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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: 517206	Symbol: LUMAXIND

Subject: Transcript of Analysts/Investor Earnings Conference Call - Q3 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 Friday, February 13, 2026 at 11:00 A.M. (IST) to discuss the Operational and Financial performance of the Company for the 3rd Quarter and Nine Months ended December 31, 2025.

The transcript shall also be made available on the website of the Company at <http://www.lumaxworld.in/lumaxindustries>

This is for your information and Records

Thanking you,

Yours faithfully,

For LUMAX INDUSTRIES LIMITED

RAAJESH KUMAR GUPTA
EXECUTIVE DIRECTOR & COMPANY SECRETARY
M.NO. A-8709

Encl: As stated Above



**“Lumax Industries Limited
Q3 & 9M FY 26 Earnings Conference Call”
February 13, 2026**

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 13th February 2026 will prevail



MANAGEMENT:

- Mr. Deepak Jain – Chairman and Managing Director
- Mr. Anmol Jain – Joint Managing Director
- Mr. Sanjay Mehta – Group Chief Financial Officer
- Mr. Ravi Teltia – Chief Financial Officer
- Mr. Naval Khanna – Corporate Head, Taxation
- Ms. Priyanka Sharma – Head Corporate Communications
- Ms. Surabhi Chandna – Group Head Investor Relations and Value Creation

Moderator:

Ladies and gentlemen, welcome to the Q3 and 9M FY 26 Earnings Conference Call of Lumax Industries Limited. 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 the date of this call. These statements do not guarantee the future performance of the Company, and it may 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Deepak Jain, Chairman and Managing Director of Lumax Industries Limited. Thank you, and over to you, sir.

Deepak Jain:

Thank you very much. Good morning, and thank you for joining us for the Lumax Industries Limited Q3 and 9M FY 26 Earnings Conference Call. I'm joined by our leadership team, including Mr. Anmol Jain, the Joint Managing Director; Mr. Sanjay Mehta, Group CFO; Mr. Ravi Teltia, the CFO of the Company; Mr. Naval Khanna, the Corporate Head of Taxation; Ms. Priyanka Sharma, Head of Corporate Communication. I would also like to introduce Ms. Surabhi Chandna, who is joined on this call as the Group Head of Investor Relations and Value Creation and along with our Investor Relations Advisor, SGA.

The results and investor presentations have already been submitted to the Stock Exchanges and are available on the Company's website, and we trust that you've had the opportunity to review them. I will begin by giving an overview of the economy, followed by the automotive industry performance and the Company updates.

India's economic momentum remains strong and supported by resilient domestic demand and steady structural reforms. The economy continues to grow at a pace that places India among the fastest-growing major economies globally. The recent union budget reinforces this momentum with a clear focus on growth, stability and long-term competitiveness.

At the same time, the sustained push on public capital expenditure, particularly across infrastructure, manufacturing and logistics is expected to strengthen supply chains, enhance private investment and generate employment. Together, these levers of consumption support and public capex are expected to drive economic growth.

In parallel, recent developments on the trade front, including the U.S. trade agreement and progress on the EU Free Trade Agreement (FTA) should be positive for the industry over the medium term by improving market access and competitiveness.

Now regarding the automotive sector, the momentum remains really strong with the industry continuing to fire on all cylinders. The union budget has reinforced this outlook through a higher allocation under the Production Linked Incentive (PLI) Auto scheme for FY 27. In addition, a INR40,000 crores outlay for the electronic

manufacturing program is set to enhance domestic capabilities in semiconductors, sensors and power electronics that are critical for modern and electric vehicles.

On the quarterly industry performance, despite Q3 being a seasonally weak period, the automotive industry has delivered its best ever third quarter. As per SIAM production data for October to December quarter, the Passenger Vehicle (PV) production stood at about 14 lakh units, up 19% year-on-year (y-o-y). 2-Wheelers (2W) were around 68.1 lakh units, up 15% y-o-y. 3-Wheelers (3W) are roughly at about 3.5 lakh units, up about 35% y-o-y and Commercial Vehicles (CV) are close to 2.9 lakh units, up 18% y-o-y.

This broad-based growth has been driven by three key factors: improved affordability following the GST rate reductions, benefits from personal income tax relief enhancing disposable income and successive repo rate cuts by the Reserve Bank of India (RBI), which have eased financing cost and supported demand across vehicle categories.

Overall, this robust performance in H2 has led to 2025 being the best year for the Indian automotive industry across segments. The year-end sales push, healthy pipeline of bookings and the full transmission of 2025 rate cuts into lending rates are expected to support demand, pointing to continued growth momentum into 2026-27.

Regarding Lumax Industries, we are proudly reporting our best quarterly performance in the history of our operations. Revenues for the quarter grew by 18.7% y-o-y to INR1,053 crores with improvement on profitability front with EBITDA margins of 10.6% for Q3 FY 26 compared to 8% in the same period last year.

The Indian automotive lighting industry today stands at the cusp of significant technological transformation. And as vehicles become smarter, safer and more design-led, lighting has evolved from a functional component to a key element of safety, differentiation and brand identity.

With the rapid shift of LED technology, advanced lighting systems, Daytime Running Lights (DRLs) and signature designs, the content per vehicle continues to rise. This structural premiumization presents a strong value opportunity and Lumax Industries is well positioned to benefit from the increasing technology intensity per vehicle.

Over the years, we have evolved alongside the industry and in many ways, led its advancements. Through our long-standing partnership with Stanley, a global leader in automotive lighting, we have introduced cutting-edge technologies to the Indian market, elevating design, engineering and quality standards. This has strengthened our product portfolio and enhanced our kit value across platforms.

On the order book front, current order book stands at INR1,759 crores. We have secured multiple new orders from leading OEMs across segments, further strengthening order book. In the passenger vehicle segment, we have won orders from Tata Motors for the newly launched Sierra, where we'll be supplying the front foglamps and auxiliary tail lamps.

We have also secured business for the Tata Punch facelift, supplying the front DRLs and the position lamps. Our team executed the Punch lighting project at exceptional speed, transforming the concept into a delivered product in the shortest possible timeline.

In the 3-wheeler segment, we have also received orders from Mahindra for the Last Mile Mobility e-rickshaws, where we'll be supplying headlamps, tail lamps and reflex reflectors. In the 2-wheeler segment, we have won a prestigious order from TVS for the flagship Apache RTX300 for the supply of headlamps.

On the capex front, our Bengaluru Plant expansion to support Maruti and Toyota's upcoming models is progressing as planned and is expected to be commissioned from Q4 FY 27. Additionally, Phase 2 of our Chakan facility remains on schedule to commence operations from Q4 FY 26 and will primarily cater to the requirements of Skoda and Volkswagen, further strengthening our presence with global OEM partners.

Overall, supported by strong industry tailwinds and backed by our proven capabilities, deep OEM partnerships and technology focus, we are well positioned to strengthen our leadership position. We remain confident of staying at the forefront of automotive lighting industry while driving sustainable growth and long-term value creation.

I now hand over the call to our CFO, Mr. Ravi Teltia for updates on operational and financial performance. Please go ahead, Ravi.

Ravi Teltia:

Thank you, sir. Good morning, everyone. I'll walk you through the key operational and financial highlights for the Q3 and 9M months ended 31st December 2025.

As our CMD mentioned earlier, we have delivered our best performance to date across all key parameters. Starting with Q3 FY 26, our total operating revenue stood at INR1,053 crores, reflecting a strong y-o-y growth of 18.7%. This was largely driven by robust growth in our manufacturing business, where revenues grew 35.8% y-o-y to INR1,014 crores. EBITDA, excluding exceptional items for the quarter came in at INR112 crores, a growth of 57.3% y-o-y.

Our EBITDA margins improved to 10.6%. The margin expansion was supported by operating leverage, improved performance across plants and content per vehicle. Profit After Tax (PAT), including share of associates stood at INR47 crores, up 39% y-o-y

with a PAT margin of 4.4%. I would like to highlight that this is after accounting for a onetime impact of INR15.9 crores related to the implementation of new labour codes.

Now looking at the performance for the 9M FY 26. Total operating revenue stood at INR2,984 crores, reflecting a healthy growth of 20.5% y-o-y. EBITDA was INR287 crores, up 41.2% with a margin at 9.6%, demonstrating consistent improvement in profitability. PAT for the 9M period stood at INR118 crores, a growth of 23% with a margin of 4%. Once again, this includes the one-time labour code impact of INR15.9 crores. Overall, the numbers reflect strong execution, improving operating efficiency and sustained momentum across our business.

Let me now move to our operational performance. With a continued rise in LED penetration across the automotive industry, our revenue mix clearly reflects this structural shift. LED lighting contributes over 61% of our revenue compared to 52% in the same quarter last year. We expect this share to increase further going ahead as nearly 81% of our current order book is LED-based, giving a strong alignment with future market demand and good revenue visibility.

For the 9M period, the Passenger Vehicle segment continues to anchor our portfolio, driven by higher complexity and increased content per vehicle. PV contributed 65% of revenues, while 2-wheeler accounted for 29% and the balance 6% came from other segments. The order book mirrors this mix with nearly two third coming from PV lighting and most of the remainder coming from 2-wheeler segment.

From a product standpoint, front lighting, given its higher technological intensity and safety relevance contributed around 69% of revenue. Rear lighting accounted for 22%, reflecting the growing importance of styling and design differentiation with the balance coming from other lighting products.

Coming to capital expenditure. As mentioned earlier, our overall capex plans are progressing well. Capex for the FY 26 will be INR350 crores to INR400 crores, up from the earlier guided number of INR220 crores to INR260 crores in our previous calls. However, this is largely due to advancement of capex driven by customer project timelines and related long lead time of machines and equipment, particularly for our Bengaluru new plant, wherein we are expediting execution.

Overall, the two-year outlook, FY 26 and FY 27 on capex remains broadly unchanged. We continue to repay our long-term loans with improved margins and extended credit, our net debt to EBITDA is expected to continue to reduce.

With this, we would like to open the floor for questions. Thank you.

Moderator: Thank you very much sir. The first question is from the line of Vijay Pandey from Nuvama.

Vijay Pandey: Hi, thank you for taking my questions and congratulations for an excellent quarter and excellent set of numbers. I have a couple of questions. First on the margin expansion. So, our EBITDA margin increased by 260 basis points, more than 250 basis point y-o-y. So just wanted to understand how much sustainable is this level of EBITDA margin?

And also, should we expect further increase from here because some of our peers have an EBITDA margin of around 12-13%. So, can we go to that level or is 10-11% is going to be the long-term perspective? So, if you can just help me understand both the short-term, mid-term outlook as well as our long-term outlook on the margin front?

Anmol Jain: Sure. So, this is Anmol Jain. I'll take that question. So, number one, I think you're absolutely right, Q3 has been a significantly higher margin, but part of that is aided by an exceptional tooling profitability as well. If you take out the tooling profitability, still we have inched forward in terms of EBITDA margins on a consecutive Q2 to Q3 basis. Tooling, as you know, is very, very cyclical. It depends on the new product launches.

But we are very confident that we will continue to progressively increase our EBITDA margins. We're safely, probably secured in the double-digit EBITDA margins now. We do expect for the full year also to perhaps have a similar EBITDA deliverable in terms of double-digit margin.

And coming to your question on 12-13%, I think, yes, going forward, that is our endeavour. But perhaps in the next two years or so, we should be able to get close to those margin levels as well. But we are pretty confident that we'll get there.

Vijay Pandey: Okay, sir. Thank you. Secondly, I wanted to understand how the industry output look in terms of lighting, because we understand that LED penetration has been increasing, especially in the 2-wheeler side. But if you can highlight a little bit about what is happening on the passenger vehicle side and what will be the growth drivers going forward in the mid-term to long run scenario?

Anmol Jain: So, on the industry side, again, I think there is, as you know, the production numbers across segments have seen a very encouraging upward trend in Q3. Coming specifically for the lighting, I think the passenger vehicle continues to be one of the key factor where almost 65% of the total lighting for us I mean, the market size is on passenger exterior lighting, again, because it has a very high significant contribution per vehicle. We remain focused on expanding our wallet share across key customers.

Our order book, which is at about INR1,760 crores is again a testimony of the same. We've had some significant wins. Maruti Suzuki is almost 1/3 of our order book. So

again, we are expanding our wallet share, both in front lighting as well as in rear lighting as long as the passenger vehicle is concerned. And we continue to again progress on the 2-wheeler aspect as well. We are enjoying the leadership wallet share in certain OEMs like Honda Motorcycle and Scooter India (HMSI) as well as Hero MotoCorp Limited (HMCL). And I think the endeavour is to grow certain key accounts where the Company has recently entered like TVS.

Vijay Pandey: Okay, very helpful sir. And lastly, if you can also help us, are you also planning to get into the ambient lighting in the passenger vehicle segment? And do you plan to get into the commercial vehicle space also because that is going to be an upcycle. So, are we planning to get there that in the commercial vehicle space?

Anmol Jain: So commercial vehicle is a small part of the pie today. It's about 6% of our total revenues. But again, we do see certain technological evolution, technological changes in the commercial vehicle space. And again, we are continuously engaged with certain OEMs. So we do expect the commercial vehicle piece of the pie to also expand, but it will definitely be always overshadowed by the growth we see in something like a passenger car and maybe the two-wheeler just because of sheer volumes than the value per vehicle. So that's on the CV part.

In terms of ambient lighting, while the Company does have one specific ambient lighting order, which is under development with one of the OEMs, but that's a category which largely is something which is not a core of this company, and we would perhaps cater to that from the other group company.

Vijay Pandey: Okay. And sir, what is the industry mix in the passenger vehicle between LED and conventional light industry mix and versus our mix? And how is this expected to grow?

Ravi Teltia: Currently, we see our LED share is 60-plus percent and industry is running somewhere around close to 50%. So of course, as we mention that LED is more a hygiene today, and it is becoming more and more and that's been reflected in our order book as well. So, we see that industry will also expand and our share of LED and electronics will also expand in coming days.

Vijay Pandey: And there some realization benefit in terms of LED and conventional or are both similar price?

Ravi Teltia: Yes. So basically, it differs model to model. But in general, because electronics has higher import content and content for vehicle in electronics-based lighting is somewhere range from 2x to 5-6x.

Moderator: The next question is from the line of Saurabh Jain from Sunidhi Securities. Please go ahead.

Saurabh Jain: Congratulations, sir, for the wonderful set of numbers. We have surpassed our initial guidance, which we had given at the beginning of the year by a wide margin. And so, sir, my first question connects to two things, capex and revenue. So, we are getting into the fructifying stage of Chakan Phase 2 where the capex has already been done, major capex, and this would be the quarter where commercial production would begin. And you had guided that in FY 27, the expected revenue can be around INR250 crores to INR300 crores.

Now in the last quarter also, we had revised our capex guidance from INR180 crores to INR220 crores to INR260 crores. And now we are again elevating that to INR350 crores to INR400 crores. Now our Bangalore facility where the major capex would be in FY 27, and we were expecting revenue of almost INR450 crores in FY 28. So how all these things are shaping up for FY 27 and FY 28 based on our current order book and the new capex, what kind of growth should one expect?

Ravi Teltia: Yes. Thank you. So basically, first on the Plant 3 Phase 2 part, you rightly mentioned that project is ready to go for Start Of Production (SOP). And as per our previous guidelines in this quarter, most likely, March or April, sometime the SOP of the models will start and ramp up will take up in FY 27 to INR250 crores to INR300 crores. As far as the Bangalore facility is there, it's a new facility, which is under development at this stage. And the expected business start would be somewhere around Q4 of FY 27.

On the capex, as I mentioned, for the two years, that is current FY 26 and FY 27, we are maintaining our overall guideline. Only thing is like preloading in the current financial year to speed up the execution as well as the customer time lines meeting requirements. But overall, the capex is same, as we mentioned earlier.

Saurabh Jain: So INR350 crores to INR400 crores for FY 26 and next year would be?

Ravi Teltia: Next year would be somewhere around INR100 crores to INR150 crores.

Saurabh Jain: Okay. So sir, that brings me to the top line growth for FY 27 and FY 28?

Ravi Teltia: And in terms of top line growth for next financial year, we are looking at somewhere around close to 20-plus percentage. And overall, for next 3 to 5 years, we are maintaining our guidelines of 15% to 20%.

Saurabh Jain: Okay. And sir, my next question is on EBITDA front. So last quarter, we had an impact of forex fluctuations of 70 to 80 basis points. And this quarter, you mentioned that there was some tooling profitability. So apart from tooling profitability, was there any impact of forex in this quarter?

Ravi Teltia: No. Actually, this quarter, as such, there is no impact of the forex gain or loss.

Saurabh Jain: Okay. And what would be the quantum of tooling profitability that was exceptional in this quarter approximately?

Anmol Jain: So, it should be about, give or take, INR10 crores, which would be over and above what we usually do. If I look at an average, we do about INR5 crores of profit on a quarter on a tooling. If you look at the last few quarters, this quarter has been exceptional because of certain key parts. So yes, I would say INR10 crores would be an extraordinary gain from tooling in the quarter.

Saurabh Jain: Got it, sir. That's helpful. My last question is on the localization front. Earlier, we had stated that we aim to increase localization to around 25% to 30%. I think we had already reached to that level, and we were aiming for 50% to 60%, mainly through Printed Circuit Board (PCB) assemblies and certain electronics. So, any update on that? And, also if you can just give the revenue numbers for SL Lumax for Q3 and 9M and how has been the growth during these 9 months? And what's the outlook for FY 27?

Anmol Jain: The localization is going well. I think overall, yes, we are upwards of 30% to 35% today. But again, it depends on the product category. For example, in something like connectors, we are at about 35% to 40% localization. But on a PCB, the bare board PCB, we've already achieved close to 70% localization. The Surface Mount Technology (SMT) is 100% localized. And again, some LED modules and projectors are still high on the imported front.

So, it's a mixed bag. There are a few components which have a higher localization opportunity in the near term. Some will take a longer term, and some will continue to be imported for now like the LED modules. But overall, I think we are progressing well coming from 10-15%, we've reached a 30-35% overall localization level. On SL Lumax, I'll let Ravi answer that.

Ravi Teltia: On SL Lumax in Q3, as we see that they have reported a growth. Their Pune facility is now operational with effect from October 2025. Therefore, they have reported somewhere around 15%+ of revenue growth. On a 9-month basis, because the Q1 and Q2 were a little lean, so they are close to flat, I would say, compared to last financial year 9M.

Saurabh Jain: 9 months revenue was how much, sir?

Ravi Teltia: Revenue for 9M in the current financial year compared to last financial year is almost flat.

Saurabh Jain: Sir, what was the number?

- Ravi Teltia:** Amount is overall number is INR2,160 crores.
- Saurabh Jain:** Okay. And how is the outlook for FY 27 for SL Lumax?
- Ravi Teltia:** Outlook for the current financial year, most likely they will close somewhere around INR2,700 crores to INR2,800 crores that's the outlook, but it all depends on how the market will shape up.
- Moderator:** The next question is from the line of Ronak Jain from Equirus Securities.
- Ronak Jain:** Congratulations on good set of numbers and thank you for giving me the opportunity. So, my question is on LED penetration. So, you mentioned that 60% of your revenues currently come from LED, but that is in terms of value. So I was looking on what is the LED penetration in terms of volumes in 2-wheelers and PVs for the industry currently?
- Anmol Jain:** So, it's a difficult thing to tell you exactly because I would assume that the penetration of LED by volume would be close to about perhaps 70-80%. Please understand by volume, I'm saying, by value, it drops because, again, when you look at the headlamp, which is a higher content per vehicle on a 2-wheeler, that only has a part of the function, which is an LED. The main lighting is still from a halogen bulb.
- So again, it's a partial LED lamp, not a full LED lamp. But when it comes to a tail lamp, we do see that there is a higher penetration of LED as a technology and the full lamp itself is based on LED, along with the blinkers as well, which are more and more getting into the LED space. So again, by volume, I would say it would be pretty higher than value. But again, there's a mixed bag between a headlamp and a tail lamp.
- Ronak Jain:** Yes. So just a follow-up on this. So, you said by volume, it would be higher, but in general, LEDs have higher content per vehicle, right? So, shouldn't it be that by volume, LEDs would be lower penetration compared to value?
- Anmol Jain:** No, are you talking about 2-wheelers specifically? Or are you talking about the whole industry in passenger cars as well?
- Ronak Jain:** 2-wheelers and passenger car separately, like you can tell us about both the things.
- Anmol Jain:** So again, from a volume perspective, I would say almost inorganic, there are a lot of smaller lamps, which are not on a LED. As I said, when you say it's a LED lamp for us, it's a partial LED. So again, the value content per vehicle is a mixed bag between how much LED value is going on to that lamp versus how much conventional technologies are still used on that lamp. We don't classify that as a 100% value accruing towards LED if there are certain other halogen or certain other technologies in play.

So again, from a volume perspective, yes, most of the lamps today have some part of function as an LED technology. And that's why when we report, we say that almost close to 80% of our order book is (81%) on LED lighting. But again, from a value-wise, it would tend to be lower because there is also a lot of lamps we make, which are non-LED, which are more conventional technologies today.

Ronak Jain: Okay. Got it, sir. Just one last question. So, can you specifically tell like what would be the penetration for headlamps like in LED in both 2-wheelers and PV, LED penetration in headlamps?

Ravi Teltia: Yes. So basically, if we see overall our business has roughly around 70% is coming from front lighting. So front lighting is not only the headlamp, it's a combination of all type of lighting. And from our PV segment, today, we are driving roughly around 55% to 60% from LED base. So by that logic, if we do, then that must be the LED contribution comes from the front lighting.

Moderator: The next question is from the line of Neeraj from Damac Capital.

Neeraj: Congrats to the management team. We are finally at double-digit margins, which we have been aiming for so many years. So really commendable effort. My question was around our revenue split. So, if you see for the 9M, Maruti is, let's say, 26% of our revenue and also it forms a significant part of our order book. Just wanted to understand out of this 26%, what percentage of revenue can be attributable to - which Maruti is in turn exporting? So, can you elaborate on that?

Anmol Jain: Well, we are on a few models. We do not specifically track out of the total revenue of Maruti, what percentage of Maruti's revenue is coming out of export models, but we are present on various platforms, which Maruti Suzuki does export out for the other countries. But again, for us, it is the same lamp, which goes on the export for the domestic side. So, it's very difficult for us to give you a very detailed breakup as to what kind of revenue comes out of the export vehicles.

Neeraj: Understood. And just coming back to the margin commentary, I did hear your views that like there were some one-offs as well on the tooling side. But will it be fair to assume that whatever margins, EBITDA margins we did in Q3, it is like the base and from this, we will build onwards because more and more capacities will come online. So, there will be some operating leverage as well. Will that be a correct way to look at it?

Anmol Jain: Yes, absolutely. I think if you take out the extraordinary gain on the tooling, you would see that our margins have expanded based on the previous quarters. And I think this definitely should be a solid foundation for us to progressively now further enhance and

expand the margins in the coming quarters. So, I think we are quite optimistic on expanding our margins, not just in Q4, but going into FY 27 as well on again, the back of operational efficiencies with the 15-20% growth as well as better capacity utilizations.

- Moderator:** The next question is from the line of Nipurn Khemka from CD Research.
- Nipurn Khemka:** So, my question is how much development of new products integral to our future growth?
- Anmol Jain:** Okay. So again, as I said, the order book is at about INR1,760 crores. 60% of this order book comes into production in the next financial year, FY 27. That is part of the reason why we have accelerated and preponed the capex towards the Bangalore facility. As Ravi mentioned earlier, I think we do expect next year to give a revenue forecast of a growth of 20% plus. And I would say that close to perhaps half of that should come from the new product and the rest would be organic growth of the industry.
- Nipurn Khemka:** And my second question was regarding that is fast paced launching of newer models by OEMs considered good or bad for us?
- Anmol Jain:** Faster launch of models by OEMs fares very well for the Company because pretty much in every facelift, there is a styling change on both the front and the rear lighting. So for us, it is an opportunity and for us, it's a kind of a new product development. So yes, we've seen shorter product cycles now by the OEMs. Earlier, it used to be 3-4 years, 5 years in some cases. Now it's definitely squeezed to 2-3 years. So it definitely is a positive opportunity for the Company.
- Moderator:** The next question is from the line of Ashutosh Tiwari from Equirus.
- Ashutosh Tiwari:** Congrats on good set of numbers. Firstly, on the Punch side, were you supplying earlier or it's a new order for us?
- Anmol Jain:** On the what side?
- Ashutosh Tiwari:** Tata Punch. Tata Punch is a new order for us or we're supplying earlier also?
- Ravi Teltia:** We were supplying to Tata Punch earlier also, and we have win the new orders also for the Punch. And it has a short execution time and we did it in very well.
- Anmol Jain:** Yes, Punch has been our existing model.
- Ashutosh Tiwari:** Okay. And generally that now we are seeing that you talked about new designs and also has the content increased versus where we were earlier in Punch in terms of lighting content per vehicle in Punch versus earlier model?

Anmol Jain: Yes. In general, we do see the content per vehicle is increasing. But again, that is primarily because of different technologies and new styling requirements. I think we are progressing very well on the acceptance of new technologies. But again, this is probably more true for certain OEMs.

So I'm not sure exactly what the Punch, the new Punch technology map is like. I would not be able to comment specifically on the Punch. But in general, yes, we do see OEMs like Tata Motors, OEMs like Mahindra & Mahindra. With the new tech and the new innovation, the content per vehicle on the lighting is definitely going up.

Ashutosh Tiwari: And see, in LED as well, I think over the last few years globally as well as in India, there's a transition that probably first shifted to basic light and now looking more advanced lighting and all. You have seen that change. With that, even, let's say, when you migrate to a new variant or new model, basically, are you seeing that they upgraded in terms of technology and that's why content will probably keep increasing? Is that thought process correct?

Anmol Jain: Absolutely. I think LED is just one piece of the puzzle. I think there are a lot of other technologies like, again, there are projector lamps. There are also Adaptive Driving Beams (ADB). All of those are very high technology. Again, it will not come to mass market. It will probably start at certain variants on the premium segment of passenger vehicles and then make its way into the mass market scalable models based on the price points also will change accordingly.

But yes, that is one of the reasons why the content per vehicle will continue to increase, not just based on LED penetration, which I think is fairly high already, but on the back of other technologies being introduced into the exterior lighting.

Ashutosh Tiwari: No. But on this point of LED penetration, like you mentioned that penetration is higher, but in that you include tail lamps and everything all put together, your blinkers, everything. But the high content is in the headlamp on the LED side and now maybe tail lamps also because you are nursing across the length of the vehicle in the PVs.

But in case of headlamps only, if I ask about what would the penetration of LED in 2-wheelers and passenger vehicle? I'm talking about only in the 2-wheelers and PV headlamps, the penetration like halogen is what percentage and what percent is LED roughly? I know that you won't have the exact figure, for industry.

Anmol Jain: So again, it's a very difficult question to answer, but I will try and give you some sense on this. On a 2-wheeler lamp, again, as I said, there is usually a DRL or a separate front combination lamp. That has a LED technology, and that is the only function which

goes on the LED. Let us say the main light source for the main headlamp in 2-wheelers is still on a halogen, which is the low beam and the high beam.

So that continues to be halogen technology. So in terms of value, we don't have a breakup as to what is the contribution of LED as a technology on the total headlamp value and what would be the halogen because for us, it's the same lamp and we look at the whole lamp as a unit.

When it comes to passenger vehicles, this actually drops even further because the main source of lighting could be a halogen or it could be a projector lamp which again has a very high value per vehicle. LED, again, could be just a turn indicator function or more and more now we have seen there is something called a front center lamp, which runs across the front foot of a vehicle between the two headlamps. That is usually again on LED just because of the sleekness and just because of the styling requirements.

So again, I do not have a clear answer in terms of what would be the LED content part of the head lamp on a 2-wheeler or a 4-wheeler. But if I were to give you a rough estimate, I would assume it would be -- probably a 40-60%, 40% of the value of the lamp would be probably LED or maybe 50% of it would be LED in passenger cars and maybe another 50% would come from non-LED technologies. And on a 2-wheeler, I would probably tend to say that it would be slightly higher at maybe a 60-40% or 65% or 70-30% ratio.

Ashutosh Tiwari:

And lastly, on just extension of this only, do you think that over the next three to four-year period, even this low high beam on 2-wheelers or even in passenger vehicle can shift towards LEDs?

Anmol Jain:

It definitely can, but I personally still feel that it's going to be pretty long haul as LED as a full LED headlamp to become mass market because, again, the cost and the economies just don't work out. As I mentioned earlier, most of the LED modules, not just for Lumax but across the industry are still imported. So they have not really been localized yet. But again, I would tend to say that instead of LED as a light source, more and more use of projector lamps and other technologies would come into play faster on the 2-wheeler.

Moderator:

The next question is from the line of Aditya Bhoir from LFC Securities.

Aditya Bhoir:

First of all, congratulation on good set of numbers. And management has been guiding that there will be a margin expansion. And currently, we are having a 70% volume penetration in LED lamps. So is there any other contributor to this, which will fuel margin growth? Yes, that was my question.

Anmol Jain: Yes, of course, I think margin growth is a combination of multiple factors. It is better asset realization, better capacity utilizations, optimized fixed cost based on a higher turnover growth as well as again, I say LED as a higher penetration will definitely aid a lot to the revenue side because of the contribution per vehicle, but it cannot be just seen as an automatic improvement in the margins. In some cases, the LED lamps may not be as profitable as some of the conventional lamps.

So again, there are various reasons why the margins have expanded. And I think we continue to, as I said, remain bullish and optimistic that we will continue to progressively increase the margin performance of the Company over the next quarters going into FY 27 as well.

Moderator: Ladies and gentlemen, due to time constraints, this will be the last question for today, which is from Ajit Sethi from Eiko Quantum Solutions.

Ajit Sethi: As we have said that we are expecting half of the growth in FY 27 should come from the new products. So should we expect that the EBITDA margin should be around 11% to 11.5% in FY 27 and in the subsequent FY 28 with our all capacity will come online. So can we expect to reach that 12% margin that you are saying that we will reach in two years?

Anmol Jain: So as I mentioned earlier, Ajit, I think the endeavour would be to attain a 12% EBITDA margin over the next two years or so. Having said that, yes, there are various factors which definitely on the back of which we are confident that the EBITDA margin in FY 27 should move forward and should become better than what we would deliver on FY 27.

But I think we are safely giving a guidance that the Company has now achieved a double-digit EBITDA margin with a solid foundation and I think we will continue to expand on that. So I don't know specifically if we will hit 11% or so in FY 27. But yes, we will continue to expand the EBITDA margin from here after.

Moderator: Thank you. As that was the last question for today, I would now like to hand the conference over to the management for closing comments. Thank you, and over to you sir.

Anmol Jain: Well, I would like to thank you all for joining us today. We hope we have addressed all your questions. We remain committed to keeping the investment community informed with regular updates on any developments in the Company. For any further information or queries, please feel free to reach out to us or SGA, our Investor Relations Advisor. Thank you.



Moderator:

Thank you, members of the management. On behalf of Lumax Industries Limited, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.