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February 11, 2026

Dear Sir/Madam,

Sub: Compliance under Regulation 30 and 46(2)(oa) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015- Disclosure of Transcript of the Investors' Concill

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find attached herewith the transcript of the investors' call with Investors/Analysts held on February 09, 2026.

This is for your Information and records.

Yours faithfully,
for Bosch Limited,

V Srinivasan
Company Secretary & Compliance Officer



“Bosch Limited
3Q FY '25-'26 Post Results Conference Call”
February 09, 2026



MANAGEMENT: **MR. GURUPRASAD MUDLAPUR – MANAGING DIRECTOR AND CHIEF TECHNOLOGY OFFICER – BOSCH LIMITED**
MS. KARIN GILGES – CHIEF FINANCIAL OFFICER – BOSCH LIMITED

MODERATOR: **MR. ANNAMALAI JAYARAJ – B&K SECURITIES**

Annamalai Jayaraj:

Ladies and gentlemen, good day, and welcome to Bosch Limited 3Q FY '25-'26 Post Results Conference Call hosted by B&K Securities. From Bosch management, we have with us today Mr. Guruprasad Mudlapur, Managing Director and Chief Technology Officer; Ms. Karin Gilges, Chief Financial Officer.

At this point, all participants will be in the listen-only mode and there will be an opportunity for you to ask questions after the management presentation and opening remarks. Over to you, sir.

Guruprasad Mudlapur:

Okay. Thank you, and good afternoon, everyone, and welcome to our Q3 FY '26 earnings conference call. We'll begin today with the macroeconomic overview, followed by an update on the automotive market. From there, I'll walk you through the financial performance for the quarter and conclude with key business highlights. We will then open the call for a Q&A session.

The global economy is adjusting to a landscape reshaped by geopolitical events and realignments in the trade relationships among countries. There was tempering of higher tariffs in a few cases due to which subsequent resets -- due to subsequent resets in deals. However, the overall business environment remains volatile.

As for International Monetary Fund, the global growth is projected to slow down from 3.2% in 2025 to 3.1% in 2026. The closer home, the Indian economy continues to demonstrate powerful resilience and showcases higher growth compared to its peers.

IMF has revised upwards its estimate of India's GDP growth in the current financial year 2025, '26 to 7.3% from its earlier prediction of 6.6%, attributed to resilient domestic demand and easing inflation. India also benefits from tailwinds to be gained from the now agreed FTA with the EU and the handshake on the trade deal with U.S. and other regions, including Australia, U.K. and New Zealand.

With the RBI maintaining a stable 5.25% repo rate, we see continued strength in domestic demand across the Passenger and Commercial Vehicle segments, especially with the expectation of transmission of earlier rate cuts by RBI.

The Union budget 2026-'27 presented earlier this month sends a strong and reassuring signal of policy continuity and intent for India's manufacturing-led growth and is set to maintain the automotive industry's growth momentum through key measures like extension of basic customs duty exemptions on lithium-ion cell components for batteries, launch of the India Semiconductor Mission 2.0, support for mineral-rich states of Odisha, Kerala, Andhra Pradesh and Tamil Nadu to establish dedicated Rare Earth Corridors to promote mining, processing, research and manufacturing and continued investment in infrastructure, including a new freight corridor. Building on these supportive policy tailwinds, we are confident that the automotive and other supporting industries growth outlook remains robust.

Next Slide, please. India's automotive production remained robust in the October-December quarter, driven by broad-based strength across Passenger Vehicles, 2-wheelers and Commercial segments as OEMs ramped up output to meet domestic and export demand. Higher festive

demand, rural market recovery and improved supply chain conditions supported manufacturing activity across most vehicles categories.

Production momentum was further bolstered by policy tailwinds, including GST rationalization, festive season and new model launches. This productive phase highlighted the sector's resilience and manufacturing competitiveness through the third quarter. After a subdued start, the passenger vehicle market recovered sharply to finish 2025 on a strong note.

This turnaround was driven by supportive government policies, including GST rationalization, the tax relief, which subsequently improved consumer sentiment and showroom traffic. SUVs spearheaded this recovery with demand spurred by attractive discounts and seasonal buying ahead of anticipated price hikes.

The Heavy Commercial Vehicle production recorded steady growth, driven by robust infrastructure demand, strong freight movement and continued momentum from GST 2.0, festive demand, the government fleet orders and ongoing road construction and mining activity.

The bus segment showed notable traction driven by school, intercity, institutional transport orders alongside steady fleet additions by state and private operators. The outlook remains strong. The demand expected to be further bolstered by ongoing government capex and fleet replacement cycles.

The LCV production remained robust, fueled by GST rationalization and a visible revival in demand following GST 2.0. The fleet continues to benefit significantly from growth of e-commerce, which drives high demand for last-mile delivery and urban logistics. This positive momentum was sustained through the end of the year, reflected in rising fleet utilization and increased short-haul flight activity.

The 3-wheeler segment saw a sharp production increase driven by strong demand for both urban mobility and last mile delivery -- cargo delivery during the festive season, supported by favorable government policies, OEMs ramped up production to meet this demand, allowing the segment to maintain healthy momentum through the end of the period. Tractor production showed strong momentum, supported by healthy rabi sowing activity and carryover liquidity from a robust kharif harvest, which improved farmer confidence and cash flows. Improved water availability and healthy reservoir levels further aided demand.

Supportive government measures, including lower GST on tractors and state-level subsidies enhanced affordability, while rising mechanization and steady non-agricultural demand from construction and haulage provided additional support. With positive rural sentiment, the tractor market remains well positioned to sustain its growth.

The 2-Wheeler production was moderate in October as OEMs adjusted output following earlier inventory buildup. Production picked up in November and December as manufacturer ramped up output to meet festive and pre-wedding -- wedding season demand, a recovery that was supported by favorable GST reductions.

Next slide, please. Looking ahead to fiscal year 2026, we anticipate a period of steady and robust growth for Indian automotive industry. The outlook is very positive as we expect 3 of the core segments, the Passenger Cars, Tractors and 2-Wheelers to achieve all-time high production levels. This growth is broad-based, underpinned by strong economic fundamentals and supportive policies.

In Passenger Vehicles, we expect strong -- we expect record performance driven by improved affordability, thanks to easing interest rates and favorable GST reforms, which will stimulate strong consumer demand. The Commercial Vehicle segment is poised for healthy growth fueled by sustained infrastructure spending and continued expansion of e-commerce logistics.

We expect LCV sub-segment to be a standout performer, achieving its all-time high levels. The Tractor business is also projected to hit a record, supported by strong rural sentiment, GST norms and ongoing state subsidies. And finally, the 2-Wheeler segment is set to scale a new peak. This will be driven by a powerful combination of improving rural sentiment, rising disposable incomes, improved affordability and recent GST cuts and tax rebates for individuals earning up to INR12 lakhs, boosting consumer confidence.

Next slide, please. Now I'm going to go through the sector-wise sales performance. Quarter-on-quarter, the Mobility business has shown 18.5% in October, December 2025 as compared to October, December 2024, driven mainly from the Power Solutions business, which grew by 19.5%, mainly on account of growth in Passenger Cars and Off-highway segments.

The mobility aftermarket recorded a growth of 5.3%, mainly on account of GST reforms, strong growth in OE segment and growth across key product groups of diesel, wipers and braking systems. The 2-Wheeler business grew by 58.3%, mainly on account of higher sale of exhaust gas sensors due to ramp-up for OBD-II norms implementation from 1st April 2025.

The Consumer Goods business declined marginally by 3.1%. The Mobility business has grown by 14.9% in April, December 2025 as compared to April, December '24, driven mainly from the Power Solutions business, which grew by 14.1%, mainly on account of growth in Commercial Vehicles and Off-highway segments.

The Mobility Aftermarket business grew 4.8%, mainly on account of sustained momentum across key product categories, including diesel, wipers, braking systems and filters. This overall growth was further reinforced by robust momentum in the OE segment. As already seen in quarter-on-quarter growth, the 2-Wheeler business has grown significantly due to the ramp-up of exhaust sensors resulting from OBD-II norms implementation from April 1, 2025. The Consumer Goods business grew by 2.8%. The growth is attributed to new launches in entry-level mid-price point segment, measuring tools and outdoor garden equipments.

Next slide, please. Quarter-on-quarter, revenue from operations in October, December '25 stood at INR48,856 million, which grew by 9.4% over October, December 2024. The growth was driven mainly by higher sales in Power Solutions and 2-Wheeler powersports segments as seen in the previous slide. Likewise, revenue from -- revenue for the period April, December 2025 grew by 9.8% over April, December '24 from INR1,31,768 million to INR1,44,690 million.

This growth was driven -- also driven by strong performance in Power Solutions and 2-Wheeler powersports segments. The EBITDA for October, December '25 was INR6,124 million, which grew by 5.1% over the same quarter of the previous year. The improvement in EBITDA margin was primarily driven on account of favorable product mix and optimization of expenses. The EBITDA for period April, December '25 was INR18,688 million as compared to INR16,628 million in April, December 2024, which grew by 12.4%.

The increase in EBITDA is on account of growth in revenue accompanied by favorable product mix. The profit after tax for October, December '25 grew by 16.1% over the same quarter of previous year. October, December 2024 had an exceptional item which you all know. The growth in profit after -- PAT -- growth in profit after tax without this exceptional item in October, December quarter comes to 5.3%.

The profit after tax for 9 months ending December 2025 stood at INR22,017 million, which is a growth of 50.8% over the same period of previous year. The significant growth in PAT is mainly due to the profit on sale of the Video solutions, Access and Intrusion and Communication systems business under the Building Technologies segment.

Next slide, please. I now walk you through key highlights for each of our business divisions this quarter. The Power Solutions division delivered strong growth this quarter on the back of broad-based growth across all segments with exceptional performance in Tractor and Heavy Commercial Vehicle segments, boosted by successful rollout of GST 2.0.

In a significant achievement that underscores Bosch's leadership in operational excellence, our Bidadi plant was recently awarded at the prestigious National CII SCALE Awards 2025 for digital excellence and innovation in logistics for developing an integrated autonomous digital ecosystem that automates our entire logistics value stream, setting a new industry benchmark.

Further at the CI KAIZEN Awards 2025, the plant secured the Champions Trophy and the Challengers Trophy for developing low-cost solutions in productivity by improving overall equipment effectiveness in assembly lines and quality improvement by human error prevention to reduce internal and external complaints.

Turning now to our Two-Wheeler & Powersports. Our strategy is centered on providing advanced technology that empowers our OEMs to enhance end user experience. Our solutions truly shown this past year, playing a key role in the successful launch of new vehicles by several well-known 2-wheeler OEMs.

The launch of new TVS Apache RTX 300 powered by advanced Bosch systems marked a significant new chapter for the iconic Apache brand. In addition, we further demonstrated our role as a key technology partner with the launch of the Harley X440 T, which deeply integrates Bosch powertrain and safety systems along with our high value-added features.

These partnerships underscore the trust the major global brands place in our technology to deliver performance and safety. Beyond these launches, we continue to shape the future of Mobility by developing next-generation technology.

Building on successful production ramp-up of OBD-II requirements, 2025 became a landmark year for our mini-heated lambda sensors, allowing us to achieve new significant sales milestones for the product line. True to our By riders, for riders' philosophy, we showcased our latest innovations at the EICMA 2025 event in Italy, demonstrating our unwavering commitment to creating value for both our partners and the end user.

The Mobility Aftermarket began with a temporary sales impact from the GST 2.0 implementation in October, but we saw a strong rebound shortly thereafter. This recovery was supported by a synchronized upturn in the automotive sector, which was itself driven by festive seasonal demand, GST reduction and improved consumer confidence. The primary driver of our performance was the original equipment or the OE/OES block, which effectively leveraged these favorable market conditions.

In addition to the strong results in the OE block, we also saw healthy growth across other core product groups. Specifically, our diesel systems, wiper systems and braking systems all contributed positively to the quarter's performance.

For our Power Tools division, the last -- past year was one of navigating a challenging market characterized by intense price pressure, particularly from competitors in China. This resulted in moderate growth for the division in both our quarterly and year-to-date results. However, on the product front, our Cordless segment continued its impressive trajectory, achieving double-digit growth for the fourth successive year.

In addition, successful new product launches were significant contributors to our overall sales performance. This product success is amplified by our market expansion efforts. We have significantly broadened our reach, expanding our dealer network to over 1,800 partners, which gives us a footprint of 25,000 retail points across more than 1,600 cities.

A key part of our market expansion is the standard line, a product range developed for artisans in India, offering Bosch quality at an accessible price point. To facilitate this, we have established a new distribution network with over 100 distributors. In addition, we successfully launched the Hand Tools as a new business segment. This initiative demonstrates strong market acceptance, achieving INR100 million in revenues within the first year.

Next slide, yes. Thank you for all your contribution and for listening patiently through the call. We will now address your queries. Thank you, and open for questions, please.

Moderator: We will now begin the question-and-answer session. The first question is from Mr. Pramod Amthe.

Pramod Amthe: So the first question is with regard to the capex. You alluded saying that many of your user segment may hit historic high volumes. So in that context, are you relooking at your capacities and also the capex requirement for the FY '27-'28?

Guruprasad Mudlapur: Okay. Karin, do you want to take that?

Karin Gilges: Yes. It's my pleasure. Yes, you are, of course, fully right. In every cycle or this is an ongoing process in our company that we check the forwarding volumes predicted by the customers and by the market. We look at our technical capabilities and capacities and then we adjust our investments in accordance. So golden rule within Bosch, we all the time have some buffer left. And as soon as we drive into the buffer, we release the next capex for extension.

Pramod Amthe: So would you call out the numbers, what it can be next year, the after compared to this year?

Karin Gilges: We are currently under -- or in consideration, and we do not want to give a guidance.

Pramod Amthe: The second question is with regard to the India EU deal. I wanted to check your thought process in terms of, first, the imported components? Because in terms of purchased goods, there's a large chunk which comes from parent. What is the understanding with the clients usually when duties drop in such cases, usually it's a pass-through to the client, one? And second, what are the medium-term opportunities you look at exporting from India to global markets and whatever duties there for such products in the current state?

Karin Gilges: Yes. Perhaps the first part of your question, which is regarding imports. So we are importing mainly components from the parent. And it's also an ongoing process of localization. So this year, we have -- in '25, we have localized NOx sensor component for the common rails. We are going ahead with more localization for the common rail products. We will go ahead in the perspective of also local the NOx sensor. So this is a permanent review whenever commercially feasible, we are doing the localization.

Your second part is in regards of the exports. We have increased already our export volume for the spark plugs in 2025, and we expect also further good development of volumes in the spark plugs and in components for the common rail products. We also expect an increasing export volumes in sensors, NOx sensors. And what we have relocated in the last, let's say, 1.5 years was pumps from Japan to India. So we deliver these pumps also back to India -- sorry, back to Japan and Korea.

Guruprasad Mudlapur: So maybe just to add, I think we should keep in mind that the FT is just signed, and we are extremely positive about what it is likely to bring in the mid and long term for India and of course, also for our operations in India. So there, we are very, very positive. The fine print, as you know, needs to be studied in detail and the impact of what happens and how we can benefit from that is currently under study, and we are looking into every aspect of how we can benefit from this.

Pramod Amthe: But would you call out what is your current import duty rates?

Guruprasad Mudlapur: Do you have the numbers Karin. I think we'll have to get back to you on that.

Karin Gilges: Yes, exactly.

Moderator: Mr. Mayur can unmute and ask your question.

Mayur: I hope I'm audible clearly.

Guruprasad Mudlapur: Yes, you are.

Mayur: So actually, over the last couple of quarters now, we have our -- this is a question more on the profitability and margins. We have stabilized in the region of around 13% plus/minus. What I wanted to understand is we are having a very strong tailwind across our portfolio. The CV industry is on an up cycle. The tractor is doing phenomenal.

We have OBD-II on the 2-wheelers. The Passenger Vehicle outlook is strong. Despite so much of operating leverage and despite localization, why is it that we are not seeing a movement on the margins despite the growth coming and the narrative on the localization and other aspects?

Guruprasad Mudlapur: You want to take it, Karin?

Karin Gilges: I take this question. So if -- yes, if you look at the overall result for the last 3 years, then of course, we had a tailwind with the growth, which helped us. But we also did a lot of cost improvement and localization. So you see the EBIT is -- or profit after tax is going up.

So we are improving also the margins. Nevertheless, we also, of course, have to consider a certain product mix, which the market demands. And therefore, you sometimes see a growth, but please also consider that we have to look at the product mix itself.

The second thing is, but this was for this quarter and was already mentioned that we had already, again, a very strong quarter with a very good 10.5% EBIT. And we also did already the first provision for the New Labour Code. So therefore, product mix going forward, further localization working on the costs or on the structural costs also together with the growth, we see a good margin development.

Mayur: So you believe that over the next 3 to 4 years, we should -- the margins should start picking up or should be meaningfully different as it directionally when compared to current margins?

Karin Gilges: Well, I would not give a guidance for the next 3 and 4 years. I only can show you what we have delivered in the last 3 years. And then you can see in which cycles of margin improvement we are.

Mayur: So because it was quite for last almost 8 to 9 quarters, look, I'm talking more from an EBITDA margin. I understand you talk about EBIT margin from -- more or less nothing much difference was coming. I understand 2 years, we are comparing from around -- there is a 100 basis point movement.

But given the tailwinds which we have, I was just thinking that shouldn't the operating leverage also now play out over the last 3, 4 quarters. Any specific product mix you want to call out, which is lower than our average margins, just as a qualitative understanding so that we are able to track the developments?

Karin Gilges: So look, it is the margin is, of course, if you have -- if new products are coming in, we are usually starting this -- we first bring the finished goods into the market, then we start the assembly and

testing. Then if this is stabilized, we start with the localization. That means with every new product coming into India and coming into the market, we start a new localization round.

So therefore, yes, the tractor is good. The tractor is stable. But of course, we have also the common rail. We have now the new exhaust gas components. And with this we are following the localization path also. But this is the product mix in the tactical cycles, which we introduce into the market.

There is no specific product. It is more technology is developing. And we are following the technology path, and we are following with the localization. And with more localization, of course, you have then the improvement in the margins as well.

Mayur: Okay. Last question from my side is, from your vantage point and your discussion with the OEMs, is there any incremental discussion and development around TREM V possibility. We are in February '26.

So just wanted to have your understanding while there are certain things in the domain, public domain and understanding, but what is your understanding of the implementation, how gradual, where we are, and anything you want to -- if you can give your insights on that?

Guruprasad Mudlapur: Yes. I mean, maybe I can answer that. At least at this point of time, there is no visibility of a precise date of TREM V implementation. So things are still quite open as far as we know with our discussions with the OEMs.

Moderator: Hitesh Sharma, you can unmute and ask your question. Hitesh Sharma? Anyhow we will go the next caller. Mr. Nikhil Rao you can unmute and ask your question.

Nikhil Rao: Hello. Can you hear me now?

Moderator: Yes, yes, yes.

Nikhil Rao: I just wanted to check what is the Bosch plan for the EV 4-wheeler vehicles in India? What sort of car components you are targeting to supply?

Guruprasad Mudlapur: Okay. So maybe this is a very broad question, and this -- we need to distinguish also from the portfolio of Bosch Limited versus the portfolio of Bosch Group in general. Of course, from the Bosch Group, a lot of components go into a car, into an electric car as well.

So that continues. From the portfolio of Bosch Limited, we will strongly aim to begin in e-axles and that would be the biggest component that comes into an electric vehicle. So we are in advanced discussions with several OEMs. And as we go forward in the coming quarters, we will let you know the exact nature of these things.

Nikhil Rao: Which component, you said?

Guruprasad Mudlapur: E-axles. E-axles is by far, value-wise, it's the largest value component which goes into an electric vehicle, apart from, of course, batteries and other things, which the OEMs make themselves.

Nikhil Rao: You don't see -- right now, you are not supplying anything any OEM right now?

Guruprasad Mudlapur: We are supplying -- in India, we are not supplying e-axles to any OEM right now. We will -- we are in advanced discussions on several projects with OEMs, and we will come out in the open soon. The other components we are supplying are chargers or DC/DC converters, power electronics basically, that's going from our electronics unit.

Unknown Analyst: Can I go ahead?

Guruprasad Mudlapur: Yes, please.

Unknown Analyst: So could you help us understand how demand from the Commercial Vehicle segment is shaping up for Bosch? And roughly how much of your CV offtake is currently driven by the replacement demand.

Guruprasad Mudlapur: Yes. So as I mentioned in my initial talk and I explained the slides, the Commercial Vehicle demand both for HCV and LCVs has been very robust in the last quarters. And it's connected to, in our view, a good demand following the GST 2.0 changes and of course, increased offtake on government fleet orders and ongoing activities around construction and mining.

We expect -- and of course, the LCV demand has also been quite robust, and this is primarily connected to last mile delivery, urban logistics and in-city transportation and so on or short-haul delivery activities. But this also remains very, very robust at this point of time. Based on the trends of what the budget came up with right now.

And also our talks with the HCV and LCV manufacturers or OEMs, we see that this trend is likely to continue. And we expect strong infrastructure activity to continue and further in line with the GDP growth, we also expect HCV and LCV activity to be strong in the coming quarters.

Unknown Analyst: Okay. And are you seeing good traction from the replacement side as well, right?

Guruprasad Mudlapur: Yes, yes.

Unknown Analyst: Okay. And are you also seeing an increase in your content per vehicle contribution or like a more favorable product mix with CVs?

Guruprasad Mudlapur: Yes. So there are, of course, technology additions happening in the CV world, and that's quite favorable. There are also other talks on what we can do, which are maybe very preliminary at this point of time in terms of technology to be discussed in a forum like this. But at some point of time, we will update you on additional technology introductions that are likely to come up in the CV, HCV product.

Karin Gilges: I'll be ready to take the next question. Mr. Himanshu Singh can you please unmute yourself and go ahead. Mr. Mohit Jain would you like to go ahead and ask your question?

Mohit Jain: I just had a couple of questions. Like Bosch has been working on alternate fuel technologies. So just wanted to know that what is the progress on that? And will there be a significant increase in content per vehicle compared to ICE vehicles? Or how is it? I just wanted to get some clarity.

Guruprasad Mudlapur: Yes. So I mean, Bosch has very wide portfolio options also for fuels, flex fuels and so on. We've been offering this all over the world. And of course, we also do that to our OEMs in India. The content per vehicle is not a major change in my view. We'll have to get to precise numbers, but it's not a very significant change. But the development -- I mean, the support to the OEMs is always there in the Indian context.

Mohit Jain: Understood, sir. My follow-up question would be like I think we had received some pilot order on hydrogen fuel engine. So what is the status on that? And is there any future potential for hydrogen.

Guruprasad Mudlapur: Yes. So on the hydrogen activity, we are working very closely with virtually every commercial vehicle and bus OEM in India. And as you've probably seen in the press or in media, there's a lot of vehicle testing activity that's currently ongoing. All OEMs are testing their engines, testing the vehicles for readiness. And this is the phase it is in. There are currently at least no known plans of rollout from any OEMs very specifically.

It's most likely also connected to how the infrastructure on hydrogen comes up. And there are other stakeholders involved, other players involved, and we'll have to get more clarity. But I think all OEMs are working towards readiness of hydrogen vehicles from their side. And we are fully in touch with all of them offering our technology and solutions and working very closely with most of them.

Mohit Jain: Just to add, like if you can clarify like by well in India, we expect that hydro engine will be commercially launched.

Guruprasad Mudlapur: See, it's maybe better to take this question in 2 parts. One part is when would vehicles and technology mature? And that's the thing we can control quite well. And there, I would say it's going well on plan and OEMs and us are working very closely together towards this. The other side of this equation is when would infrastructure come up, when would we have hydrogen fuel stations, filling stations.

And availability on at least major trunk routes or right corridors be available with hydrogen. And this seems to be still not very clear at this point of time. So we assume that by 2030, definitely, there will be quite some hydrogen activity happening. And we are working towards that right now.

Annamalai Jayaraj: Thanks for that clarity. We just have one question from one participant, Himanshu Singh. So his question is, will the new trade deal make the -- will the new trade deal make the material versus import map unfavourable for localization and might see some delays in localization. So if you can address that, sir?

Guruprasad Mudlapur: Karin, do you want to take that?

Karin Gilges: Yes. What was the question. Can you repeat, please?

Kush Shah: Yes, sure. Of localization and if there is some delay in localization.

Karin Gilges: What was the first part? What is the -- what do you refer to that localization will -- could come to a delay?

Guruprasad Mudlapur: No, I assume he refers it to as a consequence of the FTA would.

Karin Gilges: FTA?

Guruprasad Mudlapur: Yes, FTA. Would there be a delay in localization because there is now an FTA and there is no motivation to do any localization here. See, maybe I can start and Karin can give you some more specifics. The Bosch approach with or without FTA has always been to have localized production wherever the demand is and our international production network always operates on that theme of producing in the region where it's relevant and where it's consumed.

So that's how we operate on the work. And this has been the practice with or without the FTA. So FTA, we will have to see what is the actual impact and do we really need to recalibrate this approach and do something or do we positively benefit from this approach and then enhance further localization. In all probability, this will only lead to further increased localization for us as years go by and we will continue to be on this localization track. Karin, if you have anything specific to add, please?

Karin Gilges: Yes. Thanks. As you mentioned, the most important thing or the philosophy of Bosch is we try to do local for local. And therefore, volumes are much more important than an FTA or import duties whatsoever. And in addition, often localization goes along with a strategic approach, which we would like to do in a region. And therefore, yes, of course, there is -- could be a positive effect. We see it positive, but nevertheless, our localization road map has different directions.

Guruprasad Mudlapur: See, even if there is an FTA and there is zero duty on a certain item, just the logistics may impact the landed cost. So there is always more sense when there are good volumes to have it fully localized and that's always been our endeavor.

Kush Sharma: Right Just one follow-up question from the same participant. On the quarter performance, we have seen dip in margins for the Automotive Products segment on a sequential basis. Can you give some color on that front?

Karin Gilges: Well, if you look on the quarterly basis, we have put in the provision for the Labour Code. If I correct this condition we have, again, a very strong performance out of operations.

Kush Sharma: Going forward, the next question is from Darshan Bhandarkar from Banyan Tree. Darshan you can unmute and ask your question.

Darshan Bhandarkar [inaudible 0:54:34]

Kush Sharma: No, Darshan you are not audible. Darshan has put in the chat box. His question is why is the auto segment growth so much lower than CV, tractor, and PV growth rate? Hello. Am I audible?

Guruprasad Mudlapur: Yes, you are audible.

Karin Gilges: Guru, do you take this?

Guruprasad Mudlapur: No, you can take it, Karin. I don't think.

Karin Gilges: No, it is -- the question is why the CV and the -- are better in the growth than the passenger cars?

Kush Sharma: No. His question is why is the auto segment growth lower than the CV, tractor and PV growth rates?

Guruprasad Mudlapur: So do you mean our growth?

Kush Sharma: Yes, Bosch growth.

Guruprasad Mudlapur: Okay. I think our auto sector growth has been especially power solutions and aftermarket, power solutions as a whole, aftermarket has been ahead of the sector growth.

Kush Sharma: Okay, sure. The next question is from Gokul Maheshwari. You can -- Gokul you can unmute and ask your question.

Gokul Maheshwari: Hi, thank you for the opportunity. My question is just relating to the previous question you supply products to various segments of the automotive industry, whether it's 2-wheeler, passenger cars, tractors and CV. Which of the areas are we growing ahead of the underlying industry and where are the segments where we are actually undergoing the industry growth?

Guruprasad Mudlapur: Broadly, I would say in every one of the auto sector segments, we have been growing above the industry growth rates for all our products. The only area I would say we have not performed maybe so well in the last quarter has been our power tools division, which is the non-auto part. And there, we know what corrective steps we need to take, and we are on it right now. But apart from that, CV, 2-wheeler, passenger cars, all of them, we are ahead of the segment goals.

Gokul Maheshwari: Just on the dividend policy, when I read that there is a change where you have now quantified, is that read it correctly, anyway 55% to 80% of profit. Is this a higher number than the previous policy or is the lower number?

Guruprasad Mudlapur: Okay. So I think if you -- we've just brought a lot more clarity into our dividend policy right now. If you looked at our previous one, it was an open policy. There were no limits or ranges set and it was completely left open. And the Board discussed this and said it may be better to give a clear view and therefore, clear guidance on how this is going to work and that's what we've endeavour to do. Of course, the final dividends irrespective of this policy can always lie with the Board, and they take the final call on how this goes.

Gokul Maheshwari: Okay, fair enough. And lastly, could you comment on your export performance for this year? How is the quarter or the 9 months shaping up? Just a qualitative comment in terms of how do you see the outlook for the export?

Karin Gilges: Yes. So we are in the exports, we are steadily grow. Of course, we are we are looking forward to do more. I mentioned it already, especially in spark plugs sensors, pumps to Japan and Korea.

And therefore, in the last year, stepwise we increased our exports. But again, main focus for us is the Indian market.

Gokul Maheshwari: Great. Thank you so much and all the best.

Kush Sharma: Thanks, Gokul. Due to lack of time, that was the last question. On behalf of B&K Security, we thank all the partners for joining the call and thanks to Bosch management for taking time out for the call and giving us the opportunity to host the call. Have a good day.

Guruprasad Mudlapur: Thank you, everyone, and we are happy that the market momentum has been positive and we expect this to continue in the coming quarter, and we are looking forward to much better performance as we go forward. Thank you. Thanks, everyone.

Karin Gilges: Thank you. Bye-bye.

Guruprasad Mudlapur: Bye.

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