Q3FY26E Auto & Auto Ancillary Services
Result Preview

Result Preview

30th Dec 2025

DEVEN CHOKSEY RESEARCH

December 30, 2025

Q3FY26 Auto Sector Preview Report

INDIA EQUITY INSIGHT

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Coverage Stocks

Coverage	Rating	CMP	Target (INR)	Upside
Maruti Suzuki (MSIL)	ACCUMULATE	16,542	16,312	TA*
Ashok Leyland (AL)	ACCUMULATE	175	156	TA*
Bajaj Auto (BJAUT)	ACCUMULATE	9,087	9,770	7.5%
Tata Motors (TTCV)	ACCUMULATE	410	369	TA*
Tata Motors PV Ltd (TTPV)	HOLD	359	378	5.3%

*Note: * TA: Target Achieved. All market data is as of previous closing.*
Source: Company, Deven Choksey Research

Executive Summary

The Indian automobile industry is poised for a healthy performance in Q3FY26, supported by sustained festive season momentum spilling over from October-November, favourable government policies including GST rationalisation on certain segments, improving rural incomes due to a normal monsoon, and gradual easing of interest rates. Overall domestic vehicle retail sales are estimated to register a growth of 9-11% YoY during the quarter, led primarily by strong demand in passenger vehicles and commercial vehicles. While the two-wheeler segment is likely to remain relatively subdued due to high base and post-festive normalisation, continued infrastructure spending and replacement demand are expected to drive volumes across key categories, providing a positive backdrop for OEMs despite some moderation in December.

In the passenger vehicle (PV) segment, retail volumes are expected to deliver robust growth in Q3FY26. October witnessed a solid 11.3% YoY increase, followed by an impressive 20% YoY surge in November reaching approximately 400,000 units, aided significantly by festive buying and GST reductions on entry-level models. December retail sales are projected to grow around 8-10% YoY amid year-end discounts and new launches, resulting in an overall quarterly retail volume expansion of 15-18% YoY, marking one of the strongest quarters for the segment in recent years.

The commercial vehicle (CV) segment continues to exhibit strong traction in Q3FY26, underpinned by accelerated government infrastructure spending, healthy fleet utilisation levels, and replacement demand. Retail volumes grew 17.7% YoY in October and further accelerated to 19.9% YoY in November, while wholesale dispatches rose sharply by 25.4% YoY in November. With ongoing capex momentum and positive freight outlook, December is anticipated to sustain double-digit growth, driving overall quarterly retail volume growth of 18-22% YoY, reinforcing the structural upcycle in the segment.

The two-wheeler segment displayed a mixed performance during Q3FY26. October recorded historic highs with retail sales exceeding 2.8 million units on the back of strong festive demand and rural recovery, however November witnessed a 3.1% YoY decline to around 2.5 million units as buying normalised post-festivals. December is expected to see a modest recovery with 3-5% YoY growth supported by wedding season and promotional offers, leading to an overall quarterly retail growth remaining flat to marginally positive (0-3% YoY). Within the segment, electric two-wheelers faced headwinds with November sales declining 18.7% YoY to 116,982 units amid subsidy-related uncertainties.

Our top picks remain Bajaj Auto and Tata Motors PV. Bajaj Auto stands out in the two-wheeler space, supported by a strong export franchise, improving domestic traction post-GST rationalisation, and a sustained focus on premium motorcycles that enhance realizations and margin resilience. In the passenger vehicle segment, Tata Motors PV remains our preferred pick, driven by ongoing premiumisation, a robust pipeline of new launches, rising EV penetration, and improving operating leverage. Collectively, both OEMs are well-positioned to benefit from improving demand visibility, supportive policy measures, and a recovery in discretionary consumption over the medium term.

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December 30, 2025

Maruti Suzuki India Ltd.

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Q3FY26 Earnings Preview

Stock Snapshot

Parameter	Value
CMP (INR)	16,542
Market Cap (INR Mn.)	52,11,144
52-Week High/Low (INR)	16,818 / 10,750
Target (INR)	16,312
Upside (%)	TA*
Rating	ACCUMULATE

*Note: *TA: Target Achieved. All the market data is as of previous closing.*
Source: Company, DevenChoksey Research

Executive Summary

Maruti Suzuki's Q3FY26 base case revenue is estimated at INR 4,65,067 Mn, up 20.0% YoY, fueled by export growth and higher realizations. EBITDA at INR 59,994 Mn grows 18.2% YoY, and PAT at INR 40,707 Mn rises 9.2% YoY. Volumes are projected to increase 5.3% YoY to 5,95,957 units, driven by post-GST demand recovery and strong festive sales. Upcoming quarters will see sustained growth from SUV expansions, EV exports, and margin improvements through localization.

Business Highlights

In Q2FY26, Maruti Suzuki reported net sales of INR 4,23,442 Mn, up 13.1% YoY, with volumes at 5,50,874 units led by 42.2% export surge to 1,10,487 units despite 5.1% domestic decline due to GST anticipation. EBITDA margin fell 134 bps to 12.0% amid higher costs; net profit grew 7.9% to INR 33,490 Mn. H1FY26 volumes rose 1.4% to 1.08 Mn units on 39.9% export growth, with sales at INR 7,67,606 Mn and PAT up 4.3% to INR 70,048 Mn.

Q3FY26 Estimates (INR Mn.)

Metric	Bull	Base	Bear
Revenue	4,88,320	4,65,067	4,41,814
EBITDA	62,994	59,994	56,994
PAT	42,742	40,707	38,672
Volume	6,25,755	5,95,957	5,66,159
Avg. Realisation	7,80,369	7,43,209	7,06,049

Source: Company, DevenChoksey Research

Growth Comparison (Base Case)

Metric	YoY (%)	QoQ (%)
Revenue Growth	20.0%	9.8%
EBITDA Growth	18.2%	18.0%
PAT Growth	9.2%	21.6%
Volume Growth	5.3%	8.2%
Avg. Realisation Growth	14.3%	2.0%

Source: Company, DevenChoksey Research

Management Guidance

Management guides for normalization in domestic demand post GST impact, with strong retail momentum from festive season and small car recovery. They target 50% domestic market share and 10% EBIT margin over medium term, supported by eight SUV launches by FY31, EV exports to 100+ markets starting with e VITARA, and elevated capex for Kharkhoda expansion and multi-technology investments.

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Bajaj Auto Ltd.

Q3FY26 Earnings Preview

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Stock Snapshot

Parameter	Value
CMP (INR)	9,087
Market Cap (INR Mn.)	25,29,135
52-Week High/Low (INR)	9,490 / 7,089
Target (INR)	9,770
Upside (%)	7.5%
Rating	ACCUMULATE

Note: All the market data is as of previous closing.
Source: Company, DevenChoksey Research

Executive Summary

Bajaj Auto's base case revenue for Q3FY26 is projected at INR 1,56,294 Mn, reflecting 18.7% YoY growth, driven by strong export volumes and premium motorcycle demand. EBITDA stands at INR 33,030 Mn with 20.1% YoY increase, while PAT reaches INR 25,597 Mn, up 17.9% YoY. Volume growth is estimated at 5.2% YoY to 12,87,594 units, supported by festive season recovery, GST reductions, and EV expansions. Future quarters anticipate enhanced PAT through sustained export momentum, operating leverage, and cost efficiencies amid commodity pressures.

Business Highlights

In Q2FY26, Bajaj Auto achieved record revenue of INR 1,57,347 Mn, up 18.8% YoY, propelled by 24% export growth to INR 55,332 Mn across LATAM, Asia, and Africa. Domestic two-wheeler volumes surged during festivities, bolstered by Pulsar and KTM portfolios, with average realizations climbing 12.3% YoY to INR 1,17,869 due to premium mix and spares contribution. EV revenues hit INR 17,000 Mn, capturing 18% of domestic sales with double-digit EBITDA margins following supply chain normalization. EBITDA rose 30.5% YoY to INR 34,632 Mn, achieving 22% margins through operating leverage and cost discipline despite commodity inflation. Three-wheeler volumes peaked at 145,000 units, holding 75-80% ICE market share, while BACL reported INR 1,300 Mn PAT with AUM nearing INR 140,000 Mn. Recent developments include KTM-Triumph synergy and Brazil operations expansion, setting stage for sustained premium segment traction.

Q3FY26 Estimates (INR Mn.)

Metric	Bull	Base	Bear
Revenue	1,64,109	1,56,294	1,48,479
EBITDA	34,682	33,030	31,379
PAT	26,877	25,897	24,317
Volume	13,51,974	12,87,594	12,23,214
Avg. Realisation	1,23,038	1,17,279	1,11,320

Source: Company, DevenChoksey Research

Growth Comparison (Base Case)

Metric	YoY (%)	QoQ (%)
Revenue Growth	18.7%	-0.7%
EBITDA Growth	20.1%	-4.6%
PAT Growth	17.9%	22.0%
Volume Growth	5.2%	-0.5%
Avg. Realisation Growth	13.2%	-0.5%

Source: Company, DevenChoksey Research

Management Guidance

Management guides for 15-20% export growth in FY26E, fueled by LATAM, Asia, and Africa expansions with favorable currency and tariffs. Domestic motorcycle volumes expected to grow 6-8% in H2FY26E, driven by 125cc+ premium models, GST cuts, and new launches. EBITDA margins to sustain at 20-21%, supported by operating leverage, PLI benefits till FY28, EV improvements via Chetak variants, supply normalization, and KTM Mobility AG consolidation from Q3FY26E, offsetting commodity risks.

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Ashok Leyland Ltd.

Q3FY26 Earnings Preview

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Stock Snapshot

Parameter	Value
CMP (INR)	175
Market Cap (INR Mn.)	10,27,250
52-Week High/Low (INR)	178 / 96
Target (INR)	156
Upside (%)	TA*
Rating	ACCUMULATE

*Note: *TA: Target Achieved. All the market data is as of previous closing.*
Source: Company, DevenChoksey Research

Executive Summary

For Q3FY26, base case estimates project revenue at INR 99,597 Mn (5.1% YoY growth), EBITDA at INR 12,283 Mn (1.4% YoY), and PAT at INR 7,877 Mn (3.4% YoY). Volume is expected to reach 48,834 units, up 5.2% YoY, fueled by MHCV recovery, LCV launches, and export rebound. Upcoming performance will be bolstered by better product mix, cost controls, GST-led demand, premiumization in trucks, and sustained growth in non-truck businesses.

Business Highlights

Ashok Leyland's Q2FY26 standalone revenue grew 9.3% YoY to INR 95,882 Mn, with total dispatches up 7.7% to 49,116 units, driven by domestic MHCV recovery (3.7% YoY to 26,635 units), LCV growth (6.4% YoY to 17,697 units), and exports surging 64% YoY to 4,784 units. EBITDA rose 14.2% YoY to INR 11,622 Mn, with margins expanding 52bps to 12.1%, supported by improved mix, cost optimization, and export momentum. Adjusted PAT increased 24.3% YoY to INR 8,111 Mn, aided by higher other income.

Non-CV segments performed strongly, with aftermarket revenues up 11% YoY, power solutions 14% YoY, and defence 25% YoY. E-mobility subsidiary Switch India sold approximately 600 buses and 600 e-LCVs in H1, achieving positive PAT, while OHM operates over 1,100 electric buses with 98%+ availability, targeting 2,500+ buses in the next 12 months. Dealer network expanded to nearly 2,000 touchpoints, enhancing market reach.

Q3FY26 Estimates (INR Mn.)

Metric	Bull	Base	Bear
Revenue	104,577	99,597	94,617
EBITDA	12,897	12,283	11,669
PAT	8,271	7,877	7,483
Volume	51,276	48,834	46,392
Avg. Realisation	21,30,825	20,29,357	19,27,889

Source: Company, DevenChoksey Research

Growth Comparison (Base Case)

Metric	YoY (%)	QoQ (%)
Revenue Growth	5.1%	3.9%
EBITDA Growth	1.4%	5.7%
PAT Growth	3.4%	-2.9%
Volume Growth	5.2%	-0.6%
Avg. Realisation Growth	-0.2%	4.5%

Source: Company, DevenChoksey Research

Management Guidance

Management remains optimistic for H2FY26, anticipating stronger performance led by higher industry demand post GST-2.0, infrastructure activity, and festive consumption-driven freight uplift. New product launches include higher-horsepower trucks (320 HP, 360 HP) and premium buses (13.5m and 15m platforms). Margins are expected to improve through premiumization, product mix, disciplined pricing, and sustained cost efficiencies. Exports are targeted at 18,000 units in FY26, with a mid-term goal of 25,000 units, implying a 20% CAGR over the next three years.

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December 30, 2025

Tata Motors Ltd

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Q3FY26 Earnings Preview

Stock Snapshot

Parameter	Value
CMP (INR)	410
Market Cap (INR Mn.)	15,09,210
52-Week High/Low (INR)	345 / 306
Target (INR)	369
Upside (%)	TA*
Rating	ACCUMULATE

*Note: *TA: Target Achieved. All the market data is as of previous closing.*
Source: Company, DevenChoksey Research

Executive Summary

Tata Motors is expected to report base case revenue of INR 19,570 Mn in Q3FY26, marking an 82.6% YoY decline yet a 5.3% QoQ increase, bolstered by resilient volume expansion amid market challenges. EBITDA is projected at INR 2,547 Mn, reflecting a 79.5% YoY drop but 24.3% QoQ growth. PAT stands at INR 1,522 Mn, down 71.8% YoY. Volumes are forecasted at 1,00,559 units, up 5.0% YoY and 6.5% QoQ. Volume growth stems from festive demand, GST cuts enhancing consumption, and export rebounds, while future PAT gains are anticipated from cost discipline, EV traction, and infrastructure-driven demand.

Business Highlights

Tata Motors' CV business showcased robust Q2FY26 performance with wholesales up 12% YoY to 96,800 units, revenue rising 6.0% YoY to INR 185,850 Mn, and EBITDA margin expanding 122 bps to 11.0%. EBIT margin improved 180 bps to 8.5%, with PBT at INR 14,930 Mn despite INR 20,000 Mn mark-to-market losses. FCF hit INR 22,000 Mn, H1FY26 FCF reached INR 4,170 Mn, ROCE climbed to 45%, and net debt fell to INR 6,000 Mn. Demerger completed with CV listing on November 12, 2025, and Freight Tiger investment totaled INR 2,840 Mn. Exports surged 75% YoY to 7,600 units, driven by SAARC and MEA recovery. EV lineup strengthened with 1,300 Ace Pro EVs billed, market share steady at 35.3%. New product launches and GST pass-through supported volumes, with HCV up 5% YoY, ILMCV 15% YoY. Iveco acquisition advances toward April 2026 close, enhancing global presence.

Q3FY26 Estimates (INR Mn.)

Metric	Bull	Base	Bear
Revenue	20,549	19,570	18,592
EBITDA	2,674	2,547	2,420
PAT	1,598	1,522	1,446
Volume	1,05,587	1,00,559	95,531
Avg. Realisation	20,43.387	19,46.083	18,48.779

Source: Company, DevenChoksey Research

Growth Comparison (Base Case)

Metric	YoY (%)	QoQ (%)
Revenue Growth	-82.6%	5.3%
EBITDA Growth	-79.5%	24.3%
PAT Growth	-71.8%	NM
Volume Growth	5.0%	6.5%
Avg. Realisation Growth	1.1%	0.0%

Source: Company, DevenChoksey Research

Management Guidance

Management anticipates a robust H2FY26, driven by festive demand, GST-led consumption uplift, and accelerated infrastructure, construction, and mining activities. They project single-digit to high single-digit growth across segments, with sustained double-digit EBITDA margins around 12.5%, strong free cash flows exceeding INR 40,000 Mn annually, and ROCE above 40%. Export recovery in Sri Lanka, Middle East, and Africa, alongside MY26 launches and EV expansion to 400 monthly retails for Ace Pro, will fuel momentum. Risks involve geopolitical volatility in Nepal and potential tractor-trailer demand softening from freight corridors.

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December 30, 2025

Tata Motors Passenger Vehicles Ltd

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Q3FY26 Earnings Preview

Stock Snapshot

Parameter	Value
CMP (INR)	359
Market Cap (INR Mn.)	13,21,479
52-Week High/Low (INR)	493 / 338
Target (INR)	378
Upside (%)	5.3%
Rating	HOLD

Note: All the market data is as of previous closing.

Source: Company, DevenChoksey Research

Executive Summary

Tata Motors PV anticipates base case revenue of INR 1,02,179 Mn for Q3FY26, marking a 9.3% YoY decline amid JLR recovery challenges. EBITDA is estimated at INR 11,742 Mn, down 5.4% YoY, with PAT at INR 4,457 Mn reflecting a 17.6% YoY drop. Volume growth stands at 6.0% YoY to 3,60,472 units, driven by GST 2.0-led demand revival, festive momentum, and launches like Sierra. Upcoming quarters expect profitability uplift from normalized JLR operations, EV/CNG penetration, and cost efficiencies.

Business Highlights

Tata PV expanded geographically into South Africa as its first major international market. JLR's cyber incident halted production but recovery ensued from October 8, reaching near-full capacity. Domestic PV volumes rose 10.8% YoY to 144.5K units in Q2, with EV share at 17% and CNG at 28%, led by Nexon, Punch, Harrier, and Safari. EV EBITDA margins improved sharply YoY. Consolidated Q2 revenue declined 13.5% to INR 7,23,490 Mn due to JLR's 24.3% drop to GBP 4.9 Bn and -8.6% EBIT margin. Domestic PV revenue grew 15.6% to INR 1,35,290 Mn with 5.8% EBITDA margin. Liquidity strong at GBP 6.6 Bn for JLR despite GBP 1.5 Bn H1 cash outflow.

Q3FY26 Estimates (INR Mn.)

Metric	Bull	Base	Bear
Revenue	1,07,288	1,02,179	97,070
EBITDA	12,329	11,742	11,155
PAT	4,680	4,457	4,234
Volume	3,78,496	3,60,472	3,42,448
Avg. Realisation	9,83,778	9,36,931	8,90,084

Source: Company, DevenChoksey Research

Growth Comparison (Base Case)

Metric	YoY (%)	QoQ (%)
Revenue Growth	-9.3%	41.2%
EBITDA Growth	-5.4%	NM
PAT Growth	-17.6%	NM
Volume Growth	6.0%	71.2%
Avg. Realisation Growth	6.0%	0.0%

Source: Company, DevenChoksey Research

Management Guidance

Management expresses confidence in a robust H2FY26 for domestic PV, propelled by GST 2.0 effects, strong festive bookings exceeding 100K retails (+33% YoY), and upcoming launches including Sierra, Harrier/Safari petrol variants. JLR's FY26 EBIT margin guidance lowered to 0-2%, emphasizing production normalization, cost optimization via 500 managerial redundancies, supply chain resilience against disruptions like Nexperia wafer issues, and electrification progress with Range Rover Electric and new Jaguar EV.

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December 30, 2025

Q3FY26 Auto Ancillary Sector Preview

Coverage Stocks

Coverage	Rating	CMP	Target (INR)	Upside
UNO Minda (UNOMINDA)	HOLD	1,269	1,312	3.4%
Minda Corporation (MDA)	ACCUMULATE	567	649	14.5%
Balkrishna Industries (BIL)	HOLD	2,307	2,370	2.7%

Note: All market data is as of previous closing.
Source: Company, Deven Choksey Research

Executive Summary

The Indian auto ancillary sector is anticipated to experience moderate demand in Q3FY26, building on the previous fiscal year's trends where the industry achieved a valuation of approximately USD 80.2 Bn in FY25, reflecting an 8.2% growth. This growth is expected to continue modestly, with revenues for large ancillaries projected to rise by 7-9% year-on-year, driven by sustained localisation efforts and increasing electric vehicle adoption. Overall, the sector's export performance remains robust, contributing significantly to the anticipated quarterly demand.

Key drivers for demand in Q3FY26 include a projected 9.5% growth in two-wheeler and passenger vehicle volumes, alongside a 19% increase in automobile exports to over 5.3 Mn units in the prior fiscal, which is expected to persist. The sector's expansion from USD 40 Bn in FY20 to USD 80.2 Bn in FY25, at a 14% CAGR, underscores the strong foundational growth, with digital transformation and EV-related components playing pivotal roles in boosting ancillary demand during the quarter.

However, challenges such as post-festive demand slowdown and moderated growth in passenger vehicle sales at around 4.9% year-on-year may temper expectations. Despite these, the industry is poised for a revenue uptick, with large players potentially achieving revenues around INR 3,400,000 Mn in FY26, reflecting a cautious yet positive outlook for Q3 demand amid global market dynamics.

UNO Minda is expected to deliver strong performance in Q3FY26, with consolidated revenue projected at INR 48,245 Mn , marking a 19% year-on-year growth, surpassing industry averages. Net profit is anticipated to rise by 19% to INR 2,770 Mn, supported by expansions in lighting and international markets, contributing to an 18.8% increase in revenue from operations.

Minda Corporation anticipates a solid quarter in Q3FY26, with consolidated revenue expected to reach INR 14,861 Mn , reflecting a 18.6% year-on-year growth. The company is projected to achieve its highest operating margin at 11.0%, driven by domestic market strength and strategic advancements in its product portfolio.

Balkrishna Industries is poised for continued growth in Q3FY26, with standalone revenue forecasted at INR 28,387 Mn , up 11% year-on-year, accompanied by a 7% volume increase. Net profit is expected to surge by 6% to INR 4,744 Mn, bolstered by stable pricing and an EBITDA margin of 26.4%, highlighting resilience in the off-highway tire segment.

Minda Corporation is our preferred pick in the auto ancillary space, driven by rising electronics content, product upgrades, and expanding presence in EV-linked segments. Ongoing capacity expansion and localisation initiatives are expected to support steady earnings growth.

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December 30, 2025

Balkrishna Industries Ltd.

Q3FY26 Earnings Preview

Stock Snapshot

Parameter	Value
CMP (INR)	2,307
Market Cap (INR Mn.)	8,92,809
52-Week High/Low (INR)	2,928 / 2,152
Target (INR)	2,370
Upside (%)	2.7%
Rating	HOLD

Note: All the market data is as of previous closing.
Source: Company, DevenChoksey Research

Executive Summary

For Q3FY26, we project base case revenue of INR 28,387 Mn, marking 10.5% YoY growth, supported by steady realization and volume uptick. EBITDA is estimated at INR 7,480 Mn, reflecting 24.1% YoY increase, while PAT stands at INR 4,744 Mn with 5.5% YoY growth. Volume growth is anticipated at 7.0% YoY to 81,657 tons, driven by stabilizing replacement demand in Europe and resilient India business. Upcoming quarters may benefit from tariff relief and cost normalization, boosting profitability.

Business Highlights

In Q2FY26, revenue dipped 1.1% YoY to INR 23,935 Mn amid muted global OHT demand, with volumes down 4% YoY. EBITDA fell 11.8% to INR 5,112 Mn, margin at 21.4%, impacted by adverse mix and lower leverage. PAT declined 21.3% to INR 2,732 Mn due to higher taxes and reduced other income. India provided support, while exports faced headwinds from tariffs and softness in Agriculture and Industrial segments. Europe showed early stabilization signs, with replacement markets improving. Management received Caterpillar award and safety honors, sponsoring cricket series for branding. Push into Australia and Asia continues, with carbon black expansion on track for capacity boost.

Q3FY26 Estimates (INR Mn.)

Metric	Bull	Base	Bear
Revenue	29,806	28,387	26,968
EBITDA	7,854	7,480	7,106
PAT	4,981	4,744	4,507
Volume	85,740	81,657	77,574
Avg. Realisation	3,64,884	3,47,509	3,30,134

Source: Company, DevenChoksey Research

Growth Comparison (Base Case)

Metric	YoY (%)	QoQ (%)
Revenue Growth	10.9%	18.6%
EBITDA Growth	24.5%	46.3%
PAT Growth	5.5%	73.6%
Volume Growth	7.0%	16.3%
Avg. Realisation Growth	3.6%	2.0%

Source: Company, DevenChoksey Research

Management Guidance

Management anticipates Q3FY26 volumes and revenue to remain broadly flat QoQ, with softer raw material costs offset by EU anti-dumping duties. They reaffirm FY30 revenue target of INR 2,30,000 Mn, including INR 50,000 Mn from manufacturing setup over five years. Annual CAPEX is guided at INR 20,000-22,000 Mn, with carbon black expansion commissioning in H2 next fiscal. Early India-US trade resolution expected to ease US tariffs and normalize volumes swiftly.

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UNO Minda Ltd.

Q3FY26 Earnings Preview

Stock Snapshot

Parameter	Value
CMP (INR)	1,269
Market Cap (INR Mn.)	7,28,406
52-Week High/Low (INR)	1,382/768
Target (INR)	1,312
Upside (%)	3.4%
Rating	HOLD

Note: All the market data is as of previous closing.
Source: Company, DevenChoksey Research

Executive Summary

UNO Minda is poised to deliver base case revenue of INR 48,245 Mn for Q3FY26, indicating a 15% YoY growth, bolstered by robust demand across Switching Systems, Controllers, Sensors & ADAS, and strong aftermarket performance. EBITDA is anticipated at INR 5,790 Mn, reflecting a 17% YoY expansion, with margins holding steady despite startup costs. PAT is estimated at INR 2,770 Mn, marking a 19.1% YoY increase. Growth is driven by premiumisation, LED transitions, capacity ramps in alloy wheels, and rising CNG adoption. Future quarters will leverage new program wins, electronics content escalation, and expansion projects for improved profitability and order visibility.

Business Highlights

In Q2FY26, UNO Minda achieved operating revenue of INR 48,140 Mn, a 13.4% YoY and 8.9% QoQ rise, though below estimates due to segment-specific challenges. EBITDA reached INR 5,518 Mn, up 14.4% YoY and 16.4% QoQ, with an 11.5% margin expanding 10 bps YoY and 73 bps QoQ amid higher expenses. Adjusted PAT stood at INR 3,040 Mn, surging 28.5% YoY and 37.1% QoQ. Broad-based growth featured Switching Systems at INR 11,760 Mn from market share gains and Lighting Systems improving via LED shifts. Casting & Alloy Wheels hit INR 9,170 Mn on capacity ramps in Bawal and Supa plants. Electronics segments shone with Controllers at INR 1,290 Mn, Sensors & ADAS at INR 1,990 Mn via new camera lines, and Alternate Fuel Systems at INR 1,300 Mn on CNG demand. Aftermarket contributed INR 3,320 Mn with export boosts, while Acoustics lagged due to European softness and horn configuration changes.

Q3FY26 Estimates (INR Mn.)

Metric	Bull	Base	Bear
Revenue	49,000	48,245	47,500
EBITDA	6,000	5,790	5,600
PAT	2,850	2,770	2,700

Source: Company, DevenChoksey Research

Growth Comparison (Base Case)

Metric	YoY (%)	QoQ (%)
Revenue Growth	15%	0.3%
EBITDA Growth	17%	-2.8%
PAT Growth	19.1%	-8.8%

Source: Company, DevenChoksey Research

Management Guidance

Management guides for sustained growth with revenue CAGR of 15.7% and adjusted PAT CAGR of 25.6% between FY25 and FY27E, fueled by premiumisation, electronics-led content, and healthy order books. Stable demand across verticals, new program wins, and capacity additions in over 10 projects are expected to drive momentum. Focus remains on mitigating European acoustics softness while capitalizing on LED transitions, CNG penetration, and aftermarket exports.

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Minda Corporation Ltd.

Q3FY26 Earnings Preview

Stock Snapshot

Parameter	Value
CMP (INR)	567
Market Cap (INR Mn.)	1,35,513
52-Week High/Low (INR)	620/445
Target (INR)	649
Upside (%)	14.5%
Rating	ACCUMULATE

Note: All the market data is as of previous closing.
Source: Company, DevenChoksey Research

Executive Summary

Minda Corporation is anticipated to report base case revenue of INR 14,861 Mn for Q3FY26, reflecting an 18.6% YoY increase, fueled by robust demand in electric vehicles and premium product segments. EBITDA is projected at INR 1,635 Mn, showing a 13.9% YoY growth, while PAT is expected to reach INR 717 Mn, with a 10.6% YoY rise. Upcoming quarters are poised for further expansion through government policies like Make in India, enhanced R&D investments, operational improvements, and diversification into exports and new technologies for sustained profitability and margin enhancement.

Business Highlights

Minda Corporation delivered exceptional Q2FY26 results with revenue hitting INR 15,354 Mn, a 19.0% YoY surge, driven by premiumization and diversified clientele. EBITDA climbed to INR 1,779 Mn at 11.6% margin, up 22 bps YoY, while PAT stood at INR 846 Mn. H1FY26 revenue reached INR 29,210 Mn, up 17.7% YoY, with PAT at INR 1,500 Mn. Lifetime orders surpassed INR 36,000 Mn, featuring breakthroughs in ICE and EV platforms, demonstrating advanced tech capabilities amid supportive auto demand. Segmentally, wiring harness held over 30% market share, information systems grew 26% YoY on TFT innovations. Mechatronics advanced 12% YoY despite export softness. Flash Electronics achieved INR 4,460 Mn revenue with 16.1% EBITDA margin, emphasizing EV solutions. Planned INR 2,000 crore capex over 4-5 years targets capacity in die casting, harnesses, and clusters, bolstering EV and premium offerings.

Q3FY26 Estimates (INR Mn.)

Metric	Bull	Base	Bear
Revenue	15,200	14,861	14,500
EBITDA	1,700	1,635	1,570
PAT	750	717	680

Source: Company, DevenChoksey Research

Growth Comparison (Base Case)

Metric	YoY (%)	QoQ (%)
Revenue Growth	18.6%	-3.2%
EBITDA Growth	13.9%	-8.1%
PAT Growth	10.6%	-15.3%

Source: Company, DevenChoksey Research

Management Guidance

Management anticipates 20-25% revenue CAGR in the medium term, with EBITDA margins above 12.5%, supported by increased vehicle content and premiumization strategies. Passenger vehicle revenue is projected to rise from 15% to approximately 25% by FY30, alongside smart key adoption in two-wheelers expanding from 3-5% to 25-30%. Emphasis on EV portfolio growth, R&D allocation of 3-4% of revenue, efficiency enhancements, and market expansion in domestic and international arenas, leveraging policies such as GST reforms and localization initiatives for resilient supply chains and affordability.

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