Operator: Ladies and gentlemen, we welcome you all to the Q2 and H1 FY27 earnings conference call of Lumax Auto Technologies Ltd.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as of the date of this call. These statements do not guarantee future performance and may involve risks and uncertainties that are difficult to predict.

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

Now, I hand over the conference to Mr. Anmol Jain, Managing Director. Thank you, and over to you, sir.

Anmol Jain – Managing Director: Thank you. A very good afternoon, everyone, and thank you for joining us for Lumax Auto Technologies Ltd.'s Q2 and H1 FY27 earnings conference call. It is always a pleasure to welcome you all.

I am joined by our leadership team today, including Mr. Deepak Jain, Vice Chairman; Mr. Sanjay Mehta, Director and Group CFO; Mr. Vikas Marwah, CEO of the company; Mr. Sunil Koparkar, CEO of the Intelligent & Ambient Comfort division; Mr. {? Ankit Sakral ?}, the CFO of the company; Mr. Naval Khanna, Corporate Head, Taxation; and Ms. Urvi Khanna, Group Head of Investor Relations and Value Creation, along with our Investor Relations Advisor, SGA.

We have uploaded our earnings presentation and stock on stock exchanges and the company's website. I hope everybody had an opportunity to go through it.

Before discussing the company's performance, let me briefly touch upon the broader economic environment. The global economic environment remains challenging, with the ongoing conflict in the Middle East creating uncertainty across markets. The war has pushed up energy and commodity prices, disrupted shipping routes and supply chains, and increased transportation costs for businesses. These factors are also adding to inflationary pressures and weighing on global growth. According to the IMF October 2026 outlook, global GDP growth is projected at 3.1% for 2026, while global inflation is expected to rise to 4.7%. The outlook remains uncertain, with the duration of the conflict and its impact on energy supplies and global trade being key factors to watch out for.

India, too, is feeling the impact of this global environment, particularly through higher energy prices and inflationary pressures. However, the domestic economy continues to remain resilient, supported by robust consumption, government spending on infrastructure, and sustained investment activity. For businesses like ours, the focus will remain on managing costs, maintaining operational efficiency, and continuing to invest for long-term growth while navigating the evolving environment.

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Speaking of the automotive industry, the sector continued to witness very healthy growth in Q2 FY27, supported by improved affordability following GST 2.0, resilient rural and urban demand, healthy freight movement, infrastructure-led activity, and a gradual recovery in the replacement cycle. Input costs, including crude-linked polymer prices, electronic parts costs, freight, and rupee depreciation, however, remain key monitorables.

As per SIAM production data for Q2 FY27, all automotive segments recorded healthy year-on-year growth, although the lower base in the previous year also contributed to the strong numbers. Overall industry production grew by 19% on a year-on-year basis to 106 lakh units. Passenger vehicle production grew by 25% year-on-year to around 17.17 lakh units. Two-wheeler production also increased by 17% to 81 lakh units, supported by strong scooter demand. Three-wheeler production grew by 25% to around 4.5 lakh units, driven by electric three-wheelers and rising demand for last-mile mobility. Commercial vehicle production also increased by 34% to 3.5 lakh units, supported by infrastructure spending and healthy freight movement.

Looking ahead, we do expect growth to moderate somewhat in H2 FY27 as the industry moves past the lower base of H1 and the full benefit of GST rate cuts gets reflected in demand. The festive season will be an important monitorable, particularly in assessing whether the current demand momentum sustains. At the same time, the ability of manufacturers to manage rising input costs and pass them on to customers will remain important for profitability.

Speaking of the performance of the company, we have delivered another strong quarter with healthy growth in revenue and profitability. Q2 FY27 revenue stood at INR 1,556 crores, up by 35% year-on-year and 14% QoQ. EBITDA grew by 34% year-on-year to INR 228 crores, with margins of 14.7%, broadly stable on a year-on-year basis. Profit after tax for the quarter stood at INR 117 crores, registering strong growth of 50% year-on-year.

For H1 FY27, revenue stood at INR 2,919 crores, up 34% year-on-year. EBITDA grew by 42% to INR 434 crores, with margins of 14.9%, an expansion of 90 basis points, while PAT grew by 64% to INR 215 crores.

Coming to the order book, it has grown to INR 1,879 crores at the end of Q2, up from INR 1,600 crores at the end of Q1 FY27, providing healthy visibility for the business going forward. Of this order book, approximately 14% is expected to be executed in FY27 itself, 59% in FY28, and the remaining 27% in FY29. Advanced plastics continues to contribute the largest share at 44%, followed by mechatronics at 27%, alternate fuels at 20%, and structures and control systems at 8%. Around 85% of the order book is new business. By powertrain, EV and CNG together account for 29% of the order book, with CNG at 20% and pure EVs at about 9%, while new future technologies account for 22% of the total order book.

At Lumax Green Fuel Energy Solutions, we are pleased to report that the Nashik facility has commenced production in Q3 FY27, the ongoing quarter, supplying ferrous tubes and fittings and receptacles to Mahindra & Mahindra.

At its meeting on October 24, 2026, the board approved the setting up of a new mechatronics manufacturing facility at Manesar in Haryana with a capital outlay of around 150 crores, to be funded through a mix of debt and internal accruals. The facility will manufacture advanced electronic

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components such as the body control module for leading OEMs. It is expected to be commissioned in two phases, starting Q3 FY28, with a peak annual turnover of around 500 crores post-commissioning.

In closing, while we remain watchful of the geopolitical environment and energy price volatility, the overall demand environment and industry outlook continue to be favorable, giving us confidence for the near term. In the long term, our compass remains our 20-20-20-20 North Star, aiming for a 20% revenue CAGR from FY25 to FY31 and inching closer to a 20% EBITDA margin over the next 5 to 7 years. By FY31, we aspire to more than double our current revenue base to around 11,000 crores, fueled by a blend of organic excellence and strategic inorganic opportunities.

With this, I would now like to hand over the call to Mr. {? Ankit Sakral ?}, the CFO of the company.

{? Ankit Sakral ?} – CFO: Thank you, sir. Good afternoon, everyone, and thank you for joining us today.

The first half of FY27 has been defined by sustained operational and financial excellence. Q2 continues the robust trajectory established in Q1, successfully translating our strategic alignments into strong revenue gains and EBITDA expansion, further solidifying the strength of our diverse and well-balanced portfolio.

Let me now take you through the key operational and financial highlights for the quarter and six months.

Consolidated revenue stood at INR 1,556 crores for Q2 FY27, the first time crossing the INR 1,500 {? crore ?} crore mark in a single quarter, thereby registering growth of 35% year-on-year. With respect to six months, revenue was up by 34% to INR 2,919 crores, led by consistent scale-up across core product lines and premiumization-led value enhancement.

On the profitability front, EBITDA for Q2 FY27, including other income, stood at INR 228 crores, up by 34% year-on-year. This translated into a margin of 14.7%, broadly stable year-on-year. However, on a QoQ basis, there is a marginal decline in the margin, which is only due to rising input costs and their recovery from OEMs. This means that sales and costs have increased by similar amounts, leading to a slight dilution in margin.

For H1 FY27, EBITDA stood at INR 434 crores, up by 42% year-on-year, with margin expansion of 90 basis points from H1 FY26.

Profit before tax for six months stood at INR 286 crores, up by 60% year-on-year, with a margin of 9.8%.

Profit after tax before minority interest for six months stood at INR 215 crores, registering impressive year-on-year growth of 64%.

The effective tax rate continues to remain around 25%, which is also expected to hold at similar levels going forward.

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The share of minority interest for six months stood at 11% and is expected to be in a similar range going forward, considering the existing structure.

With respect to the division-wise breakup, beginning with advanced plastics, this segment recorded strong year-on-year growth of 45% in H1 FY27, with revenues increasing from INR 1,138 crores to INR 1,655 crores, led by strong growth in the IAC business, which commands approximately 60% share in this division. Our order book remains strong at INR 834 crores, providing solid future visibility.

Our mechatronics segment sustained its upward momentum, delivering year-on-year growth of 45% in H1 FY27, from INR 122 crores to INR 177 crores, with a healthy order book of INR 512 crores.

Coming to the structures and control systems vertical, it reported year-on-year growth of 24% in six months, increasing from INR 380 crores to INR 476 crores, with an order book of approximately 150 crores.

The aftermarket segment showed growth of 9% year-on-year, from INR 216 crores to INR 234 crores, mainly due to a dip in the non-lighting product category as a result of rising input costs. We will continue to monitor these input cost trends and focus on profitable growth for the remaining part of the year.

Our alternate fuel business showed growth of 30% year-on-year, from INR 170 crores to INR 220 crores, with an order book of INR 379 crores.

The capex on account of capitalization during the first quarter was INR 60 crores. The guidance for the year continues to remain around 300 crores, including the new greenfield expansion in the mechatronics, advanced plastics, and alternate fuel divisions, which is expected to begin SOP in H2 of the financial year. These investments are aimed at unlocking medium-term revenue growth and supporting localization efforts across key platforms.

As of September 2026, we continue to maintain a strong balance sheet and a healthy liquidity position. Free cash reserves stood at INR 400 crores, providing us with the financial flexibility to support ongoing investments and navigate market cycles confidently. Long-term debt stood at INR 442 crores, resulting in a conservative debt-to-equity ratio of 0.26, which is within our internal comfort threshold.

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

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may please press star and one on the touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets and also limit their questions to two per participant. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from the line of Amit Hiranandani from PhillipCapital. Please go ahead.

Amit Hiranandani – PhillipCapital: Hi. Congratulations to the team for one more outperformance in Q2. Sir, my first question is basically, after achieving 34% year-on-year growth in the first half, are

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we revising our guidance upwards for this fiscal?

{? Ankit Sakral ?} – CFO: Hi, Amit. This is Ankit here. At the beginning of the year, we basically provided the guidance that, in line with our North Star, if we combine our growth for two years, FY26 and FY27, we will be comfortably in line with the overall guidance of 20-odd percent. Considering the 35% and 36% growth achieved in FY26, if you do the mathematics, the growth for this year at the beginning of the year was somewhere between 12% and 14%.

However, in line with whatever the industry has performed during the first half of the financial year, and considering our H1 performance, we can expect full-year growth to be somewhere in the region of 20-odd percent compared with FY26.

Anmol Jain: Amit, this is Anmol here, just to add to that. In H1, you have seen 34% growth on a year-on-year basis. Getting into H2, as I mentioned, because of a higher base in FY26, we do expect growth for H2 to be perhaps somewhere between the 15-20% mark on a year-on-year basis. Hence, for the full year, we should be anywhere between 20% and 25% growth on a full-year basis in revenue. So, we are looking at perhaps close to 6,000-odd crores as the group number.

Amit Hiranandani – PhillipCapital: Yes. This is incrementally quite positive because organically, we had targeted around 15% growth, but now we are moving upwards to 20-25% growth. This has been very direct.

{? Ankit Sakral ?} – CFO: Yes.

Amit Hiranandani – PhillipCapital: Sir, secondly, are we witnessing any incremental immediate pressure on margins for Q3? Are we on track to achieve this FY28 absolute EBITDA target?

Anmol Jain: The margin pressures from supply-chain inflationary costs continue. However, the same was also witnessed in H1. We have been able to pass through most of these inflationary costs to our OEMs. However, there is a lag of about one quarter or so. As Ankit mentioned, because the whole revenue goes up due to these price escalations and inflationary costs, the denominator also increases, and hence the margins get diluted by a few basis points.

Having said that, I think we remain quite confident for the remaining part of FY27. We are also quite confident of delivering the absolute EBITDA guidance for FY28, which was always at about 1,000 crores of EBITDA. We remain quite confident of achieving that in FY28.

Amit Hiranandani – PhillipCapital: Fantastic, sir. I have more questions; I will come back in the queue. Thank you, and all the best.

Anmol Jain: Thank you.

Operator: Thank you. The next question is from the line of Radha from Motilal Oswal. Please go ahead.

Radha – Motilal Oswal: Hi, sir. Thank you for the opportunity, and congratulations on the stellar results. Sir, could you help us understand the content per vehicle that Lumax addresses today across each mechatronics JV, that is Alps Alpine, {? Ituran, Yokowo, and FAE ?}, and with multiple

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product launches planned, where do you see Lumax's content per vehicle reaching in the next 2 to 3 years?

Anmol Jain: Just to give you a sense, the total content per vehicle, which is the playbook for Lumax Auto Technologies, is anywhere around INR 70,000-75,000 per passenger vehicle and about INR 20,000-22,000 per two-wheeler. This is based on the basket of products Lumax Auto Technologies is currently in.

I would not be able to give you exact content per vehicle because there are multiple parts across different joint ventures and subsidiaries. However, almost close to 50% of this content per vehicle on the passenger vehicle side rests within the IAC vertical. Green fuel would be close to about INR 5,000-8,000 per vehicle. The remaining amount is divided between control systems, transmission, and mechatronics.

Mechatronics will have some of the highest content per vehicle, given the sheer range of products. As we move forward into high electronic components such as the body control module, this would only go up. So, we do believe that the INR 70,000-75,000 content per passenger vehicle would be driven fastest by the mechatronics vertical. Perhaps, in the next 2 to 3 years, the overall INR 70,000-75,000 per vehicle could also go up by about 10% or so.

Radha - Motilal Oswal: That is helpful, sir. But, sir, just for rough calculations, can we assume 15% of the INR 70,000-75,000 to come from mechatronics as of now?

{? Ankit Sakral ?} - CFO: Ms. Radha, I think closer to 20% contribution would come from mechatronics right now. As Mr. Anmol Jain said, this is still a very high-growth vertical, with new product categories in the connected vehicle space and the vehicle ECU interface management space. The new products are on the radar. It will continue to grow further. As of today, it stands at a 20% share.

Radha - Motilal Oswal: Yes, sir. That is helpful. Sir, secondly, in mechatronics, could you help us understand how we plan to progress from supplying individual components such as antennas and telematics to customers to a more Tier 0.5 solution with more value addition to the OEMs? How can this be viewed as a trigger to strengthen our competitive positioning and segmental margins?

{? Ankit Sakral ?} - CFO: The mechatronics vertical today is resting on 5 global partnerships with 5 major global players who are market leaders in their segments. You are right. One of them is Alps Alpine. Then we have Yokowo in connectivity systems, Ituran on the telematics side, Nidec on body control modules, and FAE in the oxygen sensor segment.

We continue to explore new partnerships. Most of these component categories are not connected to each other except through a vehicle interface or the ECU management system that comes from the OEM. Having said that, there is an opportunity basket along with the aggregation with IAC cockpit solutions, which would require vehicle-level endorsements, and the journey towards 0.5 would be eminently possible there.

However, let us remain cognizant of the fact that each of these individual categories, when marketed to the OEMs, currently gets us higher value addition. OEMs, when looking at the

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aggregated part, would naturally expect more cost benefits. There, the volume-scale cost game will then come into play, and the company will take the right decisions accordingly.

Radha – Motilal Oswal: Understood. That is helpful. I will come back in the queue. All the best.

{? Ankit Sakral ?} – CFO: Thank you.

Operator: Thank you. Participants, to ask a question, please press star and one. The next question is from the line of Raksha Srivastava from Nirmal Bang Financial Services. Please go ahead.

Raksha Srivastava – Nirmal Bang Financial Services: Hello. Congratulations on the great set of numbers, and thank you for the opportunity. Sir, I wanted to ask: in the previous conference call, management had mentioned that there is a 3-6 month lag in the cost pass-through for certain OEMs, and that the recovery would be made to protect the full-year EBITDA margin. Can we believe that the COGS, which is higher for Q2 FY27, is due to the delayed pass-through, or is the company still absorbing the impact of rising input costs?

{? Ankit Sakral ?} – CFO: Thank you, Ms. Raksha. The answer to your question is that, as I mentioned during my opening remarks, whatever raw material cost we have passed on to our vendors, most of it is being 100% backed up by the OEMs. The only thing is that there may be a maximum lag of a single quarter.

However, with respect to whatever price lag has been given to vendors in both quarters, most of the recovery has happened from the OEMs. For example, if we have given INR 100 as a raw material price increase, we have been able to recover that INR 100. But that delta has hit revenue with a similar increase in cost and zero addition to profitability.

That is why, as a percentage of revenue, you are seeing a couple of basis points increase in our raw material consumption for the single quarter, and perhaps a slight dilution in margin of 30-40 basis points in our EBITDA margin.

Anmol Jain: We remain confident that we should be able to pass through almost all of the inflationary costs to OEMs and recover them in the subsequent quarters as well.

Raksha Srivastava – Nirmal Bang Financial Services: Thank you for the answer. My second question would be: how is capacity utilization ramping up at the new Chakan plant supplying to M&M? Also, what cost savings or efficiencies have we achieved in Q2 FY27?

Anmol Jain: Maybe I will request Sunil. I am assuming you were specifically talking about the new IAC division facility in Chakan, but I believe [laughs] I will hand over to Sunil because I believe the facility is still under commissioning. Sunil, if you can just throw some light on that.

Sunil: Hi. Good afternoon.

Vikas Marwah: Just to discuss the point Mr. Anmol Jain mentioned, the Plant 4 facility is in its SOP phase, where the product launch will actually happen somewhere towards December or January. Talking about efficiencies, over the last 3 years, what we have been trying to do is align our production facilities more towards a center-of-competence concept to gain efficiencies.

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I think once Plant 4 launches, we will be able to give you some details in terms of the results of COC and how much efficiency we have gained through this. But at this point, it is before production, and we may not be able to say much about that.

Raksha Srivastava – Nirmal Bang Financial Services: Okay. Thank you, and I wish you all the best.

Operator: Thank you. Participants, to ask a question, please press star and one. The next question is from the line of Deep Shah from Nepean Capital. Please go ahead.

Deep Shah – Nepean Capital: Am I audible?

Anmol Jain: Yes, go ahead.

Operator: Yes, you are. Please go ahead.

Deep Shah – Nepean Capital: Sir, my question is on the North Star guidance that you have given, which is 20-20-20, or mostly 20% revenue growth from FY25 to FY31. However, that seems slightly backdated because, as you said, FY26 also had 34-35% revenue growth. If I look at it from FY27 to FY31, based on your historical guidance, it ends up at about 16-17% revenue growth. Would you say that is a fair understanding, or would you change it to a higher guidance?

Anmol Jain: Deep, again, I think when we gave that guidance, we said 2 or 3 things. Number one, we will continue to outperform industry growth. I do not think the industry is likely to continue growing at 12-15% over FY25 to FY31 because the base also keeps consistently going up.

However, having said that, at this point in time, we would like to continue to have an estimated 20% top-line CAGR growth until FY31. I also mentioned that we are likely to double our revenue base to probably around 11,000 crores in FY31. So again, at the right time, we might revise these CAGR numbers.

But we feel much more confident today about achieving this kind of 20% CAGR growth through organic growth itself. In the earlier calls, I would have said that probably a 15% CAGR was more achievable through the organic route, and inorganic further acquisitions would entail perhaps another 5-7% of the CAGR.

I think the only change I would like to mention is that we are much more confident that if the industry continues to grow with the same momentum, a 20% organic CAGR could be achievable. If we were to take positions inorganically, it would then cross the 20% CAGR and deliver higher top-line growth.

Deep Shah – Nepean Capital: Just one clarification: when you say 20% CAGR, you are assuming an FY25 base, right?

Anmol Jain: That is correct, the base is FY25.

Deep Shah – Nepean Capital: Okay, got it. Thank you so much. My second question is more qualitative on mechatronics. As you said, there is a new plant for body control modules and so on. I want to understand whether product development is done in-house or again with the 4 JVs that we have. Is that also included in the historical guidance of about 1,000 crore revenue for mechatronics

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by FY31? Is BCM part of that, or is it something new? I would also like more qualitative information on these new products on the mechatronics side. Thank you.

Anmol Jain: I will take this partially and then perhaps request Vikas to join in. Number one, BCM was always part of this 20% CAGR growth story. We probably announced BCM as a product category more recently, but the development and nominations happened much earlier.

Number two, there is a two-pronged approach to most of the mechatronic products. First, there are certain product lines where the technology lead is driven by the joint venture partner, and the IP is in the respective joint venture. However, at the same time, our internal innovation and technology center, which is {? SHINX ?}, is also working on many technologies, more in electronics and electronic components. These would then be productionized in one of the standalone entities or standalone facilities, and hence they will also be able to develop certain homegrown technologies.

Again, it will be a mixed bag. Whether the technology is homegrown at {? SHINX ?} or led by the joint venture partner, the growth from these products will flow into the mechatronics vertical. Hence, we keep saying repeatedly that although it is on a small base, we do expect mechatronics to be the fastest-growing vertical, perhaps inching towards INR 800-1,000 crores of revenue by FY31, within the overall 11,000 crores or so.

Vikas Marwah: I will just add to what Mr. Anmol Jain mentioned. In terms of the 3-4-year outlook, the total consolidated mechatronics vertical is expected to contribute 25%, which is our internal target, from the Lumax internal technology-driven initiative. About 75% would rest with the design and IP support coming from our joint venture partners. That is an internal target.

Lumax Auto Technologies' electronic division is focused accordingly on scaling this up across various product categories, probably going up to almost 10 product categories by 2030-31. We are currently in 6 product categories. We will add another 3 or 4.

Deep Shah - Nepean Capital: Thank you so much. Just one last question on mechatronics margins. How high are the margins compared with our current EBITDA margins of 14.5-15%?

Vikas Marwah: They are very much aligned. Mechatronics is still scaling up, and we are reaching critical mass. We are sitting on a 500-crore order book. They are inching closer to the overall profitability of Lumax Auto Technologies as we speak.

Deep Shah - Nepean Capital: Okay, thank you so much.

Operator: Thank you. Participants, you may press star and one to ask a question now. The next question is from the line of Apoorva Mehta from AM Investments. Please go ahead.

Apoorva Mehta - AM Investments: Congratulations, sirs, on a great set of numbers, great margins, and great cash flow. There is nothing to complain about. I just wanted to know what we are doing on the electronic side of the business as EV scales up. We are seeing a lot of two-wheeler and four-wheeler EVs coming up. Which product lines are we looking at for future growth?

Vikas Marwah: Good afternoon, Apoorva. This is Vikas Marwah, and thank you for your remarks.

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Coming back to EV, which is a familiar question, we have clarified over the previous quarters' earnings calls that while continuing to scale up on a North Star vision of 20-20-20, revisiting these growth numbers, and coming closer to 15% EBITDA and probably beyond, we have been very prudent in balancing our priorities towards what we see as future-critical and what is presently critical to us.

Accordingly, electronification and agnostic products have continued to remain on our radar. While there is definite scaling up on the two-wheeler side in terms of EV components, and a slight increase in the numbers is also occurring on the four-wheeler side, a lot of these continue to be commodity-based purchases where OEMs would like to maintain a stranglehold. Automotive components really do not have much to supply there, whether from battery-related solutions or otherwise.

We have now narrowed down our EV component strategy to a product basket of 3 to 5 products, where we are sourcing technology and also looking at certain inorganic measures. This continues to be an exploratory area, with the aim of entering active SOPs during the 2028-2030 period. Our hands are completely full with the electronification of vehicles through the products that we have right now, and I think that is the right strategy.

Apoorva Mehta – AM Investments: Understood. Can you throw some light on each of our JVs, such as GreenFuel, Mannoh, Alps Alpine, Cornaglia, FAE, and Ituran? Where do you see all these companies over the next 2 years?

Anmol Jain: I will just give you a broader sense. We have been going into each and every company, and of course each company has its own playbook over the next 5-6 years. Some of them are mature and already have high wallet share, such as Lumax Mannoh, where the growth would be very different from that of some of the mechatronics vertical companies, such as Lumax Alps or Lumax Ituran.

But, as I said, under the whole theme of BRIDGE, which is the broad roadmap for diverse growth engines, all of them are trying to unlock their maximum growth potential. GreenFuel and mechatronics, along with IAC, would be some of the key growth drivers. As I have already said, mechatronics growth would outperform the other divisions, although on a small base. Again, we are expecting perhaps close to 1,000 crores of revenue from mechatronics as a business vertical by 2030-31.

Similarly, GreenFuel also now has a very strong order book based on the localization of the ferrule, tube, and fittings, and we should be able to significantly ramp up that business vertical as well. So, I think there is a great opportunity for us to first and foremost accelerate growth in certain business verticals.

As I mentioned earlier, thereafter, with the new product basket that we are entering under the electronics and mechatronics business verticals, we should also be able to enhance our content per vehicle by about 10-15% from the current level of 70,000-odd per passenger vehicle.

Apoorva Mehta – AM Investments: Okay, great. On the margin front, as we scale up this business, will the margins also come in line with where we are currently? Can 15-16% margins be expected?

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Anmol Jain: Yes, absolutely. We are quite confident that the current margins we have clocked and delivered should be sustainable for the remaining part of the year and for the full year as well. The guidance remains unchanged. We should be able to continue at that margin.

Despite the volatility, I am quite confident that we should be able to maintain the margins. Going forward, I think the whole ambition and aspiration is to try to move the margins further by at least 100-200 basis points over the next few years and bring them closer to a trajectory of around 17-18%.

Apoorva Mehta - AM Investments: On the aftermarket side of the business, our aspiration has always been to grow 20%. In the first half, we are below that. What steps are being taken to ensure that aftermarket grows at more than 20%? Is it through adding new products, widening the market, or something else?

Anmol Jain: Aftermarket is a very different animal. It needs a very different treatment. You are right: for H1 of the current year, we have seen aftermarket grow by about 9% compared with last year. However, Q2 itself was a better quarter, where we grew by 11%.

Again, for the full year, we remain hopeful. There were 2 primary reasons. Number one, as I said, a lot of the inflationary costs were passed on, and that dampened demand, specifically in the non-lighting product segment where we are not the market leaders.

However, with the focus on secondary demand generation and also on penetrating newer product lines, over a 3-5-year horizon, I still remain quite optimistic about delivering 15-20% growth in the aftermarket.

Apoorva Mehta - AM Investments: Thank you very much, and I wish you all the best.

Anmol Jain: Thank you.

Operator: Thank you. Participants, to ask a question, please press star and one.

The next question is from the line of Shrenik Mehta from {? IndoArts ?}. Please go ahead.

As we lost the connection for Mr. Shrenik Mehta, we will move to the next question from Mr. Amit Hiranandani from PhillipCapital. Please go ahead.

Amit Hiranandani - PhillipCapital: Thank you for the opportunity. Sir, on the BCM products, competition is always intense here, so I just want to confirm whether we have confirmed orders in hand and in which subsidiary the product will be reported.

Vikas Marwah: Amit, this is Vikas Marwah. Thank you for your question.

BCM is a very new and prestigious entry for Lumax. We entered the SOP phase sometime in July this year. We are still scaling up.

You are right. We are up against global competition here, but the comfort is that the technology is again coming from a global leader. This is not a joint venture right now; it is standalone revenue for Lumax Auto Technologies, and we are extremely proud of it.

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In the scale-up phase, it is currently build-to-print. We are imbibing the technology, learning with it, and scaling it up. You are right that there is an order book supporting it. In terms of the one acquired program, we are already on a 250-crore order book. With that confidence, we are kicking off the new mechatronics plant that has been announced in the results. We continue to remain hopeful of probably doubling this revenue by 2031, but this is only the first 6 months of the launch.

Amit Hiranandani – PhillipCapital: Sir, can you clarify? You said there is a technology tie-up with a global leader. Which OEM have we tied up with?

Management: It is not an OEM; it is actually another large electronics component manufacturer. We would not be able to reveal the name yet. However, it is a large Japanese auto component maker. Again, it is more of a technology tie-up, not a joint venture. We will be localizing the manufacturing on their behalf, and the technology will be coming from the technology partner. Our facility will, over time, have a lot of integration of the technology component.

Amit Hiranandani – PhillipCapital: And this will be reported in the standalone entity, you said?

Management: That is correct. All the revenue and profitability from the body control module business will be under the standalone entity.

Vikas Marwah: With respect to the division-wise breakup, it will be under the mechatronics division. The mechatronics division will therefore include both the subsidiary and standalone revenue.

Amit Hiranandani – PhillipCapital: Sir, my second question is whether you can reconfirm the growth with LIL for Q1 and Q2.

Vikas Marwah: LIL?

Amit Hiranandani – PhillipCapital: Yes.

Vikas Marwah: Lumax Industries Limited. With respect to Lumax Industries Limited—

Management: I think growth in H1 was flat.

Vikas Marwah: Flat, yes.

Management: We have really not grown our revenues. Revenue was flat on a year-on-year basis for the first half.

Amit Hiranandani – PhillipCapital: Yes, this was basically my follow-up question. What exactly is happening here? Growth is flat.

Vikas Marwah: This is for the current 6 months. This is primarily the wiring business division that we are catering to Lumax Industries Limited. If we go back to the 6 months of last year, there was one additional product line that we were supplying to Lumax Industries. At the start of the financial year, Lumax Industries began procuring that product from itself. That is why, compared with the last financial year, growth is flat.

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If you look at it on an apples-to-apples basis, growth would be similar, at around 25-30%, which is in line with the growth of Lumax Industries.

Amit Hiranandani – PhillipCapital: Okay, sir. Noted. Thank you so much. All the best.

Vikas Marwah: Thank you.

Operator: Thank you. Participants, to ask a question, please press star and one.

The next question is from the line of Radha from Motilal Oswal. Please go ahead.

Radha – Motilal Oswal: Hi, sir. Thank you again. Sir, could you give us some colour on the adoption of ferruleless tubes across new customers besides Maruti, and also on penetration in some of the new customers such as Hyundai for the green fuel division?

Management: Radha, regarding ferruleless tubes and fittings, the industry at large was importing these ferruleless tubes from outside India. We were and are the first company to localize the manufacturing of ferruleless tubes and fittings.

At an industry level, if you look at the penetration of CNG, every vehicle has these ferruleless tubes and fittings. The number multiplies to 3, 4, or 6 per vehicle, depending on the layout.

However, we have already started, as I mentioned in my opening remarks, supplying ferruleless tubes and fittings to Mahindra & Mahindra along with receptacles as a complete CNG system. With Maruti Suzuki also, there have been some firm order wins to supply ferruleless tubes and fittings.

The scalability of this is sizeable as a growth driver under the CNG business vertical because it is a win-win for the OEM as well as for us. The OEM gets significant localized price advantages and localized supplies, whereas for us, this is a growth driver under the overall theme of localization.

I think we will currently have significant capacity utilization between Mahindra and Maruti Suzuki over the next 2 years, and then we will see whether we are able to expand this to others. We do remain engaged with other OEMs such as Hyundai as well, not just for ferruleless tubes and fittings but also for certain other CNG parts.

Radha – Motilal Oswal: Yes, sir. Thank you. Secondly, globally, Alps Alpine has a lot of products in smartphones, and the green fuel partner also has applications in industries such as air conditioning. Even though some of these products can be used across industries, do we plan to tap these opportunities in India or focus solely on automotive?

Management: As of now, our singular focus is to capitalize on the opportunities that exist in the automotive space. Again, we would like to be laser-sharp focused on automotive and deliver the growth numbers that we are promising. I think there is a lot more opportunity to grow even higher within the automotive landscape, so that would be our focus area for now.

Radha – Motilal Oswal: Lastly, the partnerships that Lumax has across the 8 partnerships you mentioned: are these partnerships exclusive to Lumax in India? Secondly, do you see any risk from a deterioration in the financial condition of any partner globally affecting our company, or is it not expected to impact Lumax in the near term or medium term?

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Vikas Marwah: Ms. Radha, I think we are very proud of the fact that Lumax has always been extremely prudent in choosing its international partners.

In the flagship company, Lumax Industries, the partnership is actually several decades old. It will probably cross 50 years at some point with the global leader. After that, all the Lumax Auto Technologies joint venture partners who have come on board are mostly global market leaders in their spaces, with no financial distress and with long-term, enduring, and sustainable partnerships for India.

With mutual consent, one JV was dissolved in the last quarter. That was with JOPP of Germany, due to their technology portfolio at that point and the scalability ambitions of both partners not aligning. It was an amicable separation.

Having said that, all the partnerships we have are of very high standing.

Radha – Motilal Oswal: Understood, sir. Thank you, and all the best to the team.

Vikas Marwah: Thank you.

Operator: Thank you. Ladies and gentlemen, as that was the last question for today, I now hand the conference over to management for closing comments.

Management: Thank you once again for joining us for this Q2 and H1 FY27 earnings call and for your continued interest in Lumax Auto Technologies. We truly appreciate your time and engagement today.

Should you have any further questions or require any additional information, please feel free to reach out to the Lumax Group Investor Relations team or SGA, our Investor Relations advisors. We are committed to keeping the investor community regularly updated on our progress.

Thank you, and I also take this opportunity to wish you a very happy festive season. Thank you very much.

Operator: Thank you. Ladies and gentlemen, on behalf of Lumax Auto Technologies Ltd., that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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