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BSE Limited Listing & Compliance Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	**National Stock Exchange of India Limited** Listing & Compliance Department Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051
Security Code : 532796	**Symbol : LUMAXTECH**

Subject: Transcript of Analysts/Investor Earnings Conference Call- Q3 FY 2024-25

Dear Sir/Ma'am,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, please find enclosed herewith the Transcript of Analysts/Investor Earnings Conference Call for all Investors/General Public which was held on Friday, February 14, 2025 at 02:30 P.M. (IST) to discuss the Operational and Financial performance of the Company for the 3rd Quarter ended December 31, 2024.

The transcript shall also be made available on the website of the Company at https://www.lumaxworld.in/lumaxautotech/transcript.html.

This is for your information and records.

Thanking you,
Yours faithfully,
For **Lumax Auto Technologies Limited**

PANKAJ MAHENDRU Digitally signed by PANKAJ MAHENDRU Date: 2025.02.20 14:47:28 +05'30'

Pankaj Mahendru
Company Secretary & Compliance Officer
ICSI Membership No. A28161

Encl: As stated above

"Lumax Auto Technologies Limited

Q3 FY '25 Earnings Conference Call"

February 14, 2025

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 14th November 2024 will prevail

MANAGEMENT: **MR. ANMOL JAIN – MANAGING DIRECTOR**
MR. DEEPAK JAIN –DIRECTOR
MR. VIKAS MARWAH – CHIEF EXECUTIVE OFFICER
MR. SUNIL KOPARKAR – MANAGING DIRECTOR, IAC INDIA
MR. SANJAY MEHTA – DIRECTOR AND GROUP CHIEF FINANCIAL OFFICER
MR. SANJAY BHAGAT – HEAD OF AFTERMARKET – LUMAX AUTO TECHNOLOGIES LIMITED
MR. NAVAL KHANNA – CORPORATE HEAD, TAXATION
MS. PRIYANKA SHARMA – HEAD CORPORATE COMMUNICATIONS
MR. ANKIT THAKRAL – CORPORATE FINANCE

Moderator: Ladies and gentlemen, good day, and welcome to Lumax Auto Technologies Limited Q3 and 9 Months FY '25 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing the star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anmol Jain, Managing Director of Lumax Auto Technologies Limited. Thank you, and over to you, sir.

Anmol Jain: Thank you. A very good afternoon, ladies and gentlemen. A very warm welcome to our Q3 and 9 months FY '25 Earnings Conference Call. Along with me on this call, I have Mr. Deepak Jain, Director; Mr. Vikas Marwah, CEO; Mr. Sunil Koparkar, Managing Director, IAC India; Mr. Sanjay Mehta, Director and Group CFO; Mr. Sanjay Bhagat, Head of Aftermarket; Mr. Naval Khanna, Corporate Head, Taxation; Ms. Priyanka Sharma, Head, Corporate Communications; and Mr. Ankit Thakral, Corporate Finance; along with SGA, our Investor Relations adviser.

The results and presentations have been uploaded on the stock exchanges and the company's website. I hope everybody has had a chance to go through the same. I'm happy to announce that our performance for this quarter has been very strong with revenue growth of 24% at INR906 crores, which has been the highest ever single quarter revenue in the history of the company.

Nine months, too, witnessed a strong performance with revenue standing at INR2,504 crores, a growth of 21%. This revenue includes INR23 crores from Greenfuel Energy Solutions, which has been consolidated from 26th November 2024, having an impact of 3% and 1% on the Q3 and 9 months growth respectively. We continue to beat the industry growth rate and this exceptional performance is a testament to our decade-long partnerships with OEMs and the enduring trust they place in our products and solutions.

It also highlights the strength of our technological expertise, manufacturing excellence and the strategic advantages gained through our joint venture collaborations. I would like to provide a brief overview of the key macroeconomic factors currently shaping the Indian economy and their potential impact on the automotive industry.

The country has experienced a period of economic slowdown with GDP growth showing signs of moderation. Consumer confidence has been somewhat dampened due to persistent inflation and high interest rates, leading to cautious spending patterns. However, the recent union budget presented by the Honorable Finance Minister has delivered a much needed boost to the economy.

One of the most significant measures introduced is the increase in the income tax exemption limit, which will leave consumers with higher disposable income. This, in turn, we believe, can have a positive impact on the automotive sector as more individuals may now consider purchasing vehicles. With improved affordability and greater financial flexibility, we anticipate a steady demand in the industry, supporting its growth in the coming quarters.

Now coming to the performance of the overall automotive industry during the quarter. Overall, it grew by 6% in quarter 3 FY '25 as per the data released by SIAM. On a segment-wise basis, passenger vehicles, the issue of higher inventories at dealers' end was addressed with OEMs providing recent discounts to clear the inventory levels. Overall, the festive season, coupled with decent discounts helped the passenger vehicle industry witness highest sales ever in quarter 3 of any year.

The ongoing trend of premiumization remains strong. However, with the recent increase in the income tax exemption limit, we may see a potential revival in demand for the entry-level vehicles as well. However, a weakness in urban demand, relatively high interest rates and some tightening in retail loans may lead to a muted growth in this segment.

The 2-wheeler industry has witnessed a strong revival throughout the year, achieving a double-digit growth despite a slight slowdown in the sales momentum in December 2024. This growth has been largely driven by a favorable monsoon, barring excess rainfall in some regions, along with a robust agricultural sector performance and rising rural demand. While there may be a marginal dip in the growth in the last quarter, the overall volume expansion in the domestic 2-wheeler market is expected to remain in the low double digits.

New model launches by leading players, particularly in the EV segment, are expected to further fuel the demand. Additionally, a recovery in export market, as seen in the numbers reported by leading OEMs in the last quarter, provides further optimism for the 2-wheeler industry's production outlook.

On the commercial vehicles, the commercial vehicle market has continued to face challenges where the volumes have remained flat on account of slowdown in industrial activities and a sluggish pace of government capital expenditure, which was impacted by multiple elections.

Additionally, the demand for LCVs is experiencing some cannibalization due to the rising popularity of electric 3-wheelers for local transportation, which are proving to be a much more cost-effective alternative for last mile connectivity. However, in FY '26, we can see some recovery in the commercial vehicle industry with an uptick in government and private sector capex.

Speaking of our operations, during the quarter, we have consolidated the operations of Greenfuel Energy Solutions Private Limited from 26th of November 2024. Greenfuel's expertise in clean mobility solutions complements our product portfolio. This integration is expected to drive significant synergies by leveraging Greenfuel's technological capabilities and Lumax's extensive OEM relationships, manufacturing excellence and the distribution network.

With a growing push for sustainable mobility, this partnership positions Lumax Technologies to catalyze on the increasing adoption of alternative fuel vehicles, expanding its product portfolio and driving long-term growth in the green automotive space.

Giving an update on some of the major awards won by the company in the recent quarter and as recent as this month, the subsidiary company, IAC India, won 3 awards, including the Business Partner of the Year and Special Appreciation Award for development in Thar Roxx and BE 6 models from an esteemed customer, Mahindra & Mahindra, at the recently held Supplier Conference.

The subsidiary company, Lumax Cornaglia, also won 1 award for innovation in development of Degassing Tank at the same vendor conference of Mahindra & Mahindra. The Bangalore plant of the company has been awarded with the prestigious JIPM TPM Consistency Award. The Chakan plant of the company also won the JIPM TPM Excellence Consistency Award at the Bajaj Auto Vendor Association Convention for the year '24-'25.

The subsidiary company, Lumax Ituran Telematics, received a prestigious Hall of Fame Award from Daimler India Commercial Vehicles for its role as a reliable telematics partner, achieving 100% delivery and quality performance.

We remain highly optimistic about the future, driven by multiple growth levers in the automotive industry, rising disposable incomes, improved consumer sentiment, increased capital expenditure from both the government and private sector and the wave of new model launches by OEMs are set to propel the industry forward.

Our strong performance reflects our resilience and unwavering commitment to excellence. With a sharp focus on innovation and adaptability, we are well positioned to capitalize on emerging opportunities and drive a sustainable growth in the years ahead.

Now I would like to use it over to Mr. Sanjay Mehta, Director and Group CFO, to update you on the operational and financial performance of the company.

Sanjay Mehta: Good afternoon, everyone. Let me brief on the operational and financial performance for Q3 and 9 months FY '25. Your company has witnessed a strong performance with revenue growth of 24% and 21% for Q3 and 9 months FY '25, respectively.

Coming to the product, category-wise performance for 9 months, the Advance Plastic has grown by 18% from INR1,204 crores in 9 months FY '24 last year to INR1,420 crores in 9 months FY '25. Our outlook for this segment remains strong with more premiumization trends and addition of new product lines. Order book for this segment stands at INR 660 crores.

Mechatronics segment has grown from INR38 crores to INR67 crores in 9 months FY '25, a strong growth of 75%. This product category has huge opportunity in terms of wallet share in new model launches through cross-selling. The order book stands at INR 320 crores for this segment.

Structures & Control Systems segment has grown by 9% from INR471 crores to INR512 crores in 9 month FY '25. Our outlook for the segment remains strong with opportunity to penetrate premium and EV segment and the addition of new technology-driven products with order book standing at INR170 crores. Green Energy Solutions recent addition to our portfolio has a strong visibility due to growing preference for alternate fuels in the country. The strong demand is reflected in our robust order book, which currently stand at INR200 crores, positioning us well for sustained growth in this segment.

Revenue from Aftermarket segment has growth of 3% in FY '25 with respect to 9 months last year, pretty much similar to all major Tier 1 suppliers and other peers. This is largely because of over realization due to tight money liquidity in the Aftermarket. Our outlook is better for Q4 with the ease in liquidity and new product launches, which will lead to double-digit growth in Q4 with respect to Q4 of last year.

The total order book, considering the value of all product categories, are INR1,350 crores, out of which 90% is new business. 30% order book value will mature in FY '26, 40% in FY '27 and remaining 30% in FY '28. EV contribution is approximately 40% of the total order book.

With increased focus on passenger vehicle segment and integration of IAC, our share of passenger vehicle stood at 50% in 9 months FY '25 as compared to 47% in last year. In 9 months, FY '25, 2/3-wheeler contribution to overall revenue is at 25%, Aftermarket at 12%, our CV at 8% and balance 5% was contributed by other categories.

On financial highlights, the consolidated revenue for Q3 stood at INR906 crores as compared to INR733 crores, up by 24% year-on-year. On 9 month FY '25 basis, revenue is INR2,504 crores compared to INR2,064 crores, a growth of 21%.

EBITDA margin stands at 14% for Q3. Absolute EBITDA for Q3 is at INR127 crores, a growth of 9% on a year-on-year basis. 9 months '25 margins stood at 14% with EBITDA growing by 15% at INR350 crores on a year-on-year basis. PAT before minority interest for the quarter is at INR56 crores as compared to INR48 crores in Q3 FY '24, a growth of 17%. The tax rate for the quarter is 25% and is likely to continue in the same range in the future.

The capex outlay during 9 months has been at INR83 crores, majorly on account of new products SOPs in IAC and Lumax Alps. The guidance for the full year remains at INR130 crores to INR140 crores. The company is sitting on a healthy free cash of INR315 crores as on 31st December, whereas the long-term debt is at INR462 crores, which has increased from previous quarter due to acquisition for the purchase consideration of Greenfuel Energy. The long-term debt equity ratio stands at 0.53 as on 31st December.

With this, we open the floor for question.

Moderator: Sure, sir. Thank you very much. We have our first question from the line of Apurva Mehta from A M Investments. Please go ahead.

Apurva Mehta: Sir, congratulations on a great set of numbers. Sir, just wanted your broad outlook on where the 4-wheeler industry and the 2-wheeler industry is moving on the basis that a lot of new EV launches are happening? And where do we see ourself in this EV launches?

Anmol Jain: So Apurva, thank you very much. Number one, on the passenger vehicles, as I mentioned in my opening remarks even in FY '26, similar to what of FY '25, I think the growth would be pretty muted. The penetration of electric vehicles, we believe, will definitely be far more in the passenger vehicle segment, and that's primarily because of some of the recent launches, which we have seen.

The full year production of those particular launches from big OEMs like Mahindra and Maruti Suzuki will add significant volumes in FY '26. So the penetration levels will definitely be much higher than what they are today. However, overall, as a passenger vehicle, I think we are still anywhere looking at estimates between anywhere 3% to 4% or 5% at best.

The 2-wheeler industry, however, will continue to outperform the other segments, even in the current year, as I mentioned, the 2-wheeler industry has reported a double-digit growth, and we are fairly certain that in FY '26, we will surpass the FY '19 historic production volume of about 24.5 million units.

So 2-wheelers will continue to outshine. And I think the penetration of EVs in 2-wheeler continues to increase. If you see the last 3-year trends, it's consistently increasing . And of course, the players will keep changing, but the good part is that the legacy players are now commanding the top 2, top 3 positions in the electric 2-wheeler segment. And Lumax Technologies, again, both on the 4-wheeler as well as on the 2-wheeler electric vehicle models has a good presence with a sizable contribution per vehicle.

Apurva Mehta: Okay. And where we are placed today if we want to penetrate more into the EV side of the thing? And are we finding any new products which are particularly focusing on EV side of the thing? Or anything which is on the pipeline or in the radar where you will be in future trying to penetrate more into the EV side of the business?

Anmol Jain: Yes, absolutely. I think the company is currently also evaluating certain products and technologies to foray into the EV space. We believe that the play in EV will be more on the software and integration side where there will be real value added rather than the hardware and product manufacturing sites, which may slowly but surely get commoditized. So I think there is a lot of significant focus by the company to evaluate how to get into this software and integration space for the EV vertical. And I'm hoping that in FY '26, you will see some traction and movement towards the same.

Apurva Mehta: And on the JV side, Mechatronics has ramped up a lot of orders. Can you just explain which are the JVs which are getting huge order from this Mechatronics?

Anmol Jain: So if you look at Mechatronics as a whole in the 9 months outlook, they have grown by approximately 75%. And in this, one of the clear winners was the telematics joint venture, which started in FY '24, but for the full year realization has significantly ramped up on the volumes. Also, the Yokowo joint venture because of certain new product launches has grown by almost close to 85% to 90%.

So these were 2. And the last was the oxygen sensor joint venture, which has ramped up its production in FY '25. And going forward in FY '26, we actually see all of these JVs are having a significant run rate and contributing to the top line growth.

Apurva Mehta: So this INR320 crores order breakup is more towards telematics or where it is exactly?

Anmol Jain: Yes. So INR220 crores is on the total mechatronic. And I would say that almost half of that would be for the Alps Alpine joint venture. Along with that, there is also a discussion with a new Japanese player as a Tier 2 contract manufacturing setup, which would further add about INR100 crores to the order book.

Apurva Mehta: Okay. And that is for export or for domestic?

Anmol Jain: It is for domestic product.

Apurva Mehta: Okay. And any new products or developments which you would like to highlight in the last quarter where we have done anything new?

Anmol Jain: So Apurvaji, I think the new product, as I mentioned, yes, it will get into SOP only in FY '26. That is something. But along with that, there are 2 particular products where we have already gone into SOP under the Alps Alpine joint venture. One is a throttle position sensor and one is an in-vehicle infotainment system. Both are in the 2-wheeler space. One is more specific to EV model and one is, again, going on an ICE model.

Apurva Mehta: Okay. And your outlook for next year, broadly?

Anmol Jain: Well, it's too premature to say, but I would suggest that the overall revenue would continue to outperform the industry, anywhere close to between 15% to 20% would be our estimate in terms of the top line growth. I think our endeavour is to continue to sustain and further expand these EBITDA margins in FY '26 as well. So we do not anticipate any major hiccups. There are certain signs of raw material pricing going up. But again, that is a lag. We should be able to recover them from the OEMs in 3 to 6 months' time frame.

Apurva Mehta: Okay. And on the Greenfuel side, where we are currently and what are we doing to complete the chain of the whole packet? And is it possible to us that we use this Greenfuel for the Aftermarket also in a bigger way, like putting the whole set of the CNG kit like a thing?

Anmol Jain: So absolutely, I think Greenfuel, obviously, because of our full year consolidation will becoming a much more sizable by contribution of the pie in terms of the top line and bottom line in FY '26. We continue to believe that the kit value and the content value per vehicle through the CNG core products and other products which we are pouring into should be anywhere between to INR7,000 to INR10,000 of vehicles in the near future in maybe another 2 years' time frame.

On the Aftermarket, yes, we have already supplied about 2,000 CNG kits to the African market. We do believe that there is a tremendous export potential of converting CNG kits in Africa. We've done this for passenger vehicles as well as buses, and we continue to explore further geographies and territories for penetrating this conversion.

Apurva Mehta: And on the Aftermarket side, we have been muted for last maybe 1.5 years. We are very stagnant which was our area where our focus was there and we were hoping to double the turnover in every 3 years. But last 1.5 years, for many reasons, it's not moving at all. So what is your take? And where should we look for next 3 years? Should we double the turnover now or from next 3 years

Anmol Jain: So absolutely, I think it has been an industry-wide phenomenon, nothing specific or exclusive to Lumax Technologies. If you look at other Tier 1 peers in the Aftermarket space, pretty much most of them, almost 90% of the big names have reported a very muted or a low single-digit growth in FY '25.

However, as Mr. Sanjay Mehta had mentioned, we have already started seeing good traction in quarter 4 onwards, where January has been a good month, and we see a similar momentum continuing in the month of February as well. So for quarter 4 stand alone, we should be looking at a good double-digit growth rate, which is pretty similar to what the Aftermarket division used to do up until FY '24.

Giving you a horizon, I think this growth momentum in FY '26 will continue very healthy into a double-digit territory. And yes, our endeavor is still to double the Aftermarket revenues in the next 3-year time frame, given the fact that more growth would probably come from the exports vertical, not just the domestic vertical.

Moderator: The next question is from the line of Hitesh Goel from Riddhish Advisors.

Hitesh Goel: Congratulations on very good results. Sir, you gave a pretty good background on the 3 main subsidiaries. So if you can give that about IAC, Lumax Mannoh and also Cornaglia. So what has happened in this quarter in terms of Y-o-Y growth, margins, how it has been and order book, which you can repeat because I think I missed the order books in position as well?

Anmol Jain: So I think IAC continues to have a strong growth rate. For the 9 months of the current fiscal, total revenue was up by 20%. This was also on a large set of tooling revenue. If I look at the manufacturing, it was up by almost close to 14%. And I do believe that in quarter 4, this momentum would continue to grow. For the full year, I think we're looking at a 20-plus percent growth of manufacturing as well as including tooling a total growth of 30% plus.

IAC continues to be a partner of choice for its largest customer, Mahindra & Mahindra. And as was mentioned earlier, we are sitting on a very strong order book of almost close to more than INR500 crores, INR550 crores in IAC itself. Further to that, we are also in dialogue in touch with other OEMs and expanding our wallet share there.

Coming to Lumax Mannoh as well as Lumax Cornaglia, I think here, the growth rate clearly has been a little bit more muted. The Lumax Mannoh, while the volumes have grown, however, there has been a shift in the product mix more leaning towards manual transmission than automatic as previous year quarter, and that has resulted in a lower value offtake by the OEMs. We have only grown about 1% in the full 9 months, and we expect a pretty similar muted growth for the full year. But I think both these joint ventures, Lumax Cornaglia and Lumax Mannoh, should have a better growth rate in FY '26 on the back of a decent order book.

Hitesh Goel: And sir, in IAC India, you talked about Tata Motors business starting on ambient lighting and plastic business from 4Q FY '25. So I think is that on track? Or there's some delay there?

Anmol Jain: On the Tata Motors front, we did get some order wins for their electric vehicle model. However, for now, they are under a complete revamp on the design. You may have also noticed certain media information where Tata Motors is now completely having a new strategy on how to defend their turf on the electric vehicle segment in the rise of competition. So there have been some changes but, we are deeply engaged with Tata Motors for ambient lighting and other plastic parts for the forthcoming models.

Moderator: The next question is from the line of Amit Hiranandani from PhillipCapital.

Amit Hiranandani: Yes. Congratulations to the team for achieving the highest quarterly revenue, EBITDA as well as PAT. This is a commendable job. Sir, my first question is, we have achieved a 10% EBITDA margin at the standalone level, which is 55 basis points improvement on a Y-o-Y basis. And this is 14th quarter of high margin for standalone. So what is driving this improvement? And how much of it is sustainable? And we have achieved it despite aftermarket growth of just in the low single digit. So your views on this same, please?

Ankit Thakral: So yes, this is Ankit Thakral. So standalone revenue excluding aftermarket has grown by almost 15% if we see 9-month Y-o-Y basis, and which are basically driven by 2 of its prime customers, which is Bajaj and HMSI. So both have shown significant growth. Bajaj revenue is almost up by 20% on 9-month Y-o-Y basis , and HMSI also by similar closer to 15% to 18%.

And yes, the EBITDA margin, if we exclude the other income part, yes, it has grown by almost 60 to 70 basis points, which you said at closer to 10.5% for the 9 months. So of course, on the Aftermarket revenue has been flatter, but we have been able to maintain or, has been better than the last 9 months margin by almost 40 to 50 basis points, which is basically you can say that by giving certain price increases in the market or thereby doing some savings on account of raw materials. And all these reasons have enabled us to achieve the stand-alone margin better than the last 9 months.

Amit Hiranandani: And sir, is it sustainable?

Anmol Jain: Yes, we definitely feel that it's sustainable going forward.

Amit Hiranandani: Great. Sir, my second question is as per the presentation, our consolidated 9MFY25 EBITDA margin is about 70 basis points lower than your last 9M FY '24. So are we still maintaining our guidance of similar level margin in FY '25 versus FY '24? Also, along with this, if you can help us understand what would be the margin levers in the coming year? And conservatively, where do you see it reaching by FY '27, please?

Ankit Thakral: So if we see the 9 months FY'25 EBITDA margin, it is at 14%, and it was 14.7% in the 9 months last year. In the last year, if we exclude the Lumax Ancillary, which was acquired some time in Q4FY24, and in order to have the apple-to-apple comparison, if we exclude the Greenfuel numbers also in the current quarter, so that 14% becomes 14.5% for the 9 months current year also because Lumax Ancillary is at lower single-digit EBITDA margin, which is basically we are aspiring to grow in line with our company EBITDA margins.

So with this, the 9 months, you can say that the margins are absolutely similar with respect to the 9 months last year. And we will be able to sustain similar sort of EBITDA margins going forward in the Q4, and financial year '25 whole year numbers will be somewhere closer to 14% to 14.5% for the 12 months.

Amit Hiranandani: Right. So sir, my second question was on this thing. Like what will be the margin levels in the coming years? And conservatively by FY '27, where do you see it reaching?

Anmol Jain: , I think my margin guidance would be that anywhere close to 14.5% to 15% which we should be looking at perhaps in FY '26 at a consolidated level. We are having a significant presence of the order book coming into the next year itself, backed by multiple small joint ventures, which are firing. Aftermarket also for FY '26, we do expect the double-digit growth to bounce back, which is operating at a higher EBITDA margin. So we do expect anywhere between 14.5% to 15% should be the margin guidance for FY '26.

Amit Hiranandani: Right. So JVs will turn around and Aftermarket will also do well? So these are the 2 major levers for the margin improvement?

Anmol Jain: That's correct.

Amit Hiranandani: Right. And sir, thirdly, we have added Tata Motors in IAC India as a new client. So are we on track for the SOP starting Q1 FY '26? And how large is this business? And additionally, if you can let us know the IAC revenue for 9MFY25, please?

Anmol Jain: So IAC total revenue for 9 months of this fiscal stood at INR800 crores. And again, maybe I'll request Sunil Koparkar to just take the question on Tata Motors launch date and value of the business for IAC.

Sunil Koparkar: I think the answer to your question is there is a delay in the program. We expect the delay to be about 6 months. And this delay is primarily driven by one single factor, which is the recent launch of Mahindra BEVs, which are in the market, has created a lot of momentum in the EV market.

So Tata is rethinking of some of the design changes they need to do, which was supposed to come on stream next year. So we expect some delay in that respect. Tata revenue for us was the initial on this EV program was expected to be about INR30 crores to INR35 crores.

Moderator:

We have our next question from the line of Ganesh Shah from Unified Capital.

Ganesh Shah: I'm new to tracking in this particular company. So what I'm trying to understand is in the structural or in the Advanced Plastics segment, apart from gaining wallet share, I mean, with the existing customers, how does the content per vehicle actually increase? Is it just a function of adding more products that you can supply to OEMs?

Or is there also an angle of premiumization that comes along with it? And with the existing OEMs, what would be our wallet share typically? How do you, as a strategy, expand that wallet share? And what are you sort of doing to add new customers? Or do you feel you've got the broad portfolio over there already right now?

Anmol Jain: So thank you. Let me try to elaborate as best as possible. Advanced Plastics, it's almost close to 55% of the total pie. Largely IAC would be the biggest contributor in the Advanced Plastics. Thereafter followed by, the lighting and polymer business for Bajaj Auto as a 2-wheeler and then we have HMSI as well as Lumax Cornaglia as an entity.

I think the premiumization story is very integral to IAC. It's not just selling more products, It is actually a technological product, which is adding the contribution per vehicle based on premiumization. And we continue to see the new model launches, our kit value is consistently increasing based on certain new technologies like soft touch and premiumization.

Going forward, as I said, we are also trying to integrate the ambient lighting piece to our interior offering so that, again, the entire kit value goes up significantly. While that holds true for IAC, for HMSI as well as for Bajaj, there is a largely plastic part business, which, again, we are trying to expand based on getting more and more products in our kitty and also getting products which have a higher contribution per vehicle compared to the bottom of the pyramid shoot and ship parts. So these are some of the ways how we are expanding our overall portfolio in the Advanced Plastics business.

Ganesh Shah: That's very clear. And with the existing clients right now, how has our wallet share evolved, right? Who are we competing with in the supply of these products? And how will this drive growth like because you're guiding about 50% faster than industry, right? So I am just trying to understand over volumes and ACV, what other levers you have? And what do you expect would pan out in the coming years in terms of growth from those levers?

Anmol Jain: So I think it's a pretty difficult question to answer because our wallet share differs entity to entity, product segment to product segments. Lumax Technologies being an extremely diverse player in terms of its product offering as well as multiple technologies, it's a very different equation for each of the entities.

So in certain cases, for example, in Lumax Mannoh, where we are the market leader, we would have wallet share as high as 80% to 85% or even 100% in certain OEMs where we continue to be the single source. Similar would be the case in certain products of Lumax Cornaglia. However, then when we switch gears to certain other businesses like the metallics business, where our wallet share would be probably 30% in the overall Bajaj Metallic portfolio.

So it would differ. But I think the way we are trying to do is, number one, increase our kit value; and number two, by cross-selling towards OEMs because the relationships are between the organization to the organization. That's how we're trying to expand our presence and our wallet share across different OEMs. So that's the strategic initiative which we're trying to get to.

Moderator: We have our next question from the line of Pritesh Chheda from Lucky Investments.

Pritesh Chheda: Sir. Just on IAC, what was the 9-month revenue number and Y-o-Y growth?

Anmol Jain: The 9-month revenue number stands at INR800 crores, which is a growth of 20% Y-o-Y basis

Pritesh Chheda: Okay. And specifically for IAC, what's your growth outlook next year? So at the company level, you have given the number, but specifically for IAC, what will be the growth?

Anmol Jain: So I think we're still in the process. It largely depends on the Mahindra volumes. But we do expect a growth of at least somewhere 15% or more on the manufacturing revenue side, basically on the back of the new EV launches, which will have the full year realization.

Pritesh Chheda: Okay. And for IAC, 70% is Mahindra, right?

Anmol Jain: That's correct.

Pritesh Chheda: And IAC is, let's say, INR800 crores divided by INR2,500. So about 40% for us is IAC?

Ankit Thakral: Yes, 1/3 of the consolidated revenue is IAC.

Pritesh Chheda: Is IAC. And my last question is the other acquisition, the Green Solutions, when will it start getting merged? And can you give the pro forma number for 9 months for that entity?

Ankit Thakral: So Greenfuel numbers have come into the consolidated revenue with effect from 26th of November 2024. So almost 35 days revenue amounting INR23 crores is part of INR906 crores revenue for the quarter 3. And the whole quarter number, which is a quarter 4, the current quarter, the overall quarter numbers will come as a part of the consolidated revenue in Q4, which is somewhere closer to INR75 crores to INR80 crores.

Pritesh Chheda: Can you give the 9-month revenue for Greenfuel Solution?

Ankit Thakral: So Greenfuel Energy solutions as a 9-month revenue was closer to INR225-odd crores.

Pritesh Chheda: And what was the growth here?

Ankit Thakral: I believe it was closer to 15% to 20%.

Pritesh Chheda: And margin of this business?

Ankit Thakral: So margin is between 17% to 19%.

Pritesh Chheda: Okay. And lastly, sir, , the consolidation is 100% or it is less than 100% of your ownership in Green?

Ankit Thakral: We have purchased 60% equity stake of Greenfuel Energy. So up to PBT level, it is 100% and then 40% basically goes out as minority interest.

Moderator: We have our next question from the line of Shashank Kanodia from ICICI Securities.

Shashank Kanodia: Congratulations for superlative performance. Just wanted to check, sir. Firstly, what would be the execution timeline of the new order book that you have? I think initially, you used to guide us that 50% will get executed in the first 2 years and then probably this peak order book hitting in 3 years' time frame. So could you please help us explain what is the execution timeline of this order book of INR1,150-odd crores?

Anmol Jain: So the total order book is about INR1,350 crores. About 30% of this will come in next year FY '26, 40% in FY '27 and the remaining 30% in FY '28. However, please note that this is an evolving number, and it will keep changing every quarter.

Shashank Kanodia: And this is all incrementally new orders, right? So apart from the organic growth, this will be the incremental top line that is supposed to clock?

Anmol Jain: That's correct. 90% of the order book is new orders, not replacement orders. We will expect this to have an incremental impact on the top line.

Shashank Kanodia: Right. So sir, this INR5,000 crores kind of a revenue figure seems doable for us in FY '27 in your realistic opinion?

Anmol Jain: Well, I mean, we expect a CAGR of anywhere between 15% to 20%. And if I were to do that number arithmetically, it should take us to somewhere around INR5,000-odd crores in FY '27.

Shashank Kanodia: Right. Secondly, sir, just I'm a bit curious to know that from last quarter's presentation to this quarter's presentation, there is a substantial increase in content per vehicle for us, right? I think last quarter, we mentioned the PV side, content per vehicle to be around INR55,000, INR60,000. And now, it's roughly at INR70,000 to INR75,000. Is it just a function of CNG portfolio adding to our portfolio? Or is there anything else to it?

Ankit Thakral: Yes, absolutely correct. So we have added CNG as a part of our product portfolio, which has led to increase in the content per vehicle for 4-wheelers. And there is an addition on account of 2-wheeler also because of the SOPs of basically the 2 main products in Lumax Alps Alpine joint venture by name of infotainment vehicle and TPS throttle position sensor.

Shashank Kanodia: But sir, I think initially, we used to guide as a content being INR3,000 per vehicle, right, in the passenger vehicle for CNG compounds that we are supplying? But the increase is quite substantial to the tune of INR15,000. And in the initial remarks, you point that we could reach INR7,000 to INR10,000, maybe in 2 years' time frame. So is it a potential content per vehicle? Or is realistically supplied at this point of time?

Ankit Thakral: So absolutely right. So as of now, in P&L, there is a content per vehicle of INR4,000 on account of CNG. But going forward in next year, we are seeing that content to increase to somewhere closer to INR8,000 to INR10,000 per vehicle. And apart from that, there has been a slight increase in content per vehicle of the IAC EV launch as well, which is having a larger content per vehicle as compared to the earlier model.

Moderator: We have our next question from the line of Sanket Kelaskar from Ashika Stock Broking.

Sanket Kelaskar: Congratulations on good set of numbers. My first question is on EV agnostic products. So how are EV agnostic product performing in this quarter? And what are the steps we have been taking to enhance the market penetration? And if you can also give us like what is the percentage of our revenue coming on from these EV agnostic products?

Vikas Marwah: So Sanketji, this is Vikas Marwah. Thank you for the question. So of course, the DNA of Lumax Auto Technologies is very much EV agnostic and more than 90% of the value contribution continues to come from EV agnostic products, and we don't see this trend changing at least over the next 24 to 36 months.

What is driving the EV product sustainability, in all the joint ventures like IAC or Lumax Mannoh or Lumax Cornaglia or Alps Alpine portfolio are that they do not require currently significant change in their application models and only very fine miniaturization. So that is why I think these are all very sustainable products.

Sanket Kelaskar: Sir, my second question is like as of 1st Arpil 2025, OBD2 norms would be getting implemented. So how are we getting impacted from this norm? And are we expecting any kind of revenue increase from with the help of this norm?

Vikas Marwah: So OBD2 for Lumax Auto Technologies is a very welcome implementation. One of our joint ventures, which has been finding a challenge on capacity utilization, that is Lumax FAE has now got into full-blown SOP with major 2-wheeler manufacturer down south. We went into the SOP 1.5 months back. We are anticipating almost INR60 crores to INR70 crores increase in our top line revenues with the implementation of the secondary oxygen sensor, which now becomes mandatory from 1st April 2025.

This will take care for a full year capacity utilization of about 45%, which was earlier hovering around 10% because of the non-implementation of OBD2. We are aggressively pursuing the second OEM then to fill up the remaining capacity and that's the reason FY '27 would be the e date of the second OEM. So on oxygen sensors, we are very positively impacted with the OBD2 norm implementation.

Sanket Kelaskar: Okay. So is this also will be going to increase the content per vehicle?

Vikas Marwah: So on 2-wheeler, this will increase the content per vehicle by almost INR800.

Moderator: We have the next question from the line of Saket Kapoor from Kapoor Co.

Saket Kapoor: Sir, just to sum it up, . So taking into account the way we ended this quarter on the highest revenue profile on a quarterly basis and also on the increased margin, what should we expect going ahead for the year to end with? And on a consolidated level, sir, what steps are in the annual that will match the levels of our EBITDA margins, which we have posted earlier? I think so there's a 90 bps point reduction. So these are the 2 questions, sir.

Anmol Jain: So I think the margin reduction was explained earlier by Mr. Ankit Thakral. I think in last year, 14.7% margins for 9 months FY '25. If you were to compare excluding the Lumax Ancillary and the Greenfuel, it stands at about 14.4%. So we are at a similar level of about 14.5% EBITDA margins. There has not been really a decrease in the margins if you compare apple-to-apple.

However, going forward, I think the full year outlook is very clear that we should be looking – to similar a 9-monthFY25 growth, anywhere between 20% to 25%, which should ideally get the total consolidated revenues closer to around INR3,500 crores, and we should be able to sustain a similar EBITDA margin in quarter 4 as well.

Going forward, as I mentioned, in FY '26, the guidance would be that anywhere between 15% to 20% top line growth and the EBITDA margins will surely be more towards 14.5% to 15%.

Moderator: We have our next question from the line of Hitesh Goel from Riddhish Advisors. Please go ahead.

Hitesh Goel: You talked about OBD2 norms increasing content by INR800. What is per vehicle, what is the content right now?

Anmol Jain: So 2-wheeler content as of now, it's closer to INR16,000 to INR18,000 per vehicle. So this INR800 per vehicle relates to a specific product of oxygen sensors, which we will be going to the joint venture, Lumax FAE. So answering to your question, the OBD2 will give us an enhancement of about INR800 to INR1,000 a vehicle.

Hitesh Goel: sir, on basically Bajaj's business, basically, which you have in stand-alone business, it is largely leveraged towards exports because exports are reviving for Bajaj in a big way. So I just wanted to get a sense that does that help you?

Anmol Jain: Well, we have both. We have a pretty diverse portfolio of the domestic models as well, right, from the premium segments of KTM as well as for the boxers & Platinas. However, we also have now a sizable presence on the EV models of Chetak. So that is the reason why the growth has been consistent on the metallic frame business. Apart from that, on the plastics and lighting, we are spread across both Aurangabad as well as Pune and Pantnagar clusters as well. So it's a fairly widespread diverse mix of product for Bajaj.

Hitesh Goel: And any update on Pulsar? You were talking about that you were trying to get into the Pulsar as well for Bajaj. Any update there?

Anmol Jain: The discussions are ongoing. We hope to see some traction in FY '26.

Moderator: We have our next question from the line of Amit Hiranandani from PhillipCapital.

Amit Hiranandani: Yes, sir, our largest customer in Lumax Cornaglia is reporting flat to negative growth. So can you please help me with the revenue of this entity for 9M? And additionally, if you can help us understand whether have we received any compensation from the largest client for rolling back to metal fuel tank?

Vikas Marwah: So Lumax Cornaglia, in spite of its anchor customer being down this year in production volumes by 5%, still reported about 5% kind of a top line increase. For the full year, we are expecting Lumax Cornaglia to report around the same number. However, I think what is going to help Lumax Cornaglia is now the new SOPs that are kicking in also for some new customers for which we cannot disclose the details right now because the products have not gone into SOP. It will take a couple of months.

The strategy for plastic fuel tank is, meanwhile, undergoing a change at our end due to the customer demand not panning out that way and the CAFE-2 norms not getting implemented completely in terms of the plastic fuel tanks as a regulatory thing. So the rota molding business initiatives are now being taken to the direction of making the rooftops of E3-wheelers for which we are going into a major SOP in the next 2 months and also some body cabins. So these are three potential applications of the rota molding facilities that we have put up, and we continue to wait for the expansion of the plastic fuel tank potential.

Amit Hiranandani: Right. Sir, this is the second last question from my side. So, if you can help us understand all the emerging subsidiaries, what we have, Alps Alpine and Ituran, etc. If you can give us an outlook one by one on the revenues and margin side, please?

Anmol Jain: I think overall, my commentary would be that we've seen a significant growth in the Mechatronics vertical. And for the next year onwards, we do expect to almost double our revenue within the Mechatronics vertical. All the joint ventures which sit under the Mechatronics are expected to report a very handsome growth, although it was of a small base, but we have gained significant traction on all of them.

And the margin guidance in pretty much all of them would be similar to the consolidated number or slightly better. So they will add not just the top line, but also the margin accretion for the consolidated entity.

Moderator: We have our next question from the line of Ganesh Shah from Unified Capital.

Ganesh Shah: So just to continue on Lumax FAE that you're explaining, I read the previous call that you said there would be heated sensors that you would be supplying, and this would be about 0.5 million in volume, I assume on a full year basis, right? So the INR60 crores, INR70 crores that you're talking, is that the kind of revenue that you expect would materialize on a quarterly basis? And would that also be a strong growth driver for the doubling in revenues that you expect in the coming year?

Vikas Marwah: So Lumax FAE over to secondary sensor application revenue has already started kicking in, and we will now be expecting in FY '26, a full year of revenue emerging. We are expecting a INR70 crores additional top line to Lumax FAE for one full year. As I mentioned, this would still take us to a 40% capacity utilization only being a new product and being the first year of SOP. We don't want to go in an overdrive mode in the first year of this launch, and we will slow pace it to come to the second OEM launch in FY '27 and thereby take up our capacity utilization closer to 70%.

Ganesh Shah: The last question just from my end, how to understand the order book in ACV numbers, I mean the content value numbers that you report, right? So when you say order book, typically, I mean you've given the split, I understand 30%, but what is typically the order inflow on a quarterly basis? Are these more recurring orders that clients present and sign with you? Or are they one-off kind of events where there's supply for this model for a year?

So I'm just trying to understand how these contracts typically work? And as far as the content value in itself is concerned, maybe just a clarification, but is this the potential addressable value that you can supply to these vehicles? Or is it what is actually being supplied at the moment?

Anmol Jain: So again, first question on the order book. I'll just add that, see, the order book is an evolving number. This is not a onetime order. These are orders which have been given on certain models across different product lines, across different entities. So again, these are something which are based on constant engagement, constant RFQ process, which is an ongoing process with multiple OEMs.

These businesses are awarded based on competitive bidding. But these are recurrent in nature. And again, the endeavor should be to get more and more business for new models by increasing our wallet share. So that's a constant endeavor. And if you see the order book, as I mentioned earlier, was it's sitting at about INR1,350 crores, which is close to 1/3 of the annual revenues of the consolidated entity.

The second question you had was on the contribution per vehicle. I would say that it's a mixed bag in certain cases, the content per vehicle is actually being addressed by the entities. However, in certain cases, it is still an addressable market, which we are hopeful of getting into it over the next 2 years.

Moderator: Ladies and gentlemen, that would be the last question for today due to time constraint. And I now hand the conference over to the management for closing comments. Over to you, sir.

Anmol Jain: Well, I take this opportunity to thank everyone for joining into the call today. We will keep the investor community posted on a regular basis for updates on your company. I hope we have been able to address all your queries. For any further information, please get in touch with us or SGA, our Investor Relations advisors. Thank you once again, and have a good day.

Moderator: Thank you. On behalf of Lumax Auto Technologies Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.