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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- Q2 FY 2025-26

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 which was held on Monday, November 10, 2025 at 03:00 P.M. (IST) to discuss the Operational and Financial performance of the Company for the 2nd Quarter and Half Year ended September 30, 2025.

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
Company Secretary & Compliance Officer
ICSI Membership No. A28161

Encl: As stated above



“Lumax Auto Technologies Limited
Q2 and H1 FY '26 Earnings Conference Call”
November 10, 2025



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

Moderator: Ladies and gentlemen, good day, and welcome to the Lumax Auto Technologies Limited Q2 and H1 FY '26 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on 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 star then zero on your touch-tone telephone. 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. Good afternoon, everyone, and thank you for joining us for the Q2 and H1 FY '26 earnings conference call. It's a pleasure to indeed welcome you all. I am joined today by Mr. Deepak Jain, Director; Mr. Vikas Marwah, CEO; Mr. Sanjay Mehta, Director and Group CFO; along with Mr. Ankit Thakral, CFO of the company; Mr. Sunil Koparkar, Managing Director, IAC India; Mr. Sanjay Bhagat, Head of Aftermarket; Mr. Naval Khanna, Head of Corporate Taxation; along with Ms. Priyanka Sharma, Head of Corporate Communications.

We are also supported by our Investor Relations partners, Adfactors PR. Together, the leadership team looks forward to share an overview of the company's operational and financial performance for Q2 and H1 FY '26, along with certain key business developments during the period. The results and the investor presentation have been submitted to the stock exchanges and are also available on the company's website. We trust you have had the opportunity to review the same.

Friends, India's macroeconomic environment in FY '26 continues to remain supportive, aided by a series of fiscal and monetary measures aimed at sustaining growth momentum. The recent GST rate rationalization in September '25 has provided a very strong demand stimulus, lowering effective tax rates across multiple segments and improving consumer affordability, particularly in discretionary categories such as automobiles.

Additionally, the Reserve Bank of India's cumulative policy rate cuts of nearly 100 basis points since early 2025 have further eased financing costs and improved credit availability, benefiting both retail buyers and the broader manufacturing ecosystem. Together, these measures have strengthened consumption trends and industry confidence, supporting higher production and investment activity.

Further, the income tax relief announced in FY '26 has provided an incremental boost to disposable income, complementing the broader policy environment that continues to favor growth in the Indian auto sector. The domestic automobile industry witnessed a strong performance in Q2 FY '26, driven by festive season demand, GST rate reductions, new product launches and improved rural sentiment. The 2-wheeler segment recorded its highest ever single quarter, surpassing the earlier peak of quarter two of FY '19, supported by sustained urban demand and export markets, while the passenger vehicle segment benefited from the festive inventory buildup and ongoing premiumization trends.

Exports outpaced domestic sales across segments with particularly strong momentum in 2- and 3-wheelers. Overall, the sector remains on a firm footing with demand expected to sustain through the festive and post-harvest period, supported by favorable policy measures and improving customer confidence.

As per SIAM Q2 FY '26 production data, passenger vehicles production stood at 1.33 million units, up by 4% year-on-year, 2-wheelers stood at 6.93 million units, up by 11% year-on-year,

3-wheelers at 0.36 million units, up 18% year-on-year and commercial vehicles at 0.26 million units, up 11% year-on-year.

Speaking on the company's performance, in Q2 FY '26, our revenue recorded a healthy year-on-year growth of 37%, supported by strong demand, new product launches, integration of alternate fuel business and a continued shift towards premium products. Post the GST rate rationalization, for the full year of FY '26, we would like to revise our revenue growth guidance from earlier 20% to now 25%, well in line with our 20% CAGR goal. The EBITDA margins for Q2 stood at 14.7% and for H1 at 14%. We continue to maintain the guidance of 14% to 15% EBITDA margin for the full year FY '26.

During the quarter, Lumax Auto Technologies achieved several key milestones, reflecting its strategic focus on strengthening operations, innovation and financial credibility. This quarter marks the first quarter wherein the entire profit after tax of IAC India is attributable to Lumax Auto Technologies following the acquisition of the remaining minority stake in Q1 FY '26. Additionally, the Board has approved the merger of IAC India with the standalone company, a move aimed at simplifying the corporate structure and enhancing operational synergies.

The company also inaugurated SHIFT, Smart Hub for Innovation and Future Trends, the tech center in Bengaluru designed to accelerate product innovation, electronics development and software integration across business verticals. This center is expected to play a pivotal role in strengthening Lumax's capabilities in embedded electronics, connected systems and advanced solutions, supporting its transition towards becoming a Tier 0.5 systems integrator.

In continuation of its global expansion strategy, Lumax Auto Technologies is also setting up its first office in China, expected to be operational by January 2026. This office will serve as a group resource center for sourcing, tooling and technology scouting, enabling the company to stay closely aligned with the latest manufacturing and electronic trends from one of the world's most advanced automotive ecosystems.

Further, CRISIL Ratings Limited has reaffirmed the company's short-term and long-term credit ratings at CRISIL A1+ and CRISIL AA-, respectively, while revising the outlook on the long-term rating from "Stable" to "Positive", underscoring the company's strong financial position and improving business fundamentals.

On awards, the subsidiary company, Lumax Mannoh, was honored with CNBC-TV18 SME Champions Award Season 2 in the category of Manufacturing SME of the Year for Industrial Excellence. Another subsidiary, Lumax Cornaglia, was awarded with Sustainability Excellence Award at the Tata Motor Supplier Conference held in September 2025. Lumax Cornaglia was also awarded with Gold Medal at the 50th International Convention on Quality Control Circle held in Taiwan.

Speaking on the order book, we are pleased to report a robust order book of INR1,357 crore with strong visibility across the next 3 fiscal years. Of this order book, approximately 7% is projected to be materialized in FY '26, 35% in FY '27, 48% in FY '28 and the remaining 10% in FY '29. The order book reflects healthy traction across all product verticals with advanced plastics

contributing the largest share, followed by mechatronics, alternate fuels and structures and control systems.

Q2 FY '26 marks a pivotal phase for Lumax Auto Technologies as we enter a new growth orbit post the full integration of Lumax IAC, guided by our 20.20.20. North Star vision and execution blueprint of our midterm plan, BRIDGE. We are building a stronger, more diversified and future-ready organization, our sharpened focus on premiumization, EVs and sustainable future mobility solutions, coupled with our expanding global footprint positions us well to capture emerging opportunities in the evolving automotive landscape.

With this, I would like to now hand over the call to Mr. Ankit Thakral, CFO of the company.

Ankit Thakral:

Good afternoon, everyone, and thank you for joining us today. The first half of FY '26 has been defined by sustained operational excellence and strong financial results. Q2 FY '26 continued the robust trajectory established in Q1, successfully translating our strategic alignment into strong revenue gains and EBITDA expansion, further solidifying the strength of our diverse and well-balanced portfolio.

Let me walk you through the consolidated financial and operational highlights for the quarter and half year ending September 30, 2025. Our consolidated revenue reached INR1,156 crore for Q2 FY '26, which is historic high for the company in a single quarter and INR2,183 crore for 6 months FY '26, marking robust Y-o-Y growth of 37% for both periods.

On the profitability front, EBITDA for Q2 FY '26 and H1 FY '26 stood at INR170 crore and INR306 crore, respectively. This performance resulted in strong margins of 14.7% for Q2 and 14.0% for H1 FY '26. EBITDA performance in Q2 FY '26 benefited significantly from the subsequent realization of customer price corrections retrospectively from the first quarter of FY '26. The realization of the same in Q2 has ensured that our resulting H1 FY '26 margins are firmly in alignment with our strategic direction of achieving 14% to 15% EBITDA margins for the current fiscal year.

Profit after tax before minority interest for Q2 and H1 FY '26 stood at INR78 crore and INR132 crore, respectively, registering an impressive Y-o-Y growth of 50% and 41% for Q2 and H1 FY '26, respectively. The effective tax rate for six months remained stable at 25% to 26%, and we expect it to hold at similar levels throughout the year. The share of minority for the quarter for Q2 FY '26 stood at 14%, down by 23% from Q1 FY '26 with the quarter two being the first full quarter of IAC becoming the 100% subsidiary of the company. The minority share for the upcoming quarters is expected to settle around 15%.

With respect to the division-wise breakup, firstly, the advanced plastics division, this segment recorded a Y-o-Y growth of 25% in H1 FY '26 with revenues increasing from INR907 crore to INR 1,138 crore. This performance reflects our strategic alignment with OEM programs that prioritize design, durability and lightweight.

The order book remains strong at INR 680 crore, providing solid future visibility. The mechatronics segment sustained its upward momentum, delivering a year-on-year growth of 165% in six months FY '26 from INR 46 crore to INR 122 crore with a healthy order book of

INR360 crore, remains highly technical business due to its high engineering intensity and relevance in the shift towards intelligent mobility systems.

Turning to the structure and control systems vertical, it reported a year-on-year growth of 13% in H1 FY '26, increasing from INR 338 crore to INR 382 crore with an order book of INR 116 crore, strengthening our position as a trusted technology partner in the evolving mobility ecosystem. The aftermarket segment showed a strong growth of 15% in H1 from last year six months, reflecting strong customer traction and product acceptance. We are very much hopeful of sustaining this strong growth for the full year FY '26.

The Greenfuel Energy Solutions acquired in November last year contributed INR 170 crore in H1, backed by an order book of INR200 crore with margins expected to be accretive to the group average over the medium term. The segment is positioned to grow in alignment with the national shift towards alternate fuel platforms and rising OEM adoption.

The seamless integration of IAC and the acquisition of Greenfuel have resulted in a notable shift in our revenue composition, leading to a well-diversified and balanced mix across mobility platforms. In H1 FY '26, the passenger vehicle segment accounted for 55% of total revenue with 2- and 3-wheeler segment contributing 24%, followed by aftermarket at 10% and CVs at 9%.

Capex for the first half of year stood at INR133 crore, which includes investment in land of around INR 38 crore and INR 42 crore in IAC business. These investments are aimed at unlocking medium-term revenue growth and supporting localization efforts across key platforms. The guidance for the full year remains at around INR 200 - 220 crore.

As of September 30, 2025, we continue to maintain a strong balance sheet and a healthy liquidity position. Free cash reserves on a consolidated basis stood at INR391 crore, providing us with the financial flexibility to support ongoing investments and navigate market cycle confidently. Following the payout for the 100% acquisition of IAC, our long-term debt stood at INR 606 crore, resulting in a conservative debt-to-equity ratio of 0.57, which is within our internal comfort thresholds.

With this, we conclude the operational and financial overview. We now open the floor for questions.

Moderator: The first question is from the line of Mihir Vora from Equirus Securities.

Mihir Vora: So my question was on the standalone operations. The growth for the last two quarters has been defended. However, the margin performance is seeing some pressure. So just some color on why we are seeing such kind of margin decline here? And basically, what are our targets going ahead in terms of the margin here?

Anmol Jain: So thank you, Mihir. I think the company has taken certain bold steps in really doing a lot on cost optimization and also accelerating a few business growth drivers. And for that reason, we've engaged certain external consultants. That one-time cost during the H1 has taken a little bit of hit on the margins compared to last year basis, but that's approximately 100 basis points dip.

But going forward, we are very confident that we will be able to reach the double digit for the 12 months, including the other income part. So this is just a one-off anomaly. But in return, we do expect a significantly much more handsome gains from these expenses going forward in the coming years.

Mihir Vora: So sir, just a follow-up on that. Like can you give some more color on the strategical shift which you are taking like in terms of product mix or market, what are you doing there in the standalone business?

Ankit Thakral: So can you repeat the question, please?

Mihir Vora: So like you mentioned in the start, you are taking some strategical shift here in the standalone business. Like what are those shifts like is it we are moving more towards aftermarket or some other products? Or how are we working on it?

Anmol Jain: So the standalone business has a few key business areas. Number one, of course, there is the aftermarket. There is also the lighting and plastic for the 2-wheeler segment, specifically for Bajaj and HMSI. There is also the metallic business, which houses the chassis. So these are fundamentally the major ones.

And of course, we do some accessories business as well, which is hosted from the standalone entity, but this would largely contribute to a significant share of the total revenues of the standalone business. Yes, going forward, once the merger of IAC is completed, thereafter, that business will also be reported as a standalone entity.

Ankit Thakral: And Mihir, just to add, so the one-timer, which Anmol sir just mentioned, it relates to the basically the deal expenses, which we paid for the remaining 25% acquisition of IAC, that has impacted the EBITDA by around 100 to 120 bps. For the full month, we will be able to get back on that 10% to 11% EBITDA margins.

Mihir Vora: All right. Okay. And sir, second question is on Greenfuel basically. So we previously had mentioned that we'll be adding some new products here in Greenfuel, which will lead to a CPV increase. And have we started that? And how is the acceptance among the customer here? How are we seeing things going ahead?

Anmol Jain: So yes, we've already got one firm order for one of the new product lines, which we have been engaged with discussions with the customer for quite some time. This is a deeper localization effort, which also gives a significant cost reduction advantage to the OEM. We would be the only one and the first one in India to have localized this product for one of our customers. And I do foresee that once this is productionized, there will be a significant ramp-up in terms of the offtake from other OEMs as well.

Mihir Vora: Okay. And lastly, sir, on the IAC front, this year, we saw like first half, we saw a decent drive from the Mahindra & Mahindra businesses where the volume for Mahindra is also good. But however, going ahead, how are we looking at diversifying this business and some color on the order we'll take from new other players like Maruti or Tata, how are we increasing our business share there after we have started getting involved into the IAC business?

- Anmol Jain:** So I think IAC team continues to engage constructively in discussions across OEMs. We've already got certain firm orders from Maruti Suzuki for their forthcoming models. And that relationship continues to grow stronger, and we will continue to expand our wallet share with Maruti Suzuki. Mahindra, of course, is our key customer, and we continue to enjoy strong order book across various platforms of Mahindra as well. And we are in conversations with other customers like Honda Car, Tata Motors to try and pitch for some of their forthcoming models in the future.
- Moderator:** The next question is from the line of Vijay Pandey from Nuvama.
- Vijay Pandey:** Sir, just wanted to check what was our revenue from IAC India for the second quarter and for first half?
- Anmol Jain:** Sorry, can you repeat that question? You said Maruti's revenue?
- Vijay Pandey:** Revenue from IAC India.
- Anmol Jain:** INR 378 crore was the revenue from IAC for quarter two.
- Vijay Pandey:** And sir, in first half?
- Ankit Thakral:** For the quarter one, it was INR317 crore. And for quarter two, it is INR378 crore. And for H1, it is showing a growth of 40% from the H1 of last year at INR694 crore with margins at 17.5% for the six months.
- Vijay Pandey:** Okay. Sir, we expect the IAC India to reach INR400 crore revenue by fourth quarter or by quarterly revenue of INR400 crore by next year? Or is it reasonable to assume it will be achieved this year?
- Anmol Jain:** So I think right now, the visibility for a full year basis, I would say that probably close to a 20% growth for IAC. Again, we have delivered a similar growth for H1.
- Ankit Thakral:** H1 is 40%.
- Anmol Jain:** H1 is 40%, but for the full year, we're expecting close to a 20% growth rate. And this is again largely because H1 also saw a lot of new launches.
- Ankit Thakral:** And H2 of the last year had a substantial tooling revenue because of the two launches of Mahindra BEVs. So with respect to the product revenue, it will be overall growth of 25% to 27%. But considering the higher tooling revenues last year, so that's why the reported number for the full year, we are estimating a growth of around 20%, maybe closer to INR1,450 crore for the full year.
- Vijay Pandey:** Okay. Sir, secondly in regards to sales of commercial vehicles, our revenues declined Y-o-Y. Any particular reason for the same? Is it mainly focused on LCV or is it because of customer mix or anything? Any update on the same?

- Ankit Thakral:** So if you see my six months commercial vehicle revenue, it is at 9% of overall pie. Of course, that is, I would say is due to this Greenfuel business coming in because among the total overall business of Greenfuel, 35% to 40% is from commercial vehicles.
- Vijay Pandey:** Okay. And sir, if I compare commercial vehicle from quarter two of this year to last year, so it comes out that this year, it was INR83 crore. Last year, it was around INR90 crore of sales. So that's what I was thinking why the revenue has declined.
- Ankit Thakral:** So I think with respect to any of your specific query relating to the figures with respect to the quarter or half year, we can discuss it offline, Vijay.
- Moderator:** The next question is from the line of Dhaval Shah from Girik Capital.
- Dhaval Shah:** Very good to see very surprising the margin, the revenue guidance, which have increased to 25%. Sir, first question is we've incorporated two new subsidiaries, Autocomp and Auto Solutions. What will be the business that will be carried out in those subsidiaries? And yes, that's the first question.
- Anmol Jain:** Well, they're just enabling SPVs for accelerating future inorganic growth for the organization. In the past also, we created such SPVs as it's just enabling to fuel the future inorganic plans.
- Dhaval Shah:** Okay. Second is we are putting additional capital in Lumax Yokowo and in Greenfuel. So can you just highlight what's the short- to medium-term outlook looking for these two subsidiaries? We're putting more capital in it? What are the opportunities there?
- Ankit Thakral:** So Lumax Yokowo, there is a resolution which we have taken in the Lumax Auto Tech Board is relating to the working capital increase in the working capital facility of Lumax Yokowo and Lumax Yokowo being a subsidiary of Lumax Auto that is why it is just a statutory requirement. So we are not infusing any capital from Lumax Auto.
- Dhaval Shah:** Yes, it was a letter of corporate guarantee, correct.
- Ankit Thakral:** And regarding your question relating to the investment of INR5 crore in the Lumax Resources, which is a, I would say, holding company of Greenfuel, that is only because we had taken the loan exposure in this SPV company. And unless and until that SPV company gets merged with the Greenfuel, till then repayment will have to be gone by that SPV company. So that just to support that repayment, we are infusing that.
- Dhaval Shah:** Understood. And sir, in the last call, we had some discussion regarding getting Chinese tech into India and our company being the first one who would be able to get this. And we were quite excited about the content per vehicle of these Chinese tech, which is there in the Chinese cars and you want to get it here. So can you just share more thoughts on it? What are the developments happening, which is beneficial for Lumax Auto Tech?
- Anmol Jain:** I think as I mentioned in my opening, we are already on course to start a China resource center, which should be up and running either by end of calendar year or January 2026. And through this center, we do expect to have technology access to the new emerging trends, specifically in

the interior cabin space to begin and thereafter see what other new product expansions and new technologies we could tie up for Lumax Auto Technologies as a whole. So things are on track, and we are hopeful that by quarter three or quarter four of this year, we should be able to share certain developments in terms of accessing new technologies through perhaps new local partners as well.

Moderator: The next question is from the line of Pawandeep Bhatia from NV Alpha.

Pawandeep Bhatia: Sir, I just wanted to understand the Greenfuel, it's showing six months H1, we are doing a revenue of INR170 crore. What was this number, sir, in FY '25 and FY '24?

Ankit Thakral So Greenfuel as an entity or as a business we acquired in November last year only. So that's why with respect to the LATL consolidated revenues. So for the H1 of last year and even before that, we are not, I would say, comparing that number. I'm not having an exact figure of six months of FY '25.

But as an overall for full year, the revenue number for the Greenfuel was INR300-odd crore in FY '25. And this year, we are estimating a growth of around 15% to 17% for the full year from FY '25. But for Lumax Auto Technologies, this will be the first full year of consolidation.

Moderator: The next question is from the line of Apurva Mehta from A M Investments.

Apurva Mehta: Congrats on great set of numbers. Just wanted to ask about this new facility of tech center at Bangalore. What does it really targeting? And what are our long-term views about this new center?

Anmol Jain: Thank you, Apurvaji. See, the tech center is going to solve two particular objectives. Number one, it will cut across the different business verticals of Lumax Auto Technologies. It could be the mechatronics. It could also be the advanced plastics or the interior cockpit systems, and see how do we up the value chain by integrating certain embedded electronics or software capabilities so that just by instead of selling a hardware component, we are able to integrate it with a little bit more of vehicle communication solution. So that will give us an added advantage not just from a tech point of view, but also from a value content per vehicle point of view.

The number two objective of the tech center is to consistently innovate and develop certain POCs for products and solutions where Lumax Auto Technologies is not necessarily present today. These could be products which are adjacent or complementing to our skill sets and product portfolio today. It could also be certain completely new territories, which will open up certain other opportunities. I'm happy that we've already done about 6 to 7 POCs. During the inauguration, these were showcased to some of our key OEMs, and there has been a significant traction on the excitement and engagement since then as well. And I'm hoping that going forward, we should be able to convert some of these POCs into real orders.

Apurva Mehta: Great. Sir, that means this China unit, which we are opening and this Bangalore unit will be working hand-to-hand together or China unit will be totally different than what we are doing in Bangalore?

- Anmol Jain:** So there obviously will be a lot of integration, a lot of synergy and a lot of connect between the two. But predominantly, China resource center will, have access to new technologies, specifically in the interior space, which is already very clearly evident. In addition to that, we will also scout for certain new partnerships and new technologies across for different verticals of Lumax Technologies. Thirdly, the sourcing optimization and the tooling for our new products. These will be two further areas where China center will give us an added advantage in terms of the cost optimization or getting at least the best value for money.
- Apurva Mehta:** And on the acquisition side, are we also looking on the software side of acquisition where we'll get a head start directly and rather than making our own software and otherwise, it would take a lot of time to validate and using it? Are we also looking at where we can acquire a company and get a head start and develop products which are much faster in nature?
- Anmol Jain:** Yes, we have not ruled that out. If there is something which we can pinpoint, which will accelerate our leapfrog shift into a different orbit, we will definitely look at an inorganic opportunity to fast track those ambitions.
- Apurva Mehta:** Okay. And what kind of capex we are doing in Bangalore if you take 2 -3 years kind of horizon?
- Anmol Jain:** So as of now, we are not looking at anything significant. I think Bangalore would be more of a people and development of skills rather than hard capex, which would be required at least for the next couple of years.
- Moderator:** The next question is from the line of Sahil Sharma from Dalmus Capital Management.
- Sahil Sharma:** Congratulations on a good set of numbers. So my question was like, if we look at the customer-wise data, on a Q-on-Q basis, we see that M&M seems to be flat and Tata Motors has sort of declined. On the other hand, share of others has increased and IAC revenues has also gone up in absolute terms. So I was just trying to understand these numbers. Have we onboarded any new OEMs in the IAC business? Like how do we look at this increase in the IAC business, whereas M&M has stayed flat?
- Ankit Thakral:** So if you see basically M&M, I would say, their own growth with respect to Q-on-Q movement, it is again and more specifically, their PV growth it is down by 2%. And with respect to my IAC own revenue, it has increased by 20%. Of course, that 20% is majorly, I would not say majorly, half of it is because of there is some tooling revenue of Q2 of around INR30-odd crore. But like-to-like comparison, Q1 to Q2, Mahindra and Mahindra, their PV is down by 2%. And as an IAC business for Mahindra, I have grown by around 5% to 7%.
- Sahil Sharma:** Right. That I understand. I'm just trying to understand the other segment in the customer category and like there has been a significant jump if I see from INR185 crore in Q1 to INR252 crore in Q2. So this is what I was trying to understand, like where is this jump coming from?
- Ankit Thakral:** So rather than I would say the exact number, if you see the others as a percentage, so it has remained as an overall pie of around 20% - 22%. And the others is nothing but we have categorized the tooling revenue in this particular segment because we have not basically added in their customer-wise pie. In Q1, there was little tooling revenue and Q2, including the IAC

business of INR35-odd crore, there is an increase in tooling revenue by INR40-45 crore. That is why you are seeing that increase pie of others.

Sahil Sharma: Understood. And in the Greenfuel business, the revenue seems to have declined from INR95 crore in quarter one to INR75 crore in quarter two. So what is the reason for this?

Anmol Jain: So almost half of Greenfuel today, there is a revenue which comes from the safety products, which goes on to the school buses. It's a regulated feature, which is on the school buses. And this is a cyclical nature where we see that quarter four and quarter one of the fiscal year has a very strong demand for such products. Such buses are made more in Q4 and Q1.

And quarter two and quarter three are pretty much on a lower side. And that's the reason if you're looking at from quarter one to quarter two, you're seeing a downward shift. But for the full year, this has been already forecasted, and we do expect to still deliver a handsome growth for the full year. I think the revenue guidance for full year for Greenfuel is between INR350 crore to INR400 crore.

Moderator: The next question is from the line of Sanket Kelaskar from Ashika Stock Broking Limited Institutional Desk.

Sanket Kelaskar: Congratulations on good set of numbers. Sir, I've observed in this quarter, we have seen a drop in our revenue from Lumax Industries Limited. And at the same time, we have seen a robust growth in our revenue from HMSI. So can you please shed some light on that, whether we have increased in content per vehicle on HMSI side?

Ankit Thakral: So you're talking from Q2 of last year or maybe the succeeding quarter?

Sanket Kelaskar: Q2 of last year versus Q2 of this year.

Ankit Thakral: So Q2 of last year, the numbers which I'm having in front of me, the HMSI revenue was INR45 crore. And this year for Q2, the revenue for HMSI is INR63 crore. I think there is an increase of around 40%. And HMSI as an OEM, their own production, I would say, with respect from the Q2 of last year, it has degrown by 2%. And that 40% increase is because of the various SOPs that has been there in mainly in my subsidiary companies, mainly Lumax Alps Alpine. So I think HMSI, I would say, overall pie, we have grown with respect to Q2. And Lumax Industries also in Q2 last year, the revenue was INR70 crore. And in this year, the revenue is INR92 crore. And again, this growth is again in line with the growth of the Lumax Industries Limited.

Sanket Kelaskar: Okay, sir. Sir, my second question is on many of our subsidiaries. I've seen this time, as you were mentioning, Alps Alpine has grown significantly as well as Cornaglia has also grown very significantly. So can you explain us like where is the growth coming from, whether it's coming from just because of the OEM or increase in content per vehicle? And at the same time, also if you can give us an idea like what margin profile are we expecting in Alps Alpine and Yokowo going ahead?

Vikas Marwah: So Sanket ji, this is Vikas Marwah. You are right, Alps Alpine has seen significant growth and being the largest business driver for the mechatronics division in the future is also poised for the

highest growth number. The change point being that this year, we have gone beyond the power window switches, which used to be the only product that Alps Alpine used to sell. We have now gone into the steering wheel switches. We have gone into steering angle sensors, and there are 4 new switches that have been added to the product portfolio. The full impact of these would be visible in H2 as most of these launches have come between July till September.

Alps Alpine is focusing on having at least 11 product lines running up to 2028, which will be driving significant growth for this particular joint venture, targeting more than INR500 crore plus of revenue by FY '30. The margins are fairly reasonable, and they are going to be hovering around the LATL average, which is currently at around 14% is our guidance, also in terms of one dominant competitor being here where we will have to be price competitive while establishing our revenue base.

Coming to Lumax Yokowo, a significant addition to the portfolio is that now Lumax Yokowo from the current H1 is also catering to Mahindra where we have entered in a very strong way on the shark fin antenna and the other antenna systems and now this JV is supplying not only to HCIL, Toyota, but also to Mahindra. And our target is that by FY '27, we should be able to stabilize it anywhere between 13% to 15% kind of an EBITDA margin. The antenna system industry in itself is quite small, but expanding rapidly. So these are still the early years for Lumax Yokowo to grow, but we are quite confident about it.

Moderator: The next question is from the line of Swapnil Gupta from White Pine Investment Management.

Swapnil Gupta: On last call, you mentioned that we have secured a confirmed order for the localized tubes and fitting product of Greenfuel, which position us as a first domestic supplier in India. Could you clarify the order size in terms of revenue or volume potential? Additionally, when is the SOP expected? And how should we think about the ramp-up time line across OEMs?

Anmol Jain: So yes, absolutely, we had confirmed that. And right now, in terms of Greenfuel, the total order book is about INR200 crore, but this is a combination of multiple things. Specifically on the tubes and fitting, the first model, which we have been awarded, that annual revenue is close to INR20 crore. But as I mentioned earlier, this is one product category where we do see a significant scale up over the next 3 to 5 years, given the fact that we are the first and the only ones who would have localized this product and technology in India, thereby giving a significant price advantage to the OEM.

Moderator: The next question is from the line of Jyoti from Arihant Capital.

Jyoti: Congratulations on the good set of numbers. Sir, basically, like earlier, you explained about some of the JVs, Alps Alpine and Yokowo. So among all JVs, which are outperforming against initial expectation and which need more operational turnaround going forward? And also on the order pipeline side that we are having INR1,357 crore through FY '29, that shows very strong visibility for us. So can you quantify how much related to EV and clean mobility program? And also how is the content per vehicle trending in EVs versus ICE vehicle? Is EV content already accretive?

Vikas Marwah:

Yes. So Jyoti, in the portfolio currently of joint ventures in Lumax Auto Technology, of course, moving ahead, IAC gets merged into LATL as amongst the standalone entity. So we will talk about the other joint ventures. Lumax Mannoh is in market leadership position today with more than 65% market share. And it's a mature joint venture as we see it at a run rate of about INR400 crore per annum. Lumax Cornaglia has also matured to almost INR200 crore per year. In terms of its product portfolio, quite cash sufficient, good profit margins and expanding further into its current customer base.

The third JV about Alps Alpine, I've already briefed you about the path where we are in. But in terms of the operational stabilization, the two joint ventures that will be needing further efforts from our side will now be Yokowo, FAE and to some extent, Lumax JOPP. These three are still in their initial phases. And amongst them also, Yokowo and Ituran will ramp up faster.

FAE already is on one customer dominance. It will be reaching a 65% capacity utilization by next year with the key supply element almost like a rare earth being the sensing element. And as soon as we have secured more supplies of sensing element, we'll be going for a further push. So we are on that path in terms of stabilizing all the joint ventures in the portfolio currently.

Coming to your specific question in terms of the product mix relating to EV, we are targeting a future clean mobility as we call it, to the extent of 40% running up to as early as FY '28 out of the total LATL portfolio.

Jyoti:

Sir, just wanted more clarity on the rare earth product that we are working and which one is the one client that we are doing in FAE?

Vikas Marwah:

See, currently, fortunately or unfortunately, LATL is not impacted by the rare earth magnet crisis. For the reason that we have till now expanded not into pure BEV products, as you call it. We have been very powertrain agnostic in terms of our product strategy. So we are not into the thermal magnet solutions. We are not into the batteries, electric motors and controllers today.

There is some amount of rare earth magnet largely non-ferrite that is going into our gear shifter solutions. And to that extent, we are fairly well covered. Also, we are now beginning to find alternatives to lithium components that is going into there. Also, one of our partners has got an inductive sensing technology, which is an alternative in these kinds of product solutions. So going ahead, we will be approaching this issue accordingly.

In terms of the semiconductor dependence that is coming from Alps Alpine, our JV partner, Alps Alpine is covering all the risks in terms of the rare earth thing because Japan and the rare earth factory of the world China, they already have sourcing arrangements. So we are adequately covered to that extent. Rest of the other products do not require rare earth right now.

Moderator:

The next question is from the line of Pritesh from Lucky Securities.

Pritesh:

Sir, I was just trying to interpret the organic growth, which is obviously ex of Greenfuel, if I'm seeing it clearly. So the organic growth is about 25% for H1. Is this correct ?, I was a little bit confused. I'm hoping that IAC was always 100% consolidated on revenue side.

- Ankit Thakral:** Yes, you're correct. So excluding Greenfuel, the organic growth for the six months is 26%.
- Moderator:** The next question is from the line of Neeraj from Damac.
- Neeraj:** Sir, in our Q1 presentation, there was a comment that we are planning mega plant for mechatronics, which would cater to the ambitious growth targets. Can you please elaborate a bit more on this?
- Vikas Marwah:** So thank you, Neeraj. The mega mechatronics plant is coming up at Manesar. It is currently under commissioning as we speak. There are four joint ventures that will be moving into this facility targeted by March or April 2026. Phase 1 movement will be Lumax Yokowo. Phase 2 movement will be Lumax Alps and Phase 3 movement will be Lumax Ituran and Lumax FAE together into this mega plant.
- This mega plant of mechatronics is also now focusing to have PCB SMT captive lines inside the plant to give a complete backward integration to our production capabilities. It will be equipped with the clean rooms and the sensor management control rooms. And therefore, the two Japanese joint ventures working there will also be having a controlled presence inside this plant. So the plant is currently under commissioning at Manesar.
- Neeraj:** Okay. And would it be correct to assume that once that plant is up and running, there will be significant cost savings because of all these 4 entities operating out of a single place?
- Vikas Marwah:** Yes. So that is a fallout directly intended to be of this particular movement under a consolidated management bandwidth, this will be a natural outcome. The more cost savings will come in terms of an optimized material movement because we would like to keep the DNAs of all the four joint ventures independent in terms of their operating management. But whatever the corporate support function and the material management cost savings accrue, that is something that will be deployed.
- Neeraj:** Understood. And sir, just quickly on the mechatronics part, in the previous comment, you mentioned maybe by FY '30, we are planning INR500 crore of top line. Is that understanding correct?
- Vikas Marwah:** It's significantly higher than that because that is the top line intended only for Alps Alpine and the mechatronics JVs are Alps Alpine, Lumax Yokowo, Lumax Ituran and Lumax FAE. So our target should be anywhere between INR800 crore to INR1,000 crore.
- Neeraj:** And what would be the run rate, let's say, in FY '26 or what it was in FY '25?
- Vikas Marwah:** So FY '26 run rate is about INR264 crore for mechatronics currently. And FY '28, we are targeting INR500 crore plus.
- Neeraj:** Understood, sir. And just very quickly, one more question on our aftermarket. So in Q1 presentation, we made a comment we are targeting 20% growth. And in Q2, we had maybe reduced it to 15-17%. Just some lines on what we are seeing on the aftermarket. Is it still not picking up as we intended it to be?

- Anmol Jain:** No, I think we are quite happy with a 14-15% growth currently. I think if I look at it last year, we were averaging around 6% to 7% growth. So we've definitely accelerated that to a double 14% growth. Going forward, I think we are hopeful that at least by quarter four, we should be between 15% to 20%, anywhere maybe closer to 20% at a run rate of growth for aftermarket. And the real benefit you'll see is in FY '27. Sanjay, do you want to add that?
- Sanjay Bhagat:** Yes. So in aftermarket, actually, the industry is still growing by around 8% to 9%, but we've done some aggressive work in the first half of this year. And there are 4, 5 things which we've aggressively worked on expanding the channel, focus on the secondary product innovation team building and we have launched a lot of new products. So all these results are going to come in Q3 and Q4. Actually, in the month of October, we did a 20% growth over last year. So between 15% to 20% is something which we can certainly look at in H2 also.
- Moderator:** The next question is from the line of Mihir Vora from Equirus Securities.
- Mihir Vora:** So sir, basically, the new division, the technology division in Bangalore and the China division, which we are starting. So in terms of initial impression, what would be the impact of it on the margin because this would be a call center at the start? So how are we seeing that impacting like what would be the broader impact on margin?
- Anmol Jain:** So there will not be really any material impact on the margin. Right now, we are looking at only about 15 to 20 people at the Bengaluru facility and about close to 8 to 10 people in China. So that's an insignificant cost in terms of just the manpower. And as I mentioned earlier, there is no significant capex needed either. So I don't see any impact on margins with respect to setting up these 2 centers.
- Mihir Vora:** All right. And broadly, sir, second also is on basically the IAC and Greenfuel where we see a very good margin performance there. Historically, if you see whenever OEM faces pressure in terms of profitability, he comes and squeezes the ancillary companies. So how confident are we in terms of maintaining this sort of margin profile for this company?
- Anmol Jain:** We are reasonably confident that we should be able to maintain the margins for both the companies going forward.
- Mihir Vora:** So it is more because of the product or like because IAC historically has not reached these kind of margin levels, but what has changed now is something which I was trying to understand.
- Anmol Jain:** Well, I think in quarter 2, as I said, there was a spillover of certain price increases, which were pending of quarter 1. But if I look at it from an H1 perspective, the IAC's margins stand at, give or take, 17% to 18%, which is exactly in a similar ballpark vicinity, which it reported in H1 of '24-'25. So we have been able to maintain a 17% to 18% EBITDA margin on a year-on-year basis, and we expect this to continue going forward as well.
- Moderator:** Ladies and gentlemen, that was the last question. I would now like to hand the conference over to Mr. Anmol Jain, Managing Director of Lumax Auto Technologies Limited for closing comments.

Anmol Jain: Well, thank you, everyone, once again for joining the Q2 and H1 FY '26 earnings call. We truly value your continued interest and engagement with Lumax Auto Technologies. For any further information or clarifications, please feel free to reach out to us or our Investor Relations partners, Adfactors PR. Thank you very much again, and wish you all a wonderful day ahead.

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

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