said, which is red is North America large Ag, which is where we have a lower exposure to. Europe, which is small, large Ag is amber, which is where we have been winning new business and large Ag, we have a good position in the small Ag, even North America, small Ag is in the amber, so there we are doing well, and construction is really green and so is the Asia and India Ag business, right? So, we are really outperforming the market in the green and the amber segment and we are flat when we talk about the red segment. I think what is key to note in our business is, and we have always said this, that the real growth comes from winning new business. So, if we talk about, let us say, a 15% growth, we are saying about 11% to 12% of this comes from new business while the balance comes from the existing business. And that actually means because our new order business win is very healthy at Rs.200 crores.

Moderator:

The next question is from the line of Vipul Kumar from Sumangal Investments. Please go ahead.

Vipul Kumar:

Hi, thanks for the opportunity and congratulations for very good set of numbers. So, my question is since construction is turning the corner, two, three years down the line, we can have a mix which is construction, that contributes around 60%-65% of our overall revenue or that is too optimistic? And secondly, if you do not give any exact figures, can you directionally say the margins for Ag and PMP business are broadly similar or they are different? Thank you.

Tanushree Bagrodia:

So, Vipul, to answer your second question, I think for us margin of the business is dependent on our delivery channels. It is not dependent on 3PL or PMP. And I think we have always said that that warehousing sale is the highest margin, direct exports is the base margin, and locally manufactured and locally delivered is the lowest margin. So, I think that is the short answer to a question on what are the margins for 3PL and PMP. I think, will construction become a 60%-65% business? Our efforts, if you see, right from the beginning have been to build a diversified business. So, we have customer diversification, we have industry diversification, and we have geographic diversification. And I think this diversification is what we are going to continue to focus on, because this is very, very important to build a risk-mitigated business in the long-term. So, I do not think we would want to have over-reliance on any one industry, but that means that we will have to continue growing with all our customers, all their horizontal verticals across their geographies, so that the derisk continues and the business continues to grow.

- Vipul Kumar:** No, I did not understand your comment about margin for both the segments. Would you repeat, please?
- Tanushree Bagrodia:** So, the margins are not dependent on 3PL or PMP, because they tend to be the same. The margins actually are by the delivery channel of the business.
- Vipul Kumar:** Means warehouse is the highest margin, if I understood you correctly?
- Tanushree Bagrodia:** Warehouse is the highest margin, direct export is the base margin, and locally produced is the least margin.
- Vipul Kumar:** Okay, thank you very much.
- Moderator:** The next question is from the line of Shil Aditya, an individual investor. Please go ahead.
- Shil Aditya:** So, I think you have given some high-level guidance of mid-teens growth for FY26. So, can you give some color on the different segments, how each of these will perform, and also going forward, like FY27, FY28, next couple of years, maybe, how the expectation is?
- Tanushree Bagrodia:** Right. I think Shil Aditya, if I was just to go back and look at the segments, right, the construction segment globally has started to come up with the trust. So, this is a segment that is really growing, it is doing well. And this is both in the U.S. and Europe. In the U.S., it is driven by, of course, government spends on infrastructure, but more importantly, the emphasis that is on building AI infrastructure. In Europe, the emphasis here is on green energy, and so the sector is growing. And here, we actually are outperforming the market driven by new business wins. Given that the trough of the cycle is past us, the segment is going to look up in FY27 from where we are today. Then when we come to small Ag business, we believe that in North America, the worst may be behind us, so there is a plateau that is happening before the recovery begins. So, clearly, FY26 is looking better, but the growth will really come in FY27 in this segment in North America. In Europe, small Ag is looking better, and so I think as the growth continues, FY27 will look better. In Asia, the market is already looking good for Ag, and this is all small Ag largely. And same as India, and we expect this to continue. And in India, the GST rate cuts are an impetus to the industry, right? Again, in the small Ag market, in all our geographies, we are outperforming the market. And then comes the large Ag market. Large Ag market does not exist in Asia. It is predominantly North America and Europe. The European large Ag market is definitely recovering. More than 40% of the manufacturers of equipment actually expect their next six-months turnover to be better than their last six-months turnover. And I think we are winning new business here. So, we are again looking to outperform the segment. And when you look at the North American market of the large Ag, there we still need to

see the bottoming out. And there, I think FY26 will see double-digit degrowth, but hopefully the bottoming out will happen and then we will start seeing growth in FY27. In this segment, our performance is flat.

Shil Aditya: So, all in all, can we assume or can we at least right now think that FY27 should be better year in terms of growth compared to FY26, based on what you shared?

Tanushree Bagrodia: Based on the data that we are seeing today, based on the order books that we are seeing today, based on the customer interactions that we have today, yes, FY27 looks better than today.

Shil Aditya: All right. And the second question is in your business, is there an element of operating leverage, for example, once the growth kicks in?

Tanushree Bagrodia: I could not understand your question.

Shil Aditya: No, what I was asking is in our business, as the growth kicks in, what kind of operating leverage do you have in the business like is there a margin expansion normally happens along with the growth, because historically, I see that when your revenue was high, your margins also went up, so I am just trying to understand the operating leverage part?

Tanushree Bagrodia: So, that is absolutely crucial, Aditya, that there is operating deleverage and I think the Quarter 1 results and the H1 results are testament to that, right? I think if you see the Quarter 1 results, you will see how the operating leverage can play out. Quarter 2, you have a little bit more of the FX impacting the material costs, but if we were to normalize everything, clearly, our EBITDA margins are improving from what they were a year ago and that is the visibility of the deleveraging impact.

Shil Aditya: All right. Thanks, ma'am. Thank you.

Moderator: The next question is on the line of Viraj from SIMPL. Please go ahead.

Viraj: If we look at the run rate we are doing in the first half and if I have to annualize it, we will be doing similar run rate as what we did in FY24, which is around Rs.1,100-Rs.1,140 crores. But if you look at the top largest customer for you, it used to be 32% of your revenue, which is now 27%. So, while you talk about new wins and increased wallet share, for the largest customer, is there any share loss or what is causing this degrowth? So, that is one. And second question is on the gross margin improvement. So, you said that remaining 15% to 20% of the improvement is due to product mix and tariffs. But tariffs, how does it help you in improving margins? So, if you can just give some color?

- Tanushree Bagrodia:** Right. So, I think, Viraj, we have not lost any market share with the largest customers. It is just that what has gone away from the largest customer has gone into the pool of the second and the third customer. If you were actually going to look at the presentation where you talk about the customers that we have and the split that we have by customers, right, you will see that the share of business that we have with other customers has grown, right; so top 10 customers have 79% where they were 76%. Top five customers have 64% where they had 59%. So, it is not that we are losing share with that customer. It is just that it is getting distributed to other customers because they are growing faster with the other customers.
- Viraj:** I understood that. What I was trying to understand if I look at on absolute sales from the largest customer, you did something like Rs.360-odd crores and if I have to annualize this based on the new percentage, say 27%, we will be somewhere around Rs.300 crores. So, I am just trying to understand, if it is share loss or is it new programs not being awarded, I am just trying to understand what is causing the absolute sales drop from the largest customer?
- Tanushree Bagrodia:** So, you also have to keep in mind that different customers that we have, have had degrowth from '24 to '26 themselves. So, you cannot look at our sales to them as a single data point. This has to be looked at in congruence with what is their production today, right? Only then will we be able to say whether we have lost market share or not. And to that extent, I am telling you, we have not lost any market share.
- Moderator:** The next question is from the line of Dheeraj from AlphaSqr.
- Dheeraj:** Thanks again for the opportunity. Just for the inorganic side, right, I mean, what is the process we are having today? I just wanted you to go a bit deeper and help us understand like what is the thought process, what are we intending to do, what are the typical valuations which you are looking at, revenues, etc., which areas of acquisition, maybe if you can help us understand?
- Tanushree Bagrodia:** So, Dheeraj, this is something that we have maintained since our IPO. We are looking at global acquisitions because we believe in being a best cost country provider to our customers. We are global suppliers and our customers are global in nature. We want to supply to all their facilities. So, to start with, we are looking at global acquisitions, but these acquisitions have to be strategic in nature, which means for us, they have to be able to help us extend and shift our system boundaries. So, from our current product platform of 3PL, PMP, and small fabrications, they need to be able to help us get into large fabrications, hydraulics and PTOs. Now in these areas, wherever we have technology, wherever we have product extensions that can help us bring more value to the customers, there we will look at acquisitions. Given that we are debt-free and that we have cash on the balance sheet, we are not really typically limited by saying a small acquisition. I think we are looking at making acquisitions that are

meaningful and we are not going to look at acquisitions that are deep turnaround stories. That is not something that we want to do. We want to do something that is ROE-accretive and ROCE-accretive and strategic to the customer. So, I think those are the broad contours that we are looking at.

Moderator: The next question is from the line of Prolin from Edelweiss. Please go ahead.

Prolin Nandu: Hi, thanks again for giving me the opportunity. Two questions and both are in a way related, right? See, one is that you mentioned that tariff has made a lot of your customers realize Uniparts quality, right? How should that translate to higher new order wins, right, in a way?

Tanushree Bagrodia: Prolin, I cannot understand you. So, the first part of your question was not clear to me at all.

Prolin Nandu: Okay. Apologies. I will repeat. What I was saying was that the customers have been coming back to you with more RFQs, as well as this tariff thing has made them realize that Uniparts has some unique capabilities, right, which the peers does not have. How should this translate to higher new business wins going forward, because FY26, we are still at that 15-16% number, 11-12% coming from new businesses, and 3-4% coming from the existing business. Should it ideally lead to higher growth going forward because of whatever tariff realization customers have had? And also, one more point is that, do you internally track something like an innovation index where, what would be the percentage of products which would have been launched in the last three years, what would be the share in the overall revenue, just to help us understand is there an additional lever to market share gains beyond dual shoring and the cost aspects as well?

Tanushree Bagrodia: So, I think, Prolin, if you look at our new business that we keep tracking, that actually is a very good indicator of saying how are we being looked at by customers, what are the new businesses that we are getting, which can be new products with new customers, it could be new products with existing customers, it could be existing products with new customers, right? And that, a year ago, if I was to look at it, was about Rs.175 crores. And today that number sits at Rs.200 crores. So, that should be able to give you how the new business is growing, right? And this is despite the tariffs coming in. I think the strength that the customers are beginning to realize and why we are getting this new business award is because, obviously, we have U.S. manufacturing that can help them. And now we have a Mexico warehouse that can enable delivery to Mexico, where they can actually assemble and sell into the U.S., right? But that is just the U.S. geography. Also, remember, we are growing in Europe. Europe was only 23% of our share of revenue in H1 '25. This time it is 25%. So, a lot of our efforts are also going into winning new business in large Ag in Europe and in construction, right? Similarly, we are also putting in a lot of effort to diversify where we can. Now, Asia small Ag is a smaller geography and a smaller market from that perspective, because we have a dominant position in the



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small Ag market. But again, Japan was 5% of our revenue in H1 '25 and this time 6%. So, I think that is how I would look at growth opportunities and how customers are seeing us.

Prolin Nandu: Thank you so much. That is it from my side.

Moderator:- The next question is from the line of Vipul Kumar from Sumangal Investments. Please go ahead.

Vipul Kumar: Hi. What is the amount we are spending per annum on R&D?

Tanushree Bagrodia: Vipul, I think what we do is we have a significant amount of investment that goes into design, into process engineering and co-development of parts with our customers. I think I do not have the number at the top of my head. I can come back to you on that.

Vipul Kumar: Could I take you offline with you, ma'am?

Tanushree Bagrodia: Yes, you can get in touch with our team. They will give you the number.

Vipul Kumar: And lastly, ma'am, would you repeat sales by channel mix, I mean, warehouse, exports from India and -

Tanushree Bagrodia: Warehouse is roughly 50%, direct exports is roughly 25%, and local made and local sold is about 25%.

Vipul Kumar: Thank you, ma'am.

Moderator: The next question is from the line of Miten Lathia from Fractal Capital Investments. Please go ahead.

Miten Lathia: So, hi! Should we take this quarter as being representative of the full impact of tariffs on our business? Why I ask this is because we have inventory in the warehouse, which we would have sold through in this quarter and hence the full impact may not be visible. So, just wanted to get that clarified?

Tanushree Bagrodia: So, Miten, we cannot take this quarter as a full representation of tariff because tariff is an ever-evolving situation. For example, in my call, I mentioned, earlier on that on the 31st of October, there was a new ruling that has come in, which announces a flat 25% duty on some of the tractor parts, right? This is away from the 50%. So, this is a situation that will keep evolving. We also have inventory that keeps moving through, right? Because it is not that we just keep storing, we also keep selling. But given that tariffs is an ever-evolving situation, I do not think this is a quarter which is representative of tariffs.



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Miten Lathia: I understand that the situation is ever-evolving, so we can never be sure of it. But let us say, given what we know about current tariffs as in some at 25% and some at 50%, if at all something is at 50%, I do not know if anything is at 50% for us, but to that extent, would we have any residual impact left which will flow through in the subsequent quarters, if you could provide some heads up on that?

Tanushree Bagrodia: So, when the tariff situation began, we had two tariff play reader math, right? One was Sec. 232, which is on the steel and derivatives component. Now, that initially started with 25% duty, then it went to 50% duty. Then the change came in saying that on your steel and aluminum content, you will pay 50% duty, but on the balance, you will pay reciprocal duty. Then when the Russian oil came in, it said, now you will also pay Russian oil. So, that is one aspect. The second aspect when we started was with reciprocal duty, which started with 10%, then it got increased to 25%, and then we have the Russian oil tariff getting implemented now, from this month onwards, 25%. And then you have the 31st of October ruling, which is coming for new parts. So, there is so much of variability in this, that it is very difficult to say that Quarter 2 is representative, because there are constant moving parts to this. From a P&L perspective, at every stage of tariff change, we sat down with customers in open, transparent discussions and have been able to reach agreements such that our P&L is neutral. So, to that extent, we do not believe there is any impact on the P&L because of the tariff. What I also mentioned is that this new ruling that has come in on tractor parts actually is helping us on the aftermarket side because the tariff is reduced and that is helping the aftermarket customers pick up a little more. So, from that perspective, if at all, it is only a positive to the P&L.

Miten Lathia: That is very helpful. Thanks. Appreciate that.

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

Gurdeep Soni: Thanks a lot. Thank you for all the questions, investors. So, I just want to conclude by saying that we continue to focus on our core strengths and build stronger business franchise by strategically partnering with our customers in their journey and success. Our focus and efforts are aligned towards achieving the targeted growth in the coming years. So, with this, I would like to thank all of you for taking out your time to join today's call. Thank you so much.

Moderator: Thank you. On behalf of Go India Advisors LLP, that concludes this conference. Thank you for joining us and you may now disconnect your lines.